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## SOCIAL STRATIFICATION AND INFORMALIZATION IN GLOBAL PERSPECTIVE

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In the industrialized West, processes of differentiation and integration contain a long-term trend towards *decreasing* differences in power, status and wealth between the social classes, sexes and generations. Toward the end of the last century, this trend became dominant. Succeeding waves of democratization and the redistribution of economic surpluses according to welfare state principles, resulted in the depletion or disappearance of the groups at either end of the social ladder of Western countries, with a sharp increase of the jostling in the middle. Inequalities, together with the social and psychological distance between people, have diminished without losing importance.

These processes of democratization and social equalization have run in tandem with collective emotional changes and informalization: more and more people have pressured each other towards more differentiated and flexible patterns of self-regulation and mutually expected self-restraints, allowing for an increase of socially permitted behavioural and emotional alternatives. In informalization processes, more and more of the dominant modes of social conduct, symbolizing institutionalized power relationships, have come to be both ignored and attacked. Behavioural extremes, expressing large differences in power and respect, came to provoke moral indignation and were banned - a diminishing of contrasts, a trend towards convergence or homogenization -, while for the rest the codes of social conduct have become more lenient, more differentiated and varied - a trend towards divergence or heterogenization.

It seems hardly conceivable that such processes of informalization could have proceeded without a decrease in institutionalized power differences - that is, in social stratification. These are two aspects of the same overall trend: a lessening of power inequalities is conducive to greater informality (cf. Wouters 1986 and 1989).

At the same time, in a global perspective, the differences in wealth between these Western countries and the others, i.e. the 'Third World' and especially those countries involved in the 'debt crisis', seem to have *increased*. What happened to differences in power and rank is less unequivocal, but many believe that on the whole the global trend is diametrically opposed to what has happened in the West, particularly in the balance of power between the social classes. They speak of an increasing gap between rich and poor

countries.

This paradox provokes several questions. What are the factual processes from which this increasing gap between rich and poor states can be diagnosed? And to what extent will such a trend prevent a global process of social equalization and informalization from becoming dominant? Will the trend towards 'diminishing contrasts and increasing varieties' between *classes* (Elias 1982: 251), continue on a global scale between states? What are the chances that the structured changes in the West will spread to the global level? These questions demand a comparison of the development of the relationships between the classes in the West and that between rich and poor states on the planet.

In this comparison, the Industrial Revolution seems crucial to understanding many of the differences in development. This so-called Revolution accelerated long-term processes that, in the history of mankind, had been developing in the same direction. Johan Goudsblom lists these processes, and mentions a possible exception:

After the period of industrialization processes of increasing population, increasing concentration, increasing specialization and increasing organization accelerated considerably. With respect to social stratification the picture is less unequivocal. (Goudsblom 1988: 20)<sup>1</sup>

As the trend in the long-term global process of social stratification is at the heart of this paper, this last remark demands explanation. However, Goudsblom does not elaborate upon it. Instead, he refers to *Human Societies* by Gerhard and Jean Lenski (1987), who are more explicit. They contrast the continuation of the trend toward increasing social inequalities across the globe with a decrease in these inequalities in the industrialized West:

Prior to the Industrial Revolution, every major technological advance led to an increase in the degree of social inequality within societies... During the early stages of the Industrial Revolution, it seemed that the historic pattern would be repeated once again and that industrial societies would prove to be the least egalitarian of all.

More recently, however, as a number of societies have reached a more advanced stage of industrialization, this 9,000-year trend toward greater inequality has begun to falter, even to show signs of a reversal... a less unequal distribution of power, privilege and prestige within advanced industrial societies than has been characteristic of many technologically less advanced societies. (Lenski and Lenski 1987:

313)<sup>2</sup>

Somewhat later in the book, this 'reversal' of the trend in the industrialized West is contrasted with its continuation on the global level:

But while the new technology has helped to reduce the level of inequality within industrial societies, it has the opposite effect on the world system. *The gap between rich and poor nations has been widening ever since the start of the industrial era.* In the 120 years between 1860 and 1980, the wealthiest quarter of the nations increased their share of the world's income from 58 to 74 percent, while the share of the bottom quarter fell from 12,5 to 2,3 percent. (1987: 333)

Although they contrast the global trend with its reversal within the industrialized parts of the world, the Lenskis do not elaborate upon this paradox. Will the global trend in social stratification stay in line with the other long-term trends of increasing population, concentration, specialization and organization? Or will the Western counter-trend of declining degrees of social inequality expand to a global level? The Lenskis do mention the possibility that the counter-trend in the industrialized West - also called the trend towards rising levels of freedom, justice and happiness - might gain global dominance, but they do not take it very seriously. They deal with it in only one sentence:

It would be gratifying to be able to predict that the increasing industrialization of the world system during the next quarter century would have a similar impact on the world as a whole. As our examination of population trends, the environment, war and other matters has made clear, however, the prospects are dim... (1987: 426)

Well yes, prospects are dim. But maybe not so dim. However impressive the figures produced by the Lenskis might be, their observation shows that the conclusion of a widening gap between rich and poor states in the world is based on the criterion of income only. This seems to be too narrow a basis for such a broad conclusion. Other criteria have to be taken into account. For instance, the fact that between the 1940s and the 1980s colonialism came to an end implies that, as far as the balance of power and prestige is concerned, the gap between rich and poor nations has also diminished. The rich ones are now somewhat less likely simply to settle conflicts between themselves and the poor ones by violent means, i.e. by dispatching armies or gun-boats. They have been compelled to

show more respect to the people of new states than they had to show in the days of colonialism. Political emancipation and the presence of nuclear weapons, creating a situation that has been summed up as Mutually Assured Destruction (MAD), have exerted pressure towards higher levels of Mutually Expected Self-Restraints (MES) (cf. Godfried van Benthem van den Bergh 1990). The increasing restraints on military intervention create favourable conditions for commercial and financial enterprises. Their growth on a transnational level runs parallel with a spread and tightening of global interdependencies, and in itself this expanding network also drives up 'the price of violence'. The need to settle conflicts without using violence has made money (and conditions for making money) into the most important issue at negotiating tables. In addition, in the Third World, the institutions and organizations for social planning and administering the new states have been expanding, and this means that more individuals have been compelled to regulate their conduct in an increasingly differentiated, more even and more stable manner: both social restraints and self-restraints have expanded and intensified in a continuation of the long-term trend of state-formation. This again means that, as far as standards of behaviour and demands on emotion management are concerned, the gap between rich and poor countries has diminished. It shows that the development of the relations between the states of the world is apparently a far more complex matter than the Lenskis make it appear. The global trend of a widening gap is not unequivocal nor advancing on a broad front.

Moreover, dim prospects do not eliminate the need for a serious comparison of the driving forces of the Western counter-trend with those operative on today's global level. On the contrary, further elaboration of this comparison may further a better understanding of this counter-trend and its chances of spreading to the global level, and may also help to find more appropriate guidelines for attempts to enhance future prospects. The Lenskis, however, proceed by attempting to explain both trend and counter-trend as if they were isolated and independent of each other. The counter-trend is explained as follows: whereas before the Industrial Revolution 'the only thing that limited the power of the governing elite was the knowledge that if conditions became too oppressive the masses might revolt,' afterwards,

with national incomes increasing rapidly, the dominant classes found it was no longer in their interest to fight all of the claims of non-elite groups to a larger share of the economic surplus... Elites apparently concluded that it

was better to settle for a smaller share of a much larger pie than to fight to preserve their historic share and, in the process, risk an end to economic growth and the loss of their privileged position in society. (Ibid. 331-333)

From this 'voluntaristic' explanation of the egalitarian trend in the West, it seems as if the dominant classes had remained independent of the non-elite groups, and as if they were able to fight the claims of these rising classes with more success than they did. Most probably they were not. Such an explanation does not take into account what Norbert Elias has called the *monopoly mechanism* (Elias 1982: 106). This concept refers to the global trends of increasing concentration, specialization and organization, urged on by mutual competition as the driving force of the blind process of growing interdependencies between classes and states. In this process, established groups became increasingly dependent upon their subordinates - a process in which mutual competition and the vulnerability of the whole fabric of society has increased. Particularly after the Industrial Revolution this process has accelerated. Next to revolts, increasing interdependency and vulnerability induced many other forms of competition and resistance - like organized strikes - and offered the opportunity of negotiations, by which former outsider groups in the end succeeded to achieve representation for themselves in the centres of power. This occurred both in the French Revolution - the decrease in 'political' inequality brought about by this Revolution is ignored by the Lenski's - and in the Industrial Revolution.

This way of looking at the trend towards a less unequal distribution of power, privilege and prestige within advanced industrial societies makes necessary a little excursion on the dynamics of this monopoly mechanism. This is one of the ways in which Elias formulates it:

First, the phase of free competition or elimination contests, with a tendency for resources to be accumulated in fewer and fewer and finally in one pair of hands, the phase of monopoly formation; secondly, the phase in which control over the centralized and monopolized resources tends to pass from the hands of an individual to those of ever greater numbers, and finally to become a function of the interdependent human web as a whole, the phase in which a relatively 'private' monopoly becomes a 'public' one. (Elias 1982: 115)

In the first phase, in interdependency networks where people are involved in competitive struggles for the accumulation of scarce means, 'he who does not gain "more"

automatically becomes "less".'(1982: 98) In the second phase,

whether it is a question of land, soldiers or money in any form, the more that is accumulated by an individual, the less easily can it be supervised by this individual, and the more surely he becomes by his very monopoly dependent on increasing numbers of others, the more he becomes dependent on his dependents [until] the privately owned monopoly in the hands of a single individual or family comes under the control of broader social strata, and transforms itself as the central organ of a state into a public monopoly. ... The tendency of monopolies, e.g. the monopoly of force or taxation, to turn from 'private' into 'public' or 'state' monopolies, is nothing other than a function of social interdependence. ... For in the long run the subordination of the quest for the optimal functioning of the overall network of interdependencies to the optimization of sectional interests invariably defeats its own end. (1982: 108-9,111,115)

Elias's main examples of the monopoly mechanism are the monopolization of physical violence and taxation in state-formation processes in the West, but he clearly formulates this mechanism in very general terms.<sup>3</sup> Occasionally, he refers to the continuation of the competitive struggle for land outside the West, to colonizing processes. He also makes little excursions to the competitive struggle between economic enterprises. Both these references seem relevant for understanding why this monopoly mechanism is claimed to have general validity and of importance for 'the whole civilizing process [that] undoubtedly takes place in constant conjunction with the struggles of different social strata and other groupings.' (Elias 1982: 283) But first the concept 'monopoly mechanism' has to be discussed because it may create some misunderstanding. Although processes of differentiation and integration have continued, both decolonizing processes and the abolition of the DDR can be misunderstood as examples of demonopolization, thus 'falsifying' the monopoly mechanism. These examples clearly bring out the tenor of this concept: decisive is the increasing density and the growing range of the network of interdependencies through the intertwining of human activities. Therefore, *competition and intertwining mechanism* seems to be a more adequate conceptualization.

Let me now quote some of Elias's remarks on colonialism (one has to bear in mind that this was written in the thirties):

From Western society - as a kind of upper class - Western 'civilized' patterns of

conduct are today spreading over wide areas outside the West... models of conduct earlier spread within the West itself from this or that upper stratum, from certain courtly or commercial centres... In the areas into which the West has expanded, the social functions with which the individual must comply are increasingly changing in such a way as to induce the same constant foresight and affect-control as in the West itself (Elias 1982: 253-4).

The colonization of land outside the West implied that the people living there were drawn into the Western network of political and economical interdependencies. In the longer run, the competitive drive inherent in this interdependency network tends towards diminishing power differences between colonists and colonized as well as towards diminishing contrasts in their standards of behaviour and feeling - a process similar to what had happened in the West:

...the Western people, under the pressure of their own competitive struggle... make large parts of the world dependent on them and at the same time, in keeping with a regularity of functional differentiation that has been observed over and over again, become themselves dependent on them... Largely without deliberate intent, they work in a direction which sooner or later leads to a reduction in the differences both of social power and of conduct between colonists and colonized. Even in our day the contrasts are becoming perceptively less... processes of commingling are beginning to take place in specific areas outside the West similar to those sketched earlier on the example of courtly and bourgeois conduct in different countries within the West itself. (Elias 1982: 255)

This description has been confirmed, at least partly, by later developments: the 'reduction' referred to here has led to the end of colonialism.

In Elias's excursions on the competitive struggle between economic enterprises, it is emphasized that, given the state monopoly of physical violence, this struggle is waged solely by economic means. Both struggles - the one for land in and outside the West as well as the one for money - are outlined as interrelated in *one* social development; for instance:

A reminder of the competitive struggles and the monopolization taking place directly under our own eyes is not without value for an understanding of the

monopoly mechanisms in earlier stages of society. In addition, consideration of the old in conjunction with the new helps us to see this social development as a whole. The latter part of the movement presupposes the earlier, and the centre of both is the accumulation of the most important means of production of the time, or at least control over it, in fewer and fewer hands - earlier the accumulation of land, later that of money. (1982: 105-6)

Today, the fact that this accumulation of land on a global level stopped when colonialism ended, and the fact that the competitive struggle for the accumulation of money has continued and intensified, are common knowledge. It is well-known, for instance, that most European countries are on the eve of an important regrouping of industries with the creation of a single market in 1992, and that the number of transnational enterprises in what experts call: 'today's increasingly interdependent world economy' (United Nations 1988: 16) has been constantly rising.<sup>4</sup> As a matter of fact, since 1885, four waves of concentration have been discerned, in 1885-1903, in 1918-1930, in 1960-1973, and from 1981 to the present; the economist H.W. de Jong concludes from them:

In other words, depressions, periods of war, and inflatory times are not conducive to merger activity: after all, important investment decisions require sufficient faith in the future. Thus, strong and stable economic prospects are the carrot and intensified world competition is the stick which drives the merger waves. (De Jong 1989: 610)<sup>5</sup>

One may dispute the extent to which these 'monopolies' have changed from 'private' into 'public' ones, but the 'public' spread of wealth they have brought via the reallocating principles of welfare states is relatively undisputed. In this way, in elimination contests and competitive struggles for "the most important means of production of the time" and for the keys to distribution, the degree of both physical safety and material security of the population of western industrialized states has risen considerably. On this basis the competitive struggle in the field of knowledge and lifestyle has intensified, and 'cultural capital' has gained importance as the 'means of production of the time' (cf. Bourdieu 1984).

Competition in this field functions as a motor in the spurt towards further psychologization and sociologization, towards the spreading of 'civilization', of culture, consciousness, and knowledge - including technical knowledge as well as social and self-knowledge. Since this knowledge can only be monopolized to a very small extent and only temporarily, it

spreads quickly. This spreading has contributed to a further decline in the differences of power between governments and governed, rulers and ruled. The booming language and image of *popular* culture, of popular images of equality, liberty, and 'the good life' has found political expression: governments have become more dependent upon the people they govern, upon their popular culture, their collective emotional movements.

At this moment in Eastern Europe too, culture, consciousness and knowledge seem to have appeared at the surface as a relative autonomous driving force towards declining power differences between rulers and ruled - between the USSR and the East European states as well as between the governments of these states and the people they govern. This recent development, a spurt in a global integration process, signifies a homogenization<sup>6</sup>, a diminishing of contrasts between the two super-powers. In this case too, functional democratization within the political and economic networks of interdependency has proceeded to the point where the desire for political democratization has been able to find political expression. These networks have apparently reached that critical density which has exerted pressure toward and permitted the present wave of liberalization and democratization. According to a United Nations report on East European developments, published in 1988, one year before 'the great transformation':

During the 1970s, the number of equity ventures of enterprises from socialist countries has grown into an important form of economic and industrial co-operation. By the mid-1980s, state enterprises in socialist countries had established some 590 branches, subsidiaries and affiliates abroad... By the end of 1987, their total number... had reached nearly 850... In most cases, foreign trade and various industrial co-operation arrangements paved the way to joint ventures...

Developments in the 1980s necessitated a fresh look at joint ventures as a form of economic co-operation... The existing joint ventures become increasingly flexible and open to changes... The implementation of economic reforms, aimed at further improvement of the systems of socialist planning and management, will result in the increasing autonomy of socialist enterprises. This may change dramatically the legal and economic environment in many centrally planned economies. (United Nations 1988: 39,310-1)

The recent developments in Eastern Europe can be viewed as the demonstration of a convergent pattern of development, as the political expression of what Clark Kerr and his

associates had already formulated in the 1960s as 'the "logic" of industrialism' (Kerr 1960).

In one of its formulations:

The overall pattern of development which is suggested is one in which, once countries enter into the advanced stages of industrialization, they tend to become increasingly comparable in their major institutional arrangements and in their social systems generally. (Goldthorpe 1966: 648-9)

John Goldthorpe proceeds to attack this 'Kerr thesis', and contended that no convergence of any importance had occurred in the stratification system of industrial societies. Dunning and Hopper reacted in defence of the 'Kerr thesis' and concluded:

Historical data would suggest that capitalist societies have developed towards greater political control of their economies and away from a laissez-faire, 'free-market' type of system, and that socialist societies have, however slowly and however slightly, shown a tendency to move away from absolute centralisation and control of all planning resources towards the re-introduction of certain market mechanisms of a limited kind. Perhaps even more important, however, are the ways in which capitalist and socialist societies have become more similar both in their high degree of centralisation and bureaucratisation of the economy and of the polity and in the patterns of conflict which have emerged between bureaucratic interest groups within and among organisations. (...) Industrialisation produces constraints in socialist societies towards some decentralisation in their economic and political systems. Industrialisation, it seems, tends towards an 'optimum' level of centralisation which is neither too high nor too low. (Dunning and Hopper 1966: 181,184)

In the Third World, processes of industrialization are lagging far behind and symptoms of this trend towards convergence are still scarce. In their relatively new states, the network of interdependencies is still far less dense than in the West and their monopolies still remain more 'private'. When outsider groups in the West, workers and women especially, gained *political representation* this was not only a spurt in the second phase of the monopolization of force and taxation, in which these state-monopolies became more 'public'. It also signified a certain phase in the accumulation and concentration of money, as well as a certain degree of intertwining between the centres of violence control and money making. The same goes for the period in which the former colonies

gained *political independence*, only to a far lesser degree. Both accumulation and concentration trends are clearly interrelated in one process and it is this connectedness that Elias has generalized by stating that the tendency of monopolies to turn from 'private' into 'public' or 'state' monopolies is nothing other than a function of social interdependence. The importance of the density of interdependency networks as a necessary condition for the state monopolies to become more 'public' can also be inferred from the time when political representation of all inhabitants through the ballot box was made possible. In the West, this has happened only recently. In the USSR and China, where interdependencies were less tightly knit, it was not the working classes who gained political representation in their Revolutions, but their self-elected ideological vanguard, organized in a communist party. For people at the bottom of the social ladder to gain political representation in the state monopolies, the firm establishment of the state monopolies of violence and taxation is not the only necessary condition; a critical advanced phase in the concentration and intertwining of 'economic' power resources is also required. In both respects, Third World countries are lagging behind. Nevertheless, they are in the process of becoming more and more integrated into the competitive struggles within the human interdependency network as a whole. No state is any longer able to exclude itself from these global processes of differentiation and integration, from the expanding network of political, economical and cultural interdependencies. All have become an integral part of one global process.

Yet, while entangled in the same global process, the differences between the West and the former colonies are still dominant. Today, the interdependence network of rich and poor countries does not even seem to have reached the density of that between the workers and the establishment in the second part of the nineteenth century. In comparison, the poor countries still have fewer and weaker means of exerting pressure upon the rich ones. In many cases, a revolt or strike in a poor country does not even harm the rich countries enough to make headlines in the Western media, if it is reported at all. In addition the recent political independence of Third World governments, in combination with an increasing economic interdependence between them and the highly industrialized countries, quite often induced greater tensions between the populations of the poor countries and their governments. When the latter took over the political responsibilities and privileges of the colonial rulers, their dependence upon a world market dominated by rich countries forced them to follow the example of their colonial predecessors, or of the elites in

socialist countries. Either way, the unity and cooperation that had served to end colonialism crumbled, the use of power resources like violence and bribes in the struggle between rival classes and tribes or ethnic groups intensified, and with it the suppression of the governed by the governing.

In many respects, this process is reminiscent of what happened after the Industrial Revolution and after the French Revolution, when the bourgeoisie gained 'political independence' from the aristocracy. Both these revolutions initially had an aftermath of increasing inequalities, human misery and terror. The comparison may also be illuminating because the French Revolution is generally thought of as a breakthrough in diminishing power, wealth and prestige differences within Europe. It was in this revolution that the reign of kings came to an end, and that the centres of power, prestige and wealth substantially expanded: more groups came to be represented. In Russia and China, more than a century later, the reign of tsars and emperors ended in a similar process, and brought new and initially somewhat larger groups into the centres of power, wealth and prestige. In these Revolutions and shortly afterwards, differences between the groups at the extreme ends of the social ladder may have temporarily increased, but due to precisely the expansions of networks of interdependency, the people at the bottom of the social ladder were gradually included in these networks until they could no longer be excluded from representation in the power-centres.<sup>7</sup> In China, the 'emperors' of the communist party may still succeed in retarding the development in this direction, but in the USSR and other East-European countries, this process is obviously becoming more and more dominant. The fact that this goes hand in hand with mounting tensions and confusion may be interpreted as typical for the 'early phase' of this 'Silky Revolution'.

In the French Revolution, the bourgeoisie gained access to already firmly established state monopolies, thereby making them more 'public', while in these early days of post-colonialism, the newly (re)gained state-monopolies of most former colonies are still much more unstable and 'private'. Without a more secure establishment of the monopolies of physical violence and taxation, their position in the world-wide competitive struggle for the accumulation of 'economic' advantages - money - is likely to remain unstable and hampered. The case of Japan demonstrates how crucial this is. Japan<sup>8</sup> has rapidly and definitely crossed the borderline between poor and rich World, and to a lesser extent the same goes for countries like Korea, Singapore and Thailand. The people of states like these are

gradually succeeding in having their voices heard in the political and economical centres of the world, and their example may be followed by others. As we live in the early stages of the 'Anti-Colonial Revolution', the global trend towards a widening gap in wealth may also be reversed when the early stages of post-colonialism are over. On a global level, in a competitive struggle between and among the monopolies of states and industries, a similar process like the one in the West may proceed until eventually the Third, Fourth and Fifth World will be enclosed in a global network of interdependencies in which these dividing lines have lost much of their meaning. The present trends toward democratization (as in Eastern Europe) and 'continentalization' (as in the whole of Europe), although still quite unstable, as well as the trend toward further economical and political integration in the world, can be taken to point in this direction.

Of course, if these early stages are compared more elaborately to the early stages of the Industrial Revolution, 'when industrial societies seemed to become the least egalitarian of all,' many more differences and similarities will be found. Some seem important enough to be mentioned here.

1. In the first place, the gap between the rich and the poor states has risen in large part because of the very great economic growth experienced in the rich countries between the 1960s and 1980s, while in the poor countries all increases in national income have been greatly lagging behind the increasing life expectancies: their populations grew enormously.<sup>9</sup> This is an important reason for slow economic development in these countries, one that is also emphasized by the Lenskis:

With runaway population growth, most of the economic gains they have achieved have been cancelled out by the necessity of providing more food, more schools, more jobs, and more of everything for their burgeoning populations. (1987: 397)

For this reason, the early stages of political independence will not easily lead to more advanced stages without an incentive among the population to curb birthrates, in combination with the provision of resources to do so. In the West, birthrates first declined among the upper and middle classes, and only later in the working classes. The analogy seems clear enough. This incentive to curb birthrates is most likely connected to the impulse and imposition to constant foresight and other characteristics of civilizing processes (Cf. Schubert 1990), but the question why and how this decline 'trickled down'

goes far beyond the scope of this paper. One can only add that the process of decline in working class birthrates took more time than the Lenskis had in mind when they called prospects dim (that is, more than twenty five years).

2. Development projects and loans to Third World countries may be compared with the 'civilizing offensives' directed at the working classes in the West in the nineteenth and twentieth centuries. Although most experts seem to agree that both development projects and 'civilizing offensives' were rather unsuccessful, the characteristic Western process of a commingling of patterns of conduct deriving from initially very different social levels has continued anyway, leading to a 'reduction in the contrasts within society as within individuals':

The course taken by all these expansions is only slightly determined by the plans or desires of those whose patterns of conduct were taken over. The classes supplying the models are even today not simply the free creators or originators of the expansion. (Elias 1982: 253).

The gap between rich and poor countries may even have been growing due to poorly planned and implemented development projects and large amounts of capital vanishing into the pockets of corrupt officials. In so far as these practices have contributed to a 'debt crisis', this crisis may precisely help to curb these practices. The dependence of many poor countries upon loans from the West has increased to such an extent that many of them now have little choice but to comply with the instructions and conditions rich countries, the International Monetary Fund and the World Bank impose on them. Although these institutions and the rich countries theoretically could declare the bankruptcy of the 'debtor countries', this is no solution because 'political independence' as well as the fact that the bankrupt's assets mainly consists of people prevent the liquidation of a bankrupt country.

In Lima 1986, the 'debtor countries' from all over the world made a first attempt to develop a common policy. As suppliers of raw materials and cheap labour, Third World states might develop a stronger source of power within themselves. However, as is also shown in the examples of the organized oil-producing countries and in the failure of UNCTAD conferences, the difficulties of surmounting competition and reaching united cooperation have not yet been coped with. These difficulties may be compared to those of the working classes in 1914 when the 'workers of the world unite' idea collided with the

barrier of conflicting national identities and interests.

Under the pressure of stricter loan conditions, many a Third World government, at present deeply involved in internal power struggles for small-scale group interests, may eventually be forced to abandon them in favour of more general, national interests. Via institutions like the World Bank and the IMF, but also via transnational corporations operating in these countries, the pressure to initiate these policies will probably rise. Policy makers will have to compromise between imposing more strict sanctions and wanting to have their cake and eat it: political and economical decline of Third World countries does not serve the interest of even the most 'hard-hearted capitalist'. Even the decrease of birth rates in the Third World may become linked with further financial assistance, because without such a decrease the chances for interest or back payments on loans are dim, as are the prospects for sales on Third World markets. Therefore, it seems likely that the pressure on Third World governments, not only for more specialized production of raw materials but also for further industrialization will increase, regardless of the political and economic ideology of the governments involved. If the governments, media and populations of the industrialized West develop a more global perspective - and this seems to be happening - their increasing critical attention for the policy of institutions like the World Bank and the International Monetary Fund could help guide the early stages of political independence.

The 'debt crisis' clearly shows how inescapably interdependent rich and poor countries have become, and how this interdependence pressures the rich countries and their institutions to deal with some of the 'dilemmas of collective action'. For reasons mentioned above, such a 'collective action' also serves the interest of the rich countries, even in a very strict 'capitalistic' sense. The most important dilemma consists of surmounting suspicion and rivalry amongst the rich states, since every arrangement that is not made unanimously will be most advantageous to those who did not cooperate. A history of these dilemmas in the West, has been described and interpreted by Abram de Swaan, who concludes:

Even though the dynamics of interdependency between rich and poor and the dilemmas of collective action among the established repeat themselves on a world scale, there is no historical necessity for the collectivising process to proceed at a global level. (De Swaan 1988: 257)

Yet, even though the absence of an 'historical necessity' has to be acknowledged, the process seems to develop exactly in that direction. The more serious the 'debt crisis', the

more strict the instructions and conditions for loans and economic cooperation have become. In this way, regardless of their ideology, the governments of indebted countries are increasingly forced to manage their internal affairs according to 'the laws of the land of money' and to the fact that global economic processes proceed rather blindly - that is to say, controlling the world market is beyond the power of any single state or group of states, whether socialist or not. The 'debt crisis' might of course be solved by writing off the debts, but then the danger of repetition seems likely because these countries need loans and companies and institutions operating in or with them are dependent upon loan demanding governments. Therefore, the danger of repetition is best countered by a collective policy stimulating economic development. The need for such a policy is likely to grow, together with the dangers of an 'environmental crisis' and of mass migration to the rich parts of the world.

For millions of people, the pursuit of greater wealth and greater social equality has been associated with some form of socialism, but in the last decade this identification has greatly weakened. Almost everywhere, privatization is the practice of the day, and hopes for easy solutions based on ideology are fading, especially now that the main command economy – the USSR – has become somewhat liberated and most socialist regimes have been reputedly unsuccessful as 'equalizers' or branded as 'oppressive'. Furthermore, from 'early-stage' experiences, the people of socialist and non-socialist countries alike are learning that many of the difficulties of industrializing processes are utterly unrelated to ideology.

From experiencing the consequences of malpractices, often stemming from old ideological hopes for easy paths to greater prosperity and equality, one might learn to reduce them, as might development programmes with stricter and more specific conditions. Together, experience and constraints may lead to a more realistic and adequate government policy and economic management<sup>10</sup>, a necessary condition for overcoming problems of the early stages of political independence.

3. The pressures in this direction do not only come from outside these countries. Next to the increase of social functions that induce a similar social and self-regulation to that found in the West, for most inhabitants of Third World countries the attraction of the products of an industrial economy and of connected Western life styles is enormously compelling. For many decades now, the traditional models of behaviour and feeling are

being permeated by Western models, although traditional ones in many cases still prevent industrializing projects from becoming successful. Yet, on the whole, the direction of change is towards more 'modern' models of behaviour, conduct and organization. Industrial means of communication like radio and television supply these models, and tourists are generally welcomed and approached with great curiosity for their ways of embodying them. This sometimes means that one is adopting Western definitions of 'a good life', in order to pass for 'a man of the world' (or 'a woman of the world'). For example, somewhere on Madagascar, we gave a few packets of Marlboro out of gratitude for someone's hospitality. The receiver then told us that he had not smoked for 18 years, but now he would smoke again. By smoking a brand of the 'high society' of the world at large, as he perceived it, he symbolically took part in it.

From personal experience, George Orwell reported an attitude that sheds light on this eagerness to share the symbols of the functionally upper classes:

I did not question the prevailing standards, because so far I could see there were no others. How could the rich, the strong, the elegant, the fashionable, the powerful, be in the wrong? It was their world, and the rules they made for it must be the right ones. (Orwell 1970: 411-2)

These are examples of an 'identification with the established', a mechanism with a similar 'emotional logic' as Anna Freud's 'identification with the aggressor' (cf. Wouters 1986:10,16). They function in a similar process as has been referred to above: a commingling of patterns of conduct deriving from initially very different social levels. This characteristic Western process of a 'reduction in the contrasts within societies as within individuals' is now operative on a world scale. According to the position and social strength of the various groups, 'civilized' standards 'are spreading downwards and occasionally even upwards from below, and fusing to form new unique entities, new varieties of civilized conduct.' (Elias 1982: 255)<sup>11</sup>

For a superficial observer, the adoption of Western codes of behaviour may easily give the impression of a formalization process: Western formal suits, bras, formal meetings, closing times and the like. But, compared with the traditional codes of behaviour in poor countries this change in conduct is in many cases an informalization process: the old codes expressed much stronger and impermeable dividing lines between classes, generations and sexes. If they acted according to them, many younger people in industria-

lizing countries would now experience themselves as ridiculous and as a laughing stock. They would feel locked in a rigid stratification system.

In Madagascar, for example, the old traditional way of passing someone demands a relatively elaborate, subservient behaviour: when passing one makes oneself smaller by sinking through the knees and by bowing the upper part of the body, one arm is stretched forward in a fixed position on the height of one's knees or even lower, its hand stretched open so that the palm is facing the person whom one is passing. Walking like this one says 'azaha fady' - a very formal equivalent of 'excuse me', since 'fady' also means 'tabu'. The open hand seems to express: 'look, no weapons.' If a representative of the West asks questions about these traditional customs, the answers are often given a bit reluctantly and with some show of embarrassment. Behavioural codes like these kept people in their places - that is, in their places of inherited superiority or inferiority - and left little room for personal efforts and individual or social achievements. Industrialization and greater individual, social and national wealth and equality cannot be attained without such efforts and achievements. Nor are they attainable without reaching higher levels of knowledge. Most of the books that contain this knowledge are written in one of the European languages. Therefore, efforts in this direction require learning one of these languages as well as looking at Western examples.

Also because of this, the behavioural codes of rich populations are dominant: they function as a model for the poor ones, just like the codes of the rich classes functioned as a model for the poor classes in the nineteenth century. Comparing the degree, the reasons why and the ways in which both codes have functioned as a model would shed more light on the significance of this model functioning in both cases.

Although there always have been movements of resistance against incorporating Western life-styles and/or items of it within the life-styles of the Third World, this incorporation process may nevertheless continue for some time. However, when these intertwining and intermingling processes come to a phase in which many begin to experience themselves as located somewhere at the bottom of a *Western* ladder of social stratification, counter-movements in which old, *indigenous* traditions are emphasized and practiced in new ways, may expand and become dominant. Fundamentalism in countries like Iran, and the invention and revival of tradition in places like Hawaii (cf. Friedman 1990), may be interpreted in this way.

At negotiating tables as elsewhere, the more differentiated and flexible pattern of self-regulation of Western people, accustomed to informalized codes of behaviour, functions as a power resource, as an instrument of dominance. In this sense, the present informalized pattern of self-regulation has advantages over the earlier, more formal codes of relating of, for example, the proverbial Victorian colonial administrator, the 'bringer of civilization' stereotype. On the other hand, there is this "curiously ambivalent attitude" of the functionally upper classes towards the rising classes, representatives of Third World states: "'Civilization" can be a very two-edged weapon.' It 'can give one group a significant advantage over another,' but it 'can also, in certain situations, have a debilitating and adverse effect.' (Elias 1982: 254, 283)

Provided a nuclear war is prevented, processes of differentiation, integration and functional democratization may be expected to develop in the same direction. In their tracks, the processes of decreasing inequalities and of informalization may proceed to the global level. In any case, external and internal pressures in these directions may be expected to mount, together with inherent tensions and conflicts. A closer study of the structure of these changes may lead to more adequate guidelines for diminishing the gap between the rich and the poor in this world, for overcoming the problems of the early stages of both political independence and of industrialization. Today, planning in this direction is more within the realm of possibilities than ever. There are many dangers and difficulties, not only in the realm of human relationships but also in terms of pollution and exhaustion of natural resources. Nevertheless, the struggle for better control over them is a realistic ideal. How successful it will be depends to some extent on the realistic quality of our global perspective, on our understanding of the dangers as well as the chances of controlling them.

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## NOTES

1. See also Goudsblom (1989) for a revised version in English of this essay.
2. As evidence the Lenskis produce a figure showing the relation between income inequality to the level of economic development in the societies of the modern world.
3. Geoffrey Barraclough misunderstood this generalization as a 'crudely mechanistic view' (Barraclough 1982). From Goudsblom's reply to this critique, the following lines are relevant here: 'A clear example of the compulsive nature of social processes, which is curiously denied by

Professor Barraclough, is the present trend towards increasing global interdependencies. ... No one who is not bewildered by short-term fluctuations can fail to recognize this trend leading to ever more extensive social formations, controlled by ever more encompassing centres monopolizing the means of organized violence. That these growing monopolies are not immediately stable goes without saying.' (Goudsblom 1983)

4. As Peter Hansen, executive director of UN Centre on Transnational Corporations (TNCs) said: 'TNCs continue to expand and move into new areas. This expansion is both a reflection of, and a stimulant to, world-wide economic growth.' (United Nations 1988: preface)

In the 1980s, 'the growth of TNCs has taken place despite an economic environment marked by a deceleration in world economic growth, increasing instability in key international variables, such as exchange rates and interest rates, and growing protectionist sentiment. While such developments might have been thought to exert a negative influence on the transnationalization of the world economy, the opposite appears to have been the case.'(Ibid: 1)

'It is estimated, for example, that the largest 600 industrial companies account for between one-fifth and one-fourth of value added in the production of goods in the world's market economies.'(Ibid: 16)

5. What De Jong refers to as 'faith in the future' is here conceptualized as Mutually Expected Self-Restraints, the theoretical expression of what in everyday language is called 'confidence in each other'.

6. Concepts like homogenization and heterogenization, as used in the special issue on Global Culture of this journal (7/2-3), refer to the same processes that Elias has called 'diminishing contrasts and increasing varieties or nuances'.

7. An emphasis on the Industrial Revolution easily leads to a focus on technological advances and a neglect of social advances like the monopolization of the use of violence by national states and the pacification of large territories, both necessary conditions for a bourgeoisie to rise and for industrialization processes to succeed.

8. 'Within the global network, there has been a significant change in composition as Japanese banks have risen to pre-eminence.' (United Nations 1988: 113) A further change in the balance of power within the global network in favour of Japan seems likely.

9. This corresponds to Eric Jones's distinction between extensive and intensive growth; see Goudsblom, Jones and Mennell, 1989.

10. A new 'co-operative spirit' in developing countries is reported: 'The recent shift in the policies of the People's Republic of China towards TNCs is perhaps the most dramatic instance of the momentous changes in attitudes that are taking place throughout the developing world. Many other countries have adopted new approaches towards TNCs which, although less publicized, are no less profound. At the same time, developing countries have gained substantial expertise in negotiating with TNCs... An important component in the next generation of development policies is that this mutuality of interest continues to grow.'(United Nations 1988: 10-11)

11. What is sometimes called 'indigenization' emphasizes the fact that products and standards that originate from the West get local meanings in the Third World. This has also happened in the West: the bourgeoisie and the working classes, for instance, have also 'indigenized' standards of the nobility and of each other. Emphasis on indigenization sometimes functions to distract from

the process as a whole - the commingling of standards, the diminishing of contrasts - in which individuals and groups pressure each other towards Western models, towards increasingly differentiated, more even, more stable and more 'automatic' self-regulation. The rise of Japan as an economic superpower seems to diversify but strengthen this trend.