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Socioeconomic inequalities: concepts and research problems

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ABSTRACT

The issue of socioeconomic inequalities is by and large addressed in terms of "extreme poverty" detached from the relational dimensions with "extreme wealth". The imbalance that characterises the latter is a result of multifaceted processes leading to the emergence of complex forms of appropriation and private enjoyment of socially produced wealth. Sociology needs to return to the debate in terms of social class and formulate new concepts for understanding the consequences of the current process on society as a whole, covering substantial wealth, personification of wealth, the affluent classes. At the same time it should be recognised that objective material hindrances and prejudice exist, which need to be overcome to allow progress towards the production of critical knowledge about the division of society into social classes and the forms of power and of subordination.

Key words: social theories, socioeconomic inequalities, substantial wealth, wealth concentration, personification of wealth.

Introduction

Brazil breaks records in the different tables of socioeconomic inequalities, yet scientific research is still unable to explain the specific dimensions of the processes of this situation. This article stresses the seriousness of the phenomenon and presents some empirical evidence of the huge disparity between "extreme poverty" and "extreme wealth". The fact that much more is known about the former than the latter leads us to further emphasise particular dimensions which we call "substantial wealth" to indicate the nature of the economic resources being accumulated and concentrated in the hands of the few, the scale of which allows renewed exercise of power in relation to control of society and inter-capitalist competition.

Impressive amounts of social wealth are appropriated and enjoyed in ways that were thought to have been overcome by capitalist modernisation. New heuristic concepts that can contribute to clarifying the processes and thus reduce the lack of current explanation are needed for a more accurate assessment of the return to old practices or new conduct allowed by extreme concentration of income.

Theoretical inadequacies and the existence of preconceptions and material difficulties stand in the way of advancement of knowledge about the burning questions of Brazilian sociability, the structuring elements defining the perception of inequality, the legitimacy of power situations and the correlatives of strength shaping social struggles.

The imbalance

Forceful and superlative adjectives are frequently used in texts dealing with the Brazilian socioeconomic conditions. Abysmal levels of economic inequality, stratospheric differences in income distribution, astonishing contrasts between wealth and poverty, and other equally expressive formulations are often used to account for inequalities which, in addition to having been reproduced for centuries, are multiplying to unprecedented levels.

Inequalities are sometimes perceived at an initial, superficial, localised and factual level: lack of food on one side, huge waste on the part of the privileged on the other; the most luxurious mansions standing just a few meters from poverty-stricken shanty towns; millionaires and their pets receiving advanced medical care and attention while millions of individuals lack medicine and basic healthcare. The picture of differences is often grotesque, pathetic or surreal. Great wealth is purposefully aestheticised in the media or presented in journalistic articles emphasizing the “Belíndia” cross between the wealth of Belgium the poverty of India, a Brazil of contrasts, the two Brazils, etc. In both cases it is necessary to question the impact of this information on perception and objective understanding of the inequalities. But in terms of the major media, subjects related to poverty and inequality are ignored: the 44 principal newspapers in the country, which account for more than 90% of the print media, devote less than 2% of their content to the topic, while in the main magazines the percentage is in the region of 0.7% (Andi, 2003).

On a second level, based on scientifically obtained information, data and statistics, the social structure is revealed in all its rawness and complexity. Amidst other problematic dimensions of contemporary conditions, the studies show the connection between extreme economic inequality and illness, criminality and multiple forms of violence.

Latin American realities point to absolute and relative increases in numbers of poor and destitute. According to the Social Panorama of Latin America (CEPAL, 2003), the total of Latin American poor, which stood at 136 million in 1980 (40.5% of the population), had increased to

220 million (44%) 22 years later. The needy had increased from 18.6% to 19.4%, almost 100 million people, over the same period.

Divergences in the conceptualisation of poverty and destitution in Brazil have led to a Byzantine misunderstanding in assessing the total number of individuals that may be classified as being in such conditions. At one moment there is discussion of 30 or 40 million destitute, then there are complaints about the inaccuracy of these figures and it is guaranteed that those at the bottom of the social pyramid amount to no more than 23 million, and the poor a little more than 50 million. “Only” 23 million plus “little more” than 50 million accounts for almost half of the population of Brazil. Despite miraculous forms of measurement removing 12 million poor from the poverty level in the short period of one year (Rocha, 2003, p. 83) or even statistical refinements allowing the interpretation that the situation is not so serious, with millions of people moving above the poverty line each year, other sources tend to prove the rhetorical maxim: Brazil is not a poor country, but a country with many poor. Deeper analysis of the conditions reveals a multifaceted picture which is not confined to material needs or hardship. The survival of more than half the economically active population depends on the informal sector (DIESSE, 2001), 24 million are considered to be seriously disabled, and situations of vulnerability, instability and social and economic variation are constantly recreated by productive restructuring (Cattani, 2000. p 37/83).

Distribution of income has remained unchanged over the past 30 years. Three decades ago the poorest 40% earned 11% to 12% of national income: they and intermediate classes earned half the national income, while the richest 10% earned the other half. This latter portion also includes great concentration in the hands of a few, leading to it being said that in a country of 180 million people, approximately 50,000 individuals control more than half the national income. Military regime, New Republic, three periods of liberal government and a government more attuned to popular requirements, stagnation and the return to development, hyperinflation and price stability: nothing has substantially altered the distributive regime which puts Brazil among the four worst countries according to the Gini Index, in a low position in the Human Development Index ranking and in other negative positions in measurements of life expectancy, literacy, violence, education levels, healthcare, etc. (Neri, 2003; IBGE, 2003; Mir, 2004; Pochmann, 2004). A reduction in the number of families below the poverty line has been seen in recent years. However, socioeconomic inequality is not measured by an arbitrary income line below which the poor are placed, but rather by the distances between the relative positions occupied by the various segments of society.

The imbalance is also proven by other indicators. 7% of income-tax payers own more than 35% of the property. (Medeiros, 2005, Table 1); the total retirement and pension benefits received by the poorest 60% amounts to 20% of national funds, while the richest 2% receive the

same amount. (Medeiros, 2005, p. 181). Such is the proportion, or rather disproportion, between the retirement and pension sums paid by the public welfare system.

Budgetary performance by the federal government also demonstrates huge inequalities. While the effective spending by the "social" ministries, excluding welfare (Education, Health, Work and Employment, Agrarian Development, Social Assistance, Human Rights, Food Security and Combating Hunger, Women's Policies) amounted to 74 billion Reais in 2003, debt servicing (essentially interest payments) amounted to 149 billion Reais (Cintra, 2004). Reinaldo Gonçalves (2003) points out that the richest 1% of the population of Brazil holds 72% of federal public titles, leading one to suppose that billions of dollars are transferred into their accounts each year.

Inland Revenue data (2004) indicates that 48% of taxes raised in Brazil come from consumption taxes, 21% from income and only 4% from property. These latter two figures are the lowest of all countries on the list of the world's 20 greatest economic powers. In the United States for example, 6% of taxes come from consumption, 49% from income, and 11% from property. In Brazil, the tax on consumption means that proportionally it is the poorest who pay the most tax; income tax is not very important and tax on property transfer and inheritance is insignificant. Taxation on great fortunes is a taboo subject and any move in this direction provokes business mobilisation and virulent reactions amongst the privileged sectors; economic columnists and opinion formers are mustered to launch the spectre of flight of capital and discouragement of productive investment.

Numerous other indicators can be called upon to quantify such extreme conditions and qualify the imbalance between "extreme wealth" and "extreme poverty". For example, the richest 1% controls more than 50% in relation to shares and finance, ownership of productive land and industrial plant and also the liquid assets of companies (Gonçalves, 2003). Outward symbols of wealth (the numbers of private jets, mansions, servants), conspicuous consumption and public ostentation of the highest luxury are indicators that characterise the islands of wealth and privilege surrounded by seas of poverty.

Several researchers (Medeiros, 2004, Pochmann, 2004) have also shown that the rich "hide themselves away". Fear of kidnap, shady dealings with the "bandit economy", privilege and huge fortunes acquired illegitimately and above all fear of fiscal control that could lead to higher taxation hinder knowledge of the real scale of the fortunes. It all leads to the belief that the volumes of substantial wealth are even higher than indicated in the available data. As a consequence, "extreme wealth" is further from "extreme poverty" than is commonly imagined. And the distance is increased by volumes of wealth appropriated and administrated through illegal strategies which, by definition, avoid any accurate records and are inaccessible for scientific research.

Knowledge about the actual social abyss between classes, about the real distance between the rich and the poor and the origins of part of the possessions of the richest can therefore be seen to be one of the greatest challenges for Brazilian Social Scientists.

Based on the amount of wealth and accumulation of annual income flow, Márcio Pochmann (2004) considers that the truly rich amount to little more than five thousand families, 0.01% of the national total, mostly concentrated in Rio de Janeiro and São Paulo. Even if this author has exaggerated his criteria and if this figure were to be multiplied four-, five- or even tenfold, the richest social stratum would consist of only 0.1% of Brazilian families.

Despite the high degree of arbitrariness and inaccuracy of the indicators adopted, the imbalance can be considered based upon this data: substantial wealth is owned by little more or less than 0.1%, which is decisive in strategic issues related to the capitalist economy, speculative investments and development plans; 0.1% control the major media and through it can mould public opinion, launch fashions, promote or denigrate leaders; 0.1% exercise decisive influence on political life, the initiatives of the executive and legislature in their different spheres, even being able to determine important decisions by the judiciary.

Using the also arbitrary 1% used by Reinaldo Gonçalves (2003), and referred to in studies by IPEA, FGV and IBGE, we would come to a total of one million eight hundred thousand Brazilians at the top of the social pyramid. The essential feature of this absolutely minority segment is accumulation of economic capital and multiple privileges that guarantee not just power but also social recognition and legitimacy. The previous 0.1% is also part of this together with a heterogeneous group of businesspeople from a wide range of sectors, people with private income, big landowners, professional classes and top public employees that can be classified as class A, dominant sectors, the high bourgeoisie, the economic elite, or simply the very rich. Nevertheless, one million eight hundred thousand people is a considerable number, able to drive a distinct market of (in this case luxury) goods and services, establish direct subordinate relations with cohorts of different levels of service providers (administrators, lawyers, assorted advisors, beauticians, doctors, security companies, personal trainers, drivers, gardeners, etc.) and able to affect specific dimensions of life in society.

Understanding the sociological significance of this section needs to be founded on a theory of social stratification that allows definition of the unity of class interests, the foundations of its power and the nature of the social relations established with the rest of society. This can be dispensed with, however, to emphasise the extreme polarisation in the Brazilian case, stressing the disproportionate socioeconomic inequality that lies in just the existence of an infinitely smaller segment retaining the wealth, power and prestige articulated cumulatively in relative and absolute terms. (Medeiros, 2004a). The entire population is marked by profound inequalities and distinct levels of resources and wealth, but we are interested here in emphasising the chasm between 1% and 99% of the population.

This situation has remained virtually unchanged for more than three decades. Added to the structural conditions is a growing conceptualisation of new dimensions outlined below.

Substantial wealth

The expression substantial wealth is a concept used to reinforce the evidence of imbalance. By substantial wealth we understand the considerable volume of concrete resources, essential assets and property that allow the exercise of power and guarantee impunity or even the use of force. These are not abstract dimensions such as symbolic or cultural capital, prestige or status, but rather a large amount of objective elements (means of production, shares, money, property, assets) ensuring domination in the multiple correlations of power in the economic, political and social fields.

The truly rich possess substantial wealth, which distinguishes them from the "economic elites" or simply the "elites", which are inaccurate or ambivalent concepts that refer to influential and prestigious but not necessarily rich people, whose social recognition can be won by talent, merit or diligence. Substantial wealth is expressed in terms of volume of concentrated capital. Owners of the means of production who contract the workforce for extraction of surplus value are essentially capitalists irrespective of the amount of capital employed. But there is an important difference between a determined amount of capital divided among tens or hundreds of capitalists and this same amount controlled by a single individual or family. This is a complex question of scale and proportion in the possession of wealth. Magnates and billionaires form the hyper-bourgeoisie (Duclos, 2002), the super-rich (Haseler, 2000), a specific segment in the dominant sectors with practices and reproductive strategies that distinguish them from other capitalists.

The existence of captains of industry, all-powerful businesspeople, is nothing new in the history of capitalism. However, recent data indicate a change in the scale of force and power of these figures. The assets of the 200 richest people on the planet increased from 440 billion US dollars in 1994 to 1,300 billion US dollars ten years later, a sum equivalent to the income of 40% of the population of the planet. On one side of the scales are 200 individuals, and on the other 2,400,000,000. The fortune of the five richest people exceeds the Gross Domestic Product of dozens of countries (www.inequality.org). Unlike the old magnates that used to operate in isolation, beating the competition to submission, the segment of super-rich moves on a global scale to form what Kowalewski (1997) terms Global Establishmentism. They establish alliances that reduce the self-nutrition of turbo-capitalism, uniting to implement economic macro-initiatives to enable ideological domination through media events. Examples of these initiatives include the boycott of the Kyoto protocol, the imposition of patent policies prejudicial to poorer countries and financial and labour deregulation. The ideological offensive is seen, among other

instances, in the mythification of neo-liberal figures through the non-existent “Nobel Economics Prize” (really an award by the conservative-leaning Central Bank of Sweden), and the spectacularisation of the directives formulated by business leaders taking part in the Davos Economic Forum.

Substantial wealth in Brazil appears without the same level of articulation, but with no less effective power. Figures like Antonio Ermírio de Moraes, Andrade Faria, Abílio Diniz and Rubens Ometto heading economic empires influence decisions about the country’s strategic economic issues, investment that could cause greater ecological and social impact than the public policies implemented by dozens of state secretaries and hundreds of mayors. For example, companies used all expedients to impose the viability of pulp factories in a determined region – which could cause serious environmental problems due to eucalyptus monoculture –: purchasing advertising space in the local media in such a way as to prevent unfavourable reporting, contracting scientists and academics to neutralise criticism, applying direct pressure on mayors and councillors.

Marxist theory uses the generic and impersonal term “company” to designate the institutional, organisational and operational space of capital movement. It should be remembered that behind any initiative are flesh-and-bone people who, if necessary, intervene directly and personally to make expansion projects viable or unblock legal restrictions. It is not an abstract entity that deals directly with governor, pressurises the newspaper owner and makes contact with the university dean. It is a man with forename and surname, a respectable business figure, a worthy supporter of philanthropic (and political) campaigns, and illustrious patron of the arts, who makes use of all expedients to obtain the necessary concessions or exemptions and, if necessary, to guarantee impunity, or rather obtain advantages inaccessible to other capitalists with lesser resources.

The nature of capital, the logic of accumulation and other principles governing capitalist reproduction are the same irrespective of scale of capital. However, substantial wealth is an increasingly more important differential, modifying the rules of competition, imposing accelerated processes, sanctifying personalities and legitimising their actions.

The concept of “perpetrators” formulated by Else Oyen and used by Ramon Fogel in “Trabajo y producción de la pobreza em Latinoamérica y el Caribe” (Alvarez, 2005) brings in practices reminiscent of North American robber barons in the early and late 20th century (Guilhot, 2006). The actions raised by powerful social groups multiply, moving large volumes of resources which escape the conventional rules of the capitalist market. These actions are not unspecific and in fact result in direct consequences on social relations and public policies and also involve antisocial forms of appropriation of wealth.

The personification of wealth and the pleasure classes

Personification is understood as the process of representation and realisation of the wealth in a person. The identification of capital with the institutional form "company" corresponded to historical reality. Marx said that capitalists are *trägers*, simple carriers of predetermined relations of production, executing the necessary and inevitable functions for reproduction of capital irrespective of their personal or human characteristics. They are transitory figures, agents imperatively conditioned to obey the laws of capital seemingly diluted in the institutional forms defined by words like manufacture, great industry, industrial capitalism, etc. or making up generic designations (owners, bourgeoisie, capitalist class).

In the general evolution of capitalism the physical existence or specific behaviour of isolated capitalists effectively mattered little. The exceptions occur with the mythologies created around *sui generis* figures like Henry Ford, John Rockefeller or J.P. Morgan, or more recently Bill Gates and in Brazil, Barão de Mauá, Roberto Simonsen or Antonio Ermírio de Moraes. Much more important were the performance of major, almost centennial companies (BOEING, GENERAL MOTORS, IBM, NESTLÉ and many others) which are just a few examples of institutions that have featured in the general movement of capitalist expansion. Looked at from a highly abstract standpoint, even these cases are diluted in the general form of wealth and the structural determinations of the mode of production. The iron rule of accumulation imposed by class struggle (capital v labour and the struggle between "brother-enemies") forces constant reinvestment irrespective of personal inclinations. Avarice and prodigality are vices severely punished in the process of reproduction of capital.

The past 20 years have seen a rapid modification of these general principles. Conduct that was previously isolated and penalised by the rules of competition has become more common and legitimised. This private appropriation of corporate profits was rarely seen throughout the 20th century. Part of these profits is not reinvested in the "normal" production process but is instead enjoyed in the private sphere.

Two connected processes have ensured record profits in the recent period: on one side is productive restructuring and growing automation, speculative financing and the existence of easy transfer of income through tax havens; on the other, reduced salaries and collective rights due to weakened unions, fragility of contracts and the State's loss of transfer capacity. The general impoverishment of workers is balanced by such increases in corporate profits that there is no room for reapplication unless in more speculative processes, resulting in greater profits which can then be transferred to individuals.

Between 1990 and 2005, the minimum federal salary of the United States fell by almost 10%, while salaries in the industrial sector increased by 4.3%. Corporate profits during the same 15 years increased by 106.7%, in an impressive transfer of income. Even more

important is that payments to executives (owners and salaried) of these same companies increased by 298.2% during this period (Domhoff, 2006, Chart 7). Considering the same phenomenon over a broader time frame it can be seen that chief executives received 50 to 60 times more than half the workers from 1960 to 1980. By the end of the 1990s that difference had become 500 times more (Domhoff, 2006, Chart 6).

There is no accurate data for Brazil, but it can be assumed that the phenomenon is not only repeated here but may be even more accentuated. The salaries of Brazilian executives are closely behind those paid in the United States and France, and higher than remunerations seen in the Netherlands, Spain and Germany. Pay differentials between directors and the workforce are some of the highest in the world. Furthermore, a series of subterfuges ensure that indirect remuneration such as share benefits and personal expenses like housing, travel and leisure can be counted as industrial costs. Recent business mobilisation against the so-called Super Tax and against legal devices to expand the power of federal inspection is an indicator of lack of fiscal citizenship. Multiple forms of evasion are converted into personal appropriation and not into resources that return to companies in the form of investment.

Another indicator of the impressive amount of income appropriated by individuals from the highest levels of the wealthy is the existence of the market for high-luxury products. Restricted-circulation national magazines or those focused on yachting, real estate, jewellery and aircraft (Touch *of Class, Platinum, "A", Cavallino, Lifestyle* and others) display a gamut of merchandise and services that seem to correspond to the lifestyle and consumption of the sheiks of Bahrain. The cast list of products is priced in hundreds or millions of dollars and marketed in specialist outlets. Advertising, and specialist marketing spaces and products to serve this consumer category cannot be mistaken for similar ones intended for a middle class eager for status but whose purchasing power only enables it attain fragments of the authentic luxury market.

Either way, controversial cases indicate that exclusive environments have fluid boundaries. The most famous example is the Daslú luxury store in São Paulo, whose clients are the very rich and "social climbers" seeking to consume products and frequent places that indicate prestige and possessions. Daslú is also an example of the business practices in this sphere of trade and the reactions of the dominant classes to the civil authorities' attempts at fiscal justice. The most luxurious store in the country was engaged in contraband and evasion of federal and state taxes and some of its clients acquired products with resources from slush funds. When the tax inspectors closed it down and arrested its owners, high-society personalities criticised the Federal Government for hitting at "the heart of the Brazilian elite".

The personification of wealth points to substantial resources being moved from the production sphere into a restricted high-luxury market materialised in pharaonic homes (as the in the 'vertical mansions' in São Paulo city costing tens of millions of Reais) and second homes

in Aspen, Palm Beach, the Bahamas and other mountain or tropical paradises; materialised in prestige goods or used for enjoying particular services (princely travel, gaming seasons in casinos, etc.) Although possessing no scientific rigour, Richard Conniff's (2004) articles about rich North Americans are not imaginary and reveal preposterous scales of conspicuous consumption, all leading to the belief that this is repeated in Brazil. One of many examples is the fact that two dozen Havaianas sandals encrusted with diamonds were marketed in 2003, priced at 58,000 Reais each, the equivalent of 20 years of a worker's minimum salary! If it were possible to quantify the spending of some Brazilian millionaires during a single weekend in Punta del Este or Monaco, it would be interesting to compare them with healthcare or social exclusion secretariat expenses in a medium-sized town.

Strictly private, personal appropriation of extraordinarily high sums has always occurred in the history of capitalism and relates to the intrinsic logic of the system, the absolute motivation of specific instrumental action in relation to means and ends (Wright Mills, 1968; Domhoff, 2005; Lundberg, 1968, Haseler, 2000). The feature of the new situation is the multiplication of segments whose conduct recalls the conditions analysed by Thorstein Veblen (1983) in the late 19th century United States and points to the existence of a new form of social parasitism. Veblen saw the "leisured class" as the old aristocrats, landowners and people of private means who enjoyed income from outside industrial productivity. The segments we are referring to come from the most profitable and... modern in contemporary economic activity, however. These sectors extract impressive amounts of surplus value without needing to fully reinvest it, allowing sterilisation of a significant amount in ostentatious consumption or simply personal consumption. The amount of substantial wealth and, consequently, of power is so great that they can dispense with some of the political tasks for defending their class interests. In this case it would be possible to talk of segments of "pleasure classes", a classification which needs more rigorous and accurate theory and foundation.

Personification of wealth and the pleasure classes are usually a process connected with and unfolding into a phenomenon of growing importance: mobility of wealth. The great fortunes of Third-World countries do not need to be firmly anchored in their places of origin. They circulate through tax havens and shift on the slightest hint of political difficulties or tax and fiscal control, returning when speculative or even productive advantages are conceded. The Inland Revenue estimates that at the start of 2001 approximately 100 billion dollars belonging to Brazilian individuals entered and left the country according to possibilities for making high returns.

Problems of research into wealth

Many aspects make “extreme wealth”, and particularly substantial wealth into highly problematic research objects. The multiple obstacles to apprehending and analysing the topic can be schematised into three blocks: the first is related to the general theory of social organisation into classes; the second is the explanation deficit, which is the existence of preconceptions, insufficiencies and gaps in the Social Sciences which hinder approach to the subject; the third concerns the material restrictions impeding access to reliable information.

Contemporary sociology retains the theoretical conflicts which have marked the formation of social thinking around the essential questions of power, social stratification and hierarchical relations. Society and individuals are marked by multiple differences: the absence of homogeneity is transformed into material and symbolic advantages and disadvantages according to dynamics shaping the relations of power. Differences – hierarchies – inequalities – order and disorder – conflict and consensus: this set of topics has formed the motivation, the cornerstone of how society is considered. The approach to these elementary issues will define two theoretically divergent routes; routes with few meeting places.

The issues of inequality and differentiation are fundamental, since they form the first stage of constructing sociological thinking and establish the base reference for complex theoretical elaborations. It may be supposed that they are simple topics, with a consolidated literature, stable theoretical reflection and consistent empirical verification. There is none of this, however. The issues remain controversial and a good part of the elementary questions and fundamental debates remain inconclusive. The observation, interpretation and representation of this topic divide social thinking into two relatively contradictory currents. On one side stands the theoretical framework of Critical Theory, with a starting point of inequality polarised between social groups due to ownership or not of the means of production; the inequalities become socially relevant through class relations and conflict. This theoretical viewpoint emphasises the issues of the material bases of domination (property, specific organisation of the labour process), power and exploitation; the issue of inequality has an explicit ethical and political dimension: moral condemnation of the injustices associated with reflection and action towards overcoming the material basis of class antagonisms.

On the other side are the theoretical frameworks that relate to the existence of multidimensional hierarchical differences, stemming from non-deterministic situations and without absolute conditioning for individuals (Bouffartigue, 2004). The concern therefore revolves around the confirmation/classification/comprehension of structures and situations, indicating the significances and possibilities of, sometimes individual, mobility, of the “society without direction” Weber. The issues that arise are: socio-professional division, functional

stratification, integration, identity, culture (the weight of tradition, values), subjectivity and so on.

There has been a tendency to dilute the classic critical formulations in recent years, with allegations that the classes have lost any explanatory value. The domination of neoliberalism and the realism of "market truth" seems to indicate the end of the "enemies of open society" and with them conflict and inequalities. If this were the case only meritorious differentiations of a taxonomic effort of social thinking would be the rule.

The impoverished perception of social conditions did not stand up for very long. The predatory practices of neoliberalism-guided "turbo-driven capitalism" caused social regression even in advanced countries (Bourdieu, 1999). The developing precariousness of labour, structural unemployment, concentration of income and other (re)productive processes of inequality have brought a return to the classic questions of the Social Sciences in terms of social class, hierarchies, domination etc. (Bouffartigue, 2004).

The problems of appropriate connection of the broader theoretical frameworks with the concrete and of applying concepts covering national or specific conditions persist, however. Controversial themes like definition of the unity and homogeneity of classes are faced with the multiplicity of situations arising from labour mutation (the informal sector, outsourced and independent workers), for example, with the existence of Robert Castel's formulation of the "useless for the world" and the growing pre-eminence of parasitic people of private means.

As the topic has a political connotation in dealing with strongly disparate class relations and situations, there is always a risk that moral and moralistic considerations will contaminate the analysis. The previously synthesized concepts were formulated with heuristic intent as a means of filling part of the gap between the great formulations and the objective situations of reality. Although huge, Brazilian inequalities do not formulate anything qualitatively different from what occurs in other capitalist countries, but at the same time the knowledge of its historical persistence and in particular the dynamic of power relations, come up against a kind of explanation deficit.

This deficit takes many intellectual and material forms, with specific causes and important consequences. Henri Lefebvre says, "inequalities exist twice: firstly objectively and secondly in the representations of the social world" (Lefebvre, 1969). The blindness, or what Jessé Souza (2004) calls the "opacity" that hinders comprehension of inequality is connected to pre-reflexive processes affecting the privileged and the victims, naturalising situations and conditionings. This may even be understandable in terms of public opinion or common sense, but is unacceptable in scientific knowledge.

Three situations stand out among the several elements that explain why the Social Sciences have not progressed in understanding this topic. The first concerns the generally shared perception that poverty is a problem while wealth is not. Populations of the poor and

destitute are measured, quantified and analysed in their social, political psychological and educational dimensions. Studies are made into electoral behaviour, life plans and survival strategies to account for an apparently autonomous condition. Concern with correct measurement of poverty (the precise poverty line, identification of "the real poor", etc) is focused on improving social programmes and forms of intervention. In the strange bellicose language of some public policies the "war on poverty" aims to raise the living standards of the poorest and overcome the poverty line. The same plethora of data and analysis does not exist in relation to "extreme wealth" and thus an essential principal that Sociology singles out in social life is erased: that socioeconomic inequality is not measured by a minimum income line below which the poor are found. It derives from the distances between the relative positions occupied by the various segments of society. Even if the poor and destitute reached the minimum level, it would not mean that conditions were balanced and socially just, as the key point is always the relative dimension (Cattani 2007).

The second situation concerns the issues explored by Michel Pinçon and Monique Pinçon-Charlot: the researcher's huge distance from the subject (lack of physical *hexis*, *habitus*, dominance of the codes that allow better apprehension of the objects); the effect of the object's domination over the researcher and the mistaken conditions of reception of the subject as a theme of scientific knowledge, considering it on the one hand futile or superfluous and on the other associating it with defence of the case of the rich (Pinçon and Pinçon-Charlot, 1997). In the current conception the person who studies the poor or social movements, for example, is progressive and indentifies themself with popular causes; the person who studies the elites is elitist! De-ontological questions could also be raised (problems with identification of powerful figures or with the origin and enjoyment of certain fortunes), but the problem is again raised in a single sense. The same concerns do not arise in the case of the poor, who are scrutinised, identified and photographed without restraint and their living conditions revealed in the smallest detail.

Conditions exist for the two previous circumstances to be overcome, but not for a third situation involving material difficulties. The obstacles in some cases are practically insurmountable. As Pochmann (2004) and Medeiros (2005) have argued, the rich hide themselves for a variety of reasons: fear of kidnap, fear of stricter tax inspection, trepidation that the frequent relationships between fortunes and illicit activities may be identified (Cattani, 2007). As if this were not enough, wealth has a multifaceted character, with numerous sources of income and endless possibilities of investment that are difficult to apprehend or measure. The real scale of substantial wealth is even inaccessible to specialist governmental bodies and, if there is some form of record, public access is forbidden by legislation that ensures privacy of bank accounts and tax declarations.

Indirect research also faces important barriers. Access to the luxury clubs and condominiums is savagely refused by private security systems and even the police. Not even the official research (PNAD, Census) has managed to capture the basic dimensions of the richest segments, and in many cases the data supplied does not correspond to the reality. It is difficult to obtain information from employees, due either to complicity (excessive strictness often corresponds to naturalised servitude) or fear of losing employment.

To sum up, there is no interest whatsoever in facilitating access to information that could question the legitimacy of the positions of the dominant class. The obstacles have led many researchers to abandon the topic, reminiscent of the strategy of the person who gives up looking for a key lost in the dark to look for it elsewhere where there is more light! In concrete terms, for every 100 studies about the Brazilian poor, there is only one study about the rich (Bordignon, 2005).

Final considerations

There is no room for any peremptory conclusion at the end of this article but instead for reaffirmation of some basic questions, starting with the serious significance of extreme conditions of socioeconomic inequality. The imbalance relates to constantly renewed conditions of appropriation of social wealth by minority groups. The question of the scale or disproportion between “extreme wealth” and “extreme poverty” is important in relation to cumulative processes: offering advantages, privileges and prerogatives on one hand and imposing conditions that morally, socially and biologically degrade and destroy the greatest cosmic miracle: human life (Boltvinik, Damián, 2004, p.11; Bihr and Pfefferkorn, 1999). The two extremes are not self-referential and even less self-sufficient, but are connected to relations of power that pervade the social structure from top to bottom. The relational dimension is permanent and the actions of the perpetrators in terms of violation of basic social rights and licentious exploitation of workers has a cascade effect. It starts at the top of the social pyramid and spreads down through intermediary groups until reaching the segments at the bottom.

One of the great challenges for the Social Sciences is to renew the theoretical frameworks in order to reduce the explanation deficit, eliminating preconceptions and overcoming material difficulties obstructing access to the essential data about the foundations and strategies of wealth. New focuses, new analytical perspectives are becoming necessary for producing critical and provocative knowledge of society, expanding the horizons of awareness and less elitist fields of political action.

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