

The 3-Ladder System of Social Class in the U.S.

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Typical depictions of social class in the United States posit a linear, ordered hierarchy. I've actually come to the conclusion that there are 3 distinct ladders, with approximately four social classes on each. Additionally, there is an underclass of people not connected to any of the ladders, creating an unlucky 13th social class. I'll attempt to explain how this three-ladder system works, what it means, and also why it is a source of conflict. The ladders I will assign the names Labor, Gentry, and Elite. My specific percentage estimates of each category are not derived from anything other than estimation based on what I've seen, and my limited understanding of the macroeconomics of income in the United States, so don't take them for more than an approximation. I'll assess the social role of each of these classes in order, from bottom to top.

This is, one should note, an exposition of social class rather than income. Therefore, in many cases, precise income criteria cannot be defined, because there's so much more involved. Class is more sociological in nature than wealth or income, and much harder to change. People can improve their incomes dramatically, but it's rare for a person to move more than one or two rungs in a lifetime. Social class determines how a person is perceived, that person's access to information, and what opportunities will be available to a person.

Underclass (10%) The underclass are not just poor, because there are poor people on the Labor ladder and a few (usually transiently or voluntarily) on the Gentry ladder who are poor. In fact, most poor Americans are not members of the Underclass. Peo-

ple in the Underclass are generationally poor. Some have never held jobs. Some are third-generation jobless, even. Each of these ladders (Labor, Gentry, Elite) can be seen as an infrastructure based, in part, on social connections. There are some people who are not connected to any of these infrastructures, and they are the underclass.

The Labor Ladder (65%) This represents "blue-collar" work and is often associated with "working class", but some people in this distinction earn solidly "middle-class" incomes over \$100,000 per year. What defines the Labor ladder is that the work is seen as a commodity, and that there's rarely a focus on long-term career management. People are assessed based on how hard they work because, in this world, the way to become richer is to work more (not necessarily more efficiently or "smarter"). The Labor ladder is organized almost completely based on income; the more you make (age-adjusted) the higher your position is, and the more likely it is that your work is respected.

SECONDARY LABOR (L4, 30%) is what we call the "working poor". These are people who earn 1 to 3 times the minimum wage and often have no health benefits. Many work two "part time" jobs at 35 hours per week (so their firms don't have to provide benefits) with irregular hours. They have few skills and no leverage, so they tend to end up in the worst jobs, and those jobs enervate them so much that it becomes impossible for them to get the skills that would help them advance. The reason for the name Secondary in this class is that they are trapped in the "secondary" labor market: jobs originally in-

tended for teenagers and well-off retirees that were never intended to pay a living wage. Wages for this category are usually quoted hourly and between \$5 and \$15 per hour.

PRIMARY LABOR (L3, 20%) is what we tend to associate with “blue-collar” America. If by “average” we mean median, this is the average social class of Americans, although most people would call it working class, not middle. It usually means having enough money to afford an occasional vacation and a couple restaurant meals per month. People in the L3 class aren’t worried about having food to eat, but they aren’t very comfortable either, and an ill-timed layoff can be catastrophic. If the market for their skills collapses, they can end up falling down a rung into L4. When you’re in the Labor category, market forces can propel you up or down, and the market value of “commodity” labor has been going down for a long time. Typical L3 compensation is \$20,000 to \$60,000 per year.

In the supposed “golden age” of the United States (the 1950s) a lot of people were earning L2 compensation for L3 work. In a time when well-paid but monotonous labor was not considered such a bad thing (to people coming off the Great Depression and World War II, stable but boring jobs were a godsend) this was seen as desirable, but we can’t go back to that, and most people wouldn’t want to. Most Millennials would be bored shitless by the jobs available in that era that our society occasionally mourns losing.

HIGH-SKILL LABOR (L2, 14%) entails having enough income and job security to be legitimately “middle class”. People in this range can attend college courses, travel internationally (but not very often) and send their children to good schools. Plumbers, airline pilots, and electricians are in this category, and some of these people make over \$100,000 per year. For them, there must be some barrier to entry into their line of work, or some force keeping pay high (such as unionization). Within the culture of the Labor ladder, these people are regarded highly.

LABOR LEADERSHIP (L1, 1%) is the top of the Labor ladder, and it’s what blue-collar America tends to associate with success. (The reason they fail to

hate “the 1%” is that they think of L1 small business owners, rather than blue-blooded parasites, as “rich people”.) These are people who, often through years of very hard work and by displaying leadership capability, have ascended to an upper-middle-class income. They aren’t usually “managers” (store managers are L2) but small business owners and landlords, while they’re often seen doing the grunt work of their businesses (such as by running the register when all the cashiers call in sick). They can generate passive income from endeavors like restaurant franchises and earn a solidly upper-middle income standing, but culturally they are still part of Labor. This suits them well, because where they excel is at leading people who are in the Labor category.

The Gentry Ladder (23.5%) England had a landed gentry for a while. We have an educated one. Labor defines status based on the market value of one’s commodity work. The Gentry rebels against commoditization with a focus on qualities that might be, from an extensional perspective, irrelevant. They dislike conflict diamonds, like fair-trade coffee, and drive cultural trends. In the 1950s, they were all about suburbia. In 2012, they had the same enthusiasm for returning to the cities. They value themselves not based on their incomes but, much more so, on access to respected institutions: elite universities, leading technology companies, museums and artistic endeavors. Labor aspires to occupational success and organizational leadership, while the Gentry aspires to education and cultural leadership.

Before going further, it’s worth noting that the typical socioeconomic ordering would have each Gentry level two levels above the corresponding Labor level in social standing. Thus, $G1 > G2 > (G3 \simeq L1) > (G4 \simeq L2) > L3 > L4$.

TRANSITIONAL GENTRY (G4, 5%) is the lowest rung of the Gentry ladder. Typically, I think of community colleges when trying to explain G4. It’s the class of people who are coming into the Gentry, usually from L2, and most people in it are looking to attain G3 (and many do). Since the Gentry is defined by education, culture, and cultural influence, earn-

ing a four-year degree (which about 20% of American adults have) will usually put a person solidly into G3.

Mobility between G4 and L2 is common, and G4 is a “young people” class, because people who don’t keep abreast of politics, current events, and at least the “upper-middle-brow” culture of shows like *Mad Men*¹ tend to return to L2 (which is not an inferior class, but an approximately-equal one with different values). Those who keep up tend to progress to G3.

PRIMARY GENTRY (G3, 16%) is what Americans think of as the cultural “upper-middle class”. They have four-year college degrees and typically have professional jobs of middling autonomy and above-average income, but usually not leadership positions. Incomes in this class vary widely (in part, because the Gentry is not defined by income) but generally fall between \$30,000 and \$200,000 per year. People in this class tend to be viewed as taste-setters by Labor but are viewed as gauche by the higher-ranking G1 and G2 classes.

HIGH GENTRY (G2, 2.45%) tend to come from elite colleges and traditionally gravitated toward “junior executive” roles in medium-sized companies, innovative startups, management consultancies, and possibly investment banking (which facilitates the G2-E4 transition). But G2’s wouldn’t be caught dead in jobs that seem perfectly fine to G3’s, which they view (often rightly) to be dead ends. Having interesting, respected work is important to G2’s. To a G2, being a college professor, scientist, entrepreneur, or writer are desirable jobs. Creative control of work is important to G2’s, although not all are able to get it (because creative jobs are so rare). David Brooks’s *Bobos in Paradise* captured well the culture of G2’s in that time. Members of this social class aggressively manage their careers to get the most out (in terms of intellectual and financial reward) of their careers, but what they really want is enough success and money to do what they really value, which is to influence culture.

G2 is my native social class, and probably that of

¹A couple of people have emailed me to ask why I “knocked” *Mad Men*. That wasn’t my intention. It’s an excellent show. “Upper-middle-brow” is not panning. I’m lower-middle-brow on a good day.

most of my readers.

CULTURAL INFLUENCERS (G1, 0.05%) are the pinnacle of the Gentry. Jon Stewart is a classic example. He probably makes a “merely” upper-middle-class income working for the notoriously cheap Comedy Central, but he has the most well-regarded members of the intelligentsia on his show every night. For G1, I’m not talking about “celebrities”. Celebrities are a bizarre and tiny category that mixes all three ladders (I’d argue that they’re the upper tier of L1; most lack the power of Elites and the refinement of the Gentry). Rather, I’m talking about people who are widely recognized as smart, knowledgeable, creative, and above all, interesting. They tend also to have access to other interesting people. G1’s are not “famous” in the celebrity sense, and most of them aren’t that rich. I’d guess that their incomes vary mostly from \$100,000 to \$1 million per year, which is low for a social class that is so difficult to enter (much harder than E4, and possibly E3, to get into).

It’s quite likely that G1 is expanding, and it was probably much smaller in the past. The internet is allowing more people to become well-known and have some degree of cultural influence. Many bloggers have entered G1 without relying on established institutions such as publishers or universities (which used to be the only way). That said, G1 requires reliability in attention; people having their 15 minutes don’t count.

The Elite Ladder (1.5%) This is an infrastructure “at the top of society”, but many of the people it includes are in many ways nowhere near the top. People complain about “the 1 percent”, but the reality is that most of that top 1.0% are nowhere near controlling positions within society.

Not all of the Elite are in the top 1% for income, but most will have the opportunity to be. The Elite includes everyone from billionaires to out-of-college investment banking analysts (who earn a middle-class income in one of the most expensive cities on the planet). What they have in common is that they are exerting themselves toward ownership. Labor provides the work and values effort and loyalty. The Gentry provides culture and it values education and

creativity. The Elite owns things and values control and establishment.

As with the Gentry and Labor, when comparing these ladders, one should consider an Elite rung to be two levels above the corresponding Gentry rung, so in terms of social standing, $E1 > E2 > (E3 \simeq G1) > (E4 \simeq G2) > G3 > G4$.

THE STRIVERS (E4, 0.5%) are another transitional class that is generally for young people only. They aren't actually Elite, but they might, if lucky, move into E3. Junior investment bankers, law firm associates, and young startup entrepreneurs are in this category. They're trying to "break in" to something rich and successful. If they get in, they'll become solid E3. If they fail in doing so, they usually return to G2: upper-middle-class professionals not strongly bound to the Elite infrastructure. G2 is usually a happier place than E4, but E3's and E4's tend to deride this transition. In startups, a business move favoring this step (toward G1-2 upper-middle-class stability) is derided as a "lifestyle business".

ELITE SERVANTS (E3, 0.8%) are the law-firm partners and senior investment bankers and corporate executives that might be called the "working rich" and they comprise what was once called the "white-shoe" culture. They're quite well-off, as far as servants go, often earning incomes from \$200,000 to \$5 million per year, but their social standing is conditional. They serve the rich, and the rich have to keep finding them useful for them to maintain their place. It's not an enviable place to be, because the social expectations associated with maintaining E3 status require high spending, and even the extremely well-compensated (\$1 million per year and up) E3's rarely have the savings to survive more than a year or two without a job, because of the need to maintain connections. E3's tend to have as many money problems as people in the lower social classes. E3's also suffer because they live in a "small world" society driven by reputation, long-standing grudges and often petty contempt. E3's still get fired— a lot, because the pretense that justifies E3-level status (of a large-company "executive") requires leadership and many don't have it— and when it happens to them, they can face years during which they can't find appropriate employment.

People tend to think of face leaders (politicians and CEOs) as belonging to a higher social class, but most are E3. If they were higher, they wouldn't have to work so hard to be rich. Examining our most recent presidents, Barack Obama is G1, the George Bushes were E2, Bill Clinton was E3, and Reagan was in the celebrity category that is a hybrid of E3 and L1. John Kennedy was E2, while Lyndon Johnson was L1. Most CEOs, however, are strictly E3, because CEOs are "rubber gloves" that are used for dirty work and thrown aside if they get too filthy. There's too much reputation risk involved in being a corporate CEO for an E2 to want the job under most circumstances.

NATIONAL ELITE (E2, 0.19%) are what most Americans think of as "upper class" or "old money". They have Roman Numerals in their names, live in the Hamptons (although they've probably stopped using "summer" as a verb now that "the poors" know about it) and their families have attended Ivy League colleges for generations. They're socially very well connected and have the choice not to work, or the choice to work in a wide array of well-compensated and highly-regarded jobs. Rarely do they work full time under traditional employment terms— never as subordinates, sometimes as executives in an apprentice role, often in board positions or "advisory" roles. It's uncommon that an E2 will put a full-time effort into anything, because their objective with work is to associate their names with successful institutions, but not to get too involved.

To maintain E2 status, being wealthy is required. It takes about \$500,000 per year, after tax, in income at a minimum. However, it's not hard for a person with E2 status and connections to acquire this, even if the family money is lost. The jobs that E3's regard as the pinnacle of professional achievement (the idea that such a notion as "professional achievement" exists is laughable to them; paid full-time work is dishonorable from an E2 perspective) are their safety careers.

GLOBAL ELITE (E1, ~ 60,000 people worldwide, about 30% of those in the U.S.) are a global social class, and extremely powerful in a trans-national way. These are the very rich, powerful, and deeply uncultured barbarians from all over the world who

start wars in the Middle East for sport, make asses of themselves in American casinos, rape ski bunnies at Davos, and run the world. Like the Persian army in 300, they come from all over the place; they're the ugliest and most broken of each nation. They're the corporate billionaires and drug kingpins and third-world despots and real estate magnates. They're not into the genteel, reserved "WASP culture" of E2's, the corporate earnestness and "white shoe" professionalism of E3's, or the hypertrophic intellectualism and creativity of G1's and G2's. They are all about control, and on a global scale. To channel Heisenberg, they're in the empire business. They aren't mere management or even "executives". They're owners. They don't care what they own, or what direction the world takes, as long as they're on top. They almost never take official executive positions within large companies, but they make a lot of the decisions behind the scenes.

Unlike the National Elite, who tend toward a cultural conservatism and a desire to preserve certain traits that they consider necessary to national integrity, the Global Elite doesn't give a shit about any particular country. They're fully multinational and view all the world's political nations as entities to be exploited (like everything else). They foster corruption and crime if it serves their interests, and those interests are often ugly. Like Kefka from Final Fantasy VI, their reason for living is to create monuments to nonexistence.

For the other social classes, there's no uniform moral assumption that can apply. G1's are likeable and often deserving cultural leaders, but sometimes foolish, overrated, incompetent, infuriatingly petty, and too prone to groupthink to deserve their disproportionate clout. G2's tend to have the best (or at least most robust) taste, because they don't fall into G1 self-referentiality, but can be just as snooty and cliquish. As "pro-Gentry" as I may seem, it's a massive simplification to treat that set as entirely virtuous. Likewise, the lower elite ranks (E2, E3, E4) also have their mix of good and bad people. There are E2's who want to live well and decently, E3's trying to provide for their families, and E4's trying to get in because they were brought up to climb the ladder. On the other hand, E1 is pretty much ob-

jectively evil, without exceptions. There are decent people who are billionaires, so there's no income or wealth level at which 100% objective evil becomes the norm. But if you climb the social ladder, you get to a level at which it's all cancer, all the way up. That's E1. Why is it this way? Because the top end of the world's elite is a social elite, not an economic one, and you don't get deep into an elevated social elite unless you are very similar to the center of that cluster, and for the past 10,000 years the center of humanity's top-of-the-top cluster has always been deep, featureless evil: people who burn peasants' faces off because it amuses them. Whether you're talking about a real person like Hitler, Stalin, Erik Prince, Osama bin Laden, or Kissinger, or a fictional example like The Joker, Kefka, Walter White, or Randall Flagg; when you get to the top of society, it's always the same guy. Call it The Devil, but what's scary is that it needs (and has) no supernatural powers; it's human, and while one its representatives might get knocked off, another one will step up.

Ladder conflict

What does all this mean? How do these ladders interrelate? Do these three separate social class structures often find themselves at odds and fight? Can people be part of more than one?

What I've called the Labor, Gentry, and Elite "ladders" can more easily be described as "infrastructures". For Labor, this infrastructure is largely physical and the relevant connection is knowing how to use that physical device or space, and getting people to trust a person to competently use (without owning, because that's out of the question for most) these resources. For the Gentry, it's an "invisible graph" of knowledge and education and "interestingness", comprised largely of ideas. For the Elite, it's a tight, exclusive network centered on social connections, power, and dominance. People can be connected to more than one of these infrastructures, but people usually bind more tightly to the one of higher status, except when at the transitional ranks (G4 and E4) which tend to punt people who don't ascend

after some time. The overwhelmingly high likelihood is that a person is aligned most strongly to one and only one of these structures. The values are too conflicting for a person not to pick one horse or the other.

I've argued that the ladders connect at a two-rung difference, with $L2 \sim G4$, $L1 \sim G3$, $G2 \sim E4$, and $G1 \sim E3$. These are "social equivalencies" that don't involve a change in social status, so they're the easiest to transitions to make (in both directions). They represent a transfer from one form of capital to another. A skilled laborer (L2) who begins taking night courses (G4) is using time to get an education rather than more money. Likewise, one who moves from the high gentry (G2) to a 90-hour-per-week job in private wealth management (E4) is applying her refined intellectual skills and knowledge to serving the rich, in the hope of making the connections to become one of them.

That said, these ladders often come into conflict. The most relevant one to most of my readers will be the conflict between the Gentry and the Elite. The Gentry tends to be left-libertarian and values creativity, individual autonomy, and free expression. The Elite tends toward center-right authoritarianism and corporate conformity, and it views creativity as dangerous (except when applied to hiding financial risks or justifying illegal wars). The Gentry believes that it is the deserving elite and the face of the future, and that it can use culture to engineer a future in which its values are elite; while the upper tier of the Elite finds the Gentry pretentious, repugnant, self-indulgent, and subversive. The relationship between the Gentry and Elite is incredibly contentious. It's a cosmic, ubiquitous war between the past and the future.

Between the Gentry and Labor, there is an attitude of distrust. The Elite has been running a divide-and-conquer strategy between these two categories for decades. This works because the Elite understands (and can ape) the culture of the Gentry, but has something in common with Labor that sets the categories apart from the Gentry: a conception of work as a theater for masculine dominance. This is something that the Elite and Labor both believe in—the visceral strength and importance of the alpha-

male in high-stakes gambling settings such as most modern work— but that the Gentry would rather deny. Gender is a major part of the Elite's strategy in turning Labor against the Gentry: make the Gentry look effeminate. That's why "feminist" is practically a racial slur, despite the world desperately needing attention to women's political equality, health and well-being (that is, feminism).

The Elite also uses the Underclass in a different process: the Elite wants Labor think the Gentry intends to conspire with the Underclass to dismantle Labor values and elevate these "obviously underserving" people to, at least, the status of Labor if not promoted above them. They exploit fear in Labor. One might invoke racism and the "Southern strategy" in politics as an example of this, but the racial part is incidental. The Elite don't care whether it's blacks or Latinos or "illigals" or red-haired people or homosexuals (most of whom are not part of the Underclass) that are being used to frighten Labor into opposing and disliking the Gentry; they just know that the device works and that it has pretty much always worked.

The relationship between the Gentry and Elite is one of open rivalry, and that between the Gentry and Labor is one of distrust. What about Labor and the Elite? That one is not symmetric. The Elite exploit and despise Labor as a class comprised mostly of "useful idiots". How does Labor see the Elite? They don't. The Elite has managed to convince Labor that the Gentry (who are open about their cultural elitism, while the Elite hides its social and economic elitism) is the actual "liberal elite" responsible for Labor's misery over the past 30 years. In effect, the Elite has constructed an "infinity pool" where the Elite appears to be a hyper-successful extension of Labor, lumping these two disparate ladders into an "us" and placing the Gentry and Underclass into "them".

Analysis of current conflict

Despite its upper ranks being filled by people who are effectively thugs, the Elite isn't entirely evil. By population, most of them are merely E3 and E4 stew-

ards with minimal decision-making power, and a lot of those come from (and return to) the Gentry and maintain those values. On the other hand, Elite values tend to be undesirable, because at that structure's pinnacle are the E1 crime bosses. There are good people within the Elite, even though the Elite itself is not good.

For virtue, the Gentry does better. I don't want to fall into the American fallacy of conflating "middle class" with virtue, and there are some awful and good people in all social classes, but I think that the Gentry is a more inclusive and reflective elite— one of ideas and values, not based on exclusivity.

One Gentry stronghold for a long time has been high technology, a meritocracy where skill, know-how, and drive enabled a person to rise to technical leadership of increasing scope and eventually business leadership and entrepreneurship. This created the engineering culture of Hewlett-Packard (before Fiorina) and the "Don't Be Evil" mantra of Google. This is Gentry culture asserting itself. Be ethical, seek positive-sum outcomes, and win by being great rather than by harming, robbing, or intimidating others. It's not how business is practiced in most of the world— zero-sum thuggery is a lot more common— but it's how great businesses are made. This weird world in which self-made success was regarded higher than entrenchment, symbolized in Silicon Valley, enabled people from the Gentry to become very rich and Gentry ideas to establish lasting success in business.

What has made America great, especially from 1933 until now, has been the self-assertion of the Gentry following the defeat of the Elite. The first half of the American Era (1933 to 1973) utterly emasculated the Elite. Their rapacious greed and world-fucking parasitism was repaid with 90-percent tax rates, and they told to consider themselves lucky that it wasn't full-on socialism (or a violent revolution in which they all died, Paris-1793-style). The so-called "WASP culture" of the E2 class derives many of its norms from the paranoia of that period (when the global elite was very small, and they were the "robber baron" elite). For example, the demand that a house not be visible from the road comes from a time in which that was physically dangerous. This

four-decade curtailment of the American Elite, and the more resounding destruction of the European ones, was one of the best things that ever happened to the world. It made the golden age of Silicon Valley possible.

There are a lot of reasons why this "golden age" of a disempowered Elite was able to occur, but World War II was the biggest of all of them. Future historians will probably regard the two World Wars as one monstrous conflict, with a period of crippling, worldwide economic depression between them. Few disagree with the claim, for example, that the resolution of the First World War led inexorably to the evils of totalitarianism and the Second of these wars. This giant and largely senseless conflict's causes seem complex— historians are still debating World War I's inception— but the short version is that the world's Elites did that. There was a 30-year period of war, famine, poverty, racial pogroms, and misery that existed largely because a network of high-level obligations and horrendous ideas (especially the racism used to justify colonialism, which benefitted the rich of these societies enormously, but sent the poor to die in unjust wars, contract awful diseases for which they had no immunity, and commit atrocities) set the conditions up. After about a hundred million deaths and thirty tears of war, societies finally decided, "No More". They dismantled their Elites vigorously, North American and European nations included. This became the "golden age" of the educated Gentry. In the U.S. (for which the 1950s were a decade of prosperity; in Europe, it was a period of rebuilding and not very prosperous) it was also the "golden age of the middle class".

However, the Elite has brought itself back to life. This Gilded Age isn't as bad as the last one, but it's heading that way. It started in the late 1970s when the U.S. fell in love again with elitism: Studio 54, cocaine— a drug that captures the personality of that cultural change well, because its effect is to flood the brain with dopamine, causing extreme arrogance— and "trickle-down economics".

Assessing the present state of conflict requires attention to what each party wants. What does the Gentry want? The Gentry has a strange, love-hate relationship with capitalism. Corporations are de-

tested (even more than they deserve) by this class and most people in the Gentry want the U.S. to look more like Europe: universal healthcare, decent vacation allotments, and cheap, ecologically sound high-speed trains. This might give the impression of a socialist bent, and that impression's not wrong. Yet their favorite places are New York (the center of capitalism) and Silicon Valley (also fiercely capitalistic). Although left-leaning, the Gentry are strong champions for non-corporate capitalism. There is no contradiction here. European social democracies have also managed to create hybrid systems that combine the safety and infrastructure of socialism with the innovation and individual liberty of capitalism: the best of both worlds.

For a contrast, what the Elite has been pushing for is the worst of both worlds, at least for average people. The truth of corporate "capitalism" is that it provides the best of both systems (socialism and capitalism) for the Elite and the worst of both for everyone else. It's a welfare state in which only very well-connected people are citizens, it favors command economies (which are what most corporations are, internally) and it stifles the positive-sum innovation that is capitalism's saving grace. The upper tier of society wants social stability for themselves (to stay in and keep others out) but they favor extreme economic variability (also known as "inequality") because it gives them more opportunities to exploit their social status for economic gain (read: private-sector corruption).

Air travel in the contemporary U.S. is an illustrative example of this "worst of both worlds" scenario: the pricing is erratic, unreasonable, and even a bit mean-spirited, which shows the volatility of capitalism, while the low quality of service and the abysmal morale of the industry feel like direct transplants from the Soviet Union.

The future

A major battle is coming, with all three of these categories (Labor, Gentry, and Elite) involved. The Gentry and the Elite are at fundamental opposites on the type of society they want to see and, for decades, the

Elite has been winning, but their victories are becoming harder to win as technology opens up the world. Labor might seem like a nonparticipant in the ideological battles, but they comprise most of the casualties, and they've seen shells land in their backyard (especially if they live in Detroit). Not only are they losing their jobs and social status, but their communities have been demolished.

Something else is happening, which is relevant both in a macrohistorical sense and to the U.S. in 2012. One way to divide human history is into three eras: pre-Malthusian, trans-Malthusian, and post-Malthusian. I refer, of course, to the prediction of Thomas Malthus, early in the Industrial Revolution, that population growth in contemporary societies would lead to a catastrophe because population grew exponentially, while economic growth was linear. He was wrong. Economic growth has always been exponential, but for most of human history it has had a very slow (under 1% per year) exponential curve— slower than population growth, and slow enough to look linear. His mathematical model was wrong, but his conclusion— that population grows until it is checked (i.e. people die) by disease, famine, and war— was true in nature and of almost every human society from the dawn of time to about 1800. He was wrong that it would afflict England and the richer European countries in the mid-19th century— because the Industrial Revolution accelerated economic growth enough to prevent a global Malthusian crunch. On the other hand, there were local Malthusian catastrophes. Ireland endured severe poverty and oppression, colonialism was deeply horrible and did, in fact, represent many of the vices Malthus warned about.

The world was pre-Malthusian when societies were doomed to grow faster in population than in their ability to support it. This led, over the millennia, to certain assumptions about society that can be categorized as "zero-sum". For one tribe to take care of its young, another tribe must lose wealth or be destroyed. For English to be rich, Irish must starve. For Southern whites to live well, blacks must be slaves. For capital to be profitable, labor must be exploited. If Catholic Spain has one colony, Protestant England must have more. For the German people

to have “lebensraum”, Central European countries must be invaded and their inhabitants killed. “Medieval” horrors were an artifact of the Malthusian reality of that time, but such atrocities continued even as the long-standing Malthusian inequality (population growth being greater than economic growth) reversed itself.

We are now in a trans-Malthusian state, and have been for about two hundred years. Global economic growth is now over 4% per year, which is the fastest it has ever been, and there’s no sign of it slowing down. The world has a lot of problems, and there are pockets of severe decay, corruption, and poverty; but on the whole, it’s becoming a better place, and at an accelerating (hyper-exponential) rate. The world is no longer intrinsically Malthusian, but pre-Malthusian attitudes still dominate, especially at the pinnacles of our most successful societies. This shouldn’t be shocking, because the very traits (especially, low empathy and greed) that would be required to succeed in a zero-sum world are still strong in our upper classes. This legacy won’t go away overnight. The people haven’t changed very much. Pre-Malthusian fearmongering is also very effective on less intelligent people, who haven’t figured out that the world has changed in the past two hundred years. They still believe in the zero-sum world wherein, if “illegal” immigrants “take all the jobs”, middle-class white people will starve.

The trans-Malthusian state is, I believe, intrinsically more volatile than a pre-Malthusian one. Technology is causing the job market to change faster, but this paradoxically makes individual spells of unemployment longer. Another thing is that we’re seeing something that pre-Malthusian economies didn’t have to worry about: economic depressions. This is not to romanticize pre-Malthusian life or societies. They would experience famines, wars, and disease epidemics that would kill far more people than any economic depression, but those had natural or historical causes that were not intrinsic and desirable. We’ve been able to eliminate most of these evils from life without losing anything in the process. These depressions, in my view, come from economic progress itself (and moreover, our inability to

manage growth in a way that distributes prosperity, rather than displacing people). The first quarter of the 20th century saw unprecedented advancement in food production—a good thing, undeniably—which caused agricultural commodities to drop in price. This caused small farmers (who could not partake in these advances to the same extent) to fall into poverty. Without the small farmers, towns supported by them weren’t doing well either. Poverty isn’t a “moral medicine” that clears out the bad in society. It doesn’t make people better or harder working. It ruins people. It’s a cancer. It spreads. And it did. Rural poverty was severe in the United States by 1925, before the Depression officially began. Urban sophisticates and elites were OK in 1925, hence this era is remembered as being prosperous. In 1933? Not so much. The cancer had grown. Throughout the 1930s, the rich were terrified of an American communist revolution.

We don’t want another Great Depression, and what’s scary in 2012 is that it seems like what happened to agricultural products in the 1920s is now happening to almost all human labor. We’re outsourcing, automating, and “streamlining”, and all of these changes are fundamentally good, but if we don’t take steps to prevent the collapse of the middle class, we could lose our country. This will almost certainly require innovations that the right wing will decry as “socialism”, but it will also involve techniques (such as crowd-funding and microloans for small businesses) that are far more capitalistic than anything the corporates have come up with.

We are trans- (not post-) Malthusian because we live in a world where scarcity is still in force (although often artificial) and zero-sum mentalities dominate (even though they’re inappropriate to a technological world). If Mexican immigrants “take the jobs”, formerly middle-class white people will be without healthcare. What’s required is to step away from the zero-sum attitude (expressed often in racism) and recognize that no one of any ethnicity, jobless or employed, should be without healthcare. Ever. Technology is great at helping us generate more resources and make more with what we have, and we have to accept that it will “unemploy” people on a regular basis, but the bounty should be

distributed fairly, and not hogged by the fortunate while those it renders transiently jobless are allowed to fall into poverty. "Collateral damage" is not acceptable and, if the 1920s and '30s are illustrative, it can't be contained. The damage will spread.

What does this have to do with the ladders and their conflict? Labor is a trans-Malthusian social category because it lives in a world that values fair play (a positive-sum, post-Malthusian value) but that is constrained by artificial scarcity. The Elite is pre-Malthusian; they are obsessed with the zero-sum game of social status and the need to keep themselves elevated and others out. The Gentry, although not without its faults, is properly post-Malthusian. Their values (political liberalism, individual freedom, enough socialism to ensure a just society, positive-sum outlook, and a positive view of technology) represent what it will take to evolve toward a post-Malthusian state.