



The Internal Mechanism of Social Stratification Theory and Its Ideal Prospect -- from Classical Political Economists to Marx

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ABSTRACT. With the continuous development of globalization and capitalization, the theory of social stratification has an increasingly important impact on the changes in social forms and human development. Unlike traditional research on social stratification theory, this paper explores private property, labor value, and social relations from the perspective of classical political economy. Ultimately, it is found that social relations become the key variable of social stratification. In order to make the analysis of social stratification theory play a further role in promoting the development of human society, it is necessary to draw on Marx's political economy theory. His theory of labor value and the doctrine of surplus value enriched the connotation of social stratification theory and provided an ideal picture of social development.

Keywords: private property, surplus value, social relations, labor value

1 Introduction

The emergence of social stratification has its own historical logical line, which is not only the result of the interaction between forces of production and relations of production but also the path implied in the ownership of the means of production. Social stratification involves the role of private property and foreshadows the significance of the production process itself, behind which is also revealed the hidden relationship between labor and capital. By analyzing the premises and bases of social stratification from the perspective of classical political economy, this paper further examines the objective conditions of social stratification as labor and production, thus illustrating the important role played by social relations for social stratification, and finally seeking new possibilities for the ideal picture of social stratification.

2 The Premise and Basis of Social Stratification: Private property

As one of the important concepts of classical political economy, private property is closely related to the emergence of social stratification. Through the discussion of private property, the internal mechanism of social stratification can be clarified.

2.1 The Emergence of Private Property

The analysis of private property by classical political economists started from the perspective of productive labor. In the discussion of classical political economists, they regarded private property as the essence of labor and declared private property sacrosanct. In "The Wealth of Nations", Adam Smith argued that private property was maintained by the law of inheritance. Under the protection of the law of inheritance, the ownership of land was stabilized in the hands of the owner, and those who made the laws did so in their own interest. It is thus clear that the existence of private property is one of the roots of social stratification.

In addition, classical political economists have tried to further explain the effects of private ownership in terms of land rent. According to their theory, under private ownership, land rent as a natural monopoly was priced not based on the capital invested in the land by the landlord, but on the basis of the maximum amount that could be paid by the lessee beyond the purchase of the basic means of labor. It was under the influence of land rent that social stratification gradually solidified. This is partly because it is paid at a level that is similar to the profits of the surrounding area, and the lessee does not abandon the occupation for another one because the profits are too low. On the other hand, it is also due to the fact that the land rent is all that is removed from the base cost, and the lessee will not abandon the farm owner's job because he is too rich [1]. David Ricardo, on the other hand, argued that all land rents are cascading land rents and are always equal to the difference between the amount of product obtained using equal amounts of capital and labor.

2.2 The Relationship Between Capital and Labor Behind Private Ownership

The relationship between capital and labor is a key topic in the development of political economy. Adam Smith believed that capital is used to maintain productive labor and that the ratio of "that part of the annual product which comes from land or from productive labor which is intended to be returned to capital and that part of the annual product which is intended to be returned to rent or profit"[2] in a country determines the ratio of productive to unproductive labor in a country. And these views from the classical political economists only saw the natural properties of capital and failed to see the phenomenon of labor alienation hidden behind capital. Marx saw the capital-labor relationship as antagonistic and unified. The antagonism is reflected in the oppression and exploitation of labor by capital in production, consumption, exchange, and distribution. The unified relationship is reflected in the combination of

labor and capital in maintaining the productive forces of society [3]. The analysis of the relationship between labor and capital shows that the premise of social stratification determines its own direction of development, which is also closely related to the conditions of social production.

3 The Objective Conditions of Social Stratification: Labor and Production

From the inherent contradictions of capitalist relations of production, it can be seen that social stratification is not only an objective manifestation of the formation of private property, but also a judgment result of labor value generated in the production process.

3.1 Proposal of Labor Value Theory

The definition of labor value has always been one of the topics of discussion among political economists. The early classical political economist, William Petty, mentioned the terms "natural price" and "natural value" in his work "A Treatise of Taxes and Contribution", and consciously attributed the source of commodity value to labor. However, his limitation is that he did not make a clear distinction between the concepts of value, exchange value, use value, and price. Subsequently, Franklin of England proposed that value is not determined by a particular form of labor, but by any kind of labor. After this, Adam Smith systematically dealt with the labor theory of value by making a distinction between use value and exchange value. He considered labor to be the source of all value, but he confused expended labor with purchased labor, i.e., he believed that the value of a commodity was determined by the expended labor that produced it and the labor that could be purchased or was at its disposal. David Ricardo inherited Smith's distinction between exchange value and use value, but disagreed with Smith's definition of the relationship between the two; he considered use value as a prerequisite for exchange value. Moreover, he made a distinction between direct labor and indirect labor and included labor time in value by analyzing the amount of labor. From this, it can be seen that the labor theory of value of classical political economists has certain limitations. First, they could not distinguish between value and exchange value and regarded the capitalist mode of production as the eternal natural form of society. Second, they did not make a complete distinction between the concepts of the "labor theory of value" and "labor theory of ownership", which led to the controversy between the capital-profit theory and the labor theory of value [4].

3.2 Internal Logic of the Production Process

By basing on the labor theory of value, political economists have also made different explanations for the division of labor. The formation of the capitalist system demonstrates to a certain extent the development process of social stratification.

Firstly, from the perspective of production, William Petty, in discussing the root causes of the division of labor, mentioned that "the division of labor must cost less to produce than if it were just one man alone clumsily carrying out all the above operations.[5]" According to the theory of division of labor, the purpose of division of labor is not to increase social productivity, but to reduce production costs. However, the theory was largely influenced by mercantilism and did not go deeper into the field of production.

Second, from the perspective of distribution, wage and profit differentials can also lead to social stratification, which is determined by the distribution of wealth. And Adam Smith also discussed some aspects of causing wage and profit differences. Wealth is a major factor in determining social stratification. The first is the difference in income due to inequality in the nature of occupations. Both David Ricardo and Marx, in the context of the Malthus Trap, developed the "Iron Law of Wages", which states that "the natural price of labor is the price that must enable workers to live together, even if mankind does not increase or decrease for all eternity". From this point of view, wages can indeed be an important factor in maintaining the level of subsistence [6].

Third, from the perspective of exchange, the division of labor has an important impact on exchange relations. Adam Smith analyzed the roots of the division of labor, arguing that the division of labor is the inevitable result of the exchange of different goods and that it is not human talent that determines positions, but the difference in positions that affects the development of talent. Adam Smith's view emphasizes the importance of exchange for the division of labor. From this, it can be seen that both Petty and Smith only illustrate the division of labor through a certain link in the production relation, rather than grasping it holistically.

Fourth, from the perspective of consumption, the stratification of capitalists and workers is reflected in their different levels of consumption. According to Adam Smith, he believed that most of the consumption of the rich was the employment of household servants and guests and used as capital to invest in production, both of which would leave nothing in return, while laborers, workers, and mechanics would consume while producing the value of their annual consumption and providing profits. Their entire income might be used to buy food, clothing, and shelter. And the discussion of wealth itself has evolved with classical political economy. Before the beginning of classical political economy, mercantilism believed that wealth was expressed in money alone, while William Petty pointed out that the source of wealth was land and labor. Adam Smith, on the other hand, discussed "real wealth" and "general affluence". Real wealth refers to goods, that is, "the annual product of land and labor". A manifestation of "general affluence" is the high price of labor, as it proves that society can afford to pay good wages for labor, thus reflecting the increase in the wealth of society as a whole [7].

The above analysis shows that social stratification is further developed along with the process of development of the capitalist system. This stratification is also reflected in the process of production of commodities. In the production process of society, workers are always in a dominant position compared to capitalists in all aspects of production, consumption, exchange, and distribution. This led to a major social

stratification while intensifying the conflict between workers and capitalists. At the same time, the capitalists continue to realize the accumulation of wealth by extracting part of the surplus value, which makes the polarization of the rich and the poor in all sectors of society more and more obvious, thus creating a vicious circle of class contradictions in the whole society.

4 The Key Variable of Social Stratification: Social Relations

Social relations have an important influence on social stratification, and these influences include socio-technical development, nature, politics, production factors (assembly line), etc. The exploration of this issue needs to start with a discussion of the social division of labor. In this regard, Adam Smith focused on the important role of the division of labor in social productivity, the development of society, and the distribution of social wealth. The division of labor increases social productivity by increasing worker proficiency and reducing the time required to change jobs and enhancing the development of overall social wealth by keeping the labor force fully employed. Adam Smith's theory of the division of labor had a great influence on later theories of social stratification.

The analysis of the division of labor cannot be separated from the constraining effect of natural conditions, so Adam Smith took the theory of regional division of labor as the starting point of his theory of division of labor. For the regional division of labor, the most important thing is that the laborer has an absolute advantage for the possession of the region, which is the doctrine of absolute benefit proposed by Adam Smith. Of course, the theory is explored for international trade, therefore, in his view, the international trade division of labor is the highest form of a division of labor, because the difference in productivity due to natural resources and production conditions will make the countries' interests in exchange differ, and the one who possesses more will gain the absolute advantage in international trade. However, the limitation of this statement is that he ignores the extreme case of absolute advantage, thus becoming a paradox with the behavior of international trade itself. It was under the influence of this theory that David Ricardo carried on this idea by proposing a theory of comparative costs to show that what is really decisive in international trade is comparative interest rather than absolute interest. Based on this, both sides of the transaction can maximize their own advantages to combine production, and through the exchange form a mutually beneficial effect, thus promoting the further development of international trade. The theory emphasizes that the sustainable development of the division of labor has important practical significance and theoretical value.

Thus, it can be concluded as the different appropriation of social resources by social groups has an important impact on social stratification and that the appropriation of natural resources directly affects the use of economic resources. This has led to the study of the economy of natural resources. For example, William Petty's statement that "land is the father of wealth and labor is the mother of wealth" and Adam Smith's view that both natural and manufactured goods are part of commerce

form the basis of his discussion of the relationship between power and wealth. In his view, the immediate power that property brings is the power to purchase and thus to dominate the production of labor in the marketplace. The owner of the property may have access to power through the economic power he possesses, but economic power does not represent power.

Therefore, it is concluded that both natural and economic-political factors constitute different elements of social relations and, through their interaction, have an important impact on social stratification. And it is Marx's theory that can provide us with more realistic values for understanding the different variables of social relations.

5 The Ideal Picture of Social Stratification Theory

In response to the classical political economists' understanding of the roots, elements, and variables of social stratification, the theories had certain limitations. Based on this, Marx's political economy theory provides a clearer ideal picture of social stratification theory and subsequent social development.

5.1 New Interpretation of Labor

In terms of his understanding of the roots of social stratification, Marx had a new understanding of labor. Not only did Marx consider the classical political economists' division between productive and unproductive labor to be self-contradictory, but he also considered this way of interpreting land rent to be one-sided. In "Capital", Marx divides capitalist land rent into two types: differential and absolute rent. The difference in land rent caused by natural conditions such as geographical location and the land rent caused by different invested capital will form different judgment basis. Absolute land rent, on the other hand, is one of the reasons why agricultural wage workers are able to produce surplus value and is the basis for the formation of the exploitative relationship between capitalists and workers.

Thus, Marx shifted the focus of the problem to the interpretation of private property and private rights. From the perspective of these classical political economists, private property is the law of facts in national economy, and all their theoretical views proceed from the fact of private property. Marx, on the other hand, critiqued private property, arguing that its contradiction lies in the fact that its process leading to the production of wealth and the production of poverty are the same historical process. Thus, he stands in the perspective of the materialist historical view and shows that private property is the source of all social contradictions and conflicts. Social stratification is the very embodiment of the superstructure built on private property, the embodiment of the capitalist relations of production.

5.2 Discovery of the Doctrine of Surplus Value

Based on his analysis of labor, Marx established a system different from the labor theory of value of classical political economy. He believed that labor exhibits certain

social relations, thus dividing labor into abstract labor and concrete labor. Among them, abstract labor produces universal value, while among values, exchange value embodies the relationship between things. At the same time, Marx's theory of the alienation of labor illustrates that labor itself should be the self-realization of man, but in a capitalist society, the labor of workers becomes a means to maintain survival. Thus arises the phenomenon of alienation of man from his essence. The special manifestation of alienation is also reflected in the concept of "commodity fetishism". Since the main form of existence of things in capitalist society is commodities, the social relations between people are gradually hidden in the relations of exchange between things. What is missing in classical political economy is the analysis of commodities.

On this basis, Marx formed his own theoretical system through his criticism of classical political economy. His greatest contribution was the discovery of surplus value. Marx first divided the duality of commodities, thus distinguishing the value and the use value of commodities. Subsequently, Marx divided the duality of labor, distinguishing between concrete and abstract labor and their roles in the formation of commodity prices, which laid the foundation for the subsequent discussion of surplus value. Surplus value refers to "the part of the value created by employed workers and freely possessed by capitalists that exceed the value of labor force, It is the condensation of surplus labor of employed workers and embodies the exploitative and exploited relationship between capitalists and wage workers"[8]. The discovery of surplus value has an important role in social stratification because it becomes the true measure of social productivity and clarifies the magnitude of the true value created by laborers.

5.3 The Discovery of the Revolutionary Potential of the Working Class

Marx discovered the revolutionary potential of the working class on the basis of the social relations of classical political economists and tried to overthrow the solidified structure of social stratification. He believed that as new productive forces were acquired, people would change their mode of production, and as their mode of production, i.e., their way of earning a living would change all their social relations. At the same time, the development of science and technology changes social relations, and the working class 'mastery of their way of making a living constitutes a new potential. In the process of changing social relations, social forms will change accordingly. Social stratification has likewise changed under different social formations. This itself is also a sublimation of the contradiction between the working class and the bourgeoisie and a reflection of the inherent struggle of the working class. Marx's class theory shows that the criterion for dividing social classes is ownership of the means of production and that social stratification is a product of the development of productive forces to a certain stage, while the social division of labor is the basis of social stratification. It was in this perspective that Marx discovered the development dynamics of human society and the future trend of social development. This led to a great vision of how mankind could move from the kingdom of necessity to the kingdom of nature. In different social forms, social stratification has also

changed. This is also a sublimation of the contradiction between the working class and the bourgeoisie and a manifestation of the internal struggle of the working class. Marx's class theory shows that the division standard of social class is the ownership of means of production, social stratification is the product of the development of social productivity to a certain stage, and social division of labor is the basis of social stratification. It is in this perspective that Marx discovered the development momentum of human society and the future trend of social development. This puts forward the great idea of how human beings move from the realm of necessity to the realm of nature.

In Marx's class theory, classical political economy has inspired Marx's class theory from three aspects: labor theory of value, production process, and social relations respectively, and together with Marx's class theory, they constitute the overall process of analyzing social stratification and constructing an ideal picture of social stratification.

6 Conclusion

It can be seen that classical political economists have desirable points about the intrinsic mechanisms of social stratification, but its own limitations are also very obvious. To a certain extent, they regarded private ownership as one of the sources of social stratification and believed that it was private property that led to social stratification. It is the social relations triggered by private ownership that leads to the vicious circle of social stratification and intensify the phenomenon of the solidification of different classes. Although they also explore social relations to some extent, they are unable to go beyond the perspective of social stratification in which they themselves live. And on this point, Marx's view provides us with ideas. It was Marx's great discovery of the doctrine of surplus value that broke down the barriers to the solidification of social stratification and uncovered the revolutionary potential of workers, thus providing an ideal picture of the entire process of human history and the free and comprehensive development of man.

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