

Analysis of the Causes of Economic Inequality from the Perspective of Social Stratification

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Abstract: Economic inequality is a major challenge faced by contemporary society, and its formation and deepening are closely related to the social stratification structure. Starting from the theory of social stratification, this article systematically analyzes the multi-dimensional causes of economic inequality, revealing how elements such as economic resource distribution, social status differences, political power structure, and cultural capital accumulation interact with each other to jointly shape the pattern of economic inequality. Research has found that economic inequality is not only a product of the economic system but also the result of the complex interweaving of social stratification. Its governance requires comprehensive measures from multiple perspectives.

Keywords: Social Stratification; Economic Inequality; Multi-Dimensional Causes; Governance Path

1. Introduction

Economic inequality is one of the core topics in the study of social stratification. From Marx's class theory to Weber's "Trinity" stratification model, social stratification theory has always regarded the distribution of economic resources as the fundamental dimension for analyzing social structure [1]. In contemporary society, economic inequality is not only manifested as the widening of income gaps, but also as the solidification of multi-dimensional differences such as wealth accumulation, educational opportunities, professional status and social prestige [2]. This solidification not only intensifies social conflicts but also poses challenges to sustainable economic development and social stability. From a theoretical perspective, the study of economic inequality has always been closely intertwined with the theory of social stratification. In "Das Kapital", Marx [3] first proposed the class analysis framework, taking the possession of the means

of production as the core criterion for dividing social classes, and revealing the fundamental driving force of the relationship between capital accumulation and exploitation on economic inequality under the capitalist system. Subsequently, Weber [4] constructed a "trinity" hierarchical model in "Economy and Society", emphasizing the interaction among the economic, social and political dimensions, providing a more comprehensive theoretical tool for understanding the complexity of economic inequality. In contemporary society, with the profound changes in globalization, technological revolution and social structure, the causes of economic inequality are increasingly characterized by multi-dimensionality and intersections. The traditional single-dimensional explanatory framework is no longer capable of fully revealing its essence.

Empirical research also shows that there is a significant two-way interaction between economic inequality and social stratification. The OECD report [5] points out that educational stratification exacerbates the intergenerational transmission of poverty through uneven resource distribution, while occupational stratification further consolidates class boundaries through the accumulation of reputation capital and power networks. Furthermore, the biased influence of the political power structure on economic policies [6] and the shaping of social identity by cultural capital differences [7] have both been confirmed as important drivers of economic inequality. Against this backdrop, systematically analyzing the causes of economic inequality from the perspective of social stratification not only helps to deepen the theoretical understanding of its formation mechanism but also provides practical guidance for formulating effective governance strategies.

2. The Correlation between the Theoretical Framework of Social Stratification and Economic Inequality

2.1 Theoretical Basis of Weber's "Trinity" Hierarchical Model

The "Trinity" stratification model proposed by Max Weber provides a classic theoretical framework for analyzing the correlation between social stratification and economic inequality. The economic dimension, with wealth possession at its core, directly determines an individual's living standard and resource acquisition ability. The social dimension is based on prestige and reflects the degree of respect and identity recognition an individual has in society. The political dimension centers on power, reflecting the influence of individuals on resource allocation and the decision-making process. Weber believed that these three dimensions are both independent and interrelated, jointly forming a complex network of social stratification.

At the empirical level, Weber's theory has been widely verified. For instance, high-income groups may be unable to enter the upper class due to low professional prestige (such as entrepreneurs), indicating that economic advantages do not necessarily translate into social status. Conversely, political power elites may indirectly influence policy-making through economic resources, forming a "power-capital" composite class [8]. The existence of such a composite class further reveals the multi-dimensional interweaving of social stratification - economic resources can be transformed into institutional advantages through political power, while social prestige may feed back to economic status through the accumulation of cultural capital.

Another significant contribution of the Weber model lies in its dynamic perspective. He emphasized that social stratification is not a static structure but a continuous process of reconstruction through individual actions and social interaction. For instance, as an important channel for social mobility, the imbalance in the distribution of resources in education may exacerbate class solidification. Occupational mobility, on the other hand, may break the existing class boundaries through the redistribution of prestige capital. This dynamic perspective provides theoretical support for understanding the evolution mechanism of economic inequality.

2.2 The Interaction Mechanism between Social Stratification and Economic Inequality

There is a two-way interactive relationship between social stratification and economic inequality. On the one hand, the uneven distribution of economic resources is the fundamental driving force behind social stratification. High-income groups gain more educational, medical and career opportunities through capital accumulation, thereby consolidating their economic status. Low-income groups fall into the "poverty trap" due to a lack of resources and find it difficult to achieve social mobility. On the other hand, social stratification further exacerbates economic inequality through institutional barriers and the accumulation of cultural capital. For instance, the household registration system restricts the economic migration of rural population to cities, while educational stratification deprives children from low-income families of upward mobility through the concentration of high-quality resources. This interactive mechanism enables economic inequality to expand from the individual level to the group level, forming a solidified structure of intergenerational transmission.

3. Multi-Dimensional Causes Analysis of Economic Inequality

3.1 Economic Dimension: Imbalance between Capital Accumulation and Distribution Mechanisms

Marx's class theory points out that private ownership of the means of production is the root cause of economic inequality. Capitalists achieve capital accumulation and wealth concentration by possessing the means of production and exploiting the surplus value of laborers. In contemporary society, this logic is particularly prominent in the fields of financial capital and digital capital. For instance, multinational companies, through their global industrial chain layout, have shifted low-value-added production links to developing countries while retaining high-profit R&D and marketing links in developed countries, leading to a continuous widening of the economic gap between the North and the South. Furthermore, the "winner-takes-all" effect of financial capital has further exacerbated the inequality in wealth distribution. A few financial elites have reaped excess returns through capital operations, while the vast majority of workers are under the dual pressure of stagnant wages and unstable

employment.

The deepening of industrial division of labor and international trade is the structural cause of economic inequality. Developed countries occupy the high end of the global value chain by virtue of their technological advantages, while developing countries are trapped in a "low-end lock" due to their reliance on technology. For instance, in the semiconductor industry, developed countries control the core chip design and manufacturing technologies, while developing countries can only participate in the low-value-added packaging and testing links, resulting in a serious imbalance in profit distribution. Furthermore, the "comparative advantage trap" in international trade has also exacerbated economic inequality. Developing countries overly rely on the export of primary products to earn foreign exchange earnings, while developed countries monopolize the high-end market through technological barriers and brand premiums, further widening the gap between the North and the South.

3.2 Social Dimension: Educational Stratification and Differentiation of Career Opportunities

Education is an important channel for social mobility, but the uneven distribution of educational resources has become a reinforcing mechanism for economic inequality. High-quality educational resources are concentrated in cities and developed regions, while rural and underdeveloped areas are confronted with difficulties such as a shortage of teachers and backward facilities. For instance, there is a significant gap in educational investment between urban and rural areas in our country. The per-student funding for urban schools is 2 to 3 times that of rural schools, which leads to the fact that the college admission rate and employment competitiveness of rural students are far lower than those of urban students. Furthermore, although the popularization of digital technology has provided new educational opportunities, the disparity in Internet access rights and the acquisition of digital devices has exacerbated the "digital divide", putting children from low-income families at an even greater disadvantage in the competition for education.

Occupational stratification is an important manifestation of social stratification, which further solidifies economic inequality through

the accumulation of prestige capital. High-prestige occupations (such as doctors, professors, and lawyers) not only offer higher incomes but also enjoy social respect and priority in resources. Low-profile occupations (such as cleaners, couriers, and migrant workers) are confronted with multiple predicaments, including low income, poor working conditions, and social discrimination. This kind of occupational stratification not only affects an individual's economic status but also shapes class solidification through intergenerational transmission. For instance, children from high-income families are more likely to enter high-prestige professional fields, while those from low-income families find it difficult to break through professional barriers due to the lack of social and cultural capital, thus creating a vicious cycle of "class replication".

3.3 Political Dimension: Bias in Power Structure and Policy-Making

Concentration of power is an important institutional cause of economic inequality. In a highly centralized political system, a few interest groups safeguard their own economic interests by controlling policy-making and resource allocation. For instance, multinational companies weaken the industrial competitiveness of developing countries by lobbying governments to formulate trade and tax policies that are favorable to themselves. Financial oligarchs, on the other hand, gain excess profits and intensify wealth concentration by controlling monetary policy and financial markets. Furthermore, rent-seeking and corruption have further distorted the resource allocation mechanism, tilting public resources toward specific groups and exacerbating economic inequality.

Policy bias is another important institutional cause of economic inequality. The government's policy choices in areas such as taxation, social security and public services often favor advantageous groups while neglecting disadvantaged ones. For instance, the progressive tax system imposes a lower tax burden on high-income groups, while low-income groups find it difficult to accumulate wealth due to the excessive tax burden. The imperfection of the social security system exposes low-income groups to multiple risks such as old-age care, medical care and unemployment, further exacerbating economic

inequality. Furthermore, the government's insufficient investment in public services such as education and healthcare also makes it difficult for children from low-income families to obtain fair development opportunities, thus creating a vicious cycle of "intergenerational transmission of poverty".

3.4 Cultural Dimension: The Differences between Cultural Capital and Social Identity

Cultural capital is an important concept proposed by Bourdieu, referring to the knowledge, skills and cultural taste accumulated by individuals through means such as education, family background and social networks. The accumulation of cultural capital not only affects an individual's economic status but also solidifies class boundaries through the shaping of social identity. For instance, children from high-income families accumulate rich cultural capital by receiving quality education, participating in high-end social activities and consuming cultural products, and thus gain higher social prestige and career opportunities. However, children from low-income families, due to the lack of cultural capital accumulation, find it difficult to break through the class barriers, thus forming a vicious cycle of "cultural poverty".

The difference in social identity is the cultural and psychological basis of economic inequality. Different social strata have established class boundaries and group exclusion mechanisms through differences in cultural symbols, lifestyles and values. For instance, high-income groups have shaped an "elite culture" identity by consuming high-end brands, participating in elite social activities and emphasizing individualistic values. Low-income groups, however, are excluded from the "elite culture" due to their limited purchasing power, narrow social networks and emphasis on collectivist values. This disparity in social identity not only intensifies class opposition but also restricts the social mobility opportunities of low-income groups through group exclusion mechanisms, further consolidating economic inequality.

4. Governance Paths for Economic Inequality: Comprehensive Measures from Multiple Perspectives

4.1 Economic Dimension: Optimize the Capital Accumulation and Distribution

Mechanism

To address economic inequality, efforts should start with optimizing the mechanisms for capital accumulation and distribution. On the one hand, it is necessary to narrow the wealth gap between high-income and low-income groups through tax reform and wealth redistribution policies. For instance, implementing progressive tax systems, inheritance taxes and capital gains taxes to increase the tax burden on high-income groups; At the same time, expand the coverage of social security and raise the social security level for low-income groups. On the other hand, it is necessary to promote industrial upgrading and coordinated regional development through industrial policy guidance. For instance, increase investment in underdeveloped regions and encourage them to undertake the transfer of high value-added industries; At the same time, efforts should be made to encourage the development of emerging industries and the digital economy, providing more job opportunities and entrepreneurial platforms for low-income groups.

4.2 Social Dimension: Promoting Educational Equity and Occupational Mobility

Promoting educational equity is the fundamental way to address economic inequality. It is necessary to narrow the educational gap between urban and rural areas, regions and schools by increasing investment in education, optimizing the allocation of educational resources and promoting the digital reform of education. For instance, the "Education Poverty Alleviation Project" was implemented to provide high-quality educational resources for rural and underdeveloped areas. At the same time, promote the "Internet + Education" model to expand educational opportunities for children from low-income families. In addition, vocational training and employment guidance should be provided to promote the occupational mobility of low-income groups. For instance, establish a vocational training system to provide opportunities for low-income groups to enhance their skills; At the same time, we should improve the job market mechanism, eliminate occupational discrimination and gender discrimination, and provide a fair employment environment for low-income groups.

4.3 Political Dimension: Improve the Mechanism for Power Supervision and

Policy-Making

Improving the mechanism for power supervision and policy-making is the institutional guarantee for governing economic inequality. It is necessary to limit the influence of power concentration and interest groups through democratic reform and the construction of the rule of law. For instance, promoting the openness and transparency of government affairs and enhancing public participation in policy-making; At the same time, efforts should be intensified to combat corruption and crack down on rent-seeking and corruption. In addition, policy adjustments are needed to correct policy biases and the lack of social security. For instance, the "targeted poverty alleviation" policy was implemented to provide targeted assistance to low-income groups. At the same time, improve the social security system and raise the social security level for low-income groups.

4.4 Cultural Dimension: Promote the Integration of Cultural Inclusiveness and Social Identity

Promoting the integration of cultural inclusiveness and social identity is the cultural and psychological foundation for governing economic inequality. It is necessary to guide through cultural policies to break down the barriers of class culture and the mechanism of group exclusion. For instance, promoting the coexistence of multiculturalism and respecting the cultural differences among different social strata and groups; At the same time, we should strengthen the guidance of social values and advocate a social atmosphere of equality, justice and inclusiveness. In addition, it is necessary to promote communication and integration among different social strata through community building and the expansion of social networks. For instance, establish community cultural centers to provide a cultural exchange platform for people of different social strata. At the same time, encourage low-income groups to participate in high-end social activities to broaden their social networks and horizons.

5. Conclusion

Economic inequality is the result of the complex

interweaving of social stratification, and its formation and deepening involve multiple factors such as economy, society, politics and culture. Addressing economic inequality requires a multi-dimensional perspective and a comprehensive approach. By optimizing the capital accumulation and distribution mechanism, promoting educational equity and occupational mobility, improving the power supervision and policy-making mechanism, and promoting the integration of cultural inclusiveness and social identity, the economic gap can be gradually narrowed, and social equity and harmony can be achieved. Future research needs to further deepen the understanding of the interaction mechanism between social stratification and economic inequality, providing a more scientific theoretical basis for policy-making.

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