
Article

“Resource portfolio” and total capital of different social classes in the modern society of Latvia

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Abstract: The aim of this study is to investigate “resource portfolios” and total capital, as well as the degree of those resources capitalization, which representatives of different social classes in the modern Latvia have at their disposal. The amount and structure of “resource portfolio” and total capital of different social classes studied using the resource-asset-capital approach. The article presents results of the sociological survey of social stratification in modern Latvia on the example of its one region – Latgale (2019, n = 798, representative sample of the adult population), identifying social classes based on two objective (income and education) and one subjective (self-identification of respondents) criteria. Based on the example of the lower working class and the middle class, the authors proved that representatives of these polar social classes have a total capital of different amount, which is determined by two main reasons: 1) the lower working class has statistically significantly smaller “resource portfolio” than the middle class; 2) the lower working class is not so successful as the middle class in activating the resources at their disposal, turning them into their capital. These statistically significant two-level differences have to be considered when pursuing social policies on reducing differences between social classes.

Keywords: Latvia; social classes; “resource portfolio”; social capital; degree of the resource capitalization.

1. Introduction

Hierarchical social stratification has always been and continues to be an integral attribute of most human societies [40], being a stimulus for the development of society [39]. Despite this fact the “resource portfolio” possessed by representatives of various social classes, as well as the ways of acquiring it vary more or less depending on the time and place. For instance, M.J. Schouten (1998) has been studying the issues of leadership and social mobility in South Asian society from 1677 to 1983 on the case of Minahasa – a peninsula in the northern part of the Indonesia’s island of Sulawesi. She concluded the following: “warfare and wealth were the major means for acquiring status in precolonial Minahasa. Despite the radical transformations that the region has undergone over the course of three centuries – especially since the establishment of Dutch colonial rule in the 19th century, the quest for power and prestige is an ongoing concern among Minahasans and that the ways to attain it have changed little” [37] (p. 5). In turn, E. Klein and V. Tokman (2000) studied social stratification in Latin American society in the era of globalization – during the last two decades of the XX century. They found that “social groups are structured by occupations as they were in the past, but sectors tend to lose meaning when heterogeneity prevails and, more importantly, when people relate in a different way, culturally and economically, to national and international interests” [23] (p. 28).

At the end of the 20th century, Eastern European society experienced a transition from socialism to capitalism, which significantly influenced its social stratification. The

results of a comparative study of patterns of social mobility in the early 1990s with those in the late 2000s in the countries of Central and Eastern Europe showed a significant decline in relative social mobility between the two periods. M. Jackson and G. Evans (2017) argue: “changes in the institutions that regulate the transfer of capital across generations are likely to explain why the move from socialism to the market is associated with declining levels of social fluidity” [19] (p. 54). P. Lakis (1994), a researcher of social stratification in Latvia, identified three, in his opinion, the most important dimensions of social stratification in such a transitional society as it was in Latvia in the 1990s: 1) material stratification; 2) relations with political power; 3) the prestige of the occupation [24]. In turn, another Latvia’s sociologist claims that there is no scientifically identified middle class in Latvia at all, and introduces the concept of “candidates for the middle class” [30, 33].

In the scientific literature, there are different approaches to the study of social stratification – both from the point of view of the subject of research (static social stratification or dynamic social mobility) and from the point of view of methods of identifying social classes (according to objective or subjective criteria, according to one or several criteria). The authors try to combine different approaches to the study of social stratification in modern Latvia on the example of its one region – Latgale, identifying social classes based on two objective (income and education) and one subjective (self-identification of respondents) criteria. In turn, the amount and structure of “resource portfolio” and total capital of different social classes are investigated using the resource approach or the resource-asset-capital approach [43]. The resource approach is based on the following methodological premise: the resources at the disposal of a person can be turned into his/her assets (through activation), which, in turn, can have a socio-economic return, i.e. become a person's capital [5].

Thus, the main aim of this study is to test empirically the following hypothesis: representatives of different social classes of the modern Latvia’s society have different “resource portfolios” and more different total capital, which determined by different degrees of capitalization of the resources that representatives of these social classes have at their disposal. Capitalization of resources within the framework of this study is a process as a result of which a particular resource of the respondent provides him/her monetary income and/or social status and/or moral satisfaction, i.e. becomes his/her capital. The authors prove or reject hypothesis based on the data from a representative sociological survey of the adult population of the Latgale region of Latvia, conducted in 2019; the sample’s size is 798 respondents [14].

There are stable and rather big socio-economic differences between the metropolitan Riga region and the rest of the country in Latvia [3, 4]. Therefore, the results of this study can characterize modern Latvia’s society with one limitation – they do not relate to the society of Riga region, but only to the society of the peripheral regions of Latvia, which, in turn, practically do not differ from each other in the socio-economic aspect [3, 4].

Another limitation of this research is related to the methodological approach to defining the structure of “resource portfolio” and total capital, which [the methodological approach] was developed by V. Menshikov, the sociologist of the Daugavpils University (Latvia) [28, 29, 31], based on the ideas of P. Bourdieu [7-10], with minor changes by the authors. According to this methodological approach, resource groups – economic, cultural, professional, social, administrative, political, symbolic, physical, and geographical – form a “resource portfolio” structure only in European society, but it would be different in other societies. For instance, the results of a recent study in two societies of Southeast Asia – Indonesia and Thailand – show that religious capital plays an important role in the public domain as it used as the basis for access to resources [39]. But in modern Latvia the religious affiliation of people does not give them any social advantages [33], i.e. is not a determinant of social stratification, which is most likely true for Europe as a whole.

In the next chapter of the article, the authors provide a theoretical basis for proving the hypothesis of this study, as well as develop a research methodology, then follows a description of the research results and discussion, as well as conclusions and recommendations for future studies in the field of social stratification.

2. Theoretical Basis and Research Methodology

Although the concept of “social class” often ideologized, it remains one of the basic concepts of sociology [27]. The founder of the modern theory of social stratification is P.A. Sorokin, the author of some fundamental works on social equality and social mobility. In the context of this study, the most important from P.A. Sorokin’s heritage is that social stratification has a multidimensional system of coordinates and is divided into three dimensions – economic, political and professional [42], structuring inequalities between different social classes [16]. G. von Schmoller (1906) had earlier put forward the concept of multi-criteria class theory [37]. Nowadays, reflecting on the future of human society, Y.N. Harari (2018) points to the ever-increasing importance of another dimension of social stratification – biological: “The 21st century can give rise to societies with such inequality as has not yet been known in history. Globalization and the Internet are reducing differences between countries, but increasing inequalities between classes. It is not excluded that on the threshold of global unification, humans themselves as a species will be divided into different biological castes” [17] (p. 214).

Despite the unanimous acceptance of multi-criteria approach in the study of social stratification in general [24, 41, 44] and of separate social classes [1, 15, 32], there still exist disagreements between structural functionalism theorists [18, 25, 35] and proponents of the social conflict theory [6, 13, 36, 45] over which objective criteria are useful for measuring social classes [2].

When identifying social classes, sociologists-functionalists rely on such indicators of socio-economic status as education, income, and occupation (namely, its prestige). Sometimes only one of these three variables is used to identify social classes, and sometimes two or all three variables are used [2].

While recognizing the usefulness of measuring socio-economic status, sociologists who advocate social conflict theory prefer different – albeit also objective – criteria for identifying social classes that take into account ownership of the means of production and other dynamic characteristics of jobs. For instance, many top managers working in corporations do not own the means of production, but still manage the labor of their subordinate workers. Thus, they cannot be classified as either the traditional “bourgeois” or the working class. Emphasizing the existence of such problems, sociologists-conflictologists distinguish a social class, including in its identification process such criteria as the ownership of the means of production, the degree of autonomy in work, as well as whether the respondents control other workers or are themselves controlled workers [45]. In general, regardless of which criteria have been and are chosen by different researchers to identify social classes, one thing is indisputable: the upper class has much wealth, power, and influence [20], and the lower class, accordingly, practically does not have everything of the above.

If researchers choose the subjective method, then they ask the respondents themselves what class they belong to. For instance, in the United States, a subjective approach also used to identify social classes. For instance, the General Social Survey includes the following question: “If you were asked to use one of five name for your social class, which would you say you belong in: the lower class, the working class, the middle class, the upper middle class, or the upper class?” [34]. The problem with such a subjective assessment is that some people say that they belong to a social class that clearly does not meet the objective criteria that characterize them. For instance, in the 2019 data set, out of 798 residents of the Latgale region of Latvia, there were 198 people with higher education, and 6 of them identified themselves as the lower class, 25 – as the working class, the majority – 103 people – as the middle class and only 6 people – as the upper middle or upper class [14]. In turn, out of the 68 respondents with the highest monthly income per family member in the entire sample (300 euros and more), one identified himself as a lower class, 6 as a working class, the majority – 37 people – as a middle class and only 4 people went to the upper class [14]. Sociological survey data from Latgale region of Latvia does not show strong correlation between the subjective perception of one’s position in social stratification and the household’s income/personal education: Kendall’s correlation coefficient

in the first case is only +0.259, in the second one – +0.245 (in both cases the correlation is statistically significant and with 99% probability) [14].

To identify relatively “pure types”, the most valuable for further research, the authors combined the three above criteria – two objective (income and education) and one subjective (self-identification). The following table presents a method for identifying “pure types” of social classes in the framework of this study, assuming the simultaneous compliance of representatives of classes with several selection criteria.

Table 1. Method for identifying “pure type” of social classes within this study

Criteria for the selection of “pure types”	Lower working class ¹	Middle class ¹
Monthly income per family member ²	<= 100 EUR per family member	> = 300 EUR per family member
Respondent's education	Below secondary	Higher education
Self-identification	Self-identification with lower class or working class	Self-identification with middle, upper middle or upper class

¹ According to the results of a sociological survey of the population of Latgale region of Latvia, it is not possible to single out either the lower class or the upper class separately, since only a few respondents self-identify with these groups.

² Having many years of experience in conducting and analyzing sociological research data in Latvia, the authors argue that the monthly income per one family member of the respondent has a stronger effect on his social behavior, worldview and self-identification than personal income.

The two social classes of Latvia’s society, obtained as the result of the application of the method presented in Table 1, are further compared:

- 1) according to individual socio-economic parameters that make it possible to draw up a “sociological portrait” of the lower working class and middle class;
- 2) in terms of the amount and structure of the “resource portfolio” and the total capital of the lower working class and middle class;
- 3) according to the degree of capitalization of the resources that representatives of the lower working class and middle class have at their disposal.

The list of resources, which are included in the respondents’ “resource portfolio” and combined into nine groups (three resources in each group), presented in Table 2. According to this methodology, which underlies the compilation of the sociological survey questionnaire [14], the resources that are not only available to the respondent, but also bring him/her monetary income, social status or moral satisfaction as a result of their activation (using), are capitalized resources, which all together constitute the total capital of the respondent.

Table 2. A scale-questionnaire for measuring “resource portfolio” and its capitalization by the population, based on questions: Which of the resources indicated in the table do you possess? Does the presence of a certain resource provide you with anything in particular?

Resources of respondents	“I possess it”	“It brings me monetary income / social status / moral satisfaction”
Economic resources:		
Real estate or movables	1	1 / 1 / 1
Monetary savings	1	1 / 1 / 1
Income: business, salary, social transfers, etc.	1	1 / 1 / 1
Cultural resources:		
Wide mental outlook	1	1 / 1 / 1
High level of intelligence	1	1 / 1 / 1

Foreign language skills	1	1 / 1 / 1
Professional resources: ¹		
Good education	1	1 / 1 / 1
Occupation	1	1 / 1 / 1
High level of professionalism	1	1 / 1 / 1
Social resources:		
Favourable family environment	1	1 / 1 / 1
A lot of friends	1	1 / 1 / 1
Connections with influential people	1	1 / 1 / 1
Administrative resources:		
Leadership skills	1	1 / 1 / 1
Responsible position (at an enterprise, etc.)	1	1 / 1 / 1
Managerial work experience	1	1 / 1 / 1
Political resources:		
Participation in a public organization, a political party	1	1 / 1 / 1
Citizenship of the Republic of Latvia	1	1 / 1 / 1
Status of a deputy, a politician	1	1 / 1 / 1
Symbolic resources:		
Good reputation	1	1 / 1 / 1
Ability to come up with new ideas and engage others	1	1 / 1 / 1
Popularity in your city (village, region, state)	1	1 / 1 / 1
Physical resources:		
Good health	1	1 / 1 / 1
Ability to overcome stress and psychologic problems	1	1 / 1 / 1
Beauty, attractive appearance	1	1 / 1 / 1
Geographical resources:		
Good place of residence	1	1 / 1 / 1
Good demographic situation in the place of residence	1	1 / 1 / 1
Wide access to information in the place of residence	1	1 / 1 / 1

¹ This resource group was called "human resources" in the original methodology developed by the sociologist of the Daugavpils University (Latvia) V. Menshikov.

In the framework of this study monetary income, social status, and moral satisfaction methodologically considered by the authors as an equivalent return on the resource. If, for instance, the resource provides the respondent monetary income and social status or all three benefits at once, then the degree of the resource capitalization is equal to 2 or 3, respectively. The amount of capital got due to activation and subsequent capitalization of each of the 27 resources is calculated using the following formula:

$$CAP_{tot_i} = RES_i * (RET_{mi_i} + RET_{ss_i} + RET_{ms_i}), \quad (1)$$

where:

$CAP_{tot,i}$ – amount of capital from a resource, score from 0 to 3;
 i – counting number of a resource, from 1 to 27;
 RES_i – presence of the resource, 0 or 1;
 $RET_{mi,i}$ – return in the form of monetary income, 0 or 1;
 $RET_{ss,i}$ – return in the form of social status, 0 or 1;
 $RET_{ms,i}$ – return in the form of moral satisfaction, 0 or 1;
 $RET_{mi,i} + RET_{ss,i} + RET_{ms,i}$ – degree of the resource capitalization, score from 0 to 3.

In turn, the amount of the respondent's total capital is the sum of his/her resources with a certain degree of capitalization (from 0 to 3) of each resource. The amount of certain types of capital is the sum of three resources included in each of the nine groups, with a certain degree of capitalization of each of them – then the amount of certain types of capital can theoretically vary from 0 to 9. The scheme of the process of resources' capitalization and the corresponding measurements is shown in the following figure.

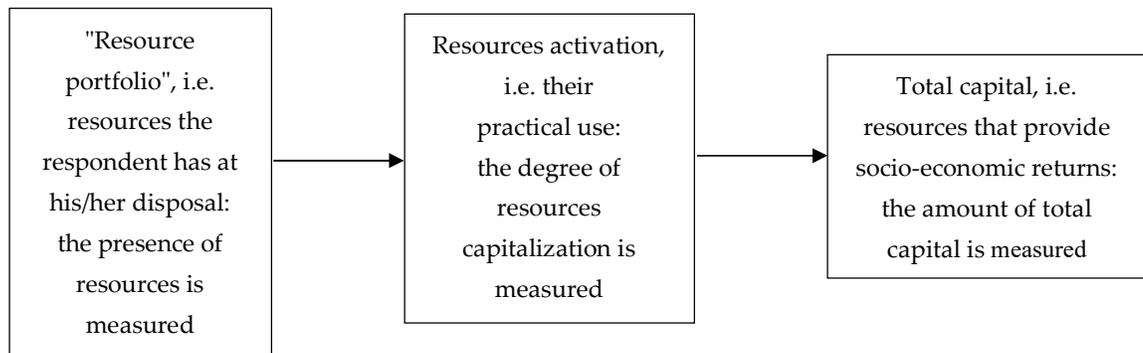


Figure 1. Process of converting the “resource portfolio” into the total capital

Based on the results of a comparative analysis of the amount and structure of the “resource portfolio” and the total capital of the lower working class and the middle class of Latvia’s society, it will be concluded about statistically significant differences between the groups, i.e., the hypothesis of this study will be proved or rejected.

As mentioned in the Introduction to this article, the empirical basis for this study is the data of a sociological survey of the adult population of the Latgale region of Latvia, conducted by a group of researchers (including two co-authors of this article) led by the professor V. Menshikov at the Daugavpils University (Latvia) on October 2019 [14]. The sample size for this sociological survey calculated using the following formula [12]:

$$SS = \frac{p*(1-p)*Z^2}{e^2}, \quad (2)$$

where:

SS – sample size, respondents;

p – the share of answers of interest, decimal;

Z – Z-score (tabular value for each confidence level (CL));

e – margin of error, decimal.

The minimum sample size for this sociological survey is 657 according to the following parameters:

- 1) the share of answers of interest (standard deviation) is taken by default – 0.5 [22];
- 2) confidence level for this sociological survey is 96%, Z-score for such CL is 2.05 [26];

3) margin of error for the confidence level of 96% is 0.04, it means: $\pm 4\%$ [12].

The actual sample size is 798 respondents, and this randomly chosen sample is representative of the adult population of the Latgale region of Latvia, taking into account such socio-demographic variables as age, gender, education, ethnicity and place of residence. The maximum deviation of the sample from the structure of the entire adult population of the Latgale region of Latvia is 4% (Table 3).

Table 3. The sample structure in comparison with the structure of the entire adult population of the Latgale region of Latvia, 2019

Criteria for constructing the sample of a survey	Share (%) in the sample of a survey, n = 798 respondents	Share (%) in the structure of the entire adult population of the Latgale region of Latvia, N = 233 505 people	The sample deviation from the structure of the entire adult population, %
Age:			
15-24	11.1	11.7	-0.6
25-49	38.5	36.6	+1.9
50-64	29.7	27.0	+2.7
65 and more	20.7	24.7	-4.0
	100.0	100.0	
Gender:			
Male	43.1	45.4	-2.3
Female	56.9	54.6	+2.3
	100.0	100.0	
Education:			
Below secondary	18.0	18.1	-0.1
Secondary (common + vocational)	57.1	53.1	+4.0
Higher	24.9	28.8	-3.9
	100.0	100.0	
Ethnicity:			
Latvians	42.1	45.7	-3.6
Russians	38.4	36.9	+1.5
Others	19.5	17.4	+2.1
	100.0	100.0	
Place of residence:			
Urban	67.8	65.3	+2.5
Rural	32.2	34.7	-2.5
	100.0	100.0	

To collect data within this survey, the method of interviewing respondents at their place of residence was chosen using a printed questionnaire with closed questions, which [the questionnaire] respondents filled out either independently, or the interviewer read them questions and answer options, and then put down their answers.

3. Results and Discussion

Based on the methodology for identifying "pure types" of social classes, presented in previous chapter, the authors found in the data set consisting of 798 residents of the Latgale region of Latvia, only 36 respondents with an education, which is below secondary, and a monthly income ≤ 100 euros per family member consider themselves either the lower or the working class. In turn, on the entire data set of 798 people, the authors found

only 35 respondents who classify themselves as middle, upper middle or upper class, while having a higher education and a monthly income per family member equal to or exceeding 300 euros [14].

The authors consider it expedient not to investigate further the entire set of data, but to focus specifically on the study of two – albeit small groups of respondents (according to the literature, “minimum sample size for social science research should be 30-200” [22]). These groups most clearly (using three criteria at once) belong to those social classes that are almost at the poles of the modern Latvia’s society: the lower working class and the middle class.

Table 4. “Sociological portrait” of representatives of the lower working class and the middle class of the Latgale region of Latvia, 2019

Criteria for the comparison of “pure types” of social classes	Lower working class ¹		Middle class ¹			Statistical significance of differences, p-value ³
	n = 36 ²		n = 35 ²			
Average age, years	39.6		39.3			0.700
Gender, %	Male	Female	Male	Female		0.564
	63.9	36.1	57.1	42.9		
Ethnic group, %	LV	RU	Other	LV	RU	0.482
	42.4	45.5	12.1	40.6	34.4	
				25.0		
Place of residence, %	Urban	Rural	Urban	Rural		0.493
	65.7	34.3	57.6	42.4		
Average monthly income per family member, euros	78.2		420.3			0.000
Average household size, people	3.6		2.5			0.001
Average number of children	1.3		1.2			0.553
Status at the labor market:						
Student, %	16.7		5.7			0.147
An employee of a state institution or state-owned enterprise, %	8.3		45.7			0.000
Employee of a private enterprise, %	36.1		42.9			0.564
Unemployed, %	19.4		0.0			0.006
Housewife, %	11.1		2.9			0.177
Pensioner, %	19.4		0.0			0.006
Entrepreneur, %	0.0		20.0			0.005
Self-employed person, %	2.8		5.7			0.541

¹ According to the results of a sociological survey of the population of the Latgale region of Latvia, it is not possible to single out either the lower class or the upper class separately, since only a few respondents self-identify with these groups.

² According to the literature, “minimum sample size for social science research should be 30-200” [22].

³ Differences between groups are statistically significant if p-value < 0.05.

The results of a comparative analysis of representatives of the lower working class and the middle class presented in Table 4 show that the characteristics-determinants of belonging to the lower working class or middle class are the following:

- size of the household (the working class has more populous households);
- the status of an employee of a state institution or state-owned enterprise (this status is very characteristic of representatives middle class);
- the status of an unemployed and a pensioner (neither one nor the other practically belongs to the middle class);
- the status of an entrepreneur, which in turn often determines a person's belonging to the middle class.

Thus, it can be argued that in Latvia's society, firstly, those social characteristics of people that are not attainable (traditionally) as a result of certain social behavior – for instance, such as gender, age and ethnicity – are not determinants of social stratification. At the same time, the strong defining role of professional and labor characteristics is very noticeable, especially the status of an employee of a state institution or state-owned enterprise, which has shown itself to be one of the most reliable “social lifts” for getting into the middle class.

Further, the authors compare the “pure types” of representatives of the lower working class and the middle classes in terms of the amount and structure of their “resource portfolio”, not highlighting each resource separately, but combining them into resource groups.

Table 5. Comparative analysis of the “resource portfolio” of representatives of the lower working class and the middle class, resource groups, ¹ scores, the Latgale region of Latvia, 2019

Criteria for the comparison of “pure types” of social classes	Lower working class ² n = 36 ³	Middle class ² n = 35 ³	Statistical significance of differences, p-value ⁴
Amount of the “resource portfolio”, from 0 to 27	6.5	13.7	0.000
The amount of resources in each group:			
Economic resources, from 0 to 3	0.9	1.7	0.009
Cultural resources, from 0 to 3	0.8	1.8	0.001
Professional resources, from 0 to 3	0.5	1.6	0.000
Social resources, from 0 to 3	0.9	1.4	0.075
Administrative resources, from 0 to 3	0.3	1.8	0.000
Political resources, from 0 to 3	0.5	1.1	0.000
Symbolic resources, from 0 to 3	0.6	1.7	0.000
Physical resources, from 0 to 3	0.8	1.4	0.081
Geographical resources, from 0 to 3	1.1	1.3	0.483

¹ See Table 2.

² According to the results of a sociological survey of the population of the Latgale region of Latvia, it is not possible to single out either the lower class or the upper class separately, since only a few respondents self-identify with these groups.

³ According to the literature, “minimum sample size for social science research should be 30-200” [22].

⁴ Differences between groups are statistically significant if p-value < 0.05.

Based on the results of analysis of the data presented in Table 5 it could be concluded that the amount of the “resource portfolio” of the middle class is statistically significantly (p = 0.000) higher than that of the lower working class: on average, the middle class representatives have on average 13.7 resources versus 6.5 for the lower working class representatives. In turn, the results of comparative analysis of the structure of the “resource portfolio” by resource groups show that the middle class has a greater amount (statistically significant) of all types of resources, except for social, physical and geographical ones (Table 5).

Further, the authors compare the “pure types” of representatives of the lower working class and middle class in terms of the amount and structure of their total capital, also not highlighting each capital (or capitalized resource) separately, but combining them into groups corresponding to different types of capital.

Table 6. Comparative analysis of the total capital of representatives of the lower working class and the middle class, types of capital, ¹ scores, the Latgale region of Latvia, 2019

Criteria for the comparison of "pure types" of social classes	Lower working class ² n = 36 ³	Middle class ² n = 35 ³	Statistical significance of differences, p-value ⁴
Amount of the total capital, from 0 to 81	5.6	15.8	0.000
The amount of capital in each group:			
Economic capital, from 0 to 9	0.7	2.0	0.001
Cultural capital, from 0 to 9	0.6	2.3	0.000
Professional capital, from 0 to 9	0.5	2.1	0.000
Social capital, from 0 to 9	0.8	1.4	0.036
Administrative capital, from 0 to 9	0.4	2.4	0.000
Political capital, from 0 to 9	0.4	1.0	0.004
Symbolic capital, from 0 to 9	0.5	2.2	0.000
Physical capital, from 0 to 9	0.7	1.3	0.078
Geographical capital, from 0 to 9	1.0	1.2	0.879

¹ See Table 2.

² According to the results of a sociological survey of the population of the Latgale region of Latvia, it is not possible to single out either the lower class or the upper class separately, since only a few respondents self-identify with these groups.

³ According to the literature, "minimum sample size for social science research should be 30-200" [22].

⁴ Differences between groups are statistically significant if p-value < 0.05.

Results of comparative analysis of the data on the total capital of the lower working class and the middle class presented in Table 6 show that an average amount of the total capital of the middle class (15.8) almost three times exceeds an average amount of the total capital of the lower working class (5.6). But in the differences between the lower working class and the middle class for certain types of total capital, a slight discrepancies appear: here only differences in physical and geographical capital are statistically insignificant, and the difference in social capital among the representatives of the lower working class and the middle class is becoming statistically significant (Table 6).

In Figure 2, the authors showed those types of capital, the volume of which is statistically significantly different among the representatives of the lower working class and the middle class.

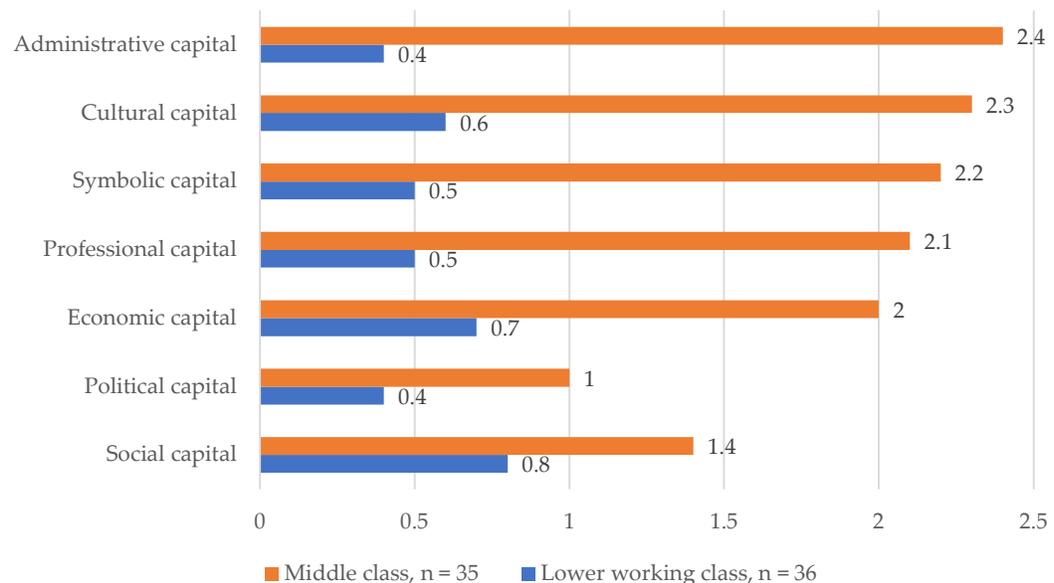


Figure 2. Types of capital, ¹ the amount of which is statistically significantly different between the representatives of the lower working class and the middle class, scores, the Latgale region of Latvia, 2019

¹ See Table 2; types of capital ranked according to decreasing statistical significance of differences between social classes.

The largest statistically significant differences between representatives of the lower working class and the middle class are observed for such types of capital as administrative, cultural, symbolic and professional (Table 6 and Figure 2). These types of capital can be considered the main determinants of social stratification in modern Latvia's society. In turn, such types of capital as physical and geographical (Table 6) in terms of amount do not differ statistically significantly between the representatives of the lower working class and the middle class, being not determinants of social stratification in Latvia.

Finalizing, the authors present in a generalized form the results of a comparative analysis of the main parameters of the process of transforming the "resource portfolio" into total capital between the representatives of the lower working class and the middle class.

Table 7. Comparison of the main parameters of the process of transforming the "resource portfolio" into total capital between representatives of the lower working class and the middle class, scores, the Latgale region of Latvia, 2019

Criteria for the comparison of "pure types" of social classes	Lower working class ¹ n = 36 ²	Middle class ¹ n = 35 ²	Statistical significance of differences, p-value ³
Amount of the "resource portfolio", from 0 to 27	6.5	13.7	0.000
Average degree of the resource capitalization, from 0 to 3	0.8	1.2	0.001
Amount of the total capital, from 0 to 81	5.6	15.8	0.000

¹ According to the results of a sociological survey of the population of the Latgale region of Latvia, it is not possible to single out either the lower class or the upper class separately, since only a few respondents self-identify with these groups.

² According to the literature, "minimum sample size for social science research should be 30-200" [22].

³ Differences between groups are statistically significant if p-value < 0.05.

The summarized data presented in Table 7 show that the lower working class, as opposed to the middle class, has not only a smaller "resource portfolio", i.e. has fewer resources at its disposal than the middle class, but it is also less capable of capitalizing its resources. These statistically significant two-level differences have to be considered when pursuing social policies aimed at reducing the differences between social classes within modern Latvia's society.

4. Conclusions

Analyzing the sociological survey's data from the Latgale region of Latvia (2019, n = 798), the authors conclude: a small number of respondents who, based on the multi-criteria theory of classes, can be most confidently attributed to the relatively "pure types" of the lower working class and the middle class, testify to the extreme blurring of the social structure of modern Latvia's society. It contains a huge variety of social types – from low-income, but highly educated groups to relatively wealthy, but illiterate groups, with all possible spectrum of self-identification. It means, that in modern Latvia's society, one can find, for instance, an employee with a minimum income, who considers him/herself to be

in the middle class, or an economically successful self-employed worker with an incomplete secondary education, who considers him/herself to be an upper middle class, as well as school teachers with several higher educations and a low income who identify themselves sometimes to the lower class, and sometimes to the middle class, depending on their own understanding of social classes.

Thus, based on the example of the lower working class and the middle class, the authors proved (albeit with certain limitations) the hypothesis that representatives of the polar classes of modern Latvia's society have a total capital of different amount, which is determined by at least two main reasons:

- 1) representatives of the lower working class have at their disposal statistically significantly smaller "resource portfolio" than the middle class;
- 2) the representatives of the lower working class are not so successful as the representatives of the middle class in activating the resources at their disposal, turning them into their capital.

These two main reasons are not inferior to one another in their importance, which is consistent with the results of a study of multidimensional poverty in the Latgale region of Latvia, conducted by researchers from the Daugavpils University with the participation of one of the authors of this article [32].

5. Future studies

In the future, when studying the social stratification of modern Latvia's society, the authors suppose it expedient to apply cluster analysis using different sets of criteria in order to single out from the sociological data set really emerging social groups that may differ from the typology of social classes generally accepted in the scientific community: lower class, working class, middle class, upper middle class and upper class. In addition, the authors are interested in empirical testing of the resource multiplication hypothesis [21], which methodologically can be tested on the same data set on the population of the Latgale region of Latvia, which served as an empirical basis for the study in this article.

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