

Social stratification since 1989

What “Upper Class”?



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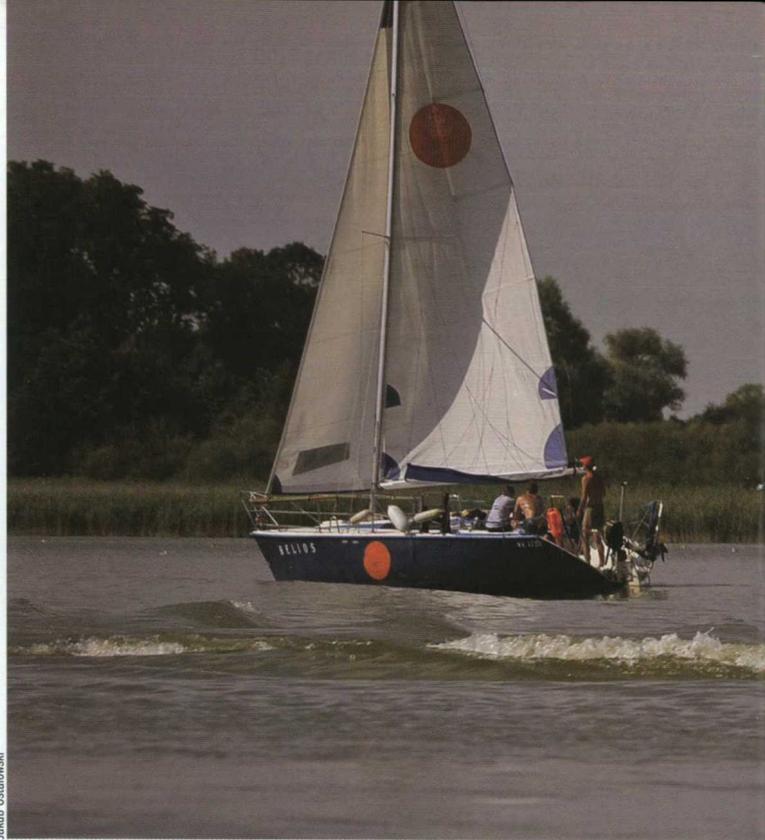
Prof. Krzysztof Jasiński studies the post-socialist transition in Poland and Central-Eastern Europe and the emergence of “upper classes.”

The economic and political transformation of the 1990s enabled certain people and groups to make a leap up into higher rungs in the social structure, amassing wealth and influence on a previously unimagined scale. But do they comprise a homogenous “upper class”?

Studies of the transformations of social structure in Central-Eastern Europe have been characterized by a shift in the style of language used to describe such phenomena. Given that the changes invoked the model of Western societies and market-based rules of stratification and because there was a need for different roles and competences, Polish sociology began to focus on the new segments of the social structure. The most interest was garnered by social categories which, following Weber, were perceived as privileged classes, thanks to their power, education, and assets. This found reflection in research on the institutions of public power, political elites, the private sector, and entrepreneurs.

Elite deal-making

Works began to appear within Polish sociology that were inspired by stratification theorists from English-speaking societies, which while assuming the existence of a “lower class” and “upper class” focused their attention on a new “middle class.” The core of this new class was seen as consisting of entrepreneurs, managers, and specialists. Such a perspective was encouraged by the increasing influence enjoyed since the 1970s of the “New Right,” a neoconservative political philosophy and neoliberal economic approach in English-speaking countries, whose advocates saw the main forces of social change as lying in the upper and middle classes and strata, promoting market reform in the style of the Washington Consensus. In Central-Eastern Europe, this concept manifested itself in the notions of a “negotiated revolution” or “deal made by the elites,” under which those elites were the key shapers of the transformation, given



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the absence of a middle class, the weakness of civil society, and the ongoing creation of new market and democratic institutions. For some of them, this situation also opened up opportunities to themselves become beneficiaries of the transition. Radical reforms created a new set of social roles and positions, “empty” places that became available to people who knew how to seize opportunities. Such circumstances made it possible for certain individuals and certain groups to make a leap upward into higher levels of the social stratification. Initially the greatest mobility was shown by the former dissidents and trade-unionists who formed the new political elite, the executive staff at privatized enterprises, the owners and managers of the private sector, and also experts. Some of them created new patterns of career and identity, styled in the likeness of the categories of “new technocracy” and the “new class” in Western Europe, or the “knowledge class” or “service class” in the English-speaking countries.

Soon foreign investors also became important players, gaining a significant influence over the rules of the system in view of their potential and the terms set for Poland’s accession to the EU. They also took control of such strategic sectors as banking and export-oriented industries. The personnel employed there, together with cooperating politicians, public administration, interest groups, and media outlets, made transnational corporations and EU institutions their fundamental reference point. The core of this group is made up of specialists in the sectors of IT, telecommunications, finance, management, consulting and other internationalized fields of business. Some of them form the Polish arm of the “international business class.”

Getting to the top

The emergence of such elements in the social structure gave rise to a new extremity of wealth and affluence, clearly visible in terms of income differentials. It manifested itself in lists ranking the 100 richest Poles, or the incomes of the



A new extreme of wealth and affluence came into being in Poland after 1989, visible in terms of income differentials

executives of 500 major companies and individual investors. However, looking at the “upper class” purely in terms of the income criteria is insufficient. Sociologists consider the class also to include individuals and social groups that have gained a high position in other dimensions of the stratification – the leaders of the main political parties, the top-ranking state officials, the management personnel of the uniformed services, and the elite of the creative professions. One’s position in the class hierarchy is also determined by one’s education, occupation, and job, whether one belongs to the category of owners or hired workers, as all as by various political, social, and cultural roles.

Among the characteristics that are mentioned as being key for distinguishing an “upper class” are small numbers (1%), a large distance separating it from other groups in terms of wealth and power, social origins, traditions and intermarriages ensuring prestige, a separate lifestyle, group identity and solidarity, preparation to take on leadership and management roles, refined personal manners and tastes, good education, and membership in selective clubs and organizations. No such upper class exists in Poland. Its former existence came to a halt together with the postwar system change that eliminated private ownership of vast landed estates, banks, and large enterprises. But the stratification determinants that emerged after 1989 have indeed been clearly conducive to the appearance of a new upper class.

Economic doldrums or modernization?

Poland’s various elites are becoming similar to one another in terms of social origins, education, wealth, professional careers, etc. And so, such process is underway, but it is still far from completion. It is most advanced among the owners and managers of the largest companies, who are distinguished by their incomes and assets, and also for instance by their management of and membership in exclusive clubs and

organizations. However, big business is not characterized by great prestige, intergenerational continuity, group solidarity, or a separate lifestyle, which would make it more similar to the other groups that might together one day form a Polish upper class. Whether such a class will ultimately emerge therefore remains an open question, one that is contingent on the direction that democracy and the market ultimately evolve towards in Poland.

Structural changes in society are perceived in intergenerational terms, however, and we might expect that the appearance of an upper class is mainly a matter of time. What shape it eventually takes will depend largely on Poland’s significance in the world, including its place in the international division of labor and the political role the country plays in the EU. The range of possibilities can be encapsulated by two different scenarios for the future, related to the EU’s ability to overcome the successive core-vs.-periphery divisions that have been arising since the crisis of the euro zone.

In the first scenario, cooperation with the northern countries of the EU could remain limited to a kind of “subcontracting,” thereby consolidating the anachronous structures and peripheral mechanisms of the country’s development. This possibility is reflected in various discussions about the danger of developmental stagnation or the middle-income trap in Poland. In the second, the successful modernization of the state, greater innovation, and improvement in the business climate could bolster the need for highly qualified specialists and other middle-class strata. How these two scenarios play out will in large part define not only the composition and the role of the new “upper class,” but also its relations with society. ■

Further reading:

Jasiecki K. (2013). *Kapitalizm po polsku. Między modernizacją a periferiami Unii Europejskiej* [Polish Variant of Capitalism: Between Modernization and the Peripheries of the EU]. Warsaw: IFiS PAN.