



The Middle Class in World Society

Institute for Social and Economic Change, Bangalore/India

December 16-17, 2016



The Middle Class in World Society

Institute for Social and Economic Change, Bangalore/India

December 16-17, 2016

WORLD SOCIETY FOUNDATION 

Université
de Neuchâtel **unhe**
INSTITUT DE SOCIOLOGIE - MAPS



The Middle Class in World Society

Key Note Address

1	Rakesh Kochhar	A Global Middle Class: Is More Promise than Reality
---	----------------	---

Invited Panel Discussion – I Conceiving the Middle Class

Chairperson: Volker Bornschier

2	D Narasimha Reddy	Neoliberal Regime and Lower Middle Class Stress in a Lower Middle Income Country
3	Surinder S. Jodhka	Caste and the Indian Middle Class
4	Krish Marsh and Jessica Pena	Marriage, Household Composition, Class Status by Nativity for Women of Color: 1980-2014

Workshop Session – 1 ‘Middle Class Formation and Evolution’

Chairperson: Daniel Kunzier

5	Ilan Bizberg	The growth of the middle classes in Asia and Latin America: Why is it important? Is it sustainable?’
6	Chiara Assunta Ricci	What Has Happened to the Middle Class? Incomes and Perceived Social Position Dynamics in Different Countries
7	Roger Southall	The ‘Middle Classing’ of Development: Key Problems in Southern Africa’
8	Jason Musyoka	South Africa’s Black Middle Classes, Entanglement and State Dependence’
9	Sandhya Krishnan and Neeraj Hatekar	Emergence of the New Middle Class in India and Its Structural Composition: An Empirical Investigation from 1999-00 To 2011-12

Workshop Session – 2 ‘Middle Class Lifestyles And Consumption’

Chairperson: K.S. James

10	Mansi Awasthi	Framing India’s New Middle Class Politics of Lifestyle in the Globalisation Era”
11	Devanshi Kulshreshtha, Abhishek Behl and Abhinav Pal	An Analysis of Non-Food Expenditures of the Middle Class in India
12	Manish K Jha and M. Ibrahim Wani	Exploring the ‘New’ Middle Class in Lived Experience: Identities, Anxieties and Contestations
13	Amrita Basu Roy Chowdhury	Globalization and the Rise of New Middle Class: Construction of New Gender Roles in Bengali Print Advertisement, 1991-2010

**Invited Panel Discussion – 2
Living a Middle Class Life**

Chairperson: Rakesh Kochhar

14	Li Chunling	Growing pains of Chinese Middle Class
15	Derrick Hamilton	An Absent Asset-Based Black American Middle Class: The Iterative Role of Hard Work, Education, and Intergenerational Poverty
16	Jessica Welburn	Managing Public Sector Contraction in Detroit: The Experiences of Working Class and Middle Class African Americans
17	P.G. Jogdand	Dalit Middle Class : A Discussion on Activism

**Workshop Session – 3
'Middle Class Diversity and Heterogeneity'**

Chairperson: Patrick Ziltener

18	Dieter Neubert	The Simplified Assumptions of The Global Middle Class Narrative: Glocal Middle Income Groups in Kenya
19	Shaoni Shabnam	In Defence of Sustho Sanskriti (Healthy Culture): Understanding Bengali Middle Classiness in Neo-liberal India
20	Stefanie Strulik	Competing Narratives of Modernity and Muslim Middle Class in Lucknow
21	Kalidas S. Khobragade	Middle Class Dalits in India: Their Issues and Challenges
22	Meenoo Kohli	Middle Class Strategies for Addressing Built Environmental Challenges: A Case Study of a Planned Neighbourhood in Delhi

**Workshop Session – 4
'Social Capital and Civil Society'**

Chairperson: Supriya RoyChowdhury

23	Lena Kroeker	The Kenyan Middle Class and Responses to Social Security
24	Anindita Tagore	An Enquiry into Middle Class's Engagement with Social Activism: Understanding Emerging Trends and Challenges
25	Sibtosh Bandyopadhyay	Colonial legacy and Post Colonial Fanaticism: Changing Face of Bengali Middle Class in 21 st Century
26	Venkatesh Kurandawad	Building and Leveraging Middle Class Capital Through Convergent Forces
27	Anup Hiwrale and Chakradhar Jadav	Emergence of Dalit Middle Class in India



The Middle Class in World Society

Institute for Social and Economic Change, Bangalore/India

December 16-17, 2016

KEYNOTE ADDRESS



A Global Middle Class Is More Promise than Reality

Rakesh Kochhar

The first decade of the 21st century witnessed an historic reduction in global poverty and a near doubling of the number of people who could be considered middle income. But the emergence of a truly *global* middle class is still more promise than reality. In 2011, a majority of the world's population (56%) continued to live a low-income existence, compared with just 13% that could be considered middle income. And though there was growth in the middle-income population from 2001 to 2011, the rise in prosperity was concentrated in certain regions of the globe, namely China, South America and Eastern Europe. The middle class barely expanded in India and Southeast Asia, Africa, and Central America.

1. Introduction

The first decade of this century witnessed an historic reduction in global poverty and a near doubling of the number of people who could be considered middle income. But the emergence of a truly *global* middle class is still more promise than reality.¹

In 2011, a majority of the world's population (56%) continued to live a low-income existence, compared with just 13% that could be considered middle income by a global standard. And though there was growth in the middle-income population from 2001 to 2011, the rise in prosperity was concentrated in certain regions of the globe, namely China, South America and Eastern Europe. The middle class barely expanded in India and Southeast Asia, Africa, and Central America.

Even those newly minted as middle class enjoy a standard of living that is modest by Western norms. As defined in this paper, people who are middle income live on \$10-20 a day, which translates to an annual income of \$14,600 to \$29,200 for a family of four.² That range merely straddles the official poverty line in the United States—\$23,021 for a family of four in 2011.³

¹ A longer version of this paper "A Global Middle Class Is More Promise than Reality: From 2001 to 2011, Nearly 700 Million Step Out of Poverty, but Most Only Barely," Washington, D.C.: Pew Research Center, July 2015 is available at <http://www.pewglobal.org/2015/07/08/a-global-middle-class-is-more-promise-than-reality/>. A detailed methodology and additional data are included in the longer version. The author gratefully acknowledges the contributions of Fatima Ghani, Michelle Atkinson, James Bell, Claudia Deane, Renee Stepler, Anna Brown, Diana Yoo, Bill Webster, Ben Wormald, Danielle Alberti and Dana Amihere.

² All dollar figures are expressed in 2011 prices and are converted to 2011 purchasing power parity dollars. Purchasing power parities (PPPs) are exchange rates adjusted for differences in the prices of goods and services across countries. In principle, one PPP dollar represents the same standard of living across countries. The U.S. serves as the base country for price comparisons and for currency conversions. Thus, for the U.S., one US dollar equals one PPP dollar.

³ U.S. Census Bureau (<http://www.census.gov/hhes/www/poverty/data/threshld/index.html>)

The Middle Class in World Society

In 2011, only 16% of the world's population was living on \$20 or more daily, a little above the U.S. poverty line. By global standards, that constitutes an upper-middle or high-income existence. And most of these people still lived in the economically advanced countries in North America, Europe and the Asia-Pacific region.⁴

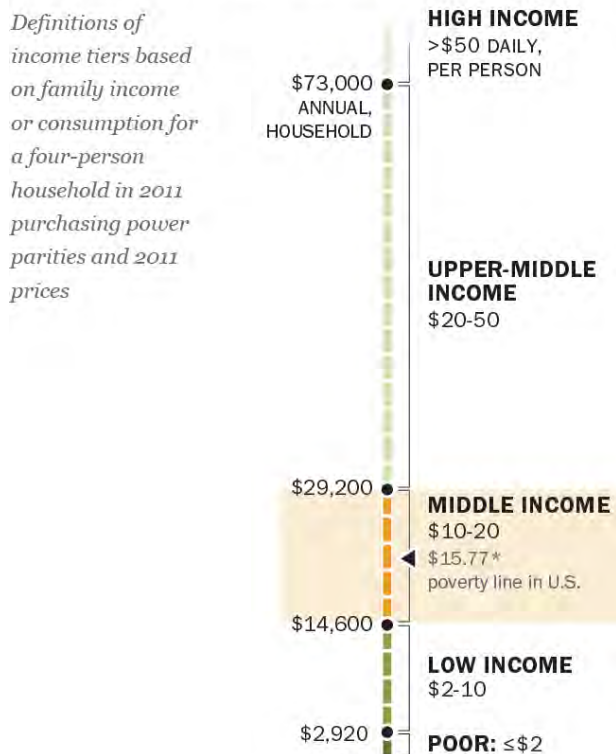
Perhaps more importantly from an international perspective, the gap in living standards between the world's economically advanced countries and emerging and developing nations barely narrowed in the first decade of this century. In 2001, 91% of the world's high-income people lived in North America and Europe; in 2011, the share was 87%.

These are among the key findings that emerge from an analysis of data for 111 countries with a combined population of 6.2 billion in 2011, or 88% of the global population. These countries also accounted for 85% of global output in 2011. Although estimates of the distribution of the global population by income are unlikely to change with the inclusion of more countries, counts of people—such as how many are middle income—are slightly underestimated.

The dates chosen for the analysis are predicated on the availability of data. The end point is 2011 because more recent data are scarcely available. Also, the latest benchmark estimates of purchasing power parities—exchange rates corrected for differences in the prices of goods and services across countries—are for 2011. This is one of the first studies to make use of the 2011 parities, which represent a step forward in methodology and the latest understanding of how the cost of living compares across countries.⁵ The starting point, 2001, is one decade earlier and marks the beginning of the century.

Data for 90 of the 111 countries included in the report come from the World Bank's PovcalNet database. A simpler, user-friendly version of these data was provided by the Center for Global Development.⁶ For most countries, data in PovcalNet represent consumption levels. The major exception is South American countries, which feature data on income. Data for the 21 remaining countries are derived from the Luxembourg Income Study database. These countries all provide data on household income.

Who Is Middle Income, Globally Speaking? Budget for a Four-Person Household



*In 2011, a family of four earning less than \$23,021 annually was considered poor by the U.S. Census Bureau.

PEW RESEARCH CENTER

⁴ This is not to suggest that developed nations do not struggle with their own issues of income inequality and poverty. But, in a global context, a much greater share of Americans and Europeans are middle or higher income than are people in emerging and developing nations.

⁵ Existing estimates of the size of the global middle class are mostly based on either 2005 purchasing power parities, e.g., Kharas, 2010, or even earlier rounds of international price comparisons, e.g., Milanovic and Yitzhaki (2002). See Deaton and Aten (2014) for more on the 2011 round of international price comparisons.

⁶ The Center for Global Development's version of PovcalNet data is available at www.cgdev.org/povcalnet. Dykstra, Dykstra and Sandefur (2014) describes the center's methodology. PovcalNet data are available at <http://iresearch.worldbank.org/PovcalNet/>, and the Luxembourg Income Study database may be accessed at <http://www.lisdatacenter.org/>.

Overall, the 111 countries in the study were selected on the basis of the availability of data for dates at or around 2001 and 2011. Data for exactly those two years were not available for most countries, however. Thus, estimates of the population distributions by income for those dates are typically the results of projections of survey data from years close to 2001 and 2011. The estimates are also subject to limitations that may be present in the source data.⁷

In this paper, the terms “middle income” and “middle class” are used interchangeably. This is a common practice among economists who typically define the middle class in terms of income or consumption. But being middle class can connote more than income, be it a college education, white-collar work, economic security, owning a home, or having certain social and political values. Class could also be a state of mind, that is, it could be a matter of self-identification. The interplay among these many factors is examined in studies by Hout (2007) and Savage et al. (2013), among others.

The paper is organized as follows: Section 2 defines the middle class and discusses why its size and economic wellbeing matter. Section 3 presents an overview of the changing size of the global middle class and other income tiers. Section 4 highlights regional patterns in the distributions of people by income. Subsequent sections highlight trends in individual countries and areas experiencing growth in middle-income populations, such as China and countries in Eastern Europe and Latin America; changes in India and other countries, such as in Africa, that experienced declines in poverty but minimal change in their middle-income populations; and trends in advanced economies, such as the U.S. and countries in Western Europe, which generally held on to their economic advantage over most of the rest of the world.

2. Who is Middle Income?

This study divides the population in each country into five groups based on a family’s daily per capita consumption or income.⁸ The five groups are labeled poor, low income, middle income, upper-middle income, and high income. Of the four thresholds that separate these different income groups, two are especially important to keep in mind. The first is \$2, the minimum daily per capita income that must be exceeded to exit poverty.⁹ The second is \$10, the threshold that must be crossed to attain middle-income status.

A middle-income threshold of \$10 follows a practice that is gaining acceptance among economists. The same, or virtually the same, threshold has been applied by the World Bank (2007, 2015), researchers at the Organization for Economic Cooperation and Development (Kharas, 2010), the development community (Birdsall, 2010; Birdsall, Lustig and Meyer, 2013, and Dadush and Shaw, 2011) and in the private sector (Court and Narasimhan, 2010). There is growing consensus that the \$10 threshold, which is five times the poverty line used in this study, is associated with economic security and “insulates” people from falling back into poverty.

⁷ Details on the methodology and the source data are available at <http://www.pewglobal.org/2015/07/08/a-global-middle-class-is-more-promise-than-reality/>.

⁸ For some countries, such as India and China, only consumption data are available, and for other countries, such as Brazil and Argentina, only income data are available, necessitating the use of both measures. For the sake of convenience, we use the terms “income” and “consumption” interchangeably and reference people with respect to their “income” status. The per capita conversion is a relatively simple method for comparing economic well-being across families of different sizes. Methods that allow for economies of scale in household consumption (see Pew Research Center, 2012, for example) are perhaps more desirable but require access to underlying microdata from the household surveys. That is feasible with the Luxembourg Income Study, the source data for 21 countries covered in this report, but not with PovcalNet data, the source for the remaining 90 countries.

⁹ The \$2 poverty line used in this study is akin to the World Bank’s global standard for extreme poverty. The World Bank’s extreme poverty line, previously set at \$1.25 in 2008 (at 2005 purchasing power dollars), was updated to \$1.90 in October 2015 to reflect 2011 purchasing power parities. The World Bank’s poverty line represents an average of the national poverty lines in 15 of the poorest countries (www.worldbank.org/en/topic/poverty/brief/global-poverty-line.faq).

The Middle Class in World Society

The \$10 threshold for middle-income status has secured favor in part due to evidence from Latin America. It is estimated that households in Chile, Mexico and Peru have less than a 10% probability of falling into poverty if their per capita income is at least \$10 per day.¹⁰ Middle-income thresholds were also derived from surveys in five Latin American countries in which people were asked to self-identify their economic class. The threshold fell at about \$10 in Colombia, Mexico and Peru, at \$16 in Brazil, and at \$20 in Chile.¹¹

Coincidentally, the \$10 threshold also is close to the median daily per capita income of U.S. households living in poverty (\$11.45 in 2011).¹² This means that a large share of poor people in the U.S. would also fail to meet the global middle-income standard.

Why the Middle Matters

Living on \$10 a day may not sound like a middle-income existence to someone in the U.S., Germany or Taiwan, but the notion that an individual is on a firm enough footing to not worry about mere subsistence or falling back into extreme poverty is considered by many in business, political and economic circles to matter a great deal.

Dobbs et al. (2012) have hailed the emergence of a new “global consuming class,” people earning \$10 or more daily,¹³ as a phenomenon that has major ramifications for purchasing power and demand-driven growth in numerous developing and emerging markets from now through 2025. Wilson and Dragusanu (2008), too, have commented on the potential for deeper pockets in developing countries to radically alter levels of consumption and open investment opportunities for businesses in the coming decades.

On the political front, the U.S. National Intelligence Council (2012) has described the growth of middle class in the developing world as a “global megatrend” and posited that as people are able to purchase and save more, they will be motivated to push for social and political changes that preserve or advance their long-term interests. More broadly, numerous political scientists have argued that economic equality and opportunity are essential for the existence and stability of democratic institutions.¹⁴ And although cause and effect between democracy and growth has proved harder to establish,¹⁵ it is worthwhile to note that recent research has found that education and income are strong determinants of the quality of political institutions.¹⁶

The importance of the middle class is not limited to developing and emerging markets. In the developed world, economists who have studied whether income inequality is a drag on economic growth have pointed to the potential stimulus that may be provided by a larger middle class.¹⁷ This may happen because lower- and middle-income

¹⁰ Ferreira, Messina, Rigolini, Lopez-Calva, Lugo and Vakis, 2012

¹¹ Dang and Lanjouw (2014), Alwang, Siegel and Jorgensen (2001) and the World Bank (2014b) present different methods for defining economic vulnerability and explain how different countries have done so in practice. Not surprisingly, estimates vary by country, the definition of economic security, and choice of methodology. The European Union defines an “at-risk-of-poverty line” equal to 60% of the national median income after social transfers and adjustments for household size. In Vietnam, the vulnerability line is set at 1.3 times the national poverty line.

¹² Unpublished Pew Research Center estimate from the Current Population Survey Annual and Social Economic Supplement.

¹³ McKinsey’s threshold is based on the application of 2005 purchasing power parities.

¹⁴ Lipset (1959) and Fukuyama (2011)

¹⁵ Ferreira, Messina, Rigolini, Lopez-Calva, Lugo and Vakis (2012)

¹⁶ Murtin and Wacziarg (2014)

¹⁷ The size of a country’s middle class depends in part on the extent of inequality. A more equal distribution of income may be associated with a bigger middle-income population. Global income inequality—the issue of how incomes compare across different points of the income distribution—is studied in detail by Milanovic (1999, 2011) and Lakner and Milanovic (2013), among others.

families are likely to spend greater shares of their incomes on goods and services (Ostry, Berg and Tsangarides, 2014; Summers and Balls, 2015; Dabla-Norris et al., 2015) or because these families have greater incentives to invest in education in more equal societies (Cingano, 2014).

In short, many argue that growth in the middle class, whether in the developing or developed world, can be an economic and political game-changer. The question addressed by this study is whether we have yet to see the emergence of a truly global middle class—one that has the potential to dramatically alter the trajectory of societies around the world.

3. Poverty Falls and Low- and Middle-Income Numbers Rise: An Overview of Global Patterns

In the 111 countries included in this analysis, 783million residents were middle income in 2011, compared with 398million in 2001. Thus, the middle-income population—those living on \$10-20 per day—nearly doubled, increasing by 386 million in the first decade of the new century. The increase in the middle-income population from 2001 to 2011 was more than twice that for the upper-middle category of \$20-50 per day (175 million), and more than four times the increase in the number of high-income people living on more than \$50 daily (88 million).

Both empirically and analytically, the definition of “middle income” as living on \$10-20 per day focuses on what was the principal steppingstone for the majority of people who moved up from poverty or low-income status in this century. But broader definitions of “middle income” are also possible. For example, one could extend the upper bound of the middle category to \$50 per day—closer to what might be considered middle class in the U.S., where the median income in 2011 was \$54 per day. Using the definition of \$10-50 per day, 1.4 billion people were middle income in 2011, compared with 806million in 2001. That is a 70% increase in the share of the world’s population that could be considered middle income.¹⁸

Other studies of the global middle class use even broader definitions and project swelling numbers in the future. Goldman Sachs defines the middle-income range as \$16 to \$82 daily and estimates that 1.5 billion people were middle class in 2008. The McKinsey Quarterly, using a range of \$9 to \$77 daily, pegs the size of the middle class at nearly 2 billion in 2009. Finally, Homi Kharas reports that about 2 billion people were middle class in 2009, based on an income range of \$10 to \$100 daily.¹⁹

The Global Middle-Income Population Doubled in Size from 2001 to 2011, but the Largest Increase Is in the Low-Income Population

Global population by income tier, in millions

INCOME GROUP	2001	2011	CHANGE, 2001 to 2011
ALL	5,513	6,186	+674
Poor	1,617	949	-669
Low	2,749	3,444	+694
Middle	398	783	+386
Upper-middle	408	583	+175
High	340	428	+88

Note: The poor live on \$2 or less daily, low income on \$2.01-10, middle income on \$10.01-20, upper-middle income on \$20.01-50, and high income on more than \$50; figures expressed in 2011 purchasing power parities in 2011 prices. The analysis covers 88% of the global population.

Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network) and the Luxembourg Income Study database. Population estimates are from the World Bank, World Development Indicators.

PEW RESEARCH CENTER

¹⁸ Percentage changes and other statistics are computed prior to the rounding of numbers.

¹⁹ See Wilson and Dragusanu (2008), Kharas (2010), and Court and Narasimhan (2010). The precise middle-income range used by Wilson and Dragusanu is \$6,000 to \$30,000 annually. Court and Narasimhan, the authors of the McKinsey Quarterly report, use a household income range of \$13,500 to \$113,000 annually. For a household of four, the daily per capita range would be \$9 to \$77. The methodologies and data sources vary across these studies and from those used in this report. An example of these differences is that this report uses 2011 purchasing power parities but the cited research uses 2005 purchasing power parities, albeit projected to other years in some cases.

The Middle Class in World Society

If a range of \$10 to \$100 were used in this study, the size of the middle-income population in 2011 would be 1.7 billion people, or more than double the estimate using the \$10-20 per day definition of middle-income status. As alluded to above, however, a broad definition of the global middle class, one that ranges up to \$100 per day, obscures the fact that the growth of the middle class was concentrated at the lower end of the income range.

Low-Income Ranks Also Swell

As significant as the rise of the middle class has been, middle-income status is still beyond the grasp of many people in developing and emerging markets. Though poverty plunged in historic fashion from 2001 to 2011, it did as much to swell the ranks of low-income earners as to boost the ranks of the middle class.²⁰ The majority of the world's population remains low income.

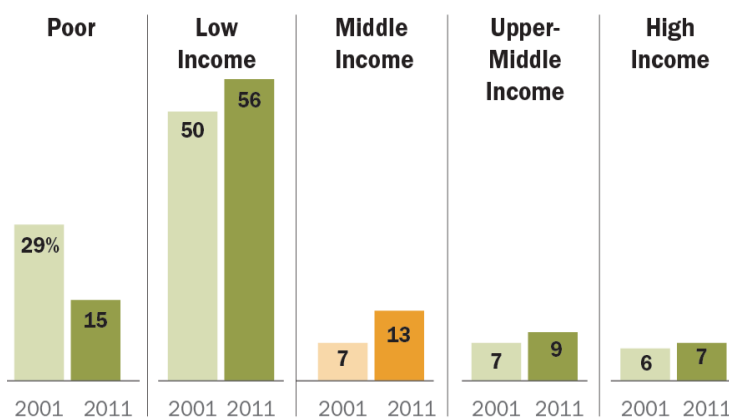
From 2001 to 2011, the share of the world's population that subsisted on \$2 or less per day halved from 29% to 15%. At the same time, the share of people classified as low income (\$2-10 per day) increased from 50% of the world's population to 56%. That 6 percentage point increase, in turn, was matched by a similar increase in the share of the world's population that could be considered middle income (5 percentage points). Meanwhile, the share of the world's population in higher-income categories barely changed between 2001 and 2011: Those who are upper-middle income increased from 7% to 9% of the global population, and high-income earners ticked up from 6% to 7%.

Shifting from percent shares to absolute numbers, the scale of poverty's plunge and the expansion of the global low-income population—and the reasons behind each—come into clearer focus. From 2001 to 2011, 669 million people moved out of poverty. All of this decline, and more, was due to improved living standards.

If there had been no change in the income distribution from 2001 to 2011,²¹ population growth alone would have raised the number of people who are poor by 198 million. In actual fact, however, the number of poor people did not increase by 198 million, it decreased by 669 million. This means that economic growth, by generally raising incomes and pushing people up the ladder, worked to eliminate poverty for 867 million people in the 2000s.

Poverty Plunges from 2001 to 2011 and the Global Middle-Income Population Increases, but Most People Remain Low Income

% of global population by income



Note: The poor live on \$2 or less daily, low income on \$2.01-10, middle income on \$10.01-20, upper-middle income on \$20.01-50, and high income on more than \$50; figures expressed in 2011 purchasing power parities in 2011 prices. People are grouped by the daily per capita income or consumption of their family, the choice of metric depending on how the source data for a country are collected.

Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network) and the Luxembourg Income Study database

PEW RESEARCH CENTER

²⁰ See Bourguignon and Morrisson (2002) for trends in global poverty from 1820 to 1992.

²¹ In other words, in 2011, the same proportions of the global population are assumed to be poor, low income, etc. as the proportions in 2001.

The total increase in the low-income population from 2001 to 2011—694 million—is slightly greater than the decrease in the number of poor people. Population growth and economic growth are estimated to have worked in almost equal parts to raise the low-income population, by 336 million and 358 million, respectively.

The increase in the middle-income population from 2001 to 2011 is 386 million, a little more than half as much as the increase in the low-income population. But the increase in the middle-income population was almost entirely due to economic growth, as rising incomes added 337 million people to the middle class, compared with the addition of 49 million due to population growth.

In sum, the share of the world’s population living a low-income existence and the share living a middle-income existence increased similarly (6 percentage points and 5 points, respectively) from 2001 to 2011. When we consider the number of people who entered each category due to improved living standards, the expansion of the low-income tier slightly outpaces the growth of the middle-income tier (358 million vs. 337 million). But when all sources of change are accounted for, the increase in the low-income population exceeds the increase in the middle-income population by nearly two-to-one (694 million vs. 386 million).

Economic Growth Drives Change in Global Middle-Income Population and Number of Poor from 2001 to 2011

Change in the size of income tiers that is due to growth in population and growth in income (millions)

INCOME GROUP	TOTAL CHANGE	CHANGE DUE TO GROWTH IN	
		POPULATION	INCOME
ALL	+674	+674	0
Poor	-669	+198	-867
Low	+694	+336	+358
Middle	+386	+49	+337
Upper-middle	+175	+50	+125
High	+88	+42	+46

Note: The poor live on \$2 or less daily, low income on \$2.01-10, middle income on \$10.01-20, upper-middle income on \$20.01-50, and high income on more than \$50; figures expressed in 2011 purchasing power parities in 2011 prices. The analysis covers 88% of the global population. Estimated change due to population growth alone assumes there was no change in the income distribution from 2001 to 2011.

Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network) and the Luxembourg Income Study database. Population estimates are from the World Bank, World Development Indicators.

PEW RESEARCH CENTER

The Distribution of the Global Population by Income: A Closer Look

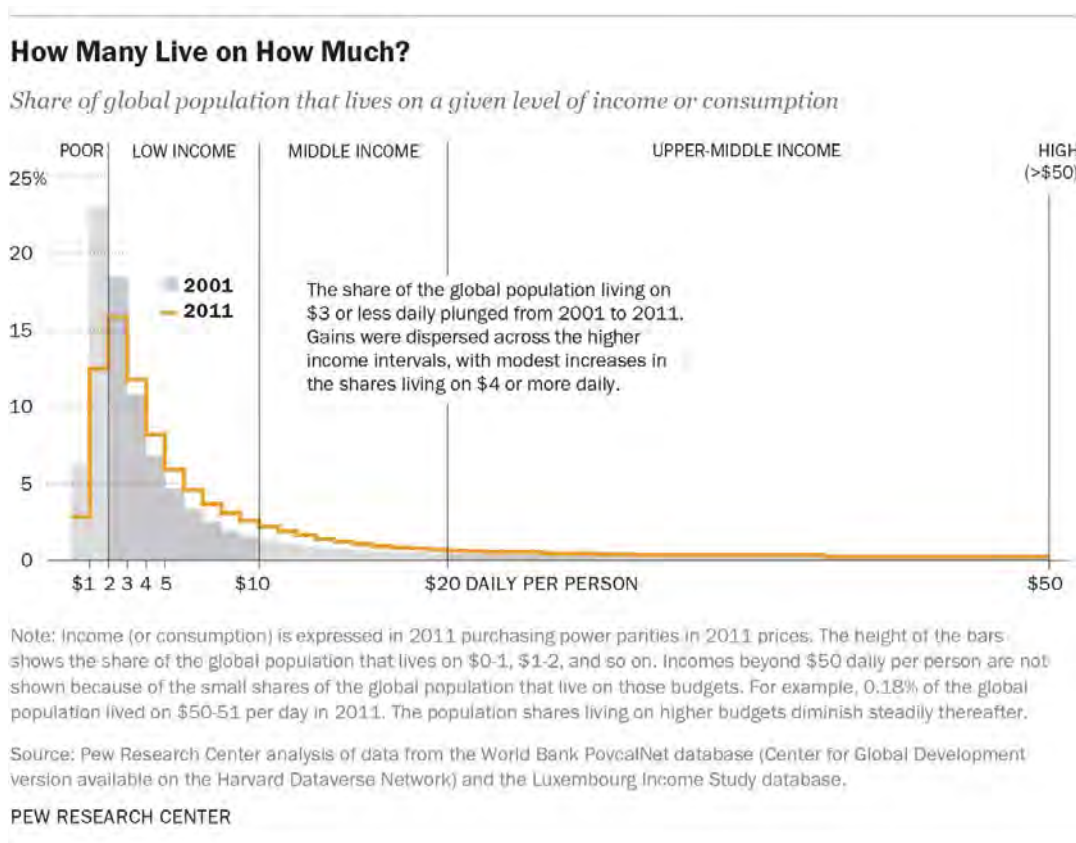
While the near-doubling of the global middle class, from 7% in 2001 to 13% in 2011, is certainly a major shift with potentially major economic and political ramifications, it is important to keep in mind that, at the end of the first decade of the 21st century, the vast majority of the world’s population (71%) remained either poor or low income. Moreover, most people lived closer to the global poverty line than to the middle class threshold.

As shown below in the detailed distribution of the global population by income, 23% of people worldwide lived on \$1-2 per day in 2001, the most prevalent standard of living in the world at the time. Very few people lived on more than \$10 per day. Indeed, the shares of the global population with incomes greater than \$20 per day are virtually undetectable.

There are clear signs of improvement in the income distribution from 2001 to 2011 as the share of the global population living on \$3 or less per day fell significantly. In 2011, the most common standard of living was \$2-3 per day, with 16% of the global population at that level. It can also be seen that greater shares of the global population were living on more than \$3 per day in 2011 than in 2001 (represented by the upward shift in the histogram at income levels greater than \$3 per day).

The Middle Class in World Society

However, the chart also makes clear that while the number of poor people plunged in the opening decade of the 21st century, most low-income earners in 2011 lived closer to the poverty line (\$2 per day) than the threshold for middle-income status (\$10 per day). Indeed, in both 2001 and 2011, living on either \$1-2 or \$2-3 per day was the most probable outcome, globally speaking.



4. Regional Patterns in the Distributions of Populations by Income

There is a distinct regional pattern to the distribution of people by income. Vast majorities of people in Africa and Asia & South Pacific are either poor or low income. In sharp contrast, most people in North America and Europe are either upper-middle income or high income. The standards of living in South America and Central America & the Caribbean fall in between.²²

Asia & South Pacific and Africa

Asia & South Pacific is one of the poorest regions in the world but, propelled by economic growth in China, is also home to an emerging middle-income population. The share of Asia & South Pacific's population that is poor more than halved, falling from 36% in 2001 to 16% in 2011. Over the same period, the share that is low income increased from 58% to 69%, and the share that is middle income rose from 4% to 11%. As detailed in later sections, economic reforms in China and India were the key contributors to the decline in the region's poverty, but the growth in the middle-income population was realized largely in China.

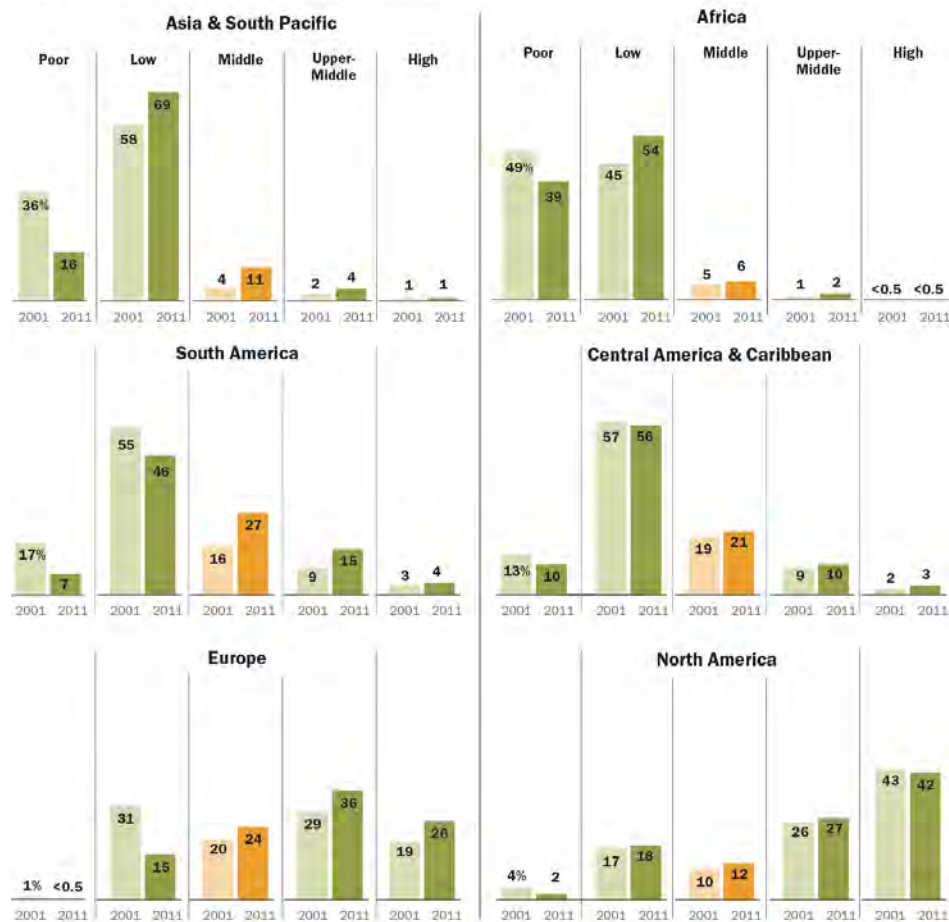
²² See the online appendix for the list of countries by region and also for the distributions of people by income in each country within a region (<http://www.pewglobal.org/2015/07/08/a-global-middle-class-is-more-promise-than-reality/>).

Africa is the poorest region in the world. Nearly four-in-ten Africans (39%) were poor in 2011, although this share is down notably from 2001 when about half (49%) lived in poverty.²³ The formerly poor appear to have transitioned mostly into low-income status, as the share of this group of Africans increased from 45% in 2001 to 54% in 2011. Thus, the share of Africa’s population that is either poor or low-income barely changed from 2001 to 2011, edging down from 94% to 92% in that decade. Middle-income people in Africa represented only 6% of the population in 2011, virtually unchanged from 2001.

Latin America

A Middle-Income Population Emerges in South America, but Is Scarce in Africa and Asia & South Pacific; Majorities in Europe and North America Are Upper-Middle or High Income

% of regional populations by income, 2001 and 2011



Note: The poor live on \$2 or less daily, low income on \$2.01-10, middle income on \$10.01-20, upper-middle income on \$20.01-50, and high income on more than \$50; figures expressed in 2011 purchasing power parities in 2011 prices. See the appendix for a list of the countries included in each region and the share of a region’s population accounted for by those countries.

Source: Pew Research Center analysis of data from the World Bank’s PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network) and the Luxembourg Income Study database

PEW RESEARCH CENTER

²³ Economic growth in Africa in the past decade is attributed to an increase in the working-age population, rising commodity prices, structural reforms and fewer armed conflicts. See Leke, Lund, Roxburgh and van Wamelen (2010), Cho and Tien (2014) and World Bank (2015).

The Middle Class in World Society

South America started from a higher place than Asia & South Pacific or Africa in 2001—less poor and more middle income—and raised the share of its middle-income population by more over the course of the decade. In 2001, the poverty rate in South America was 17%, and it took until 2011 for the poverty rate in Asia & South Pacific to fall below that level. By then, the poverty rate in South America had fallen to 7%. The proportion of the population that is low-income also fell in South America, from 55% in 2001 to 46% in 2011.

Through a combination of economic growth and income redistributing policies,²⁴ the end result for South America is an increase in the share of middle-income population from 16% to 27% and an increase in the share of the population that is upper-middle income from 9% to 15%. Overall, 47% of South America's population lived at or above the middle-income level in 2011. Thus, South America is near the threshold when the majority of its population lives at or above the middle-income standard.

Little changed in the distribution of the population by income in Central America & the Caribbean from 2001 to 2011. Poverty modestly declined in the region, from 13% in 2001 to 10% in 2011, and the share of its middle-income population modestly increased, from 19% to 21%. Most people in Central America & the Caribbean are low income—the share of this income group was 57% in 2001 and 56% in 2011.

Europe and North America

Europe and North America are home to most of the world's advanced economies. Thus, by global standards, poverty in these regions is virtually absent and the shares of low-income and middle-income populations are relatively low. Instead, majorities of their populations are either upper-middle income or high income.

The Great Recession of 2007-2009 was a setback to economic growth in both North America and Europe. Most prominently, the U.S. economy stumbled through the decade from 2001 to 2011, growing at less than 1% annually on average.²⁵ Even these slight gains did not make their way to American families whose median income actually decreased from 2001 to 2011.²⁶ Since the U.S. dominates the North American region, economically and demographically, stagnation there translated to regionwide stasis.

Due to the lackluster performance of the U.S. economy, there was no substantial change in the income distribution in North America from 2001 to 2011. The share of the middle-income population in the region moved up from 10% in 2001 to 12% in 2011, the share of the low-income population inched up from 17% to 18%, and the share of the high-income population eased down from 43% to 42%.

Most economies in Western Europe also experienced modest growth from 2001 to 2011. However, unlike in the U.S., this did result in an increase in family incomes in many countries.²⁷ Also, the transition countries in Eastern Europe, including the former Soviet republics, entered the recession on a stronger path to growth and weathered its effects better. For these reasons, Europe overall showed more economic progress than North America in the 2000s.²⁸

²⁴ Sosa and Tsounta (2013) and Ferreira, Messina, Rigolini, Lopez-Calva, Lugo and Vakis (2012)

²⁵ References to economic growth in this section are based on trends in GDP per capita in constant prices and in national currencies as published by the International Monetary Fund.

²⁶ More generally, this is the manifestation of a longer-running phenomenon in the U.S.: the decrease in the share of labor in national income (Elsby, Hobjin and Sahin, 2013).

²⁷ In a related vein, Jaumotte (2012) shows that the labor share of national income edged up in advanced economies in Europe from 2000 to 2011 but declined steadily in the U.S.

²⁸ At the same time, much of Europe has lagged behind the U.S. since 2011. The Euro Area experienced negative growth in 2012 and 2013 (International Monetary Fund, 2014), and concerns have arisen about the Russian economy in view of the events in Ukraine, economic sanctions, and declining oil prices.

In Europe, 31% of the population was low income in 2001 and this share was cut in half to 15% by 2011. The gains were scattered through the middle and higher reaches of the income distribution. The share of the European population that is middle income increased from 20% in 2001 to 24% in 2011, the share that is upper-middle income rose from 29% to 36%, and the share of the high-income population expanded from 19% to 26%.

North America does retain the distinction of being the highest income region in the world. In 2011, 42% of the population in North America was high income, living on more than \$50 per day, compared with 26% in Europe. But a smaller proportion of Europe’s population is poor or low-income compared with North America—15% vs.19%. Put another way, proportionally more Europeans (85%) than North Americans (81%) are at least middleincome, living on \$10 or more daily in 2011.

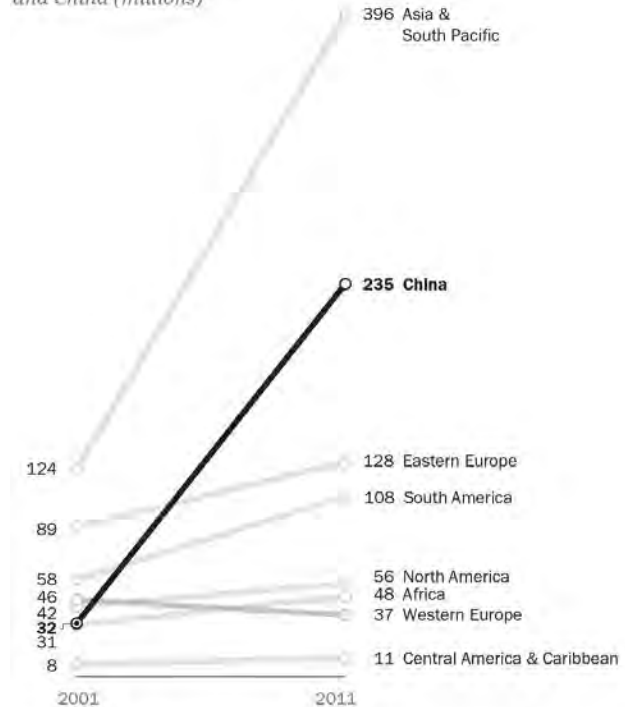
5. Where in the World Are the New Middle Classes?

Globally, the middle-income population increased by 386million from 2001 to 2011. More than half of this increase—203 million—emanated from China alone. Other key contributions came from countries in South America, which collectively raised the middle-income population by 50 million, and Eastern Europe, which added 39 million.

The role of advanced economies in the growth of the new middle classes was limited. That is because most residents in these countries are already either upper-middle income or highincome by global standards. In fact, the middle-income population in Western Europe actually decreased from 2001 to 2011 as people moved into higher income brackets (see the final section of the paper on trends in advanced economies.)

New Middle-Income Populations Emerge in China, South America, Eastern Europe

Number of middle-income people in major regions and China (millions)



Note: Middle-income people live on \$10.01-20 daily; figures expressed in 2011 purchasing power parities in 2011 prices. See the appendix for a list of the countries included in each region and the share of a region’s population accounted for by those countries.

Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network) and the Luxembourg Income Study database. Population estimates are from the World Bank, World Development Indicators.

PEW RESEARCH CENTER

China Makes a Strong Push Up the Ladder

Economic developments in China are instrumental in shaping global trends. China currently ranks as the world’s largest economy and is home to about one-in-five people globally.²⁹Thanks to rapid economic growth in the first decade of the new century, China emerged as the principal contributor to an expanding global middle-income population.

From 2001 to 2011, the poverty rate in China fell from 41% to 12%, resulting in the movement of 356 million people out of poverty. Some of this led to an increase in China’s low-income population. The size of this

²⁹ According to the International Monetary Fund, China accounted for 16.3% of global output in 2014, compared with 16.1% for the U.S. In 2011, China accounted for 14.4% and the U.S. accounted for 16.6%. The estimates are based on purchasing power parity-adjusted estimates of GDP.

The Middle Class in World Society

group, one step out of poverty but not yet middleincome, increased by 163 million, and its share rose from 57% to 66%.

China had even more success increasing the size of its middle-income population, which jumped from 32 million in 2001 to 235 million in 2011, an increase of 203 million. The share of the middle-income population rose from 3% to 18%, a sixfold increase in the span of a single decade.

The increase in Chinese who are upper-middle income and high income is also notable. Barely discernible in 2001, only 4 million people in China were estimated to be either upper-middle income or high income in that year. By 2011, the combined size of these groups had increased to 67 million, accounting for 5% of China's population.

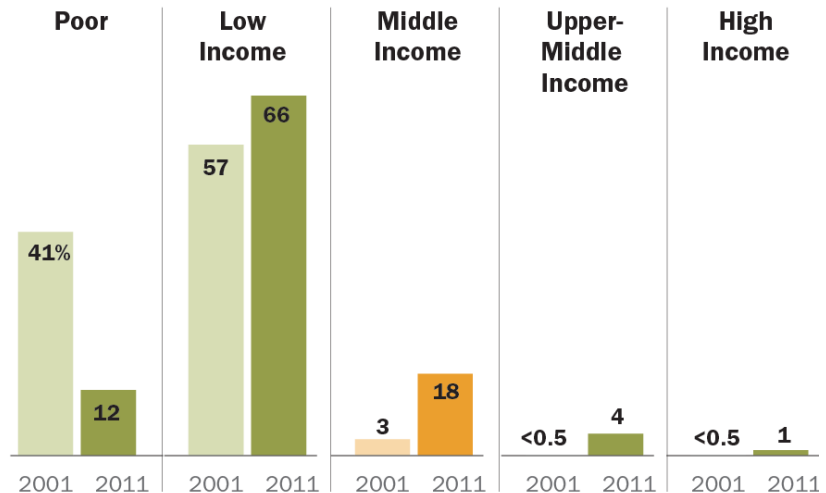
Rising living standards in China are also evident in the earnings of its residents. In 2001, the most prevalent standard of living in China was \$2 per day, with 31% of its population living on that amount. By 2011, the share living on just \$2 plunged 22 percentage points, to 9%. Over the same period, the median daily per capita income in China increased \$2.36 to \$5.34, a gain of 126%.³⁰

As China added to its middle-income population, its share in the global middle class nearly quadrupled from 2001 to 2011. In 2001, the 32 million middle-income people in China accounted for 8% of the global middle-income population. In 2011, China's middle-income population of 235 million accounted for 30% of the global middle-income population.

Recent progress notwithstanding, China's journey is far from complete. Despite impressive economic growth and upward mobility for millions, more than three-fourths of its population remained poor (12%) or low income (66%) in 2011. And although this is down considerably from 2001, when 97% of Chinese were either poor or low income, a sizable gap in living standards remains between China and advanced economies.

Share of Middle Income in China Increases Sixfold from 2001 to 2011, but Majority Are Low Income or Poor

% of China's population by income



Note: The poor live on \$2 or less daily, low income on \$2.01-10, middle income on \$10.01-20, upper-middle income on \$20.01-50, and high income on more than \$50; figures expressed in 2011 purchasing power parities in 2011 prices.

Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network)

PEW RESEARCH CENTER

³⁰ The increase of 126% in median daily per capita in China, as measured from household surveys, may be an understatement. GDP per capita in constant prices and in national currency in China increased 159% from 2001 to 2011, according to data from the International Monetary Fund. Gaps between estimates from national income accounts and household surveys are commonly observed around the world, including in the U.S. The issue is discussed in detail by Deaton (2003), who also notes that the gap is especially large in India. See the methodology for more on this issue (<http://www.pewglobal.org/2015/07/08/a-global-middle-class-is-more-promise-than-reality/>).

The Growing Middle Class in South America and Mexico

In South America, booming commodity prices and income redistribution policies helped spur the growth of populations that are middle-income and upper-middle income. Some countries, such as Argentina and Chile, transformed from being majority low-income or poor in 2001 to being majority middle-income or better in 2011. Brazil ended the decade close to this tipping point. Mexico kept pace with its neighbors to the south, joining the ranks of countries in which about a quarter (26%) of the population is middle-income.

The 10 countries from South America included in this study represent nearly 100% of the region's population. These countries and Mexico realized noticeable growth in their populations that are middle-income and upper-middle income. In 2001, the middle-income share of the population was 20% or higher in only four countries. By 2011, this was true in Mexico and in nine of the 10 countries in South America.

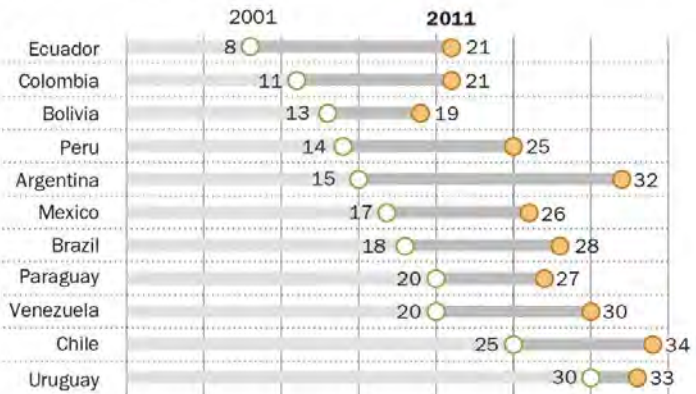
The most notable growth in the middle-income population was in Argentina, where the share more than doubled from 15% in 2001 to 32% in 2011. Sizable growth also occurred in Ecuador (up from 8% to 21%), Colombia (11% to 21%), Peru (14% to 25%), Brazil (18% to 28%), and Venezuela (20% to 30%). The share in Mexico increased from 17% to 26% during the first decade of the 21st century.

Similarly, the share of the populations that are upper-middle income climbed into the double digits in 10 of the 11 countries by 2011, compared with four countries in 2001. Argentina again led the way; those who are upper-middle income constituted 7% of the population in 2001 and 24% in 2011. Significant changes also took place in Uruguay, where the share increased from 20% to 30%, and in Chile where the share rose from 15% to 23%.

Collectively, the 11 Latin American countries highlighted in this section added 63 million people to the global middle-income

Widespread Growth in the Share of the Middle-Income Populations in South America and Mexico, 2001 to 2011

% of a country's population that is middle income



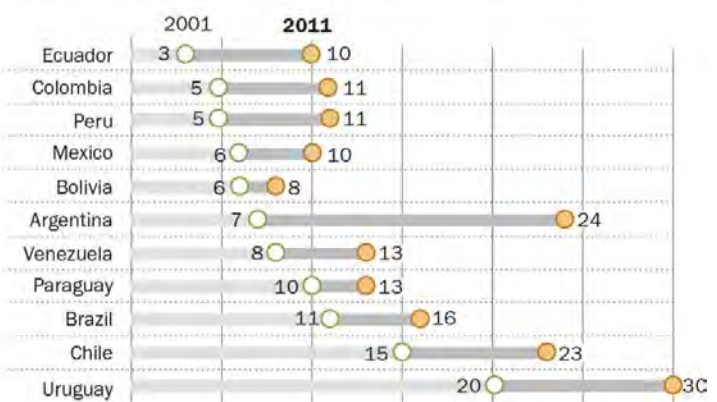
Note: Middle-income people live on \$10.01-20 daily; figures expressed in 2011 purchasing power parities in 2011 prices.

Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network)

PEW RESEARCH CENTER

Populations that Are Upper-Middle Income Emerge in South America and in Mexico, 2001 to 2011

% of a country's population that is upper-middle income



Note: People who are upper-middle income live on \$20.01-50 daily; figures expressed in 2011 purchasing power parities in 2011 prices.

Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network)

PEW RESEARCH CENTER

The Middle Class in World Society

population from 2001 to 2011, accounting for 16% of the global increase. They also added 36 million to the global population of those who are upper-middle income, which amounted to 20% of the increase worldwide. Somewhat ironically, the share of these countries in the global middle-income population fell from 19% in 2001 to 18% in 2011, a side effect of China’s dominance in the global trend. But their global share of those who are upper-middle income did increase, rising from 9% to 13% over the course of the century’s first decade.

The countries in South America and Mexico are still some distance from having fully acquired middle-income status, however. Nearly two-thirds or more of the populations in Bolivia, Colombia, Ecuador, Mexico and Peru was poor or low income in 2011. And, generally speaking, South American countries are not yet in the same place as Eastern Europe with respect to developing middle-income or more well-to-do populations.

The Transition to Middle-Income Status in Eastern Europe

As countries in Eastern Europe transition from state-controlled to market economies, the share of their populations that is middle income or upper-middle income has expanded. In some cases this is a boomerang phenomenon, as economic gains offset earlier losses in the years immediately following the fall of the Berlin Wall and collapse of the Soviet Union. In Russia, for example, national income per capita decreased 24% from 1991 to 2001, but then it increased 62% from 2001 to 2011.³¹

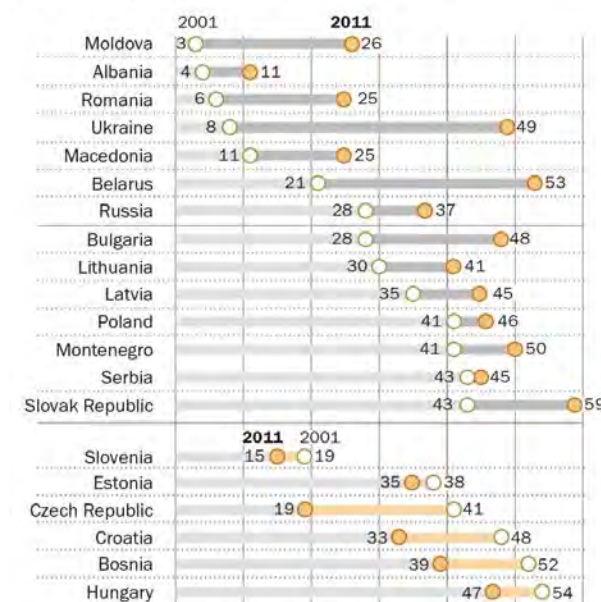
This study encompasses 20 countries in Eastern Europe accounting for 99% of the region’s population in 2011. In 2001, the share of middle-income people in these countries ranged from a low of 3% in Moldova to a high of 54% in Hungary. By 2011, the share ranged from 11% in Albania to 59% in the Slovak Republic. Hidden within this sweeping perspective are some remarkable gains in the share of middle-income earners.

The most notable increase in the middle-income population is in Ukraine, where the share of this group jumped from 8% in 2001 to 49% in 2011. Among others, noteworthy gains also occurred in Belarus (from 21% to 53%), Moldova (3% to 26%), Bulgaria (28% to 48%) and Romania (6% to 25%). In Russia, the middle-income population increased from 28% of the overall population in 2001 to 37% in 2011.

In six countries—Bosnia, Croatia, the Czech Republic, Estonia, Hungary and Slovenia—the share of the middle-income population is estimated to have fallen from 2001 to 2011. In the Czech Republic, for example, the share fell from 41% in 2001 to 19% in 2011. But these shifts are not a sign of economic regression. Instead, they are the result of people moving further up the economic ladder.

Many Countries in Eastern Europe Experienced Significant Growth in New Middle-Income Populations from 2001 to 2011

% of a country’s population that is middle income



Note: Middle-income people live on \$10.01-20 daily; figures expressed in 2011 purchasing power parities in 2011 prices.

Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network) and the Luxembourg Income Study database.

PEW RESEARCH CENTER

³¹ The reference is to GDP per capita in constant 2011 PPP dollars as estimated by the World Bank. Milanovic (2014) contains a broader discussion of trends in Eastern Europe’s transition countries.

Indeed, the percentage of Eastern Europe’s population that could be considered upper-middle income increased significantly in the first decade of the 21st century. In Hungary, for instance, the share of those who are upper-middle income more than doubled from 15% in 2001 to 35% in 2011. A similar phenomenon occurred in Bosnia (where the share rose from 15% in 2001 to 32% in 2011), Estonia (17% to 44%) and Croatia (25% to 53%). In the Czech Republic, the share of those who are upper-middle income increased from 47% to 65%. Large gains in the share of those who are upper-middle income were also registered in Russia (up from 9% in 2001 to 36% in 2011), Belarus (4% to 28%) and Latvia (10% to 24%).

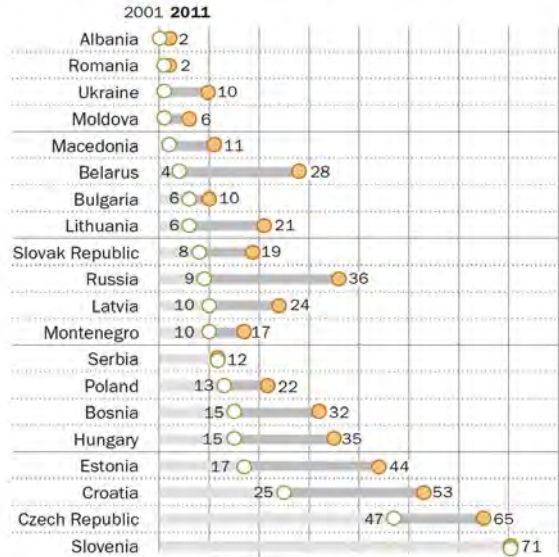
Collectively, the countries in Eastern Europe raised their middle-income population by 39 million, accounting for 10% of the global change from 2001 to 2011. These countries also boosted 56 million people to a status of upper-middle income in that decade, contributing 32% to the worldwide increase. But not all countries in Eastern Europe have transitioned into economies dominated by populations that are middle income or upper-middle income. Countries that are lagging include Albania, where 86% of the population was poor or low income in 2011. Likewise, a clear majority of people in Romania (73%), Macedonia (64%) and Moldova (68%) were poor or low income in 2011.³²

Other Countries with Sizable Growth in the Middle Class

Besides China, South America and Eastern Europe, where has the middle class expanded the most between 2001 and 2011? In addition to the countries discussed above, this section looks at the countries that round out the list of the top 30 nations in terms of growth in the share of middle-income populations, and separately, the list of the top 30 nations in terms of growth in the share of populations that are upper-middle income.³³

Widespread Growth in the Share of Eastern Europeans Who Are Upper-Middle Income, 2001 to 2011

% of a country’s population that is upper-middle income



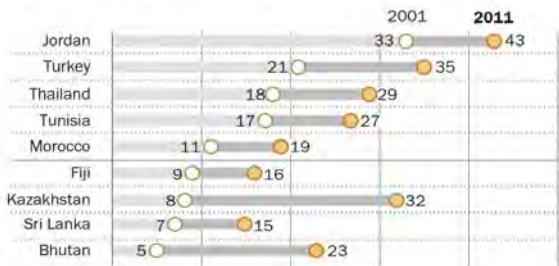
Note: People who are upper-middle income live on \$20.01-50 daily; figures expressed in 2011 purchasing power parities in 2011 prices.

Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network) and the Luxembourg Income Study database

PEW RESEARCH CENTER

Tunisia, Morocco and Seven Countries from Asia & South Pacific Are Among the Top 30 Gainers in Shares of Middle-Income Populations

% of a country’s population that is middle income



Note: Middle-income people live on \$10.01-20 daily; figures expressed in 2011 purchasing power parities in 2011 prices.

Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network)

PEW RESEARCH CENTER

³² See the appendix for the detailed distribution of the population by income in each country region (<http://www.pewglobal.org/2015/07/08/a-global-middle-class-is-more-promise-than-reality/>).

³³ An alternate metric might be the change in the middle-income population. This would give weight to countries with bigger populations. For example, the middle-income population increased by 12 million in Indonesia, one of only eight countries in which the middle-income population increased by more than 10 million. But the share of Indonesia’s population that is middle income was only 5% in 2011.

Other Top countries in Terms of Middle-Income Gains

The nine countries that complete the list of the top 30 with the largest gains in the shares of their middle-income populations are mostly from Asia & South Pacific. These countries are Bhutan, Fiji, Jordan, Kazakhstan, Sri Lanka, Thailand and Turkey. Two countries from Africa, Morocco and Tunisia, round out the list.

In this group of countries, Jordan, Turkey and Kazakhstan lead in the share of the population that is middle-income. In Jordan, the share in 2011 was 43%, up from 33% in 2001. The share also increased by double-digits in Turkey, from 21% in 2001 to 35% in 2011. Kazakhstan experienced the greatest increase, with the share of its middle-income population jumping from 8% in 2001 to 32% in 2011.

In three countries—Thailand, Tunisia and Bhutan—about one-in-four people were middle income in 2011. All three also experienced double-digits gains in the shares from 2001 to 2011. Morocco, Fiji and Sri Lanka experienced slightly smaller gains in the share of middle-income earners, with all three nearing the day when at least one-in-five people within their borders will have attained middle-income status.

Collectively, this group of nine countries added 32 million people to the global middle-income population, 8% of the global increase of 386 million. Thailand and Turkey are the two most populous countries in the group and added 8 million and 12 million, respectively. Bhutan is the least populous of the group and contributed 139,000 people to the worldwide increase in the middle-income population.

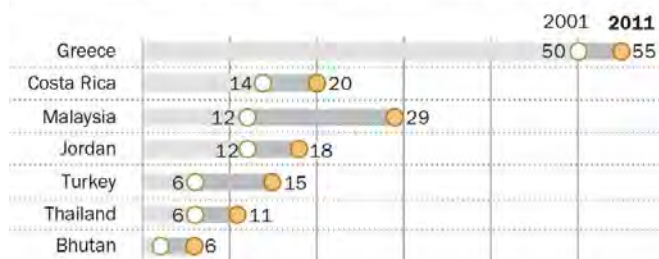
Other Top Countries in Terms of Gains among those who are Upper-Middle Income

The seven countries that exhaust the list of the top 30 with the largest gains in the shares of their populations that are upper-middle income are also mostly from Asia & South Pacific. These are Bhutan, Jordan, Malaysia, Thailand and Turkey. One country from Western Europe—Greece—and one from Central America—Costa Rica—finish off the list.

Greece, still counted as one of the advanced economies in the world by the International Monetary Fund, leads this group of countries in the share of the population that is upper-middle income. In 2011, 55% of people in Greece were upper-middle income, up from 50% in 2001.³⁴ Among these countries, Malaysia experienced the greatest increase in the share that is upper-middle income, rising from 12% in 2001 to 29% in 2011. The share of the population that is upper-middle income is at or nearing 20% in Costa Rica, Jordan and Turkey.

Greece, Costa Rica and Five Countries from Asia & South Pacific Are Among the Top 30 Gainers in Shares of People Who Are Upper-Middle Income

% of a country's population that is upper-middle income



Note: People who are upper-middle income live on \$20,01-50 daily; figures expressed in 2011 purchasing power parities in 2011 prices.

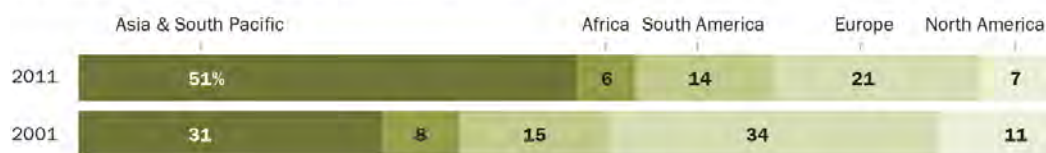
Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network) and the Luxembourg Income Study database

PEW RESEARCH CENTER

³⁴ Greece is in the grip of a severe economic crisis. According to the World Bank, real final household expenditures per capita in constant national currency in Greece fell at an annual average rate of 4.4% from 2007 to 2013. However, from 2001 to 2011, the period of analysis for this study, real final household expenditures per capita in Greece increased at an annual average rate of 1.3%. This growth likely was sufficient to support a rise in the share of the population in Greece that is upper-middle income from 2001 to 2011.

The Share of the Global Middle-Income Population Living in Asia & South Pacific Rises from 2001 to 2011

% of the global middle-income population by region



Note: This chart depicts the regional distribution of the global middle-income population in 2011. It is one of several charts showing the regional distribution of the global population living at different income levels. The income groups are as follows: The poor who live on \$2 or less daily, low income on \$2.01-10, middle income on \$10.01-20, upper-middle income on \$20.01-50, and high income on more than \$50; figures expressed in 2011 purchasing power parities in 2011 prices. Central America and the Caribbean are not shown. See the appendix for a list of the countries included in each region and the share of a region's population accounted for by those countries.

Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network) and the Luxembourg Income Study database.

PEW RESEARCH CENTER

The total increase from 2001 to 2011 in the population of those who are upper-middle income in these seven countries amounted to 17 million. This represented 10% of the worldwide increase of 175 million. The largest contributors were Turkey (7 million), Malaysia (5 million) and Thailand (4 million).

The Global Middle-Income Population Pivots to Asia

Gains in the middle-income populations in Eastern Europe and South America notwithstanding, China's economic trajectory over the course of the century's first decade looms large. Home to more than 1.3 billion people, or nearly 20% of the world's population, China alone accounted for more than one-in-two additions to the global middle-income population from 2001 to 2011. The result was a pivot to the east, with the share of the world's middle-income population residing in Asia & South Pacific increasing from 31% in 2001 to 51% in 2011.³⁵

6. Despite Poverty's Plunge, Middle-Class Status Remains Out of Reach for Many

From 2001 to 2011, the poverty rate—the share of people living on \$2 or less daily—fell in 83 of the 111 countries examined in this study.³⁶ In a few cases, most prominently China, poverty's retreat was accompanied by significant gains in the share of middle-income earners. But in most countries, the majority of people emerging from poverty took only a modest step up the income ladder, changing their status from poor to low income.

This section of the paper focuses on those countries where poverty declined dramatically, but an expanded middle class failed to materialize. The case of India is highlighted, given that it is a global demographic and economic force. India stands as a counterpoint to China and underscores China's unique role in boosting the Asia & South Pacific share of the global population that can be considered middle income. Much of the region, similar to Africa, remained either poor or low income as of 2011.

³⁵ Gains in China, in sheer numbers, swamped the increase in the middle-income population in South America. Thus, the share of South America in the global middle-income population is virtually unchanged.

³⁶ Countries that did not experience a decline in the poverty rate are mostly advanced economies, such as the U.S. and Germany, in which only about 1% or less of the population is poor (by the global standard).

Poverty Retreats in India, but the Middle Class Barely Expands

The poverty rate in India fell from 35% in 2001 to 20% in 2011. That meant that 133 million Indians exited poverty in that decade, the second-largest drop globally after China. However, the drop in poverty merely resulted in an increase of 273 million in the low-income population, whose share rose from 63% in 2001 to 77% in 2011.

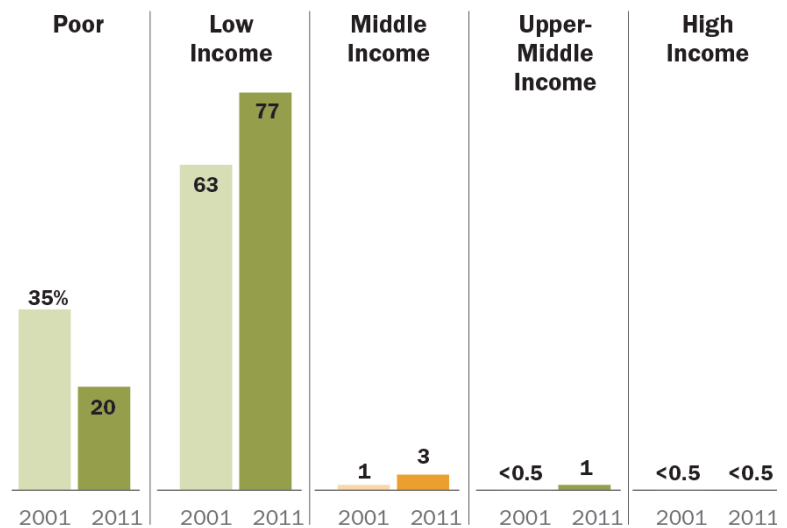
The middle-income population in India barely budged during the decade. Its share increased from 1% in 2001 to 3% in 2011, still small by any measure. The number of middle-income people grew by 17 million, paltry compared with the increase in the low-income population.³⁷ From these trends, the middle-income threshold appears more like a barrier as only a small share in India stepped across the line from 2001 to 2011.

It is clear from these estimates that India did not keep pace with China in creating a middle class in this century. The median daily per capita income in India increased relatively slowly, rising from \$2.39 in 2001 to \$2.96 in 2011, a gain of only 24%, compared with 126% in China.³⁸

The difference in the timing of economic reforms, which began in 1978 in China and in 1991 in India, is likely one reason behind the disparate outcomes. The relative depth of the reforms and differences in investment, both domestic and foreign, are probably among other factors leading to divergent trajectories from 2001 to

Poverty Drops Sharply in India from 2001 to 2011, but a Sizable Middle-Income Population Fails to Emerge

% of India's population by income



Note: The poor live on \$2 or less daily, low income on \$2.01-10, middle income on \$10.01-20, upper-middle income on \$20.01-50, and high income on more than \$50; figures expressed in 2011 purchasing power parities in 2011 prices.

Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network)

PEW RESEARCH CENTER

³⁷ Even though the share of the population that is middle income in India is low and increased little in the 2000s, the increase of 17 million was the fourth largest in the world, trailing only China, Brazil and Ukraine. The finding that only a small share of India's population is middle income or of higher status is echoed in previous studies by Birdsall (2012, 2015). It is possible that household surveys in India, which record consumption only, understate household well-being as might be measured using income. Deaton (2003) notes that India is an outlier in the extent to which growth in consumption, as measured in household surveys, lags behind growth in income, as measured from national income accounts. Researchers who adjust household consumption data to account for the gap vis-à-vis estimates of income find that a somewhat larger share of India's population is middle income. Birdsall (2012) finds that 70 million Indians, or 6% of the population, lived on \$10-50 daily in 2010. Kharas (2010) estimates that 5-10% of India's population earned \$10-100 daily in 2010. Both estimates are based on 2005 purchasing power parities.

³⁸ The growth in median income (actually consumption) in India may understate the true extent of growth. The International Monetary Fund (IMF) estimates of GDP per capita, in constant prices and national currency, show an increase of 82% in India from 2001 to 2011. This issue is discussed in detail by Deaton (2003), who also notes that the gap between estimates from household survey and national accounts is especially large in India.

2011.³⁹Whether India eventually follows China, with a greater share of its population crossing the middle-income threshold of \$10 per day, remains to be seen.

Few Countries See Both Poverty Shrink and Middle-Income Ranks Well

Among the 83 countries in which poverty fell in the first decade of the new century, 26 experienced a decline of at least 15 percentage points. This group includes 22 countries that matched or bettered India's 16 percentage point

Most Countries that Sharply Reduced Poverty Experienced Little Change in the Share of Middle-Income Populations

26 countries with at least a 15-point decrease in the share of poor from 2001 to 2011

	% poor in 2001	Percentage point change in share of population, 2001-2011				
		Poor	Low Income	Middle Income	Upper-Middle	High Income
Tajikistan	72	-45	43	2	0	0
Kyrgyzstan	42	-35	26	7	1	0
Bhutan	33	-32	9	18	5	1
Moldova	31	-31	2	23	5	0
Indonesia	49	-31	25	5	1	0
Vietnam	45	-29	25	3	1	0
Nepal	51	-29	28	1	0	0
China	41	-29	9	15	4	1
Cambodia	42	-28	25	3	1	0
Ethiopia	61	-27	26	1	0	0
Niger	79	-26	25	0	0	0
Uganda	65	-25	22	2	0	0
Fiji	27	-23	13	7	2	1
Ecuador	29	-22	1	13	6	1
Armenia	23	-20	16	3	1	0
Tanzania	89	-19	18	1	0	0
Kazakhstan	18	-18	-10	24	4	0
Argentina	21	-18	-20	18	17	3
Nigeria	66	-18	17	1	0	0
Mozambique	83	-16	16	1	0	0
Bangladesh	55	-16	16	0	0	0
Senegal	51	-16	14	2	0	0
India	35	-16	14	1	0	0
Malawi	89	-15	15	1	0	0
Swaziland	66	-15	12	2	1	0
Pakistan	33	-15	14	1	0	0

Note: The poor live on \$2 or less daily, low income on \$2.01-10, middle income on \$10.01-20, upper-middle income on \$20.01-50, and high income on more than \$50; figures expressed in 2011 purchasing power parities in 2011 prices.

Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network)

PEW RESEARCH CENTER

reduction in the share of their populations that could be considered poor. Some of these countries had very high poverty rates initially, such as Tanzania, where 89% of people were poor in 2001, but others were not so poor, such

³⁹ Growth patterns in India and China are analyzed in Wignaraja (2011), Bosworth and Collins (2007) and Basu (2009).

The Middle Class in World Society

as Kazakhstan, where the poverty rate in 2001 was 18%. With the exception of Argentina, Ecuador and Moldova, all of these countries are in Africa or Asia & South Pacific.

The greatest decrease in the poverty rate was in Tajikistan, where the poverty rate plunged 45 percentage points, from 72% in 2001 to 27% in 2011. Kazakhstan nearly eliminated poverty in the 2000s: Its poverty rate fell from 18% in 2001 to less than 0.5% in 2011. Likewise, several other countries with poverty rates near 20% or higher in 2001 virtually extinguished poverty by 2011. Countries with this distinction include Bhutan and Moldova, where the initial poverty rates were 33% and 31%, respectively. Kyrgyzstan lowered its poverty rate from 42% in 2001 to 7% in 2011.

It should be noted that in four African countries—Côte d’Ivoire, Kenya, Madagascar and Zambia—poverty actually *increased* significantly from 2001 to 2011. The most notable situation transpired in Zambia, where the poverty rate rose from 47% to 64%. The rate in Kenya increased from 22% to 31%, in Cote d’Ivoire from 17% to 24%, and in Madagascar from 71% to 76%.⁴⁰

In the 26 countries in which the poverty rate fell by at least 15 percentage points from 2001 to 2011, only Bhutan, Moldova, China, Ecuador, Argentina and Kazakhstan experienced double-digit gains in the share of their middle-income populations. The table in this section illustrates how the experience of these countries compares with the other countries that also had major declines in poverty. In most cases, falling poverty rates were almost exclusively associated with burgeoning shares of low-income earners. Few countries had substantial gains among people who are middle income, upper-middle income or high income. Indeed, many countries experienced an almost one-to-one move from poverty to low-income status. A prime example is Tajikistan, where the 45 percentage point drop in poverty from 2001 to 2011 led to a 43 point increase in the share of the low-income population.

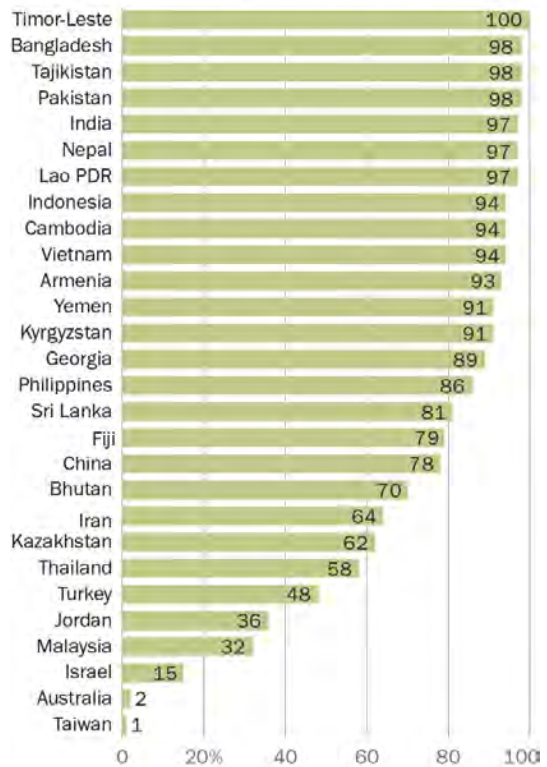
Low-Income and Poor Populations Still Widespread in Asia and Africa

As the preceding sections underscore, many of the countries that began the 21st century as largely impoverished continue to be home to populations that are mostly poor or low income. Even in China, where the number of middle-income earners increased substantially between 2001 and 2011, a majority of the population is still either poor or low income.

Regionally, the world’s poor and low-income populations are concentrated in Asia & South Pacific and Africa. These are vast

Most People in Most Countries in Asia & South Pacific Poor or Low Income

% of population that is poor or low income in 2011



Note: Poor live on \$2 or less daily and low income on \$2.01-10 daily; figures expressed in 2011 purchasing power parities in 2011 prices.

Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network) and the Luxembourg Income Study database

PEW RESEARCH CENTER

⁴⁰ Slow economic growth underlies these developments. For example, the World Bank (2010, 2014b) reports that Zambia was excessively dependent on a single sector—copper—for economic development and that there was scant growth in GDP per capita in Kenya from 1990 to 2012.

regions, comprising 76 and 58 countries, respectively, according to United Nations classifications. This study encompasses 28 countries in Asia & South Pacific—accounting for 3.8 billion of the region’s population of 4.2 billion in 2011—and 30 countries in Africa—home to 826 million of the continent’s population of 1.1 billion.

In 18 of the 28 countries in Asia & South Pacific that are covered in this study, about eight-in-ten or more people were either poor or low income in 2011, living on \$10 or less per day. This group includes India, where 97% of the population is poor or low income, and China, where the share is 78%. In four countries—Bhutan, Iran, Kazakhstan and Thailand—about six-in-ten or more were poor or low income in 2011.

Seven countries in Asia & South Pacific, from among those covered in this study, have at least one-in-five people who are middle income: Jordan (43%), Turkey (35%), Kazakhstan (32%), Malaysia (31%), Thailand (29%), Iran (27%) and Bhutan (23%). Jordan and Malaysia also have significant shares of people who are either upper-middle income or high income, 21% and 37%, respectively. The region also has advanced economies, such as Israel, Australia and Taiwan, in which poverty is virtually absent and the majorities of the population are higher income.⁴¹

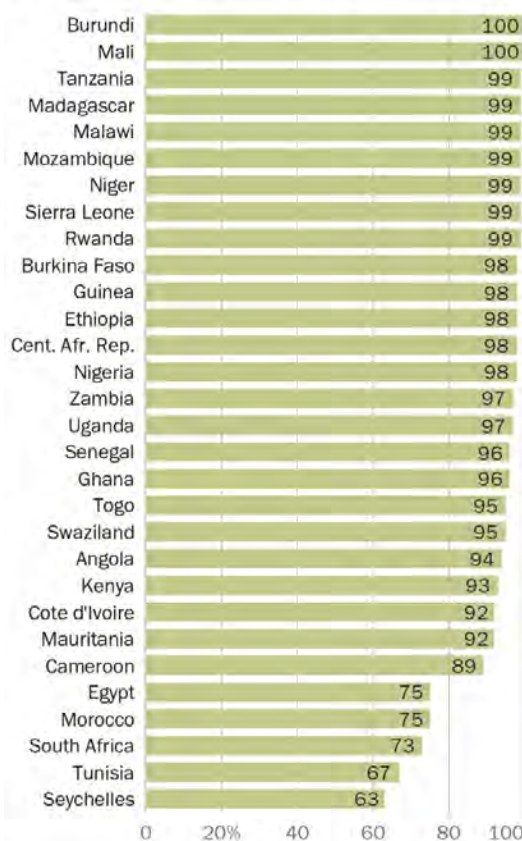
Africa is the poorest region overall, with more than nine-in-ten people who are poor or low income in almost all 30 countries studied. Only in Seychelles, Tunisia, South Africa, Morocco and Egypt were one-in-five people or more either middle income or better off in 2011. And only Tunisia and Morocco experienced notable growth in the shares of their middle-income population from 2001 to 2011, from 17% to 27% in Tunisia and from 11% to 19% in Morocco. In Egypt, the share of middle-income people increased from 17% in 2001 to 21% in 2011, and in South Africa the share rose from 11% to 14%.

Because the populations of most countries in Asia & South Pacific and Africa are overwhelmingly poor or low income, these two regions account for most of world’s poor and low-income populations. This did not change from 2001 to 2011 because the growth in the middle was also limited in these countries.

In 2001, 75% of the world’s population in poverty lived in Asia & South Pacific. An additional 20% lived in Africa, meaning that these two regions accounted for 94% of the global population in poverty. Driven by economic growth in China and India, the share of the global poor residing in Asia & South Pacific dropped to 62% by 2011. Ironically, this had the effect of raising Africa’s share of the global poor from 20% in 2001 to 34% in 2011 even though the rate of poverty within Africa fell during that period.

Most People in Countries in Africa Are Poor or Low Income

% of population that is poor or low income in 2011



Note: Poor live on \$2 or less daily and low income on \$2.01-10 daily; figures expressed in 2011 purchasing power parities in 2011 prices.

Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network)

PEW RESEARCH CENTER

⁴¹ Data on Japan, South Korea, Singapore and several Middle East countries were not available to enable analysis for the period 2001 to 2011.

Nine-of-Ten Low-Income People Lived in Asia & South Pacific or Africa in 2011, Up from Eight-in-Ten in 2001



This chart depicts the regional distribution of the global low income population in 2011 and 2001. It is one of several charts showing the regional distribution of the global population living at different income levels. The income groups are as follows: The poor who live on \$2 or less daily, low income on \$2.01-10, middle income on \$10.01-20, upper-middle income on \$20.01-50, and high income on more than \$50; figures expressed in 2011 purchasing power parities in 2011 prices. Central America and the Caribbean are not shown. See the appendix for a list of the countries included in each region and the share of a region's population accounted for by those countries.

Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network) and the Luxembourg Income Study database

PEW RESEARCH CENTER

The share of the global low-income population living in Asia & South Pacific and Africa actually increased from a combined total of 82% in 2001 to 89% in 2011. This is a direct consequence of the trends noted earlier in this section: Most of the reduction in poverty in these two regions resulted in larger shares for the low-income population with limited gains in the middle.

The Share of the Global Poor Living in Asia & South Pacific Falls from 2001 to 2011, and the Share Living in Africa Rises



Note: This chart depicts the regional distribution of the global population living in poverty in 2011 and 2001. Europe's share of the global population in poverty was <0.5% in 2011. It is one of several charts showing the regional distribution of the global population living at different income levels. The income groups are as follows: The poor who live on \$2 or less daily, low income on \$2.01-10, middle income on \$10.01-20, upper-middle income on \$20.01-50, and high income on more than \$50; figures expressed in 2011 purchasing power parities in 2011 prices. Central America and the Caribbean are not shown. See the appendix for a list of the countries included in each region and the share of a region's population accounted for by those countries.

Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network) and the Luxembourg Income Study database

PEW RESEARCH CENTER

7. Advanced Economies and the Growth in High-Income Populations

The vast majority of people in advanced economies are upper-middle income or high income by the global standard—more than eight-in-ten, typically. Middle-income populations are scarce in these economies and also diminishing as a share of the populations. Likewise, the share that is upper-middle income is shrinking in most advanced economies, while the share that is high income is rising.

Globally, there was little change in the share of people living at the higher ends of the income scale. As noted, only 16% of the global population lived on more than the middle-income level in 2011, up slightly from 14% in

2001. This comprises the 9% of the global population that was upper-middle income in 2011 and the 7% that was high income. Thus, stepping over the \$20 daily threshold is still beyond the means of most of the global population.

At the same time, many people in advanced economies live on incomes above this threshold. In the U.S., for example, the median daily per capita income was \$56 in 2011 and 88% of the population lived on more than \$20 per day.⁴² A similar scenario unfolds in other advanced economies, underscoring the vast economic gulf that separates them from the rest of the world.

Advanced Economies Retain Their Grip on the Global High-Income Population

The overwhelming majority of the world’s high-income populations are found in either North America or Europe.⁴³ There was little change in this reality in the 2000s, and even the rapid changes unfolding in China did little to close the gap on this metric from 2001 to 2011.

In 2001, nine-in-ten (91%) high-income people lived in Europe or North America. This share decreased only slightly over the next 10 years, to 87% in 2011. Some of the movement was in the direction of Asia & South Pacific with that region’s share climbing from 6% in 2001 to 8% in 2011.⁴⁴

About Nine-in-Ten High-Income People Lived in Europe or North America in 2001 and 2011

% of the global high-income population by region



Note: This chart depicts the regional distribution of the global high-income population in 2011 and 2001. Africa’s share of the global high-income population was <0.5% in 2001. It is one of several charts showing the regional distribution of the global population living at different income levels. The income groups are as follows: The poor who live on \$2 or less daily, low income on \$2.01-10, middle income on \$10.01-20, upper-middle income on \$20.01-50, and high income on more than \$50; figures expressed in 2011 purchasing power parities in 2011 prices. Central America and the Caribbean are not shown. See the appendix for a list of the countries included in each region and the share of a region’s population accounted for by those countries.

Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network) and the Luxembourg Income Study database

PEW RESEARCH CENTER

The main realignment in the high-income population was in a shift from North America to Europe. The share of North America in the global high-income population decreased from 54% in 2001 to 46% in 2011, and Europe’s share increased from 37% to 41%. By 2011, several countries in Western Europe had higher shares of high-income populations than the U.S.

With respect to the global upper-middle income population, those living on \$20 to \$50 daily, 75% lived in

⁴² Median daily per capita incomes in the countries included in this study are available online at <http://www.pewglobal.org/2015/07/08/a-global-middle-class-is-more-promise-than-reality/>.

⁴³ The region of North America includes Mexico.

⁴⁴ Asia & South Pacific’s share may be understated because Japan, South Korea and Singapore could not be included in the analysis. Some countries from Western Europe, including Belgium, Sweden and Switzerland, are also missing from the analysis.

The Middle Class in World Society

Europe and North America in 2001. By 2011, the share living in Europe and North America fell to 63%. The regions gaining shares were Asia & South Pacific—up from 14% in 2001 to 23% in 2011—and South America, which was up from 8% to 10%. China alone raised its share of the global upper-middle income population from 1% in 2001 to 10% in 2011.⁴⁵

Countries with the Largest Gains in Shares of High-Income Populations

Members of the OECD, the Organization for Economic Cooperation and Development, dominate the list of countries with the most substantial gains in the shares of high-income people from 2001 to 2011. Norway is the leading country, with the share of its high-income population increasing from 56% in 2001 to 77% in 2011, or by 21 percentage points. Luxembourg is not far behind, raising the share of its high-income population from 58% to 74% in the decade.

Eastern Europe is also represented in this group of high-income gainers, with Croatia, the Czech Republic, Estonia and Russia making their way into the top 20. But in these four countries, only about 10% or less of their populations were at the high-income level in 2011. The same is true for Malaysia and Uruguay, the other two non-OECD members in this list of countries.

Most of the OECD members with notable gains in the share of high-income populations from 2001 to 2011 were already quite well off at the start of the decade. Greece, where 11% of the population was high income in 2001, was one of the trailers in the group, along with the Czech Republic and Estonia. Otherwise, the share of high-income people in 2001 ranged from 17% in Italy to 66% in Denmark.

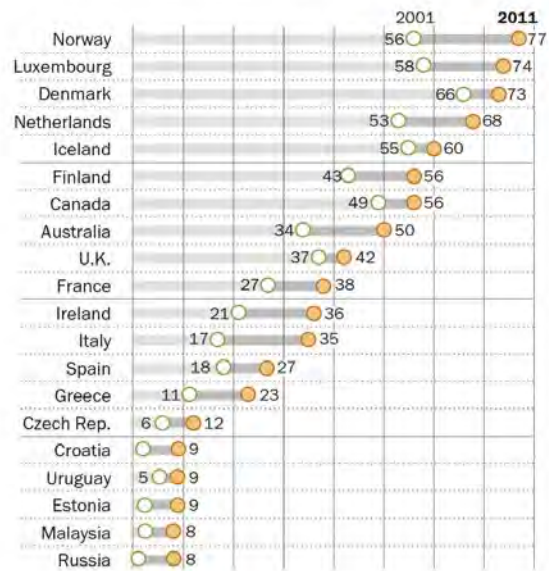
There are two prominent absentees from the list of well-to-do countries that also led the charge up the income bracket in the 2000s. In Germany, the share of people who are high income increased only slightly, from 56% in 2001 to 58% in 2011. The U.S. had the unfortunate distinction of slipping backwards as the share of its high-income population decreased from 58% in 2001 to 56% in 2011.

Distributions of People by Income in the U.S., Canada and Europe

The majority of the U.S. population is high income, making it one of only 10 countries (among the 111 analyzed for this report) where this was true in 2011.⁴⁶ Also, about one-third of Americans are upper-middle income. But the

Growth in Share of High-Income Populations from 2001 to 2011 Is Driven by European Countries

% of population that is high income in 20 countries with the greatest percentage point increase from 2001 to 2011



Note: High-income people live on more than \$50 daily; figures expressed in 2011 purchasing power parities in 2011 prices.

Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network) and the Luxembourg Income Study database

PEW RESEARCH CENTER

⁴⁵ The number of people who were upper-middle income in Asia & South Pacific increased 79 million from 2001 to 2011. China accounted for 56 million of this increase.

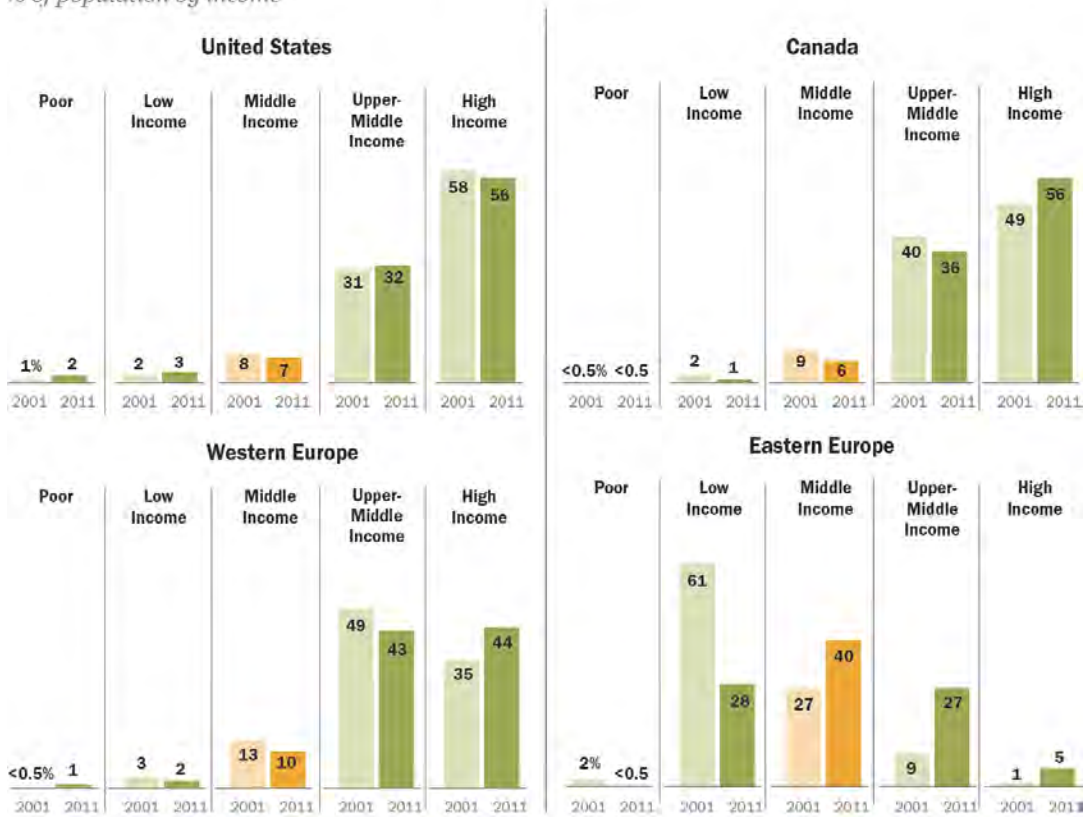
⁴⁶ The other nine countries are Australia, Canada, Denmark, Finland, Germany, Iceland, Luxembourg, the Netherlands and Norway.

U.S., among the richest countries in the world, experienced little change on this score in the 2000s. The proportion of Americans who are upper-middle income barely moved from 31% in 2001 to 32% in 2011, and the share that is high-income actually fell, as noted, from 58% to 56%.

The lack of movement up the income ladder in the U.S. is the result of two recessions over the period of 2001 to 2011—the first in 2001 and the second from 2007 to 2009. The median annual household income in the U.S. fell from \$53,646 in 2001 to \$50,054 in 2011 (U.S. Census Bureau).⁴⁷ Longer-run trends such as globalization, decline of unions, technological change, and the rising cost of benefits, such as health care, are also said to be factors.⁴⁸

Incomes Stagnate in the U.S. from 2001 to 2011, but Canada and Europe Advance Up the Ladder

% of population by income



Note: The poor live on \$2 or less daily, low income on \$2.01-10, middle income on \$10.01-20, upper-middle income on \$20.01-50, and high income on more than \$50; figures expressed in 2011 purchasing power parities in 2011 prices. See the appendix for a list of the countries included in Western Europe and Eastern Europe and the share of each region's population accounted for by those countries.

Source: Pew Research Center analysis of data from the World Bank PovcalNet database (Center for Global Development version available on the Harvard Dataverse Network) and the Luxembourg Income Study database

PEW RESEARCH CENTER

Unlike in the U.S., Canadian residents progressed from upper-middle income to the high-income standard of living. The share of the Canadian population that is upper-middle income decreased from 40% in 2001 to 36% in

⁴⁷ Incomes expressed in 2011 dollars.

⁴⁸ Congressional Budget Office (2011) and Baicker and Chandra (2005)

The Middle Class in World Society

2011 and the share that is middle income fell from 9% to 6%. Over the same period, the proportion of high-income residents in Canada increased from 49% to 56%, catching up to the U.S. in the process.

The disparate trends in Canada and the U.S. may be due to the fact that the effects of the Great Recession were milder in Canada.⁴⁹ Also, income growth for Canadians in the middle of the income distribution may have been relatively stronger than for Americans in a similar position. Not only is income inequality lower in Canada in comparison with the U.S., but, unlike in the U.S., there was no increase in inequality in Canada from 2001 to 2011.⁵⁰

The proportion of the high-income population also increased in Western Europe, from 35% in 2001 to 44% in 2011. As in Canada, the share of those who are upper-middle income in Western Europe decreased during this time period, from 49% to 43%. The share of middle-income residents in Western Europe also decreased.

How Western Europe managed to increase the share of its population that is high income but the U.S. did not is not unequivocally clear. Some countries in Western Europe, such as Finland and Luxembourg, averaged a higher rate of growth in national income than the U.S. from 2001 to 2011. At the same time, though, other countries, such as Germany and Denmark, did not keep pace with the U.S. The answer may lie in the distribution of economic gains. Compared with the U.S., the level of income inequality is lower in all 13 Western European countries studied and it also trended up less, if at all, from 2001 to 2011.

Eastern Europe, composed largely of transition economies, is very different from Western Europe. Only 5% of the population in Eastern Europe was high income in 2011. However, as noted, countries in Eastern Europe were among the world leaders in raising the shares of their population that are middle income and upper-middle income.

References

1. Alwang, Jeffrey, Paul B. Siegel and Steen L. Jorgensen. 2001. "Vulnerability: A View from Different Disciplines." Washington, D.C.: World Bank, June.
2. Baicker, Katherine and Amitabh Chandra. 2005. "The Labor Market Effects of Rising Health Insurance Premiums." Cambridge, MA: National Bureau of Economic Research, February.
3. Basu, Sudip Ranjan. 2009. "Comparing China and India: Is the Dividend of Economic Reforms Polarized?" *The European Journal of Comparative Economics*.
4. Birdsall, Nancy. 2010. "The (Indispensable) Middle Class in Developing Countries; or, the Rich and the Rest, not the Poor and the Rest." Washington, D.C.: Center for Global Development, March.
5. Birdsall, Nancy. 2012. "Is India's Middle Class Big Enough For...?" Washington, D.C.: Center for Global Development, November.
6. Birdsall, Nancy. 2015. "Does the Rise of the Middle Class Lock in Good Government in the Developing World?" Washington, D.C.: Center for Global Development, April.
7. Birdsall, Nancy, Nora Lustig and Christian J. Meyer. 2013. "The Strugglers: The New Poor in Latin America?" Washington, D.C.: Center for Global Development, August.

⁴⁹ IMF estimates of GDP in constant prices and national currencies show that Canada averaged an annual growth rate of 1% from 2007 to 2010 compared with 0.3% in the U.S. From 2001 to 2011, Canada averaged 2% annually and the U.S. averaged 1.7%.

⁵⁰ The OECD reports that the Gini coefficient, a common measure of income inequality, was 0.317 in Canada in 2001 and 0.316 in 2011. In the U.S., the Gini coefficient increased from 0.360 in 2001 to 0.389 in 2011. A similar view emerges from another measure of inequality, the ratio of incomes at the 90th and 50th percentiles of the income distribution. OECD data are available at <http://www.oecd.org/social/income-distribution-database.htm>.

8. Bosworth, Barry, and Susan M. Collins. 2007. "Accounting for Growth: Comparing China and India." Cambridge, MA: National Bureau of Economic Research, February.
9. Bourguignon, Francois, and Christian Morrisson. 2002. "Inequality Among World Citizens: 1820-1992." *American Economic Review*, September.
10. Chen, Shaohua, and Martin Ravallion. 2004. "How Have the World's Poorest Fared Since the Early 1980s?" Washington, D.C.: World Bank, June.
11. Chen, Shaohua, and Martin Ravallion. 2010. "The Developing World Is Poorer than We Thought, but No Less Successful in the Fight Against Poverty." *The Quarterly Journal of Economics*, November.
12. Cho, Yoonyoung, and Bienvenue N. Tien. 2014. "Sub-Saharan Africa's Recent Growth Spurt: An Analysis of the Sources of Growth." Washington, D.C.: World Bank, May.
13. Cingano, Federico. 2014. "Trends in Income Inequality and its Impact on Economic Growth." Paris, France: Organization for Economic Cooperation and Development, December.
14. Congressional Budget Office. 2011. "Trends in the Distribution of Household Income Between 1979 and 2007." Washington, D.C., October.
15. Court, David, and LaxmanNarasimhan. 2010. "Capturing the World's Emerging Middle Class." *McKinsey Quarterly*, July.
16. Dabla-Norris, Era, Kalpana Kochhar, NujinSuphaphiphat, Frantisek Ricka and EvridikiTsounta. 2015. "Causes and Consequences of Income Inequality: A Global Perspective." Washington, D.C.: International Monetary Fund, June.
17. Dadush, Uri, and William Shaw. 2011. "Juggernaut: How Emerging Markets Are Reshaping Globalization." Washington, D.C.: Carnegie Endowment for International Peace.
18. Dang, Hai-Anh H., and Peter F. Lanjouw. 2014. "Welfare Dynamics Measurement: Two Definitions of a Vulnerability Line and their Empirical Application." Washington, D.C.: World Bank, June.
19. Deaton, Angus. 2003. "Measuring Poverty in a Growing World (or Measuring Growth in a Poor World)." Cambridge, MA: National Bureau of Economic Research, July.
20. Deaton, Angus, and Bettina Aten. 2014. "Trying to Understand the PPPs in ICP2011: Why Are the Results so Different?" Cambridge, MA: National Bureau of Economic Research, June.
21. Dobbs, Richard, JaanaRemes, James Manyika, Charles Roxburgh, Sven Smit and Fabian Schaer. 2012. "Urban World: Cities and the Rise of the Consuming Class." *McKinsey & Company*, June.
22. Dykstra, Sarah, Benjamin Dykstra and Justin Sandefur. 2014. "We Just Ran Twenty-Three Million Queries of the World Bank's Website." Washington, D.C.: Center for Global Development, April.
23. Elsby, Michael W. L., Bart Hobijn, and AysegulSahin. 2013. "The Decline of the U.S. Labor Share." Washington, D.C.: Brookings Institution.
24. Ferreira, Francisco H.G., Julian Messina, JameleRigolini, Luis-Felipe Lopez-Calva, Maria Ana Lugo and RenosVakis. 2012. "Economic Mobility and the Rise of the Latin American Middle Class." Washington, D.C.: World Bank, November.
25. Fukuyama, Francis. 2011. "Is There a Proper Sequence in Democratic Transitions?" *Current History*, November.
26. Hout, Michael. 2007. "How Class Works in Popular Conception: Most Americans Identify with the Class Their Income, Occupation, and Education Implies for Them." Berkeley, CA: Survey Research Center, February.
27. International Monetary Fund. 2014. "World Economic Outlook: Legacies, Clouds, Uncertainties." Washington, D.C.: October.
28. International Monetary Fund. 2015. "Global Prospects and Policy Challenges." G-20 Finance Ministers and Central Bank Governors Meeting, Istanbul, Turkey, February 9-10.
29. Jaumotte, Florence. 2012. "Is Labor Compensation Still Falling in Advanced Economies?" *IMF Survey Magazine*, May.
30. Kharas, Homi. 2010. "The Emerging Middle Class in Developing Countries." Paris, France: OECD Development Centre, January.

The Middle Class in World Society

31. Lakner, Christoph, and Branko Milanovic. 2013. "Global Income Distribution: From the Fall of the Berlin Wall to the Great Recession." Washington, D.C: World Bank, December.
32. Leke, Acha, Susan Lund, Charles Roxburgh and Arend van Wamelen. 2010. "What's Driving Africa's Growth." McKinsey & Company, June.
33. Lipset, Seymour Martin. 1959. "Some Social Requisites of Democracy: Economic Development and Political Legitimacy." *American Political Science Review*, March.
34. Luxembourg Income Study (LIS) Database, <http://www.lisdatacenter.org> (multiple countries; October 2014 to April 2015). Luxembourg: LIS.
35. Milanovic, Branko. 1999. "True World Income Distribution, 1988 and 1993: First Calculations, Based on Household Surveys Alone." Washington, D.C.: World Bank, November.
36. Milanovic, Branko. 2011. *The Haves and the Have-Nots*. New York, NY: Basic Books.
37. Milanovic, Branko. 2014. "For Whom the Wall Fell? A Balance-Sheet of Transition to Capitalism." *Global Inequality*, November.
38. Milanovic, Branko, and Shlomo Yitzhaki. 2002. "Decomposing World Income Distribution: Does the World Have a Middle Class?" *Review of Income and Wealth*, June.
39. Murtin, Fabrice, and Romain Wacziarg. 2014. "The Democratic Transition." *Journal of Economic Growth*, June.
40. Ostry, Jonathan D., Andrew Berg and Charalambos G. Tsangarides. 2014. "Redistribution, Inequality, and Growth." Washington, D.C.: International Monetary Fund, February.
41. Pew Research Center. 2012. "The Lost Decade of the Middle Class." Washington, D.C.: August.
42. Savage, Mike, Fiona Devine, Niall Cunningham, Mark Taylor, Yaojun Li, Johs. Hjellbrekke, Brigitte Le Roux, Sam Friedman and Andrew Miles. 2013. "A New Model of Social Class: Findings from the BBC's Great British Class Survey Experiment." *Sociology*, April.
43. Sosa, Sebastian, and Evridiki Tsounta. 2013. "A Bumpy Road Ahead." *Finance & Development*, September.
44. Summers, Lawrence H., and Ed Balls. 2015. "Report of the Commission on Inclusive Prosperity." Washington, D.C.: Center for American Progress, January.
45. U.S. Census Bureau. "Historical Income Tables: Households." Washington, D.C. <http://www.census.gov/hhes/www/income/data/historical/household/>
46. U.S. Census Bureau. "Poverty Thresholds for 2011 by Size of Family and Number of Related Children Under 18 Years."
47. U.S. National Intelligence Council. 2012. "Global Trends 2030: Alternative Worlds." Washington, D.C., December.
48. Wilson, Dominic, and Raluca Dragusanu. 2008. "The Expanding Middle: The Exploding World Middle Class and Falling Global Inequality." New York, NY: Goldman Sachs, July.
49. Wignaraja, Ganeshan. 2011. "Economic Reforms, Regionalism, and Exports: Comparing China and India." Honolulu: East-West Center.
50. World Bank. 2007. "Global Economic Prospects: Managing the Next Wave of Globalization." Washington, D.C.
51. World Bank. 2008. "Global Purchasing Power Parities and Real Expenditures: 2005 International Comparison Program." Washington, D.C.
52. World Bank. 2010. "Zambia: Accelerating and Sharing Growth through Improved Competitiveness." Washington, D.C., October.
53. World Bank, 2014a. "Purchasing Power Parities and Real Expenditures of World Economies: Summary of Results and Findings of the 2011 International Comparison Program." Washington, D.C.
54. World Bank, 2014b. "Kenya Economic Update: Take-off Delayed?" Washington, D.C., June.
55. World Bank. 2015. "A Measured Approach to Ending Poverty and Boosting Shared Prosperity: Concepts, Data, and the Twin Goals." Policy Research Report, Washington, D.C.



The Middle Class in World Society

Institute for Social and Economic Change, Bangalore/India

December 16-17, 2016

INVITED PANEL DISCUSSION – I

CONCEIVING THE MIDDLE CLASS



Neoliberal Regime and Lower Middle Class Stress in a Lower Middle Income Country

D. Narasimha Reddy

One of the basic markers of modernization or capitalist development is the emergence of distinct differentiated classes. Marx's characterized of the industrial revolution-led capitalist system as the one that evolves into a social formation with two distinct but antagonistic capitalist and working classes. This was contested by bringing in the role of 'middle class' with a kind of protestant ethic as the main driving force of capitalist development. Since then development literature has been replete with the identification and enunciation of the importance of middle classes in the development process. There have been analyses extolling the role of middle classes that range from "the great English middle class" of skilled craftsmen and leaders of learned professions in England, to that of post-independent India launching its development process under state capitalist system founded at the behest of lower middle classes. The role of middle class in the development process has come to be described in various ways, depicting middle classes that "supply intellectual and bureaucratic work ...", and as "those who look for future", with an emphasis on the essential role of savings and education. But all that has been changing fast.

During the past two decades, with the fast globalizing world and with the primacy of place to market driven growth, the middle class has come to assume a significant but a different kind of place in the development literature as a class of large but discretionary consumers. The middle class is defined in terms absolute range of per capita incomes across the countries, and estimates of these middle class consumer households and their consumption capacities are made for each country. Projections are made on their future growth and the GDP growth potential of their consumption. Globalization has brought growing attention on the potential of middle class consumption of especially the emerging economies. In the wake of the 2008 global financial crisis and the recession in the high consumption economies like the US and the Europe, there is increasing attention paid to the consumption potential of the middle class in the emerging countries like China and India, and their capacity to rebalance the global consumption demand to drive global economic revival. In this consumption and market oriented attention to the middle class, there has been hardly any adequate attention to the nature of the emerging cleavages within the middle classes which are diverse and could hardly be seen as homogenous entities even within each of these emerging economies, leave alone across the world. The retreat of the state, the commodification of public goods and the declining share of the small and self-employed in the relatively fast growing but unequally distributed national incomes has resulted in a substantial group of people, who are neither poor, nor the upwardly mobile middle class, and certainly far behind the rich, who could be described as 'lower middle class' as a "left behind" or "bypassed" or excluded class.

The objective of this paper is to shift the attention to the nature of the division within middle classes and their status under the neoliberal regimes by focusing on the situation in India. The paper considers that any definition of middle class in absolute income terms may not be helpful in differentiating the strata within the class, which is more important in a society like India where social differentiation in terms of caste becomes as much important as economic categorization into classes. The paper shows that there is a clear underbelly viz. the lower middle class which forms a substantial part of the middle class in India. The paper pursues the question as to what has been happening to the lower middle class ever since India has shifted to the neoliberal regime that has facilitated increasing integration into the global market economy? The method is more of a descriptive analysis. Since there is no data on household income, consumption expenditure is used along with the data on occupational and industrial distribution of employment. The sources of data are largely the national surveys on Consumer Expenditure and Employment and Unemployment Surveys of the National Statistical Survey Organisation.

Caste and the Indian Middle Class

Surinder S. Jodhka

The “middle class” as a category of social classification and analysis is not new to India. It was during the British colonial period, in the early decades of the 19th century, that the term began to be used for a newly emergent group of people in urban centres, mostly in Calcutta, Bombay and Madras, three cities founded by the colonial masters. Over time, this middle class spread its presence to other urban centres of the subcontinent as well. After Independence from colonial rule, the size of the Indian middle class grew manifold. This time again, it was largely through state action and expansion. The developmental state expanded its bureaucratic reach and invested massively in public sector enterprises and laid the infrastructure for social progress and economic growth. It opened many more schools, universities, hospitals and a range of other institutions required for building a modern nation-state.

Beginning with the 1990s, the story of the Indian middle class witnessed a major shift. The pace and patterns of its growth changed with the introduction of economic reforms. The new policies of liberalization encouraged private capital to expand its spheres of investment. India’s growing integration into the global economy and its cultural flows also enabled many more Indians to benefit through the opening of newer avenues of employment and mobility. By incentivizing private capital and encouraging foreign capital to invest in India, the ‘neo-liberal’ economic reforms helped India accelerate the pace of its economic growth, from a sluggish rate of around 2 - 3 percent during the first four decades after independence to around 7 or 8 per cent per annum after the 1990s.

At another level, this acceleration of economic growth and expansion of the Indian middle-classes, both in numbers as well as in influence, has quite fundamentally transformed the structure of Indian society and its economy, from one characterized by ‘a sharp contrast between a small elite and a large impoverished mass, to being one with substantial intermediate classes’ (Sridharan:2008:1). However, much of the popular discourse on the Indian middle class is focused around numbers and income categories¹. Mostly framed in economic terms, this discourse tends to focus on the proportions of Indian population that could be described as middle class almost exclusively in terms of their earnings and expenditure levels, current and prospective. By implication, it tends to focus primarily on their consuming potentials in the emerging markets.

While incomes and consumption cultures are indeed important aspects of social and economic life, ‘middle class’ is not simply an economic category, but also a relational structure. The growth and expansion of the middle class also indicates a move towards the emergence of a new kind of society. As sociologists Landy and March rightly argue, ‘the emergence of a middle class marks a decisive moment in a nation’s history. It indicates an open rather than a closed opportunity structure, a society with the chance of upward mobility and achievement beyond subsistence’ (Landry and Marsh 2011:374).

This becomes particularly important in a society like India, which has been historically marked by rigid hierarchies of status and rank. The most important category in this context is indeed the institution of **caste**, which has not only moulded social and ritual life of the common people but has also shaped occupations, opportunities and rewards. Caste produces an environment of exclusions, segregations and avoidance, a culture marked by rigid status hierarchies and imperious structures of authority. Thus, the questions that become relevant in this context are: how does the emergence of a modern middle-class negotiate with the pre-existing realities of caste and cultures of rigid hierarchies, or in other words, has the rise of a middle class been accompanied by a

¹ Estimations of its proportion in the total population of India vary a lot, from a meagre 5 per cent to 25 or 30 per cent (see Jodhka and Prakash 2016: 104-39).

social transformation as envisaged in the popular sociological theories of change and as promised by the Indian Constitution? What has been the nature of mobility into middle-class social locations across various caste groups and categories? How have the local cultures of hierarchy and difference influenced the emergent category of 'middle class' in contemporary India?

This paper attempts to look at the contemporary history of middle class formations in India and the dynamics of its relationship with caste. In the following sections, I provide a brief introduction to the caste system, followed by a broad overview of the patterns of its change over the past four or five decades. The next sections of paper discuss the three phases in the history of Indian middle class followed by a concluding section that discusses the empirics of relationship between caste and middle class and manner in which the former has shaped formation of the latter.

Caste in India

The textbook view of caste has tended to see it in cultural terms, a uniquely Indian practice that fundamentally distinguished the traditional social organization of India from the modern West. In this popular understanding, caste is an ancient institution of India, based on the ideas of *Varna*, *Karma* and *Dharma* pronounced in a classic Hindu text called the *Manusmriti*. These ideas translated into a hierarchical society, structured around the notions of purity and pollution. The *Varna* system divided the Hindus into four or five mutually exclusive and hierarchically ranked categories with the Brahmins at the top, followed by the Kshatriyas, the Vaishyas and the Shudras. Beyond the four *varnas* were the *achhoots* (the untouchables). Even though the hierarchy was inscribed in ritual terms, it also structured almost every aspect of social and economic life and had survived without much change for centuries.

While this popular view of caste still survives in many textbooks of sociology and Indian society, it has been very widely critiqued, conceptually as well as empirically, and has been abandoned by most serious students of the Indian society. Scholars working on India have convincingly shown that it was primarily Western writers, the Orientalists and colonial administrators, who constructed such a view in the 19th century. As these scholars argue, the colonial ideologues wanted to portray the region as having been eternally stuck in its cultural past and incapable of progressing on the path of history by itself (Cohn 1996; Dirks 2001; Guha 2013). Such a view, thus, provided a built-in justification for the colonial subjugation of India.

The empirical scholarship on the subject also questions the simplified religion-centric view of caste. Sociologists, social anthropologists and historians have extensively documented the fluid nature of hierarchies and the diverse modes of its formations. While hierarchies existed on ground, their structures and operations varied significantly across different regions of the subcontinent. Caste had also not been a static and closed cultural reality, which reproduced itself only through religious ritual and traditional beliefs. Being a part of social life, caste differences were structured and shaped also by economic processes, ecological possibilities and the nature of political regimes of a given region (see Srinivas 1955; 1962; Gupta 2000; Betiella 1986; Charsley and Karanth 1998; Jodhka 2012; 2015).

The popular Orientalist view of caste also shared its notion of social change with functionalist theories on the subject (discussed above) that predicted its demise through the process of modernization. The colonial rulers had presumably unleashed such a process by introducing Western style secular education, industrial technology and modern frames of governance. Interestingly, many among the early Indian nationalists also took rather easily to this evolutionist view of caste and its possible modern futures. Independence from colonial rule, many of them believed would accelerate the process of modernization of social life through economic growth and democratic politics, guided by a liberal-progressive Constitution and gradually end caste.

Changing Caste

India's independence from the colonial rule did accelerate the process of social and economic change, and these changes have also had a significant impact on the social order of caste. As I have argued elsewhere (Jodhka 2015; 2016), a variety of efforts and processes from "below", from "above" and from the "side" have brought these changes about. Persistent and active mobilizations by those located lower down in the hierarchical order have gone a long way in delegitimizing the ideology and cultural value of the traditions associated with caste. The values and aspirations for dignified life as citizens of a democratic country have successfully eroded the earlier notions of *karma* and despondency almost everywhere in the subcontinent. Since the early 1980s such mobilizations from the margins of Indian society have only grown, and some have gone to the extent of describing them as a source of a "silent revolution" (Jaffrelot 2003). Notwithstanding diversities and divergences, growing politicization of the "backwards" and increasing assertions by the Dalits, the ex-untouchables have fundamentally altered the grammar of Indian social and political life (Pai 2002).

After Independence, the democratic Indian state institutionalized a system of quotas or reservations, for the most deprived communities and listed them as Scheduled Castes (SCs). Similarly, some other social groups who were seen to be deprived because of their relative isolation from the mainland India were classified as Scheduled Tribes (STs). Under this system, seats approximating to their proportions in the Indian population were kept reserved for them in the state funded educational institutions, government jobs and legislative bodies, up to the highest level, the Indian Parliament. The constitutional provisions in form of reservation policy have not only enabled a process of social and economic mobility among the ex-untouchable castes but have also been instrumental in producing a modern leadership from within these communities.

India's quota system has expanded over the years. In addition to the quotas mandated by the national government, some provincial governments have had their own quota regimes. Following recommendations of various commissions set up by the Government of India to identify communities other than those listed as Scheduled Castes, who remain "backward" the union government also decided to reserve jobs and seats in state funded educational institutions for the Other Backward Classes (OBCs). Even though the Indian courts have fixed a ceiling of 50 percent seats for quotas, the demand for quotas has continued to grow. Such state policies and other initiatives from "above" have also changed caste.

Further, the larger processes and nature of social, economic and political transformations taking place in the country have also altered caste relations in a variety of different ways. For example, the agrarian transformations ushered in by the success of the Green Revolution in some parts of the country, and the development of industry in urban centres have made many of the traditional caste occupations redundant. At the same time, they have also provided new opportunities for employment outside the older economic order. State investments in rural development and agricultural growth have provided a positive impetus to this process. The Indian agriculture gradually moved towards formalized and capitalist frames of production and social organization. The traditional hierarchies and old structures of dependency, including the traditional hierarchies of caste gradually declined (Mendelsohn 1993; Srinivas 2003; Jodhka 2002; Charsley and Karanth 1998; Kapure *et al.* 2010).

Empirics of the Indian Middle Class

As discussed above, the historical context to the birth of Indian middle class was the need of the British colonial rulers' for a class of lower level native bureaucracy that would assist them rule over the vast regions of the subcontinent that they had come to occupy by the early 19th century. They were to be "a class of persons Indian in blood and colour, but English in tastes, in opinions, in morals and in intellect"².

² "Macaulay's Minute on Education, February 2, 1835", Available at <http://home.iitk.ac.in/~hcverma/Article/Macaulay-Minutes.pdf>. Accessed August 08 2014.

As the popular narrative goes, thanks to these policies, such a class did emerge, which mediated between the colonial masters and local masses. These middle class individuals also became a vehicle for the spread of “superior” Western culture and its message of modernity, including the ideas of democracy, which also became a source of conflict between the newly emerged middle class Indians and the colonial rulers, eventually unfolding into the movement for independence. According to this common sense, the Western educated middle-class of India continues to be a modernizing social category, an important agent of positive social change in the Indian society, where the hold of tradition continues to be a critical source of its backwardness.

While the colonial context of its origin is indeed a fact, this celebratory representation of the Indian middle-class is a myth that, to a large extent, is produced by members of the Indian middle-classes themselves. It helps them perpetuate their position of privilege and power. The actual history of the Indian middle-class is far more complex and different.

The Indian middle-class did not just emerge as a modernizing agent out of its traditional moorings. On the contrary there were many instances where it championed “tradition”. Instead of being individualized and modern, its members actively represented and constructed local level “sectarian” identities. The British did not always wish to change the pre-existing social realities. They often absorbed them into their policy frames and reinforced, or even strengthened, the pre-existing structures of social relations. In other words, they simultaneously transformed and reinforced the pre-existing structures of power relations. The Indian middle-classes actively participated in all these processes (see Jodhka and Prakash 2016).

The social base of recruitment of this class was also quite narrow. The British initiated a process of educating the “natives” by opening schools and colleges in different parts of the Subcontinent. These educational institutions first appeared in the new colonial cities like Calcutta, Bombay and Madras. Local communities, particularly those with resources and high social standing, responded enthusiastically and sent their children for “modern” education. Unlike their Western counterparts, the social origins of this class did not lie in industry and trade, which remained under control of the British companies or local trading communities, such as the Marwaris, Khatri and Baniyas. While most of the educated modern professionals came from relatively privileged social backgrounds and had some connections with land, they generally occupied intermediary positions in the prevailing tenurial structure. In terms of their position in the traditional ritual hierarchies, they almost all came from relatively upper segments of the traditional caste system.

Some rich Indian families even sent their children abroad, mostly to England, for higher education in leading British universities, such as Oxford, Cambridge and London, with many returning home after securing degrees. These new native elite also brought with them modern ideas of “liberalism” and “democracy” that had become popular in the West after the French Revolution. Thus, they became carriers of not only British cultural values but also of modern ideas of freedom, equality and democracy. Those educated in local colleges were mostly absorbed in the colonial administrative structure. These jobs in the colonial government carried a “high” social status and became a route to acquiring middle-class positions. Over the years, a new class emerged in India. Apart from those employed in the administrative jobs of the British government, it included independent professionals, such as, lawyers, medics and teachers. The size of this “educated middle-class” thus continued to grow during the second half of the nineteenth century.

In some regions of the subcontinent, these newly educated individuals initiated a variety of social reform movements during the 19th and early 20th centuries. The middle-class leaders of these movements worked for negotiated adaptations of Western modernity. They underlined the need for retaining, what they saw as the core of the traditional religious belief and culture while simultaneously learning from Western and Christian cultures. The narrative was to selectively reinvent past tradition and glorify it in order to claim its superiority over Western Christianity. This re-invention and glorification of its ancient past also implied acceptance and advocacy of

The Middle Class in World Society

“tradition”, albeit in a reformed format, which included the hierarchical social order of *varna* and caste, presided over by the Brahmin. Unlike in the West, where the middle-classes were part of the processes of secularization and individualization, members of the Indian middle-classes invested in their community identities and many worked actively towards reinvention of their perceived traditions through “reform” movements. Their quest for the so-called social reforms eventually produced “new”, and sometimes more rigid, cultural boundaries across and within the pre-existing communities (see Jodhka and Prakash 2016:48-54).

As the middle-class expanded in size, its political aspirations also grew. It aspired to greater share in the state power. It is in this context that middle-class began to articulate the idea of India as an independent nation-state. However, they recognized the need of a cultural project, of producing a larger “ethnic” and cultural community, beyond the simple agenda of social and religious reform of local level religious communities. Partha Chatterjee describes this as “classicization of tradition”, which could become the foundational category of Indian nationalism (Chatterjee 1993). The Indian middle class thus campaigned and mobilized for a politics of citizenship by actively pursuing a sectarian agenda, even when it invoked ideas of democracy and modernity.

Independence and After

Independence from colonial rule in 1947 was an important turning point for the Indian middle class story. The new elite that inherited power from the colonial rulers largely represented the upper layers of Indian society, both in terms of caste as well as class. However, they were also confronted with the task of working with diversities and differences of Indian society, its poverty and disparities, the challenge of violence and communal harmony. The fault-lines were many and difficult to deal with. The framing of Indian constitution with B.R. Ambedkar, an untouchable by caste, as the Chair of its Drafting Committee had an important symbolic value for the new Nation as it tried to signal that independent democratic India was to transcend caste. Membership of the Constituent Assembly also represented other forms of social diversities. Besides laying down a framework for a democratic governance system, the Indian constitution also recognized caste as a continued source of disparities and deprivations and put in place a set of measures that would work towards leveling the playing fields.

Even though India chose to follow the path of western-style liberal democracy, it did so with a difference. Jawaharlal Nehru, the first Prime Minister of India, had also been inspired by the achievements of the then socialist-block countries. He initiated planning for development. Democracy and development were to together help India move on the path of modernization with the Indian state playing an active role in creating an enabling environment for economic growth with social justice. It even initiated direct participation in setting-up modern industry. Besides investing directly in Public Sector industrial units, the state also spent a lot of resources on laying down institutional and material infrastructure required to extend its physical reach to diverse communities and regions of the subcontinent. To pursue these activities, the state required skilled human resources. The state sector thus emerged the biggest employer and the most important site for middle class expansion. The number of those employed in the state sector went up from 5.23 million in 1956 to 15.48 million in 1980. Even though employment in the private sector also expanded, it grew at a slower rate, from 5.05 million in 1960 to 7.24 million in 1980 (see Jodhka and Prakash 2016:76).

As indicated above, the introduction of economic reforms in 1990s quite significantly changed the pace and pattern of economic growth in India with a clear shift towards the private sector. This is also reflected in the nature and patterns of employment. Though available data of organized sector employment reflects that the state sector still has more people on its rolls than the private sector, the trend had clearly changed. During 2010-11, total employment in state-supported sectors was 17.55 million, lower than what it was 20 years back in 1990-91 (19.14 million). In contrast, the organized private sector, though employing lesser numbers still (11.45 millions) in 2010-11, had grown significantly over the past 20 years (7.68 millions in 1990-91).

Caste and Middle Class Mobility

How do these dynamics of numbers and economic changes intersect with social processes? As is evident from the discussion above, the available historical research suggests that the rise of middle class in India during the British colonial period did not dent caste hierarchies. On the contrary, the middle class grew within the pre-existing ascriptive frames of communities and identities.

Over the past century and more, social and economic structures, including those of caste, have seen many changes. However, while change in relational and ideological sphere is apparent, the reality of caste does not seem to be going away. Inequalities across caste groups have persisted, and in some cases they have sharpened. Caste continues to matter beyond its conventional sphere of influence, the village, its ritual life and its agrarian economy. Even after moving out of the rural, into an urban job or a business, individuals often remain tied to their caste. Those from the upper stratum of caste hierarchy find caste to be a useful resource in the urban context and often feel comfortable in company of fellow caste men and women. Almost all of them marry within their caste kinship. They form caste associations and set-up caste-community based business cartels. Even when the growing anonymity of urban economy makes it difficult to sustain such monopolies, kinship networks continue to play a critical role in the reproduction of urban business. (Iyer *et al.* 2013).

The modern corporate sector is also not free from caste. Even when they manifestly claim to be caste-blind, they care for the social and family backgrounds of their staff. They often screen out candidates from communities such as the Scheduled Castes, the Muslims and those from “rustic” rural backgrounds (Jodhka and Newman 2007). A recent study based on a sample of 1000 companies reported that as many as 92.6 percent of the board members of the Indian Corporate houses are from the upper castes (44.6 percent Brahmins and 46.0 percent from various Vaishya castes). In contrast, the SCs and STs together made for only 3.5 percent. Even the proportion of OBCs, who make for nearly half of India’s total population, was quite negligible (3.8 percent) (Daljit *et al.* 2012). At the upper-end of the corporate management, “caste diversity is non-existent”. The limited volume of empirical literature we have on social mobility in India reinforces the point that caste indeed works to block those located at the lower end of the caste hierarchy (Kumar *et al.* 2002; Thorat and Newman 2010; Vaid and Heath 2010).

The urban upper castes that are otherwise located in modern spaces work hard to preserve the privileges that come with caste, construct boundaries around the middle class locations. In a recently published book (Fuller and Narasimhan 2015) based on a prolonged fieldwork among the Brahmins of Tamil Nadu, exploring the changes brought about by their social mobility and migrations from rural settlements to urban centres over the past century and more, Fuller and Narasimhan, found that though they had all begun to see themselves as members of the middle class, they remained strongly tied to their caste identity. This identification of being Brahmin was so central to their identity as middle class persons that the two authors chose to describe the Brahmin case of mobility as *The Making of a Middle-Class Caste* (sub-title of their book). As they write:

...all Tamil Brahmins today regard themselves as urbanites and members of the middle class, so that their caste and class status are intertwined and Tamil Brahminhood is congruent with middle classness (Fuller and Narasimhan 2015:210).

Another study of the upper caste Brahmins in Bangalore found them forming their associations with clear purpose of countering politics of democratization being articulated by the “backwards”. They advocated the need to preserving traditional values, which by implication also implied protecting Brahmin caste privileges (Bairi 2009).

However, this is not to suggest that the caste system did not change at all. Despite these persisting inequalities and cultures of exclusion, India’s middle class story and its interface with caste are far more complex than of being a simple case of reproduction of caste in a new *avatar*, this time called the middle class. Over the years, the middle class space in India has become socially far more diverse. Even when the traditional upper castes continue

The Middle Class in World Society

to dominate, they are not the only ones who claim middle class identity or occupy such positions in the secular and professional economies of India. Nearly seven decades of affirmative action policies for the Scheduled Castes have been able to open-up possibilities of mobility even for the most deprived, the ex-untouchables. However, the quality and extent of change has been limited.

It was during the British colonial period that caste began to be enumerated. It was during the later years of colonial rule that the idea of affirmative action began to be framed through classification of caste communities into categories like the “depressed classes”. This classification became a source for identifying communities to be listed as Scheduled Castes for the reservations policy. Further, the western-style secular education introduced by the British rulers was in principle open to all, including those from the “untouchable” communities. The colonial government also employed individuals from these communities in their administrative system. Thanks to all these policies, a few members of the “untouchable” communities and those from the other “backward” classes could study and move to urban middle class spaces, which had so far been the monopoly of the Brahmins and other upper castes. Some of these individuals, such as Jyotiba Phule and B.R. Ambedkar in Maharashtra or E.V Ramasamy in the south of India initiated a range of anti-Brahmin and anti-caste movements (Omvedt 1976; Pandian 1997). They were to become a source of inspiration for the later middle-classes that emerged from these communities in the post-independence period.

Perhaps the most visible effect of the quotas, particularly in case of the Scheduled Castes, has been the emergence of a Dalit middle class. Even when their communities remain largely poor and marginalized, individuals from these communities have been able to move up, to senior positions in political institutions, the bureaucracy and academia. Their experience of being middle class has been a site of struggles and challenges.

Normally, in such processes of individual mobility, the upwardly mobile individual tends to move out of his/her group of origin to another group compatible with his/her class location. This, however, has generally not been the experience of mobile Dalits. Available empirical literature tends to show that even when such individuals move to secular employment and middle class occupations, their identification with the communities of their origin tends to remain strong. Why does this happen? First and foremost, economic mobility does not always lead to disappearance of prejudice of the dominant groups against the upwardly mobile Dalits. They often resent the quota system and tend to see Dalits occupying middle class jobs as illegitimate, as if those jobs have been taken away from them, a violation of their privileged monopoly. In such environments of hostility, the social mobility that should accompany the individual’s economic mobility becomes rather limited. Even when a Dalit occupies a high position of authority, his upper caste colleagues tend to identify him/her with first the caste of his/her origin and only later with his/her position of authority. Such a lack of collegial acceptance produces disorientation, and often anger and agitation (Jodhka 2015) among the upwardly mobile Dalits. Their responses to such situations vary. Some try to conceal their caste identity (Mallick 1997), some others turn back to their communities with the realization that without a larger social change that gives dignity to the communities of their identity, their individual achievements remain of limited value. They become community activists. Thus, in either case, mobility to a middle class status in such cases does not produce individualization and secularization of status (see Jodhka 2010; Prakash 2015).

Upwardly mobile SCs also find it difficult to realize their middle-class status because of their larger economic context. They are invariably the first members of their families to earn a middle-class salary. In many cases, their privileged position within the family also puts pressure on them monetarily. They are morally expected to look after their poor kin by sending home a portion of their income (Naudet 2014: 244). Even though mobility through education, followed by a job, is an individual achievement, the community tends to see educated members of their community as ‘collectively shared’ resource (Ciotti 2012). The imperative of “paying back” to the community often has a strong moral appeal with such successful individuals, given that an SC individual invariably acquires education and a secure job using quotas, which are viewed as an outcome of their collective struggle for rights (Naudet 2014: 245; Jodhka 2015: 169-209).

However, notwithstanding this sense of identification with the larger caste identity and caste question, their upward mobility also inhibits their return. While they realize the need for change through political mobilizations and activism, they are no longer similar to those they have left behind and also feel a sense of alienation from their communities (Guru 2001). They tend to form their own caste-based enclaves where they feel comfortable by expanding the boundaries of their caste communities through categories such as 'Dalits'. This also gives them a sense of a new identity, a sense of being modern and dignified but their social life tends to be limited to fellow Dalits (Ram 1988). Their perception of state and economy is often shaped by the prism of caste and the associated hierarchies and discrimination experienced by members of their community, if not they themselves. Hence their image and understanding of India's modernity is generally at variance with that of the dominant section of the middle class. They still look up to the state, which alone, for many of them, could be above the caste-divided institutions of civil society and market economy. Recognition of the deficits of social and cultural capital in their communities also makes them suspect advocates of free market and meritocratic regimes. Even when they mobilize for their increased participation in the neo-liberal market economy, they seek quotas and state support.

Processes of middle class consolidation in countries of Western Europe during the twentieth century were accompanied by institutionalization of a new language of citizenship. Even when economic disparities persisted, middle-class identification brought about a sense of commonness and homogeneity. Middle-class expansion implied the dissolution of the traditional hierarchies of status/ rank and an advent of new notions of citizenship based on ideas of equality, fraternity and fairness. Even when differences of ethnicity, race or gender did not go away, the growing identification with being middle-class also implied an acceptance of a democratic public where nearly everyone could participate as equal members of the national political community. The Indian experience has so far been quite different.

References

1. BairyRamesh. 2009 Brahmins in the modern world: Association as enunciation Contributions to Indian Sociology (n.s.) 43, 1 (2009): 89–12
2. Beteille, A. 1986. "The Concept of Tribe with Special Reference to India." *European Journal of Sociology*, 27(02), 296-318.
3. Charsley, S. R., & Karanth, G. K. 1998. *Dalits and State Action: The 'SCs' Challenging Untouchability: Dalit Initiative and Experience from Karnataka*. New Delhi: Sage Publications.
4. Chatterjee, Partha. 1993. *The Nation and its Fragment: Colonial and Post Colonial Histories*, Princeton: Princeton University Press.
5. Chatterjee, Partha. 1990. 'The Nationalist Resolution of the Women's Question', K. Sangari, and S. Vaid (eds.), *Recasting Women: Essays in Indian Colonial History*,
6. New Brunswick, New Jersey: Rutgers University Press. pp. 233-53.
7. Ciotti, Manuela. 2012. *Retro-modern India: Forging the Low Caste Self*. New Delhi: Routledge.
8. Cohn, B. 1996. *Colonialism and its Forms of Knowledge: The British in India*. Princeton: Princeton University Press.
9. Daljit, Han Donker, Ravi Saxena. 2012. 'Corporate Boards in India: Blocked By Caste'. *Economic and Political Weekly*. Vol. 47 (31): 39-43.
10. Dirks, N.B. 2001. *Castes of Mind: Colonialism and the Making of Modern India*. Princeton: Princeton University Press.
11. Fernandez, Leela. 2006. *India's New Middle-class: Democratic Politics in an era of Economic Reform*. Minneapolis: University of Minnesota Press.
12. Fernandes Leela & Patrick Heller. 2006. "Hegemonic Aspirations: New Middle Class Politics and India's Democracy in Comparative Perspective", *Critical Asian Studies*. Volume 38, Issue 4, pp. 495-522.
13. Fuller, C. J., & Narasimhan, H. 2015. *Tamil Brahmins: The Making of a Middle-Class Caste*. New Delhi: Social Science Press.

The Middle Class in World Society

14. Guha, Sumit. 2013. *Beyond Caste Beyond Caste: Identity and Power in South Asia, Past and Present* Leiden: Brill (*Brill's Indological Library*).
15. Gupta, D. 2000. *Interrogating Caste: Understanding Hierarchy and Difference in Indian Society*. New Delhi: Penguin Books India.
16. Guru, G. 2001. "Dalit Middle Class Hangs in the Air." In Imtiaz Ahmad and Helmut Reifeld (eds.) *Middle Class Values in India and Western Europe*. New Delhi: Social Science Press. pp.141-151.
17. Iyer, Lakshmi, TarunKhanna, and AshutoshVarshney 2013. 'Caste and Entrepreneurship in India'. *Economic & Political Weekly*. Vol. 48(6): 52–60.
18. Jaffrelot, C. 2003. *India's Silent Revolution: The Rise of Low Castes in North Indian Politics*. Delhi: Permanent Black.
19. Jodhka, S. S., & Newman, K. 2007. "In the Name of Globalisation: Meritocracy, Productivity and the Hidden Language of Caste." *Economic and Political Weekly*, 4125-4132.
20. Jodhka, S. S., Prakash, Aseem. 2016. *The Indian Middle Class*. New Delhi: Oxford University Press.
21. Jodhka, S. S. 2016. 'Ascriptive hierarchies: Caste and its reproduction in contemporary India'. *Current Sociology* (Monograph 2016) Volume 64 (2): 228-43.
22. Jodhka S. S. 2015. *Caste in Contemporary India*. New Delhi: Routledge.
23. Jodhka S.S. 2012. *Caste. Oxford India Short Introductions*. New Delhi: Oxford University Press.
24. Jodhka, S. S. 2010. "Dalits in Business: Self-employed Scheduled Castes in North-West India." *Economic and Political Weekly*, 41-48.
25. Jodhka, S. S. 2002. "Caste and Untouchability in Rural Punjab." *Economic and Political Weekly*. Volume 37(19): 1813-23.
26. Kapur, Devesh, Chandra Bhan Prasad, Lant Pritchett and D ShyamBabu. 2010. "Rethinking Inequality: Dalits in Uttar Pradesh in the Market Reform Era", *Economic and Political Weekly*, 45 (35), pp 39-49.
27. Kumar, S, Anthony Heath and Oliver Heath 2002 Determinants of 'Social Mobility in India'. *Economic and Political Weekly*. Vol. 37 (29): 2983-87
28. Landry, B., and Marsh, K. 2011. "The evolution of the new black middle class." *Annual Review of Sociology*, 37, pp. 373-94.
29. Mallick, R. 1997. "Affirmative Action and Elite Formation: An Untouchable Family History." *Ethnohistory*, 345-374.
30. Mendelsohn, O. 1993. "The transformation of authority in rural India." *Modern Asian Studies*, 27(04), 805-842.
31. Naudet, Jules 2014. 'Finding One's Place among the Elite: How Dalits Experiencing Sharp Upward Social Mobility Adjust to Their New Social Status'. in Clarinda Still (ed.) *Dalits in Neoliberal India: Mobility or Marginalization?* New Delhi: Routledge. pp.236-58.
32. Omvedt, G. 1976. *Cultural Revolt in a Colonial Society*. Scientific Socialist Education Trust.
33. Ram, N. 1988. *The Mobile Scheduled Castes: Rise of a New Middle Class*. New Delhi: Hindustan Publishing Corporation.
34. Pai, S. 2002. *Dalit Assertion and the Unfinished Democratic Revolution* The Bahujan Samaj Party in Uttar Pradesh 2013. New Delhi: Sage Publications.
35. Pandian, M.S.S. 1997. *Brahmin and Non-Brahmin: Genealogies of the Tamil Political Present*, Ranikhet: Permanent Black.
36. Prakash, Aseem. 2015. *Dalit Capital: State, Markets and Civil Society in Urban India*. New Delhi: Routledge
37. Sridharan, E. 2008. *The Political Economy of the Middle Classes in Liberalising India*. Institute of South Asian Studies.
38. Srinivas, M.N. 1962. *Caste in Modern India and Other Essays*, Bombay: Media Promoter and Publishers.
39. Srinivas, M. N. 1955. "Village Studies and their Significance." *Eastern Anthropologist*, 8, 215-58.
40. Srinivas, M.N. (2003). 'An Obituary on Caste as a System' *Economic and Political Weekly*. Vol. 38, No. 5 (Feb. 1-7), pp. 455-459.
41. Thorat, S., & Newman, K. 2010. "Economic Discrimination, Concept, Consequences, and Remedies." In Thorat, and Newman (ed.), *Blocked by Caste: Economic Discrimination in Modern India*. New Delhi: Oxford University Press.
42. Vaid, D., & Heath, A. 2010. "Unequal Opportunities: Class, Caste and Social Mobility." *Proceedings of the British Academy*. 159: 129-64.

Marriage, Household Composition, Class Status by Nativity for Women of Color: 1980-2014

Kris Marsh
and
Jessica Pena

Historically, social science literature has demonstrated that marriage is an important and necessary pathway in determining the economic context for and predictor of women's class status. This presumed marriage pathway has not been fully explored in the demographic literature. The literature is limited on the class status of single, never-married, and living alone women of color (Asian, Black and Latino) and even less attention to this group based on nativity status and national origin. This paper raises important questions about the presumption of marriage as a route to the middle class for all women of color as well as those foreign-born versus native born. Using 1980, 1990, 2000 IPUMS and ACS data for 2010 and 2014, for women of color we derive a middle class index (MCI) based on education, homeownership, per person income, and occupational prestige factors. By 2014, for Asian women and Latinas their share of single and living alone (SALA) households slightly decreased, but Black female SALA middle-class households still comprise the highest percentage of their middle-class than do the other racial/ethnic groups. We also find that foreign-born women comprise a smaller share of SALA households relative to native born for all women of color.

Background

Research on the demography of family formation and recent trends in household composition, such as increased singlehood (Klinenberg, 2012), delayed marriage, increased divorce rates, decreased fertility (Casper and Bianchi 2000), and increased nonmarital childbirth to college graduates (Lundberg, Pollak and Stearns, 2016) are likely to result in significant shifts in women's households and class status (Gearson, 2009; Cherlin, 2009). Some may argue that marriage is one pathway for women to acquire middle class status. This argument would hold that diverting off the path of marriage results in a potential decline in the percentage of households in the middle class, particularly for women of color, for whom these trends are more pronounced. Some scholars examine the demographic change in families and socioeconomic class status (Manning and Brown, 2014) while other scholars focus specifically on Black women. With Black women as the focus, scholars suggest that a Black household's primary route to the middle class is through the formation of a dual-income married household (Besharov, 2005; Landry, 2000).

Given racial and ethnic differences in various family and household composition trends, and the current marriage rates for women of color, we might expect economic consequences and socioeconomic class statuses to vary across these women. For example, Black women, on average, exceed women of other races and ethnicities on all of the following household composition indicators—increased singlehood, delayed marriage, increased divorce rates, and women's increased labor force participation. Presumably, these trends could produce a greater decrease in the size of the Black middle class relative to the White middle class. Marsh et al. (2007), however, found that the composition of the Black middle class was increasingly shifting toward single and living alone households (SALA) and that married households were declining. Their findings indicate that middle-class Black SALA households are not only becoming the newest face of the Black middle class but also that they have potential to become the most pronounced household type for the Black middle class.

Marsh et al. (2007), however, did not consider gender differences in this trend of growing SALA households for Blacks. These scholars left three important questions unexplored. First, how does the rise in SALA households

The Middle Class in World Society

for women in the Black middle class compare to the rise in SALA households for women in the Asian and Latino middle classes. Second, how does nativity factor into the rise in female-headed SALA households for Asians, Black and Latinos? And third, how does the in-group ethnic variations complicate the middle class, SALA women of color narrative. Several indicators suggest that differences among women of color, namely an increase in female-headed SALA and middle class households, might underlie the wealth disparities between White and households of color. The gender literature has demonstrated that marriage is an important economic context for and predictor of women's class status; however, the literature has paid less attention to the differences among women of color. That there are significant variations in patterns of marriage and family formation among women of color and these differences become an important qualifier when considering general theories of marriage as related to women's economic mobility and the overall economic stability of their middle class groups. What has been overlooked is the possibility that women of color have a higher percentage of households that are SALA and middle class and thus are forging a distinctive path to the middle-class status unlike White women and these paths might vary by nativity classes and sub-ethnic categories.

An examination of the growth of middle class, SALA women of color has the potential to shed light on economic implications for women in terms of access to the middle class and the sustainability of these groups over time. By examining middle class, SALA women of color in terms of the role marriage (or lack thereof) plays in class status and mobility, this paper raises important questions about the presumption of marriage as a route to the middle class for all women. Our overarching research objective is to understand how the growth of middle class, SALA differs by racial and ethnic groups with a particular focus on nativity and sub-ethnic variation.

Social scientists in general, and those who study the intersectionality of race, class, and gender in particular, should be interested in middle class, SALA women of color. As scholars, we need to take into account the general notion that marriage has been a route into middle-class status for women but that, given changing marital patterns and family composition; this may no longer be the case. Although marriage still provides many positive returns, it may not be essential for achieving middle-class status for women of color, especially, those that are native-born and within certain racial or ethnic subgroups.

Changing Trends in Household Composition

Choosing alternatives to marriage indicates a significant shift in family formation in the U.S. Scholars find that this trend is more pronounced for Blacks, in particular, Black women (Bennett, Bloom, and Craig, 1992; Casper and Bianchi, 2002; Raley, 2000; Tucker and Mitchell-Kernan, 1995). In 2015, scholars find striking marital patterns in the US among Black, Latino and White women: relative to whites and Latinas, Black women marry later, if at all, and those that do marry suffer from higher state of marriage instability (Raly, Sweeney, and Wondra, 2015). These scholars go on to argue that racial gap is partly related to changing ideas of marriage as optional, and arguably not the only pathway into middle class status (Gearson 2009, Cherlin 2009). Over the years, U.S. Census Bureau reports showed that Black women had the lowest marriage rate of all women.

Schwartz's (2013) review article on assortative mating explores the causes and consequences of and the explanation for the variation over time by highlighting the more current economic and gender inequality perspectives in the literature. Similar to a Wilson's (1987) black marriageable male index, Schwartz argues that structural changes are underexplored influence mate selection. This type of argument resonates with communities of color that are pampered by structural and institutional racism. With an emphasis on Black and their pervasive exposure to various forms of racism, the assortative mating hypothesis states that it is difficult for Black women to find and secure a partner with whom to exchange resources for valued qualities (Fossett and Kiecolt, 1993; Hirschl, Altobelli, and Rank, 2003; Rose, 2004; South, 1991). Additionally, the educational homogamy literature indicates that people prefer, and in some sense are expected, to marry people of similar educational achievement.

Based on the 2015, Current Population Survey (CPS) data on Educational attainment in the United States, relative to Black and Latinos, Asians were more likely to hold a bachelor's degree or higher and native-born adults were no more likely than foreign-born adults to hold an advanced degree (CPS, 2015; Ryan and Bauman, 2016). When educational attainment is further explored by gender, then the assortative mating theory would hold that Black women and Latinos are limited in the number of Black men and Latinos with a similar educational background to marry and, as such, would be interested in interracial marriage or forced to consider other and innovative pathways into middle class. We want to explore single and living alone as one of these pathway into middle class status for women of color with an emphasis on sub-group and nativity variations.

Household Composition, Family Formation, and Class Mobility

These racial/ethnic differences in marriage and household composition become more of an issue when considering the importance of marriage to women's economic status and potential for class mobility. The rise in middle-class Black female SALAs may suggest that this is no longer the case, at least for Black SALA women (Marsh et al 2007). It could be that marriage is no longer important or necessary for middle-class status for all women of color but rather more pronounced for some women than others. The marriage and class status literature has shown that men's economic status is more predictive of a couple's decision to marry than is women's (Smock et al., 2005; Smock and Manning, 1997).

In general, marriage is viewed as one of, if not, the most reliable pathway into the middle class, particularly due to the establishment of a dual-income household. We know from the literature there is a consistent and stubbornly persistent gender wage gap, whereby, women generally earn lower wages than their male counterparts and this gap in present within racial and ethnic groups as well as across groups (Walsemann et al. 2013). From a 2015 Pew Research Report, is clear that Asian and White men have the race and gender advantage in the racial and gender gap, with them then out-earning Black men and Latinos and ALL groups of women. This finding holds even when we controlling for education. Looking at just women of color, there is a similar trend. Asian women have the wage advantage over Black women, Latinas and White women. Furthermore, Asian and White women have higher average hourly wages than those of Black men and Latinos (Pew, 2015).

In a historical context, prior to 1970, scholars argued that womenderived their status from their husbands, making marriage the chief means of class mobility for women (cite). Then the literature moved toward an independence model, suggestion that that each individual has his or her own status. Going one step further, the more current framework for understanding class mobility is the status-sharing model. This is where the partners combine attributes from each other to determine their class status as a couple. The progression of these frameworks, however, does not seem to hold for women of color. In fact, Marsh et al (2007) suggest and Yamaguchi and Wang (2002) find that the status of Black women is best understood through the independence model. The use of this model does provide a potential understanding of how new household formation, and the emergence of SALA households might play into the changing composition of the family, in particular, middle-class households and among women of color who have achieved middle-class status.

Nativity

We classify immigrant women as "foreign-born" and all later generations as their native-born counterparts. Theories of immigrant incorporation suggest native-born individuals will be more successful than their foreign-born counterparts and become more like the middle class after several generations in the United States. While researchers find evidence of this pattern of incorporation for Asian immigrants, the results for Latinos and Black immigrants is not as clear. For instance, researchers focusing on black immigrants find mixed results. While some scholars suggest black immigrants may fare worse the more they resemble native black Americans (Portes and

The Middle Class in World Society

Zhou 1993; Waters 1999), others suggest assimilation into the Black middle class is a viable option for black immigrants (Neckerman et al 1999). By comparing middle-class Latina, Asian, and Black native-born women with their foreign-born counterparts, we contribute to the immigrant incorporation literature.

Pan-Ethnic Groups: Addressing National Origin Differences

Researchers typically use the pan-ethnic or racial labels of Hispanics/Latinos or Asians to discuss the outcomes of individuals who would be classified as belonging to these groups. These groups include immigrants from many different countries with unique cultures, characteristics, and experiences with migration to the United States (Pew Research Center Report 2013). In order to address the heterogeneity of Latinas and Asian women, we conduct analyses that include their or their family's country of origin. This includes Mexican, Puerto Rican, Cuban, Salvadoran, Dominican, and other Latin American origin groups for Latinas. For Asian women, this includes Chinese, Asian Indian, Filipino, Vietnamese, Korean, and other Asian origin groups.

Is There a New Route into the Middle Class?

As noted above, Marsh et al. (2007) found that SALAs are an increasing component of the Black middle class as well as illustrated important compositional changes in the family structures of middle-class households and proposed that racial and ethnic differences in family structure may affect the future class composition of these groups. However, no one has examined whether this trend is taking place particularly among women of color, then by racial/ethnic sub-groups and by ethnicity. Marsh et al. (2007) do not provide a detailed analysis of the gender composition of Black middle-class SALA households or of the trends for this type of middle-class household for Black women compared to other women of color. We would expect that these trends could affect women differently, based on race, ethnicity and nativity.

Significance of the Study and Research Questions

This study offers a primarily descriptive and comparative examination of middle-class SALA women of color, specifically focusing on how middle-class SALA composition varies within ethnic sub-groups and across nativity. Our analytic plan addresses several research questions:

1. How does the rise in SALA households for women in the Black middle class compare to the rise in SALA households for women in the Asian and Latino middle classes (*Table 1*)?
2. How does nativity factor into his SALA household structure an emerging route to middle-class status for women of color (*Table 2*)?
3. How does the racial and ethnic sub-group variation for middle-class SALA households for women compare across racial and ethnic groups (*Tables 3 and 4*)?

These scholars left three important questions unexplored. First, we examine whether the share of middle class SALA households is higher for Black women relative to Asian and Latinas. Second, we explore whether the share of middle-class households that are SALA women is higher for foreign or native born for Asian and Blacks women and Latina middle-class households. Third, we examine the overall growth of middle-class SALA households relative to the racial and ethnic subgroups.

If middle-class SALA growth occurs, but Asian, White, and Latina women are eventually marrying or, in some other way, leaving their SALA household position over time, this could create fragility in the Black middle

class but not for the middle class of other racial and ethnic groups. What comes to mind here is the notion of the intergenerational transference of wealth. If Black middle-class households are not comprised of married individuals with children, to whom will they bequeath their assets? The assumption is that these households will bequeath their wealth to their extended family. In contrast, Asian and White women and Latinas eventually may marry and have children, who will become the benefactors of their parents' accumulated wealth.

These examinations will allow us to understand how, and to what degree, Black middle-class female SALA households are growing relative to other racial and ethnic groups and to determine the potentially negative and positive implications of such growth. We will be able to address the notion that being a SALA household can be seen as an advantageous strategy for establishing middle-class status, particularly for Blacks. These conclusions would further question the standard association of middle-class status with marriage, at least for Blacks.

Data and Methods

This project uses the Black middle-class index (BMCi) presented in Marsh et al. (2007) as the basis for the identification of an Asian, White, and Latino middle class. The current study uses the broader framework of BMCi to understand changes in the SALA middle class and female-headed households for women of color. Specifically, we follow Marsh et al.'s BMCi as we develop a race/ethnicity specific middle-class index for Asian and Black women (BMCi) as well as Latinas

For women to be classified as living in middle-class (or higher) SALA households, all four of the indicators (education, homeownership, per-person income, and occupational prestige) for each race and/or ethnicity-specific middle-class index must be satisfied. We do not, however, have income, education, or occupational prestige upper limits on the middle-class indices. Therefore, when we use the term "middle class," we are referring to all relatively affluent households as well as to those that are extremely affluent. Each race- and/or ethnicity-specific middle-class index is scored 0, 1, 2, 3, or 4. The maximum score is 4, which is required for classification as middle class. Our strict definition, which includes homeownership, is intended to overcome the wealth vulnerability of the middle class that some scholars do not address (Oliver and Shapiro, 1997). The wealth vulnerability focuses on the notion that middle class has disposable income but do not have assets, such as homes and small businesses. It is a lack of such assets that can prevent the middle-class from sustaining itself from one generation to the next. Oliver and Shapiro (1997) focus on the wealth disparity between Blacks and Whites, and found an extremely large disparity between the two groups, with Whites have substantial wealth over Blacks.

Educational attainment. The educational attainment variable is the highest level of schooling completed within each SALA household. The highest value for this measure is "4+ years of college completed." If a SALA household meets this criterion, the household is assigned one point on the race- and/or ethnicity-specific MCI.

Wealth. We use homeownership as a proxy for wealth. Homeownership is one of the more significant dimensions of wealth for most persons (or households) who have a positive net worth (Oliver and Shapiro, 1997). The SALA women of color who own (or who are buying) a home receive one point on their respective race and/or ethnic group MCI. The inclusion of homeownership as a variable in the MCI led to a number of households being excluded from the middle class that might otherwise have the appearance of being middle class.³

Per-person income. When scholars examine the middle class, they often compare families of different sizes without making adjustments for this difference. To ensure that households of different sizes can be compared

³ By our criteria, a young professional woman who makes over \$150,000 a year, holds an MBA, but leases a pricey loft in Los Angeles would not rank as a member of the middle class. Despite her high income and affluent lifestyle, she *does not* own a home (a source of wealth).

The Middle Class in World Society

accurately, we use a per-person income indicator for each household type. To calculate per-person income, we use a computation technique suggested in Citro and Michael (1995). deRuijter, Treas, and Cohen (2005, p. 312) describe this computation as follows:

$$\text{Scale value} = (A+PK)^F$$

“[w]here A is the number of adults in the households, K is the number of children (each treated as a proportion P of an adult), and F is the scale economy factor.” P equals .7:1 or the proportion of a child to an adult. F equals 0.65 or the economies to scale.

$$\text{Scale value} = (A+.70K)^{.65}$$

Occupational prestige. OCCSCORE is an occupational score index that measures occupational reward; the index is available across decennial census datasets from 1850 to 2000 and is based on 1950 occupational classifications (Dietrich, 2007; Ruggles et al., 2004). The values are presented in 1950 dollars scaled downward by units of one hundred. For example, if median total income for economists was \$20,000 in 1950, the value equals 20 for economists in all decennial census datasets.⁴ As a point of reference, the highest average OCCSCORE for any racial/ethnic group in 1990 was 37.03 (the score for people of Russian ancestry). The average OCCSCORE for all men in 1990 was 29.61 (see Darity, Dietrich and Guilkey, 2003).

For each race/ethnicity specific middle-class index, we interpret OCCSCORE as a measure of occupational prestige. We assume that household members share a common class status, but because this paper focuses on middle class SALA women of color, we take the OCCSCORE for each SALA woman and compare her score to the median for the highest-ranking individuals in all households within her racial/ethnic group. A female SALA whose OCCSCORE exceeds these medians receives a score of one on her respective middle-class index.

We have a few points that we need to clarify. First, the SALA women who qualify for middle-class status in this study are homeowners and have four or more years of college. For occupational prestige and per-person income, we use the median occupational prestige score and the median per-person income within each racial and ethnic group, given that we are examining the middle class. The results do not change much when we use the 25th and 75th percentile for these same variables. Second, it is worth noting that we could have compared either the per-person income or the household income and would get the same results, given that these are one-person households.

Data

We used the onepercent sample of the 1980, 1990, 2000 Integrated Public Use Microdata Series (IPUMS) and the 2010 and 2014 American Community Survey (ACS). The ACS is an annual nationally representative survey that is designed to replace the decennial census long form in 2010 and thereafter.

We selected both person and household variables for Asians, Blacks, and Latinos living in non-group quarters. When we aggregate the person records to the household level, based on the age of the householder, we construct several household types. However, for this analysis, our primary focus is on middle-class SALA households for women of color.

⁴ OCCSCORE provides a consistent measure by which to compare labor market outcomes from 1850 to 2000. However, OCCSCORE has four major shortcomings. First, it does not account for changes in occupational hierarchy across time. Second, the index does not account for variation in income within occupations. Third, the index does not account for cost-of-living differences. Finally, although the Integrated Public Use Microdata Series (IPUMS) staff took great care when constructing OCCSCORE, re-categorizing occupations into the 1950 classification is problematic. Occupations evolve over time, and the U.S. Census Bureau has periodically changed the occupational classification system (Dietrich, 2007; Ruggles et al. 2004).

One reason for using households as the unit of analysis is that they reveal the shifting marital trends that are taking place on a larger scale in U.S. society. It is possible that the middle-class female SALA household is a life-cycle specific phenomenon; hence, this study is limited to householders in the 24 to 54-year-old range. This age limit eliminates both elderly adults living alone and younger adults who have yet to establish themselves economically.

Findings

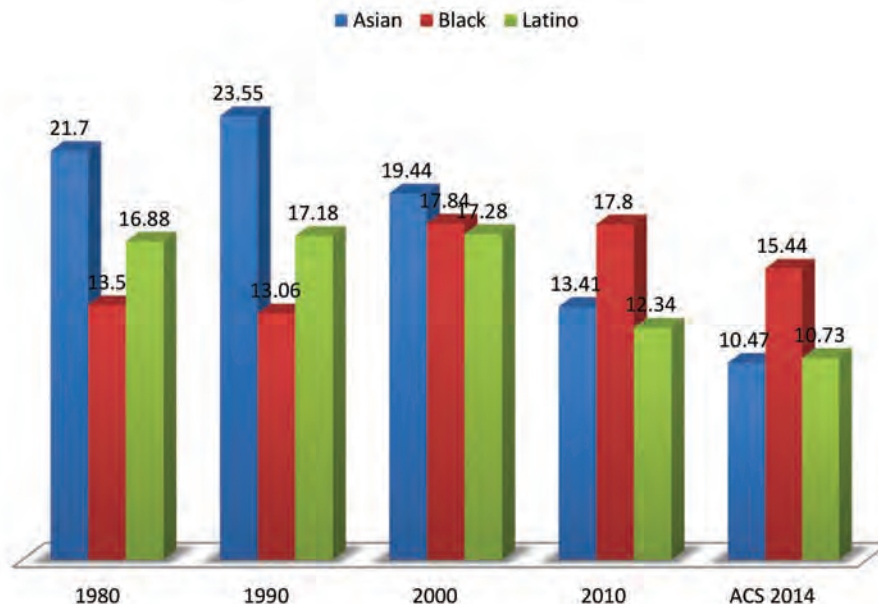
Changing trends middle-class SALA households for women of color

Table 1 is the share of *middle-class households* that are SALAs for women of color. The percentage of Asian middle-class women that are SALAs decreased from almost 22 percent in 1980 to approximately 10 percent in 2014. We see a similar trend for Latinas, where the percentage of middle class Latina SALAs dropped from nearly 17 percent in 1980 to 10.73 percent in 2014. Black middle-class women differed from other women of color in that they were the only group that saw an increase in their percentage of middle-class SALAs, from 13.5 percent in 1980 to 15.44 percent in 2014. We include a bar graph of the percentages in Figure 1 to provide a more visual presentation of the results.

Table 1: Households By Middle Class Index (Score of 4) By Race and Year

Household Types	1980	1990	2000	2010	ACS 2014
Asian	21.70	23.55	19.44	13.41	10.47
Black	13.50	13.06	17.84	17.80	15.44
Latino	16.88	17.18	17.28	12.34	10.73

Figure1: Households By Middle Class Index (Score of 4) By Race and Year



*Data: 1980, 1990, 2000 IPUMS, 2010 and 2014 ACS

The Middle Class in World Society

It is clear from Figure 1 that women of color SALA households are more pronounced among the Black middle class than among the other groups. If we focus only on 2014 data, we see that Black SALA women constitute the largest share (15.44%) of their middle class than does the female SALA share of Asians and Latinas. In addition to having the largest share, this share is higher of any other racial or ethnic group.

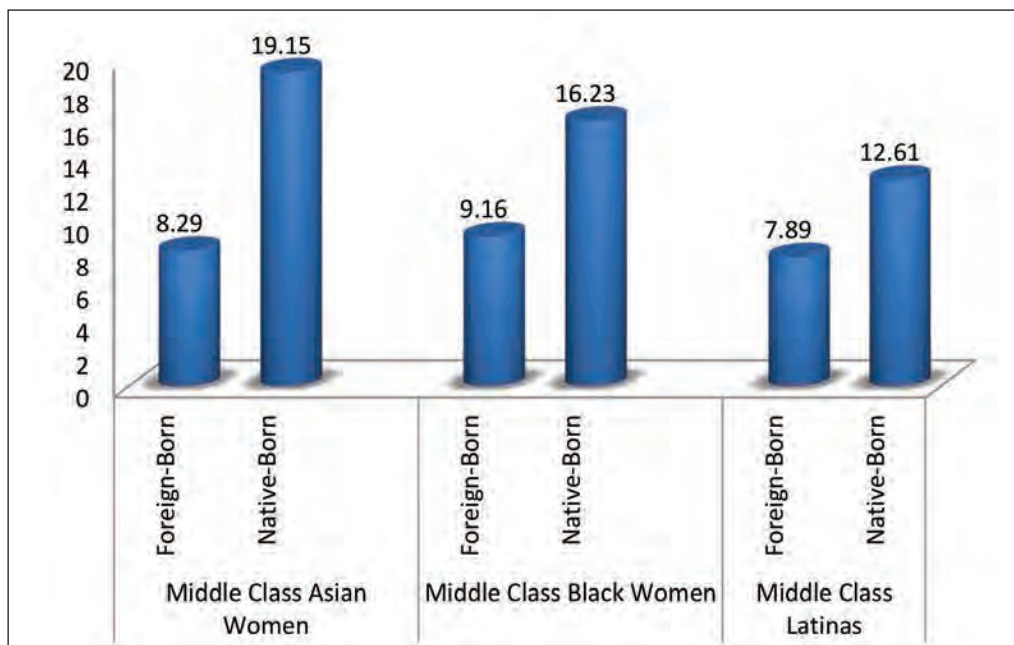
Given the comparison within middle-class households by women SALA (Table 1 and Figure 1), while Black middle-class SALA women make up a larger share of the Black middle-class households than do Asian women and Latinas the same exists for Asian and Latinas but to a much lesser degree.

These findings support the notion that Black female SALA households are an increasing share of the Black middle class and that this might have economic consequences for this racial and class group. The ability to reproduce the Black middle class, if one of the largest percentages of this class group is SALA, may be problematic. This means that the next step should be to examine the overall growth of the larger Asian, Black, Latino, and White middle class between 1980 and 2014.

Nativity and middle-class status for women of color

In Table 2 and Figure 2, we find the share of middle-class households that are SALAs for women of color by nativity for 2014. Overall, native-born women of color comprise a larger percentage of middle-class SALA households. Foreign-born Asian women that are SALAs comprise 8.29 percent of all foreign-born middle-class Asian households while their native-born counterparts comprise 19 percent of all native-born middle-class Asian households. Approximately 9 percent of foreign-born middle-class Black women comprise SALA households compared to 16.23 percent of their native-born counterparts. Similarly, approximately 8 percent of foreign-born middle-class Latinas are SALAs compared to nearly 13 percent of their native-born counterparts.

Figure 2: Percent of Middle Class Households, Ages 25-65, by Nativity



*Data: 1980, 1990, 2000 IPUMS, 2010 and 2014 ACS

Table 2: Percent of Middle Class Households, Ages 25-65, by Nativity

Household Types	Middle Class Asian Women		Middle Class Black Women		Middle Class Latinas	
	Foreign-Born	Native-Born	Foreign-Born	Native-Born	Foreign-Born	Native-Born
Single, Living Alone (SALA)	8.29	19.15	9.16	16.23	7.89	12.61
Single, Living with a Child (Single Parent)	0.26	0.51	2.43	3.71	0.93	2.9
Ever Married	14.31	12.65	26.04	26.32	28.32	24.91
* Data: ACS 2014						

Ethnic sub-group variation for middle-class households for women of color

In Table 3, when looking at the percentages of all Asian women by subgroup compared to the percentages of middle-class Asian women by subgroup we can see who is overrepresented or underrepresented in the Asian middle class. For instance, we see that Chinese and Asian Indian women are overrepresented in the middle-class while Filipina, Vietnamese, Korean, and other Asian origin women were underrepresented in the Asian middle class. Looking at Asian subgroups rather than Asians overall will allow for us to discern which Asian women are gaining access to the Asian middle class and which groups have more limited access (upward mobility?).

Table 3: Percent National Origin For Asian Women, Ages 25-65

National Origin	Middle Class Asian Women	All Asian Women
Chinese	37.23	27.34
Asian Indian	20.02	13.36
Filipino	13.63	20.30
Vietnamese	7.01	9.49
Korean	7.73	9.35
Other Asian Origin	14.39	20.16
TOTAL	100.00	100.00
N	2,912	13,093
* Data: ACS 2014		

In Table 4, when comparing the population distribution of all Latinas by national origin to the distribution of middle-class Latinas by national origin we can begin to infer whether there is an over- or under-representation of specific national origin groups within the Latina middle class. Mexican, Salvadoran, and Dominican women are all underrepresented in the Latina middle class. Cuban and other Latin American origin women are overrepresented in the Latina middle class. However, the percentage of Puerto Rican women in the middle class closely resembles the percentage of Puerto Rican women in American society.

Table 4: Percent National Origin For Latinas, Ages 25-65

National Origin	Middle Class Latinas	All Latinas
Mexican	48.39	59.30
Puerto Rican	11.68	11.67
Cuban	9.01	4.38
Salvadoran	2.11	3.37
Dominican	3.30	4.11
Other Latin Origin	25.50	17.17
TOTAL	100.00	100.00
N	3,784	42,536
* Data: ACS 2014		

Summary and Conclusion (Tentative)

It is clear that some Black women and to smaller degree Asian women and Latinas are charting a different and, in some ways, successful route into the middle class—a route that does not include marriage and children. However, nativity and national origin are central aspects of this demographic trend that requires further exploration.

References

- Besharov, D. (2005). *Evidence and explanation of the economic stagnation of the Black middle class (relative to Whites)*. Testimony to the U.S. Commission on Civil Rights.
- Billingsley, A. (1968). *Black families in White America*. Englewood Cliffs, NJ: Prentice-Hall.
- Bowser, B. P. (2007). *The Black Middle Class: Social Mobility and Vulnerability*. Boulder, CO: Lynne Rienner Publishers.
- Casper, L. M., & Bianchi, S. M. (2002). *Continuity and change in the American family*. Thousand Oaks, CA: Sage Publications.
- Citro, C. F., & Michael, R. T. (1995). *Measuring poverty: A new approach*. Washington: National Academy Press.
- Collins, S. M. (1983). The making of the black middle class. *Social Problems*, 30(4): 369-382.
- Darity, W., Dietrich, J., & Guilkey, D. K. (2001). "Persistent advantage or disadvantage? Evidence in support of the intergenerational drag hypothesis." *American Journal of Economics and Sociology*, 60(2): 435-470.
- De Ruijter, E., Treas, J. K. & Cohen, P. N. (2005). "Outsourcing the Gender Factory: Living Arrangements and Service Expenditures on Female and Male Tasks." *Social Forces* 84(1):305-322.
- Deitrich, J. (2007). "OCCSCORE." In *International Encyclopedia of Social Science*. Thomson-Gale Publishers.
- Edin, K. & Kefala, M.. (2005). *Promises I can Keep: Why Poor Women put Motherhood before Marriage*. Berkeley, CA: University of California Press.
- Landry, B. (2000). *Black Working Wives: Pioneers of the American Family Revolution*. CA: University of California Press.
- _____. (1987). *The new Black middle class*. Berkeley: University of California Press.

13. Lundberg, S., Pollak, R., & Stearns, J. (2016). Family Inequality: Diverging Patterns in Marriage, Cohabitation, and Childbearing. *The Journal of Economic Perspectives*, 30(2), 79-101. Retrieved from <http://www.jstor.org.proxy-um.researchport.umd.edu/stable/43783708>
14. Manning, W. D. and Brown, S. L. (2014) American Families, in *The Wiley Blackwell Companion to the Sociology of Families* (eds J. Treas, J. Scott and M. Richards), John Wiley & Sons, Ltd, Chichester, UK. doi: 10.1002/9781118374085.ch3
15. Marsh, K., Darity, W. A., Cohen, P. N., Casper, L. M., & Salters, D. (2007). "The Emerging Black Middle Class: Single and Living Alone." *Social Forces* 86(2): 735-762.
16. Neckerman, Kathryn, Prudence Carter, and Jennifer Lee. 1999. "Segmented assimilation and minority cultures of mobility." *Ethnic and Racial Studies* 22(6): 946-65.
17. Newman, K. (1999). *Falling From Grace: Downward Mobility in the Age of Affluence*. Second ed. Berkeley, CA: University of California Press.
18. Oliver, M. L., & Shapiro, T. M. (1997). *Black wealth/White wealth: A new perspective on racial inequality*. New York: Routledge.
19. Pew Research Center tabulations of 2015, Current Population Survey Data.
20. Portes, Alejandro and Min Zhou. 1993 "The new second-generation: segmented assimilation and its variants." *The Annals of the American Academy of Political and Social Science* 530: 74-96.
21. Raley, R. K. (2000). Recent trends and differentials in marriage and cohabitation: The United States." In L. D. Waite, C. A. Bachrach, M. Hinden, E. Thomson, & A. Thornton (Eds.), *The ties that bind: Perspectives on marriage and cohabitation* (pp.19-39). New York: Aldine de Gruyter.
22. Raley, R. K., Sweeney, M. M., & Wondra, D. (2015). The growing racial and ethnic divide in US marriage patterns. *The Future of children/Center for the Future of Children, the David and Lucile Packard Foundation*, 25(2), 89.
23. Ruggles, S., Sobek, M., Alexander, T., Fitch, C. A., Goeken, R., Hall, P. K., King, M., & Ronnander, C. (2004). *Integrated Public Use Microdata Series: Version 3.0*. Minneapolis, MN: Minnesota Population Center. Retrieved December 27, 2006, from <http://www.ipums.org>
24. Ryan, Camille L., and Kurt Bauman. "Educational Attainment in the United States: 2015." (2016).
25. Schwartz, C. R. (2013). Trends and variation in assortative mating: Causes and consequences. *Annual Review of Sociology*, 39, 451-470
26. Smock, P. J., Manning, W. & Porter, M. (2005). "Everything's There Except Money': How Money Shapes Decisions to Marry Among Cohabitators." *Journal of Marriage and Family* 67:680-696.
27. Smock, P. J., & Manning, W. D. (1997). Cohabiting partners' economic circumstances and marriage. *Demography*, 34(3), 331-341.
28. Tucker, B. M., & Mitchell-Kernan, C. (1995). *The decline in marriage among African Americans*. New York: Russell Sage Foundation.
29. U.S. Census Bureau. (2006). American Community Survey. Table S0201. Selected Population Profile in the United States.
30. Waters, Mary. 1999. *Black Identities: West Indian Immigrant Dreams and American Realities*. Cambridge: Harvard University Press.
31. Wilson, William Julius. 1987. *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy*. Chicago: University of Chicago Press.
32. Yamaguchi, K. & Wang, Y. (2008). "Class Identification of Married Employed Women and Men in America." *American Journal of Sociology*. 108(2): 440-75.



The Middle Class in World Society

Institute for Social and Economic Change, Bangalore/India

December 16-17, 2016

WORKSHOP SESSION – I

MIDDLE CLASS FORMATION AND EVOLUTION



The Growth of the Middle Classes in Asia and Latin America: Why is it Important? Is It sustainable?¹

Ilan Bizberg

This paper is a comparison between the growth of the middle classes in Latin America and Asia. Most of the studies on the main countries in Latin America and Asia have observed an impressive growth of their economies since the turn of the century. In Latin America, this growth has been, for the first time since ISI (1940's to end of the 1970's), accompanied by a diminution of the great inequality that has characterized this continent due to both a "voluntaristic" effort of redistribution and the effects of economic growth. In fact, one of the characteristics of the mode of development adopted by many of the countries of Latin America (especially Brazil and Argentina) was to redistribute in order to enlarge the internal market and impulse; a wage led growth (Boyer, 2014, Therborn, 2015). In this context, one of the characteristics was the significant progression of the middle classes. In the midst of the present economic and (in some countries) also political crisis, the question of the sustainability of the economic policies followed by these countries has to be posed, as well as the permanence of the gains in terms of reduced inequality and the growth of the middle classes.

The growth of Asia was equally very significant in these last 15 years; in fact, Latin America depended on the growing of China and India. The extensive growth of China (coupled with the financial expansion of the economy of the United States) had as its consequence the growth of Latin America (Boyer 2014), and the present deceleration in these countries has led to the present crisis in many of the countries of the continent that depended on the Asian giants. The growth of East Asia has also favoured the creation of jobs, the rise of salaries and productivity and the surge of the middle classes. Although the middle classes in the biggest Asian countries are still far behind of constituting the same proportion of society as the ones in Latin America, they have greatly increased in the last 15 years. Nonetheless, one of the differences between Asia and Latin America is that while redistribution and social security increased significantly in the latter and growth was accompanied by diminished inequality (in a much more unequal continent than Asia) in Asia we have seen the contrary effect, increasing inequality and more inefficient and decreasing social protection and hardly any intent to redistribute. In fact, we are maybe seeing a reediting of what characterized previous modes of development in both continents, while growth in Latin America during ISI was accompanied by redistribution, in Korea and Taiwan, economic growth was accompanied by wage restraints, no redistribution and a deficit in social protection, excepting education, a sector which received significant investments (Haggard, 1990; Salama, 2011).

Our main question in this paper will be in what respects is the mode of development of Asia (as characterized by China, but maybe extensible to other countries of this continent that are following the Korean, Taiwanese –and previously Japanese- mode of development) more sustainable than the one followed by Latin America. Is the progress of middle classes in China a more permanent phenomenon than the one in Latin America? Is the unsustainability of this growth of the middle classes in the case of Latin America related to redistribution, insufficient or faulty industrial policies due to (or leading to) a dependence on commodities exports or rather the lack of synchronization of both? In the case of Latin America, is a wage led growth strategy (such as the one followed by Brazil and

¹ I would like to thank Adalberto Castañeda Vidal for the elaboration of the several graphs that are included in this paper.

The Middle Class in World Society

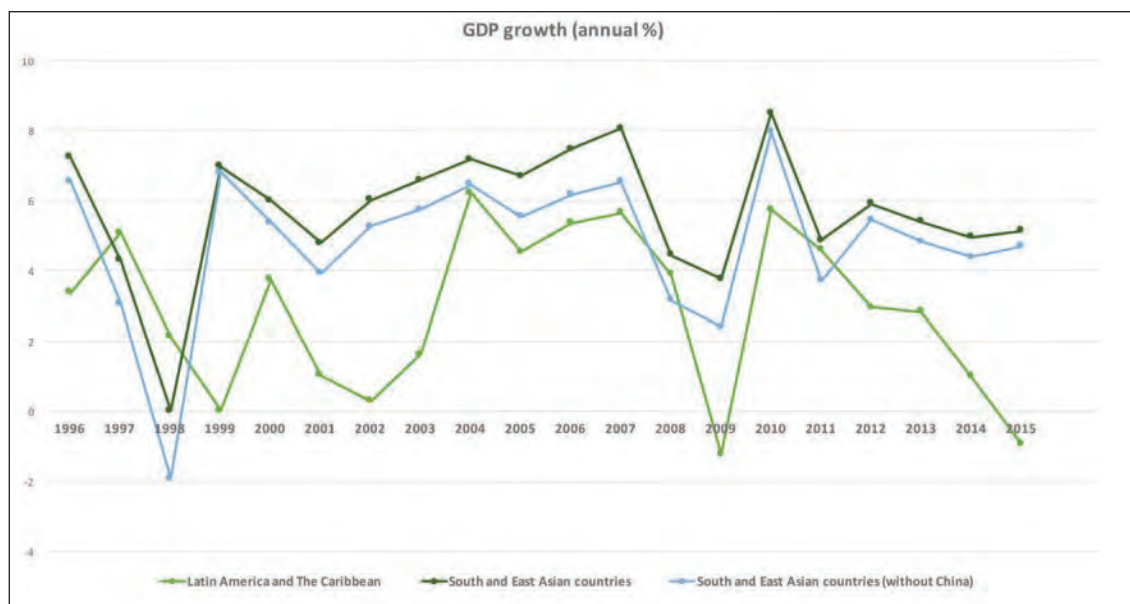
Argentina) less efficient in assuring sustainability than an export led growth (such as the one followed by China, Mexico and Chile)? In the case of China, is sustainability due to higher productivity growth, higher investment rates, more accurate industrial policies? To what extent is the difference in Latin America and Asia a consequence of a different social covenant?

In order to try to answer these queries I will divide this paper in 4 parts and a conclusion:

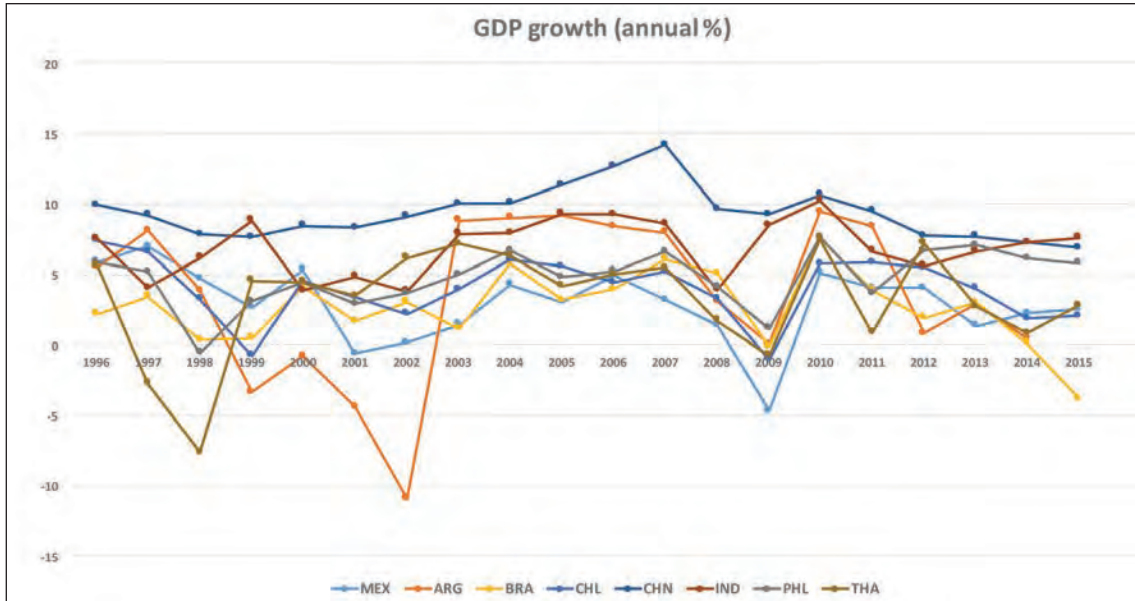
1. I will first describe the situation of Latin America and Asia in terms of growth, investment, productivity, salaries and social security expenditure and the dynamics of inequality.
2. After having defined what the middle class is, define its growth in the different countries. Compare the growth of the middle classes both in and Latin America.
3. We will then analyse the different theories concerning the reason why middle classes are important, and the manner in which different countries have considered that increasing the proportion of the middle class sector is strategic.
4. We will end with a discussion on the relation between the social pacts and the modes of development of two Latin American countries (Brazil and Mexico) and one Asian country (China) that we believe defines whether the rise of the middle class is attained through economic growth, as it seems the case in China, or through a combination of economic growth and generous redistribution, as has been the case in Latin America.

1. Growth, investment, and the dynamics of inequality in Latin America and Asia

When one compares the performance of Latin America and Asia in the last 15 years, one can notice in the first place that in both continents there has been a very significant growth. Latin America has grown at a much more considerable rate than in the nineties, not to mention during the “lost decade”. One of the exceptions has been Mexico, a country that has grown much less rapidly than Brazil, Argentina and Chile. Nonetheless, while the growth of Latin American economies has been very impressive with regards to their own past, they have paled with regards to Asia, especially to China (Graph 1 and 2).

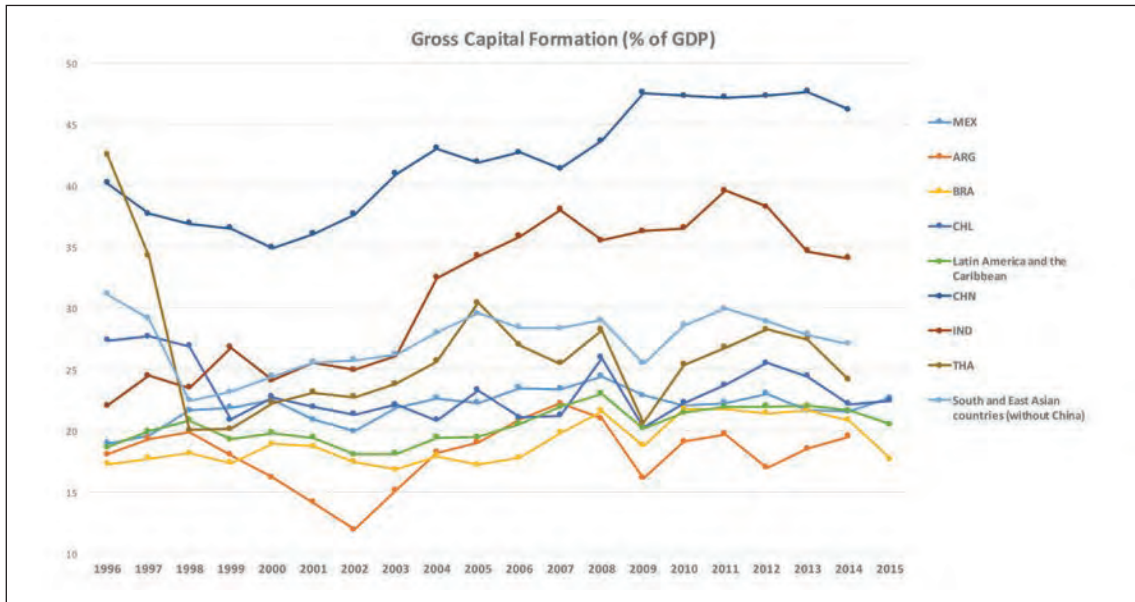


Source: World Bank, World Development Indicators.



Source: World Bank, World Development Indicators.

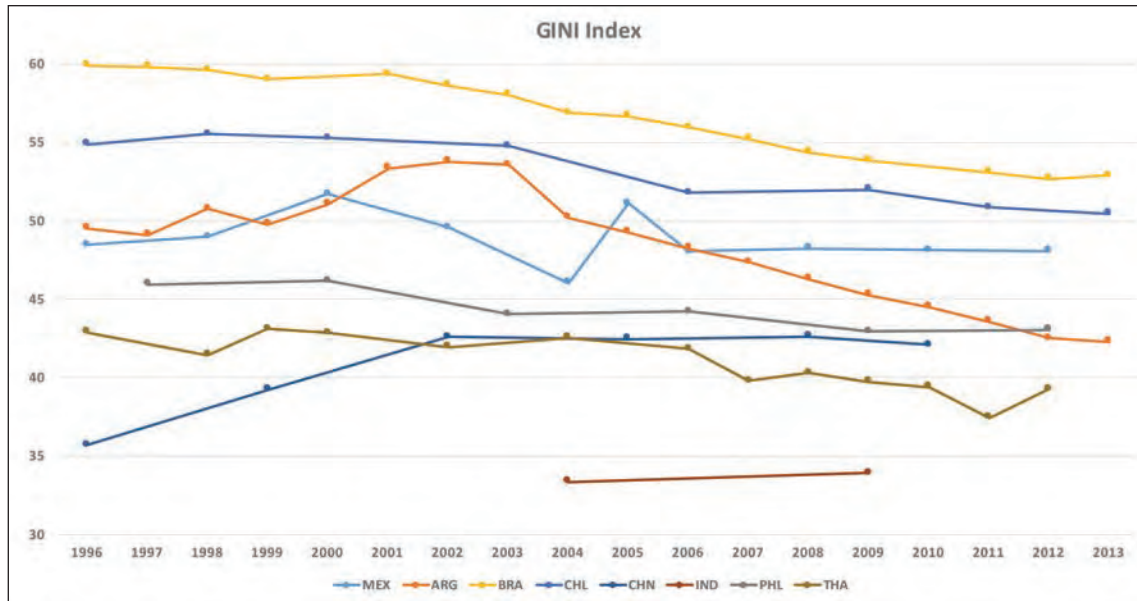
This growth is the result of significant investments, more intense in Asia than in Latin America. While in this latter it is around 20% yearly, in China the average is around 40% of PIB, as it was in Korea in the 60's and seventies. In this manner, one of the most significant differences between both continents is the rate of investment, which is more than double in Asia as compared to Latin America (Graph 3).



Source: World Bank, World Development Indicators.

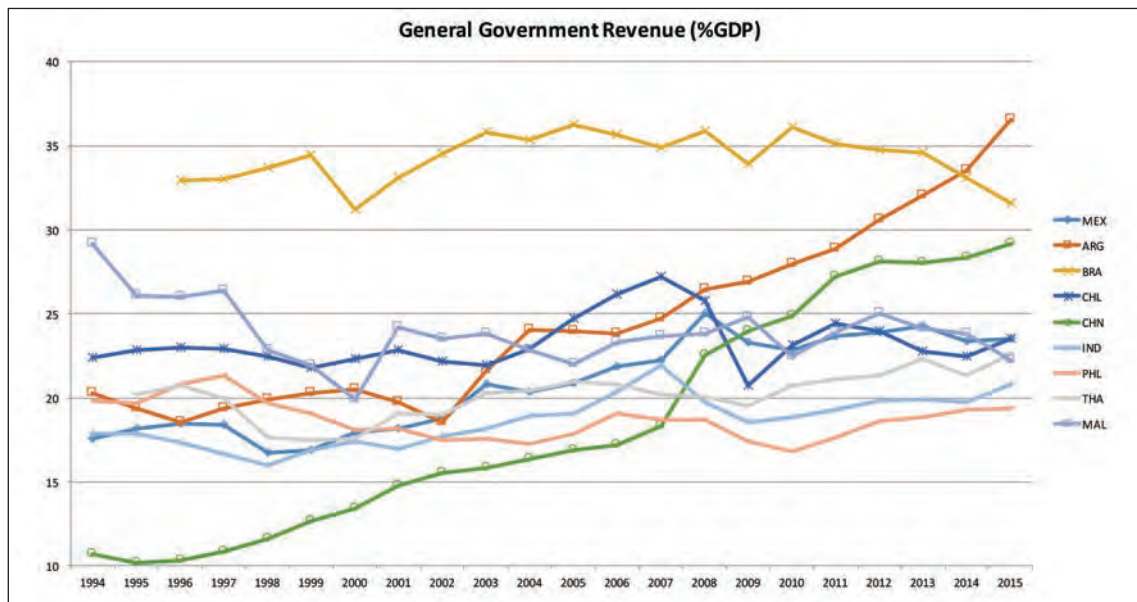
Another very important difference between both continents is that while in most of Latin America (except Mexico) this growth led to a diminution of inequality, in Asia the contrary happened, inequality, albeit still much lower than in Latin America, has stayed almost constant or has increased (most notably in China) (Graph 4).

The Middle Class in World Society

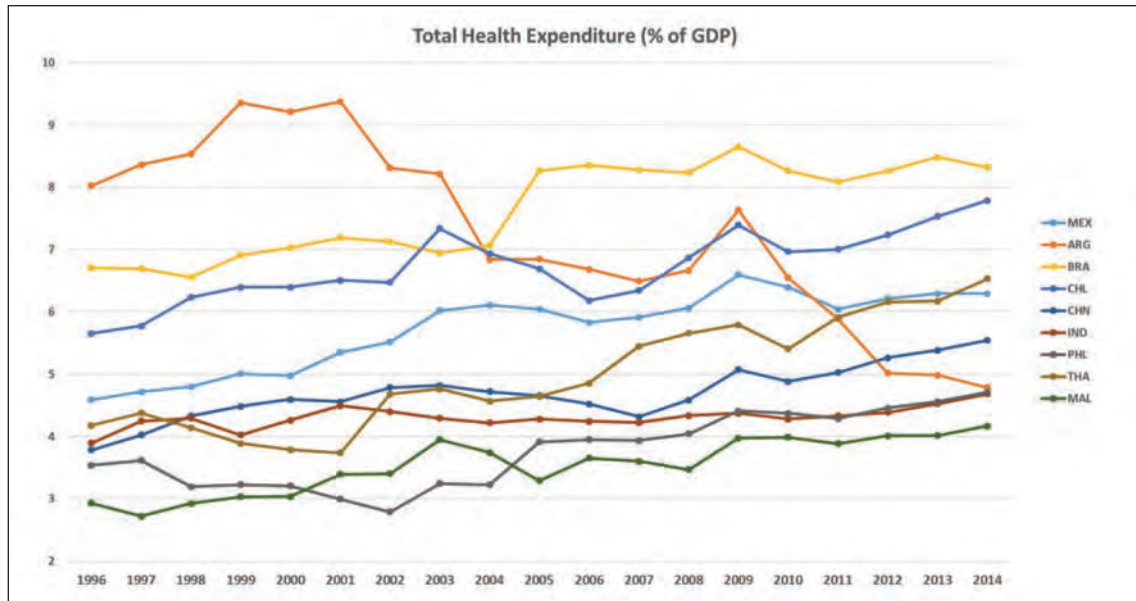


Source: World Bank, World Development Indicators.

Another significant difference between most countries of both continents is the amount of resources that are collected by the State, through taxes and contributions. In Latin America they are significantly higher than in Asia (Graph 5), something that has allowed for an effort of redistribution through social services (see Graph 6 on health) and explains, in part, the diminution of inequality in the former. The significant increase of resources obtained by the Chinese government since 2007 may be a sign that there is a change on the way, towards the internal market, although the expenditures on social services, as indicated by that on health, are still low with respect to Latin America.



Source: International Monetary Fund.



Source: World Bank, World Development Indicators.

We have seen how real wages (especially minimum wages) have been growing very rapidly in most countries of Latin America (except in Mexico); especially in Brazil and Argentina (Bizberg, 2010 and 2012). Most probably at a faster rate than productivity. On the contrary, in China, we have seen the contrary process, productivity has grown much faster than salaries, through migration from very low productivity sectors in agriculture to high productivity in urban and industrial sectors (Boyer, 2012). A hike of productivity that has grown much faster than salaries, like Korea and Taiwan in the past, which are limited by the control of the official unions, although lately there have been some significant hikes in some industries after wild/ unofficial strikes. On the other hand, Asian emergent countries, in general, and specifically China, have not devoted much of their resources to social protection, as in Latin America.

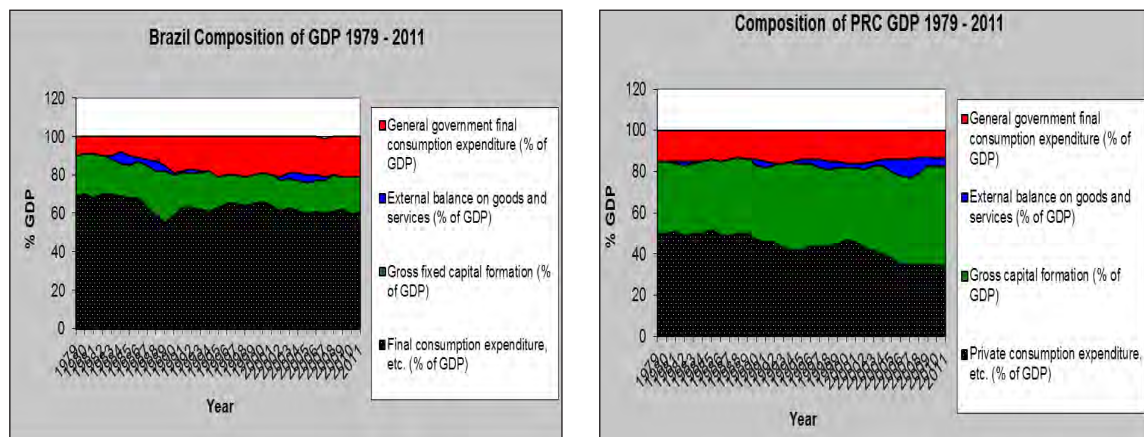
In more general terms, while Latin America has dedicated a significant part of the resources it accumulated thanks to the commodities boom to redistribution through the extension of the pension system, assistance programs, health and education (Bizberg, 2012), the Asian countries have basically reinvested profits in the State owned enterprises and in physical infrastructure (Kharas, 2010; Boyer, 2012). One of the best indicators of this differential expenditure in both cases is exemplified by the comparison between the composition of GDP between China and Brazil (Graph 7). While, in general, government consumption/expenditure is relatively quite larger in Brazil than in China, gross capital formation is much larger in this latter. This may lead us to characterize, in general the growth model followed by the Latin American countries (although we will later make a difference between Brazil and Mexico), as a wage led growth, while that in China may be characterized as an investment led growth.

We will discuss below ahead that this does not depend exclusively on the decision of the government, on a public policy decision, but that it is determined by the distinct social compromise that has been established in both countries. Cardoso and Faletto (1969) considered that one of the major differences between the central countries and the developing ones in Latin America was the fact that while the advanced economies industrialized in a situation where most of the population was still rural and the transition from rural population to an urban one took decades or even centuries, in Latin America the countries were already highly urbanized when they began to industrialize. On the other hand, while in the advanced countries unionism was inexistent, and in general the organization and the capacity of the popular classes to exert pressure was almost inexistent at the dawn of

The Middle Class in World Society

industrialization, in Latin America due to urbanization and the existence of some modern economic sectors (agriculture, mining, petrol extraction), unionism existed and constituted an important pressure factor, together with political parties representing the middle classes and in some cases the workers. The first event meant that the population had consumer habits such as those existing in the central countries, the second meant that part of the population could in fact exert pressure for the fulfilment of these consumer habits (Cardoso and Faletto, 1969). In the case of Asia, agrarian reform in Korea and Taiwan, anchored a significant part of the population in the countryside (Haggard, 1990; Kay, 2002). In China, there is the so called *hukou* system (prohibition to migrate to the cities from the countryside) or within provinces. On the other hand, the first Asian countries to industrialize and develop, were under a dictatorship that did not allow for the organization of unions nor political parties that represented the middle classes or the popular ones. In the same manner, China is an authoritarian regime ruled by the Communist Party. On the contrary, Brazil in the eighties and Argentina in the last decade saw the emergence of strong social movements and organizations, which had imposed themselves politically and pushed for a social pact in which they would be included. This meant that the government (the PT in the case of Brazil and the *peronistas* in Argentina) had to commit itself to redistribution.

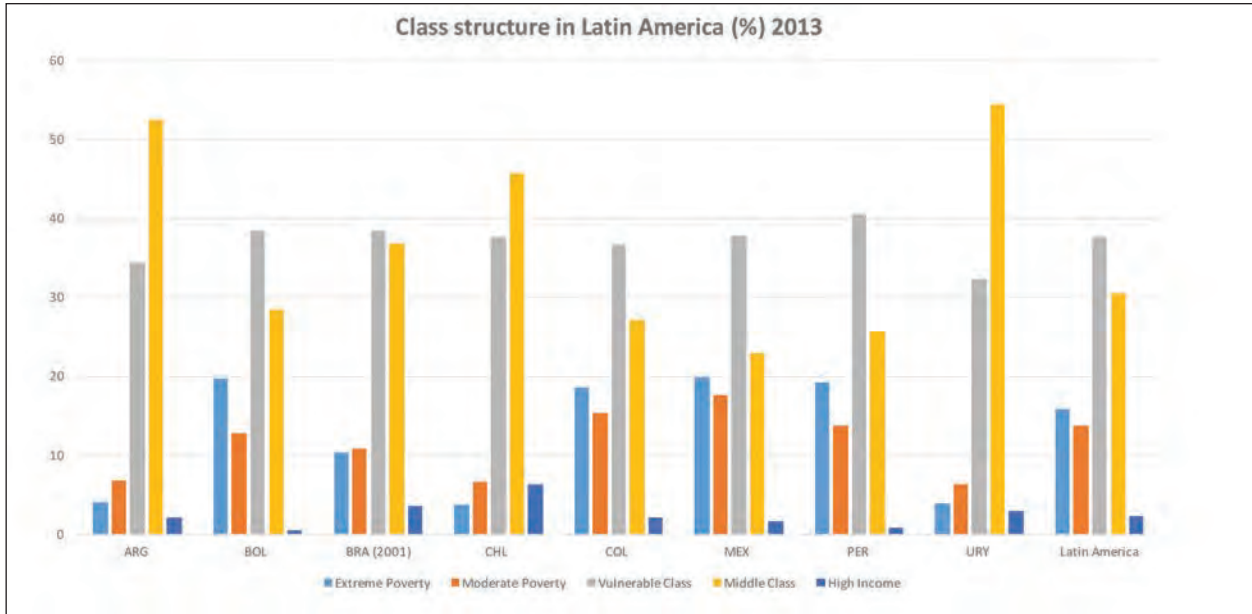
GDP Composition, 1979 – 2011: China & Brazil



Source: Frank Hawke, “The Post-Liberation Economy and the Development of International Imbalances (Basics + Pre-reform Period)”, power point, Peking University.

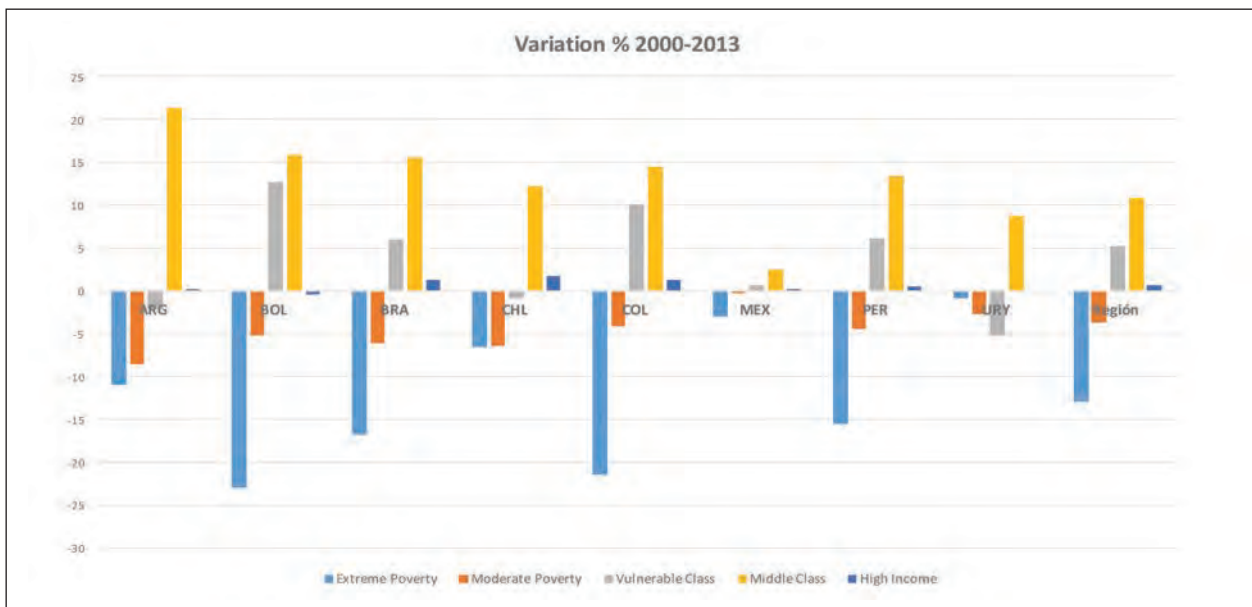
2. Middle class growth in Latin America and Asia

The situation we have described above, of economic growth and redistribution has had as its most significant consequences the reduction of poverty and the growth of the middle classes in both Latin America and Asia. There are many different manners of defining the middle class that give very different results. Some authors define them in absolute terms: between 2 and 10 dollars PPA (Banerjee and Duflo, 2008) or 3 to 13 dollars PPA (Ravaillon, 2009, cited by Salama 2014). Other authors use a mix of both absolute and relative terms: a minimum defining the lower level and a maximum, for example the income of the 95th percentile (Birdsall, 2010). In Latin America (the BID and the UNDP) and in Mexico (the INEGI), restricts the definition of the middle class by including, between them and the poor, a category called vulnerable, which in fact has become the majoritarian sector in this continent. In this case the poor are those living under 2 dollars a day, the vulnerable those between 2 and 10 dollars, the middle classes those between 10 and 50 dollars, and the rich (called residual) those above 50 dollars (Graph 8).



Source: Marco Stampini, Marcos Robre, Mayra Sáenz, Pablo Ibararán, Nadin Medellín, “Pobreza, vulnerabilidad y la clase media en América Latina”, Working Paper no. 591, Interamerican Development Bank, May 2015.

It is also interesting to see the manner in which these different class sectors have evolved in the last decade. This is significant in order to effectively notice that in some countries what has grown most is the vulnerable sector (Bolivia and Colombia), while in others it has been the middle classes (Argentina, Chile, Brazil and Uruguay), while in others still (basically Mexico) the middle classes and the vulnerable sector have grown less in this last decade, the structure of this country having been established before, most probably during the nineties (Graph 9)

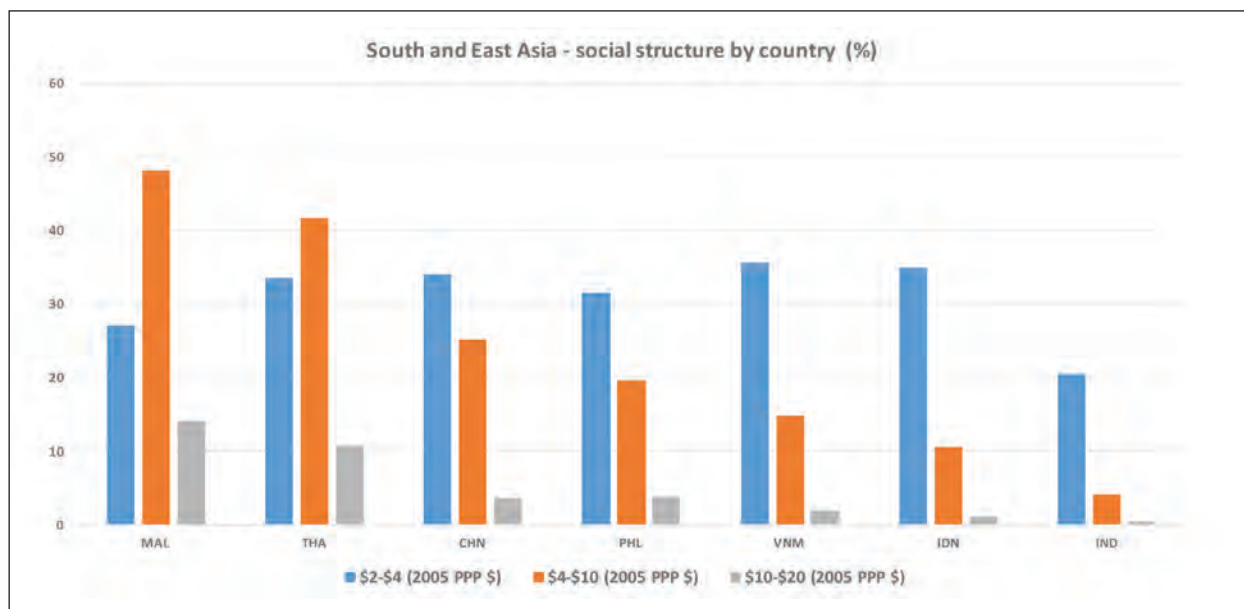


Source: Marco Stampini, Marcos Robre, Mayra Sáenz, Pablo Ibararán, Nadin Medellín, “Pobreza, vulnerabilidad y la clase media en América Latina”, Working Paper no. 591, Interamerican Development Bank, May 2015.

The Middle Class in World Society

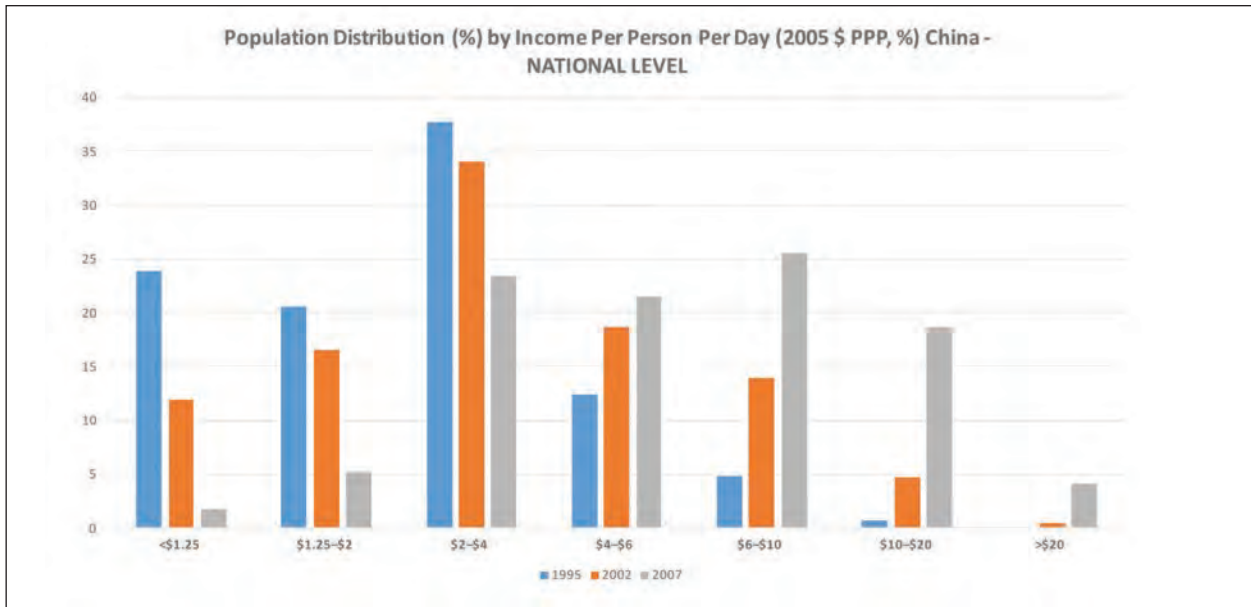
We agree with Salama (2014) that the fact of introducing an intermediate sector between the poor and the middle classes is very important not only for the Latin American countries but for the rest of the emerging economies, as these economies are always susceptible of enduring crisis, coming from the outside, such as the present one that is affecting Latin America. In this case, much of the population that was thought to have reached the middle class recedes back into poverty. This fact, in a certain sense questions the idea of a middle class being considered solely by a certain level of income and reinforces the idea that the middle classes have to be defined as having certain qualitative characteristics, such as a formal job, a patrimony, savings, and even a certain level of (higher) education, (Cortes Neri, 2008). In fact, Birdsall agrees that 2 dollars a day is hardly enough to assure economic security, and considers that “being a member of the middle class in the classic sense implies a *reasonable level of economic security*” (Birdsall, 2010, 5, authors highlighting). Only with these characteristics can a person acquire the capacity of enduring a crisis without falling back into poverty; although not even these features can assure the permanence of the middle classes as we have seen occurring in some of the most serious crisis in Latin America, such as the “lost decade” of the eighties, the 1995 Mexican crisis and the Argentinian 2001-2002 crisis.

In the case of Asia, if we adopt the absolute manner of measuring the middle class (2 to 20 dollars per person a day), its middle class has more than doubled in the last two decades, it has gone from 21% of the population in 1990 to 56% in 2008, to comprise 1.9 billion people (ADB, 2014, 6) (Graph 10)



Source: Asian Development Bank, “The Rise of Asia’s Middle Class” with data from Natalie Chum “Middle Class Size in the Past, Present, and Future: A description of Trends in Asia”, Asian Development Bank, Working Paper Series.

If we now consider the middle classes to be the population that is between 4 and 20 dollars a day, the sector that has grown the most in China during the last decades in 2007 (the last data available with this subdivision) they represented nearly 63% of the population (Graph 11). If we take another measurement, a more qualitative one, dependent on occupation, the percentage is much smaller, but still very significant if compared to the situation before the first of the reforms in 1978: around 24.4% among the **urban** population (much smaller if considered with regards to the total population), which is basically linked to the State owned and collective owned enterprises (Chen, 2014, 36). A figure that is similar to that posed by Kharas (2010, 30-2) who considers that although in absolute terms China’s middle class is large (157 millions in 2010), in relative terms it is still small, around 12%. The percentage of those earning between 10 and 20 dollars per day in Graph 11 nears these figures.



Source: Asian Development Bank, *“The Rise of Asia’s Middle Class”* with data from Natalie Chun *“Middle Class Size in the Past, Present, and Future: A description of Trends in Asia”*, Asian Development Bank, Working Paper Series.

By any measure, most authors agree that during the last 15 years the middle classes in Latin America and Asia have grown considerably, and that these latter will most certainly become a significant part of the global middle class (Milanovic and Yitzhaki, 2002 and Kandogan and Johnson, 2016). Nonetheless, there are significant differences both between the continents and between a certain cluster of countries. We will analyse this more in depth in the last part of this paper, but let us say to conclude this section that, in the first place, this process has been the consequence of accelerated growth in the Asian countries and of the lower growth coupled with redistribution in Latin America. On the other hand, Salama mentions how in Latin America the increase of the middle classes is accompanied by a tendency of decreasing mean revenue, while in Asia, this latter increases in a significant manner. According to Scalon and Salata (2012, 404), the process that Brazil underwent between 2002 and 2009, in terms of the expansion of the labour market and income growth, favoured the lower classes of the social structure; something that may have also been the case in the other countries in Latin America where the government had active policies of redistribution. In Asia, the mean revenue of the middle classes grows less than that of the rich but more rapidly than that of the poor (Salama, 2014). Nevertheless, this evolution has been accompanied by a reduction of household consumption in total demand in this continent. “Whereas the number of wage earners has drastically increased with the shift from rural to urban labour, the share of household consumption in total demand has declined” (Boyer, 2012, 196). In fact, “...wage share in GDP has fallen from two-thirds in 1980 to just over half of GDP today.” Household final consumption accounts for only 37% of total output, much lower in most Asian countries than in Latin America (Kharas, 2010, 32).

3. Middle classes: Why are they important?

Different authors have considered the question of why the growth of the middle classes is important. The first author to stress the importance of the middle classes was Aristotle, who in his *On Politics* defended the idea that the middle classes are crucial to assure the stability of a political system, they are conservative as they have too much to lose, and in consequence do not favour radical changes. This fundamental idea has passed on to the present time through many different theories. The modernisation theory said something similar with regards to democracy, when it proposed that democracy in a consequence of the growth of the economy and of the middle classes. More recently, Birdsall also mentions the advantages in terms of stability, as well as in terms of democratic acquisitions: the rule of law and a larger social welfare state (Birdsall, 2010, cited by ADB, 2014). This author considers that the growth of

The Middle Class in World Society

the middle class is "...more likely to be sustained-both economically to the extent that the problems of rent-seeking and corruption associated with highly concentrated gains are avoided; and politically to the extent that conflict and horizontal inequalities between racial and ethnic groups are easier to manage (Birdsall, 2010, 2).

From a political economical perspective, Alesina has proposed the idea that a small middle class implies more polarization and, in consequence, a reduced possibility of reaching decisions that are conducive to economic development, because a society that is divided between the poor and the rich is dominated by a distributive conflict (Alesina, 1994, cited by ADB, 2014). This situation induces less investment in physical infrastructure, education, health, and other public goods, all of them essential for economic growth (Easterly, cited by ADB, 2014).

More directly related to economic growth, a reorientation from an export oriented economy to an internally oriented economy depends on the domestic market, which in its turn depends on a larger middle class (ADB, 2014, 1). Middle class demand is crucial for economic growth as this sector not only has more resources to spend in non-basic goods, but because they tend to desire higher quality and more complex goods that require a more complex productive structure which, if developed internally (and not only imported from the world market, as it has been often the case in Latin America) may induce development. Banerjee and Duflo (cited by ADB, 2014), include two other elements that favour economic development, most notably the fact that a larger middle class includes individuals that have savings they may be incited to invest in productive activities in order to become entrepreneurs. These authors also consider that the fact that middle classes value human capital highly also favours economic development. All of this implies that the existence of a large middle class makes economic growth more sustainable, something that has been crucial to all developing countries, especially the Latin America ones, that have gone through waves of growth and recession. Rodrik has been very consistent in differentiating growth, spurts of growth that are rather easy to attain and that depend on particular internal and external conditions, that constitute a sort of Sisyphus stone that many countries have pushed up the hill in the past, with sustainable growth that requires the existence of structural and institutional conditions that allow a country to endure external shocks (Rodrik, 2007). One of the factors that would secure sustained economic growth would be the existence of a middle class.

The authors that focus their interest on Asia, connect the growth of the middle classes with the possibility of escaping the middle-income trap, which is determined by rising costs and declining competitiveness of the economy once a country reaches a certain level of income (Ozturk, 2016, 726). They consider that the middle classes are crucial not only to hasten economic growth, but also to transit from a low to a high-income economy and avoid the middle-income trap (Ibid, 727). According to Ozturk, "...as a country grows from low to higher income categories, it gets harder to grow further because of the diminishing marginal effects of the growth factors [...] the middle class income share is very effective in escaping the middle-income trap" (Ibid, 727). In fact, according to this author, most countries in Latin America have been stuck in this middle-income trap for at least the last 20 years.

Until 2008, in Brazil, one of the countries that seemed to be on the route of becoming a developed country, the discussion was basically oriented towards the reduction of inequality and the success of the fight against poverty. Since then (and until the aggravation of the economic and political crisis in 2014) the emphasis shifted towards the importance for economic growth of the expansion of the middle class. Specifically of a new middle class (class C), that had left poverty behind (it was thought permanently), had a permanent job (a formal job with "Carteira de trabalho"), had access to social security, health services, began buying durable consumer goods, started to have access to credit and housing (Cortes Neri, 2008, 39). All of these characteristics coincide with those defined by Banerjee and Duflo (cited by BNA, 2014; 18).

4. Middle classes and modes of development

In this last section I will analyse whether the growth of the middle classes in Latin America and Asia is sustainable, and if it is more sustainable in Asia than in Latin America, or the contrary. We believe that this question

cannot be answered in general terms for all the countries of both continents, as they vary significantly. On the other hand, in order to evaluate their sustainability, we need to analyse the mode of development that these countries have followed. We will focus on the most significant dimensions we have analysed in our more recent work: the mode of incorporation to the world economy, the role of the State and the social contract (Bizberg, 2015). For lack of space, we will have to concentrate on only three cases as examples of these two continents and discuss them briefly.

We have mentioned how, *in the case of Brazil*, most authors coincide on the fact that the middle classes have grown in the last years due to the increased export of commodities, in a context where the demand and the price of these products grew at an enormous pace. This situation gave rise to an influx of foreign exchange, both as a result of exports, as well as in the form of foreign capital in investments in different activities and in State bonds. The fact that such an influx of foreign exchange increased the exchange rate in favour of the real and the fact that the Brazilian government increased its spending maintained the interest rate at very high levels, resulted in the fact that investment in governmental bonds was very lucrative for both foreigners and nationals. This situation had as its consequence a rise in favour of *rentier* investments, in government bonds and commodities, instead of more productive ones in industry or knowledge technology (Salama, 2011; Marques Pereira and Bruno, 2015, Bresser Pereira, 2015).

On the other hand, the Brazilian government was ruled by the Workers Party, linked to the main Brazilian trade union, the CUT, the product of the resurgence of the civil society during the last years of the dictatorship, that led to a very significant and heterogeneous civil society movement that eventually displaced the military, forced elections and the writing of a new Constitution (in 1988) which gave significant social rights to the Brazilian population. Due to its origins, the PT government was forced to implement an ample (although Brazilians further to the left criticize its limitations) social redistribution program through significant increases of the minimum salaries (that almost doubled in 10 years), the expansion of the assistance programs *Bolsa Familia*, the expansion of non-contributory pensions and of the universal health system (SUS), the creation of a popular housing construction and loan program *Minha casa minha vida*. The social and infrastructure expenditures of the Brazilian state (already very high by Latin American standards) increased considerably fostering the process of “financiarization”. In political economic terms, this situation reflected a(n) (unstable, and eventually unviable) compromise of the State between the social pact of the PT government with the popular classes, and the financial and commodities export capitals (Marques-Pereira and Bruno, 2015).

The logic of redistribution was not exclusively attributable to the social pact between the State and the civil society, especially the poor and the popular classes, but also followed an economic rationale. A continental country, with an enormously big population, had the possibility (and the need) to base its development on the domestic market, this was the basis of the Import Substitution Industrialization of the “golden thirties” (1945-1973) and the more recent wage led growth, named the neo-structuralist or the socio-structuralist program (Bresser-Pereira and Gala, 2012; Fritz, Oaula and Prates, 2015). Redistribution, State investment in infrastructure and credit and policy support of specific economic sectors was crucial to impulse the use of the resources of the export of commodities in order to develop the country on the basis of the internal market. The efforts to increase the buying power of the popular classes, reduce poverty and expand the middle class, were crucial (Bizberg, 2014).

Nonetheless, the compromise with the financial and commodity exporting interests led to the “Dutch disease”: the revaluation of the real made internal production costlier and imports cheaper. A process that the government was not able to counteract with the industrial policies favouring the middle and small enterprises, and that resulted in a much faster growth of the internal demand than that the internal offer, and a multiplier effect benefiting the external market (Salama, 2011, Bresser-Pereira, 2015).

This mode of development in Latin America was dependent on the financial expansion and low interest policies of the United States, together with the spectacular growth of China, that raised both the demand and the price of commodities. Once these two conditions deteriorated, first the credit crash due to the global crisis, that led to the

The Middle Class in World Society

retreat of foreign capital from the emerging countries and the reduction of foreign investment, then the deceleration of the Chinese economy, that reduced the resources available, the Brazilian compromise crashed, leading to a political crisis (Boyer, 2014).

The Mexican mode of development is radically different, it is an export oriented model, especially dependent on foreign investment. The State does not impulse the internal market, it represses salaries and limits redistribution through social policies, concentrating its efforts on assistance programs like *Oportunidades* and the *Seguro Popular*. This explains why in the last decade the growth of the middle classes has been reduced. The Mexican State merely sets the “stage” for private investments. In fact, the Free Trade Agreement with the United States and Canada (NAFTA) imposes very significant restrictions to the action of the State: it cannot subsidize through cost reduction or allocate loans with lower interests to any national economic sector, it cannot discriminate against foreign investment, nor limit the entry or exist of foreign capital, among others. This limits considerably the Mexican State, in comparison to the Brazilian or the Chinese. On the other hand, the ideology of the government officials since the mid eighties has been totally in accordance with these restrictions to State action and the opening of the economy.

The Mexican economy has become a platform for the setting up of “maquiladoras”, and other industries that integrate a larger proportion of spare parts produced internally, mainly by other foreign companies. In this manner, exports have greatly increased, making Mexico one of the largest exporter of manufacture goods in the world, and the largest in Latin America. Nonetheless, the impact of this boom has been very low on the internal market because of its low aggregate value. In fact, the *maquiladoras* proper, that still constitute around 60% of total exports, are exclusively assembling enterprises that incorporate a minimal part of nationally produced spare parts (3%). Other export industries, such as the automobile, only integrate between 30 to 40%, coming mainly from foreign suppliers that have installed their plants in Mexico. The State does not impose any sort of integration of the industry in order to help upgrade the Mexican enterprises, nor the transfer of technology as the Chinese State does, or as the Mexican governments did during the ISI period.

A very significant part of the economic model followed by Mexico is maintaining minimum exigencies to foreign capital, in terms of salaries, social costs derived from social protection (low with respect to other countries in Latin America, although high with respect to China), and tax pressure, among others. All of this is the reason why, in the last 20 years, compared to other countries in Latin America and the rest of the world, middle classes have grown more slowly.

In fact, according to Ozturk, Latin America, and specifically these two countries are stuck in the middle-income trap. While the low income countries have as their main advantage to grow due to their low salaries by way of labour intensive industries, and the high-income countries have a comparative advantage in capital intensive and technology intensive industries, middle-income countries have no comparative advantage (Ozturk, 2016, 728). Middle-income countries need to upgrade, they require “...strategic, pro-active, and coherent government policies for capability advancement are the key factors [...] only the development of technological capabilities can ensure growth and broad-based upgrading. This requires moving from commodity production to knowledge intensive and innovative activities. (Ozturk, 2016, 728).

While, in this last decade, Brazil implemented a strategic and pro-active State that tried to upgrade its industry and had some success in some sectors such as oil and biotechnology although it was incapable of controlling the perverse effects of the commodities boom, the economic mode that the Mexican has implemented since the mid eighties, has no mechanisms to upgrade the economy and has stuck the country in a low salaries scheme, which have blocked the growth of the middle classes.

China seems to be following a different course, that may assure a more stable growth of the middle class. This country-continent, that has historically suffered strong centrifugal forces, has always required powerful and centralized governments (led by an emperor or the communist party) and has, since the death of Mao in 1978,

launched a vast effort of economic development as one of the means to maintain its unity. Economic growth is the present manner in which the communist party has found to perpetuate its power and maintain the unity of the country. In order to preserve stability, it must align the interests of all bureaucrats and other members of the communist party (around 90 million) upon a common political good and provide the population with economic benefits and better living conditions. The manner of achieving this is to develop the country; thus, economic growth is not an end, but an instrument, a political one (Aglietta and Bai, 2012, 17 and 120-2).

The Chinese economic model is based on two compromises: a socio-economic compromise between the communist party and the population, based on the fact that the Chinese population accepts political submission in exchange for economic growth² (Boyer, 2012). Many of those that have come out of poverty and the middle classes depend heavily on the State for their employment (Chen, 2013). The second one is the compromise between the political elites and the economic ones. It is on the basis of the cooperation between both of them that economic growth is assured (Boyer, 2012). These two converging compromises contrast with the socio-economic compromise in Brazil, between two sectors with diverging interests: the financial capital and commodity exporters and the popular and new middle classes dependent on the internal market. It also contrasts with the Mexican socio-economic arrangement, where the model favours the big national and transnational enterprises and a small middle class that has grown around these enterprises, but is disconnected from the rest of the economy and disfavours the enterprises and the population living from the internal market, and the informal workers and the poor.

China's model of development is based on the accelerated growth of manufactured products that are exported to the rest of the world. Although this country began exporting low aggregate value products it has been upgrading its production continuously. The Chinese State has a strategic outlook of its future and the capacity to modify its route when it finds obstacles or failures due to the efficient political control of the communist party. Government authorities have taken advantage of the sheer enormity of the Chinese market and the impressive growth of the last decades to impose rules such as co-investment with public or private national capitals, the integration of local suppliers and technological transfer to the enterprises that desire to invest in the country (Aglietta and Bai, 2012; Boyer, 2012).

In fact, the model of development implemented in China is a hybrid between state, private and foreign capital, that occurs mainly at a local level. A model the Boyer calls a local-state-corporatism. The local level has the capacity of defining the rights of the use of the resources. It uses this leverage to develop its region in order to assure more resources and the preservation of its political control. This has given rise to a very competitive economic model, where towns, districts and provinces contend to attract private investment. On the other hand, each local public entity is partially accountable with regards to another entity of higher rank, that can correct the performance of a public/private company or a local government. In this way, local governments and entrepreneurs are regulated by a fierce economic competition and by a national State that monitors the performance of the local authorities in order to assure the preservation of its political control. This is possible by the control exerted by the central government through the political monopoly of the communist party (Boyer, n.d and Boyer 2012).

This model has warranted very high growth rates and a continuous growth of productivity, nonetheless, it has also implied a retreat of the social security benefits that the Chinese population enjoyed under communism. Nowadays, access to health and education depend on income levels as local governments are incapable of providing these services. Both middle classes and low income sectors have to spend increasing amounts of resources to cover these expenses (Kharas, 2010, 31 and Boyer, 2012, 196). Salaries have been kept low due to the continuous illegal migration from the countryside to the cities, as most migrants that arrive in the cities do not have any rights and to the fact that Chinese workers are under official trade unions that are dependent on the directives of the communist party. Nonetheless, this process seems to be running out as salaries have begun to increase in the cities (Salama,

² A situation that is reminiscent of what happened in most Latin American countries, and especially in the case of Mexico, where a revolutionary party took over and pushed for economic growth in order to legitimize itself and in Brazil, where the military that took over in 1964, invested heavily in capital and intermediary industry.

The Middle Class in World Society

2011, 235). Finally, some regions have developed much faster than others. This has increased inequalities that, according to some authors, may hinder further growth (Ozturk, 2016, 729).

This is the first of the imbalances of the Chinese model, mentioned by Boyer, and an obstacle for China to go from an export oriented economy to an internal market driven economy. Another of the imbalances is the non-performing loans that have resulted from the alliance between politicians and entrepreneurs. A third imbalance is linked to overcapacities that have been generated by the immense infrastructure investments the State has been forced to sustain as a means to absorb the population that is migrating from the countryside (Boyer, 2012, 196).

These three imbalances are a serious challenge to the declared intent of the government to orient its economy to the interior, which would depend on the growth of the internal market and a wage led growth. The growth pattern is structurally imbalanced; all dimensions are oriented towards the external market. In fact, the model and the social pact (authoritarianism, controlled unions, migration control vs economic growth) is oriented towards a larger share for profits than wages and its result, the fact that wage led share in GDP has fallen and that household consumption in total demand has declined (Boyer, 2012, 196, Kharas, 2010, 32) is the most significant obstacle to an domestic market led growth.

The solution proposed by Kharas is to shift from the use of the profits of the State owned and collective enterprises from overall physical investment (which as we have seen has already reached over-investment levels) to investment in human capital: health, education, social security, in order to allow families to spend more on consumption (Kharas, 2010, 32).

Final remarks

Rather than presenting a synthesis of what I have analysed in the paper, in these final remarks I want to pose some questions for further research that derive from our discussion.

Based on some of the analysis on the middle classes, we have supposed a sort of consensus on the impact and importance of the middle classes for economic growth, be it through consumer capacity, entrepreneurship and/or democratic stability. Nonetheless, Salama poses an interesting question when he writes that rather than middle classes assuring growth, it is the contrary that is the case: growth is the cause of the emergence of the middle classes. He cites the fact that in the case of China, it is not the consumption of the middle classes that explains growth, as private consumption is rather weak in the Asian countries, but investment and the growth of exports (Salama, 2011, 10). This paper has defended the idea that, yes, it is economic growth that impulses the progression of the middle classes, but that it is their existence, which in its turn, consolidates economic growth. But the question remains open and it is crucial to understand if economic growth has other sources.

In this manner, another even more fundamental question appears that has direct relevance for public and economic policies as it regards the priorities for development. The economic policies of the Asian countries and the analysts that centre their attention on this continent, consider it is more important to focus on the growth of the middle classes than in inequality. In fact, they consider that governments should concentrate on the growth of the middle class even if this implies more inequality; although not one that benefits the rich, but fundamentally the middle classes (Kharas, 2010, 31). The analysts that have studied the Latin American experience consider, on the contrary, that the focus should be to reduce inequality, to increase the revenues of the poorest and the vulnerable, rather than those of the middle class (Salama, 2014, 11).

Also an open question which I believe does not have one single answer, as it depends on the different structural, social, political, and even cultural conditions of both Asia and Latin America, some of which we analysed when we described the different modes of development of Mexico, Brazil and China.

References

1. Aglietta, Michel and Guo Bai, *La Voie Chinoise. Capitalisme et Empire*, Paris, Odile Jacob, 2012.
2. Banerjee Abhijit and Duflo Ester, “What is middle class around the world?”, *Journal of economic perspective*, vol. 22, no.2, 2008, pp. 3-28
3. Birdsall, Nancy, “The (indispensable) middle class in developing countries; or, the rich and the rest, not the poor and the rest”, *Working paper 207*, Center for Global Development, March 2010.
4. Bizberg, Ilan, “Types of capitalism in Latin America”. *Interventions économiques / Papers in Political Economy*, no. 49, Université de Québec á Montréal, 2014.
5. Bizberg, Ilan, “The global economic crisis as disclosure of different types of capitalism”, *Swiss Journal of Sociology*, Vol. 37 Issue 2, 2011, pp. 321-339
6. Boyer, Robert, “How the specificity of Chinese capitalism explain its position in the world economy”, *Voces en el Fenix, non dated manuscript* <http://robertboyer.org/download/How%20the%20specificity%20of%20Chinese%20capitalism%20explains%20its%20position.pdf>
7. Boyer, Robert, “Is More Equality Possible in Latin America? A Challenge in a World of Contrasted but Interdependent Inequality Regimes”, *desiguALdades.net Working Paper Series 67*, Berlin, 2014.
8. Boyer, Robert, “The Chinese growth regime and the world economy”, in Robert Boyer, Hiroyasu Uemura and Akinori Isogai, *Diversity and transformations of Asian Capitalisms*, London and New York, 2012, pp.184-208.
9. Bresser-Pereira, L. C., ‘Reflecting on new developmentalism and classical developmentalism’, *Colloque international Recherche et Régulation*, Paris, 2015, june 10-12; accessed at <http://bibliotecadigital.fgv.br/dspace/bitstream/handle/10438/13856/TD%20395%20-%20Luiz%20Carlos%20Bresser-Pereira.pdf?sequence=1&isAllowed=y>
10. Bresser-Pereira, L. C. Y Paulo Gala, “Macroeconomía estructuralista del desarrollo: ¿un segundo momento del estructuralismo latinoamericano?”, en Jose Luis Calva (coord.), *Análisis Estratégico para el Desarrollo*, Vol. 4, México Juan Pablos Editor, 2012, pp. 245-272.
11. Cardoso, Fernando Henrique y Enzo Faletto, *Dependencia y Desarrollo en América latina*, México, Siglo XXI, 1969.
12. Chen, Jie, “China’s Middle Class: Definition and Evolution” in Jie Chen, *A middle Class Without Democracy: Economic Growth and the Prospects for Democratization in China*, Oxford University Press, 2014.
13. Cortes Neri, Marcelo, *A Nova Classe Média*, Centro de Políticas Sociais- Fundação Getulio Vargas, Rio de Janeiro, August 2008.
14. Fritz, Barbara, Luiz Fernando de Paula and Daniela M. Prates, “Neo-Developmentalism, Currency Hierarchy and Policy Space in Emerging
15. Economies: Can Sustainable Growth be Compatible with Income Redistribution?, paper presented at the FMM Conference “The Spectre of Stagnation? Europe in the World Economy”, Berlin, 22 October–24 October 2015.
16. Haggard, Stephan. *Pathways from the Periphery. The Politics of Growth in the Newly Industrializing Countries*. New York: Cornell University Press, 1990.
17. Kay, Cristóbal, “Why East Asia overtook Latin America: agrarian reform, industrialization and development”, *Third World Quarterly*, 23 (6), 2002, 1073-1102.
18. Kharas, Homi, *The emerging middle class in developing countries*, Working Paper no. 285, OCDE Dvelopment center, January 2010.
19. Marques Pereira Jaime and Bruno Miguel, “Path dependence blocking the emergence of a new type of capitalism favoring redistribution in Brazil: A new view on the possibility of a developmental coalition”, unpublished manuscript, Université Jules Verne, Amiens, 2015.
20. Milanovic, Branko y Shlomo Yitzhaki, “Decomposing world income distribution: Does the world have a middle class?”, *Review of Income and Wealth*, series 48, no. 2, June 2002, pp. 155-178.
21. Ozturk, Ayse, “Examining the economic growth and the middle –income trap from the perspective of the middle class”, *International Business Review*, no. 25, 2015, pp. 726-738.

The Middle Class in World Society

22. Ravaiillon, Martin, “The developing world’s bulging (but vulnerable) middle class”, *Policy Research Working Paper 4816*, World Bank, January 2009.
23. Rodrik, Dani, *One economics, many recipes. Globalization, Institutions and Economic Growth*, Princeton and Oxford, Princeton University Press, 2007.
24. Salama, Pierre, “China-Brasil: Industrialización y “Desindustrialización Temprana”, *Cuadernos de Economía*, no. 31, vol. 56, 2011, pp. 223-252.
25. Salama, Pierre, « Les classes moyennes peuvent-elles dynamiser la croissance du PIB dans les économies émergentes? », FMSHWP-2014-61, february 2014.
26. Scalón, Celi and André Salata, “Uma nova classe media no Brasil da última década? O debate a partir de la perspectiva sociológica”, *Revista Sociedade e Estado*, vol. 27, no. 2, May-August 2012, pp. 387-407.
27. Stampini, Marco, Robles Marcos, Mayra Sáenz, Pablo Ibararán y Nadin Medellín, “Pobreza, vulnerabilidad y la clase media en América Latina”, *Working Paper no. 591*, Interamerican Development Bank, May 2015.
28. Therborn, Göran, “Moments of Equality – Today’s Latin America in a Global Historical Context”, en Fritz, Barbara and Lena Lavinas, *A moment of Equality for Latin America?*, Surrey and Burlington, Ashgate, 2015.
29. United Nations Development Programme, *Perfil de estratos sociales en América Latina: pobres, vulnerables y clases medias*, New York, 2014.

What Has Happened to the Middle Class? Incomes and Perceived Social Position Dynamics in Different Countries

Chiara Assunta Ricci

Social class analysis should consider objective and subjective dimensions since different elements are able to change people's subjective interpretation of their class position and of their aspirations and behaviors. In the last years, increasing attention has been paid to the "middle class" but traditional analysis in economics are based only on statistically measurable characteristics such as income and consumption and the evidence presented depends on the way groups are defined.

The aim of this paper is twofold. First, even if considering a single quantitative characteristic such as income, it provides an unambiguous framework to analyse the evolution of the middle class in six countries for the period 1994/95-2010, applying the useful insights of the studies on polarization. Since a general *shirking* of the middle income group is observable from objective reality, our second goal is to introduce the consideration of self perception in the analysis of the middle class for the same countries and nearly the same period. In particular, we extend the analysis from the level of people's self-declared position in society to the inequality observed within this variable for years 1992 and 2009, comparing these results with the ones emerged from the analysis of income. Some interesting patterns come out on how people judge their relative social condition that have to be considered for a comprehensive analysis of the middle class.

JEL Classification: D31; D63; I32

Keywords: *middle class, polarization, perceptions*

1. Introduction

According to the sociological literature, the analysis of social classes should take into account multiple dimensions and factors, such as income, wealth, relations of production, lifestyle, education and occupation. Furthermore, many different authors emphasise the role of individuals' perceptions of their position in society in their analysis of social classes. These sociologists argue that no study of social class can be comprehensive enough if it does not take into account a person's sense of self, which may not coincide completely with objective reality and may influence individuals' behaviour and choices.

By contrast, the economic literature often ignores many of these factors and opts for analyses based on statistically measurable characteristics, such as income and consumption. Despite the wide acceptance of the conceptualisations of class offered by the sociological theory, in their empirical works economists tend to consider only relative definitions and use the term "class" to refer to specific strata of the income distribution. This practice raises issues concerning the lack of both sound theoretical assumptions and stable criteria to define and operationalise the theoretical concept of "class" and in particular the "middle class". For example, comparing the results from different empirical studies can be difficult when the definition of the classes depends on the whole sample considered.

The Middle Class in World Society

Despite these methodological issues, evidence from many studies lets us evaluate the role of specific elements representing the “real” socio-economic aspects of individuals’ life, while the role of perception is often neglected. In particular, these studies demonstrate that the evolution of living standards of different groups across society can depend on real income growth over time, wealth and debts to finance consumption (Atkinson and Brandolini 2013), insecurity and vulnerability in income due to greater risks of unemployment and volatility in earnings (Torche and López-Calva 2013; Krugman 2014; Ricci 2016).

The channels through which these aspects may have effects on individuals’ choices are difficult to disentangle, and the purpose of this paper is not to go into this issue. In fact, the starting point of this study is the consideration that social class can be understood as both a subjective and an objective (at least in economic terms) phenomenon.

In this paper we present some empirical evidence on the evolution of the middle class in six different countries: Germany, Italy, Poland, Norway, United Kingdom and United States.

In the first stage an analysis of the middle class based on income is proposed, applying the useful insights of the evolving research field on polarization. It aims to identify how the income distribution has evolved on the basis of objective reality by exploring different income-based polarization measures for in the period 1994-2010 using the key comparative distributional data sources available for these rich countries from *Luxemburg Income Study*.

In the second stage, it is introduced the consideration of self perception, analysing what changes occurred in subjective perception of position across society to those who defines themselves as middle class.

The reported values of people’s perception of where they fit in social hierarchy from the International Social Survey Program (ISSP), drawing data from our six countries, are considered to investigate what the main drivers of the inequality observed within this variable across communities are for years 1992 and 2009. The purpose of the analysis is to evaluate the different impact of covariates on people’s judgment of their relative social condition, verifying the answers’ heterogeneity and to what extent the shape of the distribution of people among the scale depends on some individual features. In this way, letting evidences from subjective perceptions of personal position across societies interact with the analysis of the middle class on the basis of income, it is possible to make some considerations of people’s perception of social structure and the possible effects on behaviour and choices.

2. Perceived social position for a comprehensive analysis of classes: A review of the literature

The importance of the perceptions of individuals of their position in society has been emphasised by different studies, in particular in social classes’ analysis. According to sociologists Hodge and Treiman (1968), Jackman and Jackman (1973), Wright and Singelmann (1982), Savage (2015), a comprehensive analysis of social class has to include the person’s sense of self, as it may be different from objective reality but definitely affecting behaviour and choices. Similarly, Akerlof and Kranton (2000) considered how identity affects economic outcomes. They incorporated the psychology and sociology of identity into an economic model of behaviour. Furthermore, other authors (North, 1990; Rizzello, 2000), following Hayek’s intuitions, took the view that knowledge is the fruit of an “endogenous construction” and that perception represents the source of the unpredictability of behaviour and the cornerstone of economic change.

The match between perception and reality can depend on many different elements across societies over time. Considering self perceived social position as the variable that indicates people’s own opinions of their location in society, many authors investigate the main drivers of the perceived position in society and the consequences on people’s values and attitudes.

From a theoretical point of view, Marx identified the relations of production as the most influential factor of the individuals' perception of the exterior world. So, as pointed out by Evans and Kelley (2004), there is a clear connection between the objective conditions of production in a capitalist society and the workers' consciousness of their position across the social scale (e.g. Marx 1844; Marx and Engels 1968, p. 37). Similarly, objective circumstances are relevant into subjective perceptions in the Durkheim's approach to the study of society (1933, p. 187-190, 256-263). However, Marx and Durkheim had different theories about the possible evolution of objective circumstances over time and, consequentially, of reflection on individuals' self perception.

Some empirical analyses examined the relations between a number of factors, on both a micro and macro level, and people's own opinions of their location in society. One of the first studies was conducted by Hodge and Treiman (1968) who investigated the impact of different socioeconomic characteristics on the subjective social position declared. Their results suggested that education, main earner's occupation, and family income are very influential on class identification but they also demonstrated that patterns of acquaintance and kinship between various status groups influence the position declared. According to this evidence, the two authors criticised the interest theory of classes in sociology because this latter neglects the great range of between-class contacts and exaggerates the role of economic position in the formation of class consciousness. Vanneman and Pampel (1977) observed the relationship between occupation and class self-identification. Their study concluded that people perceive themselves as "working class" or "middle class" according to a manual-non manual working dichotomy rather than to a continuous prestige scale. This result contributed to reorient the sociological debate between continuous and discontinuous models of the stratification system in favor of the latter. More recently, Yamaguchi and Wang (2002) considered the interplay between class identification and family/gender, testing the relationship between married women's class identifications and their objective class situations in the United States. What emerges is that class identification depends equally on the spouses' income but only the husband's occupational prestige affects subjective social class. Furthermore, men and women assign a different role to education when they assess the subjectively identified class.

The work of Evans and Kelley (2004) investigated subjective social status using data from surveys collected from representative national samples in 21 countries. The authors found that in all societies there is a pronounced tendency to see oneself as being in the middle, and this tendency holds in rich nations as well as in poor ones. The economic condition of individuals, the wealth of nations, and the national level of unemployment all have substantial effects on subjective status, but their effects are muted by the tendency to see oneself as being in the middle of the hierarchy with important implications for class identity and democracy.

Similarly, Paul Krugman in a recent article claimed that:

"One of the odd things about the United States has long been the immense range of people who consider themselves to be middle class - and are deluding themselves. Low-paid workers who would be considered poor by international standards, say with incomes below half the median, nonetheless consider themselves lower-middle-class; people with incomes four or five times the median consider themselves, at most, upper-middle-class" (Krugman, 2014).

In order to explain this evidence, Kelley and Evans (1995) developed the "Reference group and Reality (R&R) – blend" hypothesis, according to which individuals develop perceptions and self-images looking at their reference group, fairly homogeneous with respect to themselves. This homogeneity means that most people are encouraged to declare middle categories, overestimating the number of people with the same features (Kelley 1967; Kahneman *et al.* 1982). Lindemann's empirical study (2007) is focused on Estonian society to find out what kinds of assets and resources affect people's opinion of their position in society. Coherently with some of the studies already mentioned, the analysis shows that, also in Estonia, income is the most important determinant in shaping people's opinion of their social position. More interesting evidence is that in Estonia the significant impact of age on subjective social status is confirmed, but, contrary to what is observable in the Western countries (Yamaguchi and Wang 2002), being younger increases the probability of identifying with the higher positions.

The Middle Class in World Society

Furthermore, Andersen and Curtis (2012) using cumulative logit mixed models fitted to World Values Survey data from 44 countries explored the impact of economic conditions, both on the individual-level and the national-level, on social class identification. Consistent with previous research, they found a positive relationship between household income and class identification in all countries explored, though this relationship varies substantially. They also found that income inequality has an important polarising effect on class identification and, specifically, the relationship between household income and class identity tends to be strongest in countries with a high level of income inequality.

Another significant analysis was conducted by Lora and Fajardo (2011, 2015) who provided a set of comparisons between objective (based on statistically measurable characteristics such as income and consumption) and subjective definitions of middle-class using data from the 2007 World Gallup Poll. Seven objective income-based definitions of social class were contrasted with a self-perceived social status measure. One of the conclusions is that mismatches between the objective and the subjective classification of social class result from the fact that self-perceived social status is associated not just with income, but also with personal capabilities, interpersonal relations, financial and material assets, and perceptions of economic insecurity.

3. Data and methodological choices

The analysis of the evolution of incomes distribution in six different countries (Germany, Italy, Norway, Poland, the United Kingdom and the United States) is based on the comparable cross-country data provided by LIS via the *Luxembourg Income Study (LIS)*. European countries are selected in order to give an assessment across a range of welfare and labour market regimes in Europe. In order to analyse income dynamics from the beginning of the nineties to the 2000s, observations of the waves between 1994 and 2010 have been selected. Disposable household income which is the sum of all total monetary and non monetary (goods and services) payments received by the household or its individual members at annual or more frequent intervals is considered. Disposable incomes have been inflated to within-country 2010 prices and have been converted to international dollars.

To investigate perception and its evolution on the basis of individuals' characteristics, data is drawn from the International Social Survey Programme (ISSP). For the aims of this research observations are referred to 1992 and 2009 respectively, from which a question on the subjective position on the social scale and socioeconomic characteristics of the respondents can be drawn. Unfortunately, if ISSP also includes questions for income, this variable was not considered in this research given the difficulty to obtain comparable data³. The main variable of interest, Subjective Social Position, is the reported answer to the question:

In our society there are groups which tend to be towards the top and groups which tend to be towards the bottom. Below is a scale that runs from bottom to top. Where would you put yourself now on this scale?

In all countries, social strata were labeled consecutively from 1 to 10 with 1 at the bottom and 10 at the top, as a categorical ordered variable.

Our approach to investigate incomes and perceptions and their changes over time for a more comprehensive analysis of the middle class is composed of three steps. The first stage observes individual income distributions in different periods using the polarization indices by Esteban *et al.* (2007) and identify the low, middle and high income groups and describes the main evidences of the different countries. Then, we carry out the analysis of perception in two main steps. First, we investigate how age, gender, education, status and profession increase or decrease the variance using the Recentered Influence Function (RIF) regressions for two time periods (1992 and 2009) and the Gini index of the variable "declared position on social scale". Then, we identify and quantify the

³ The ISSP asks for income classes but classes are not equal across countries.

role of the covariates in shaping the evolution of subjective social position inequality over time, by means of the decomposition method proposed by Fortin *et al.* (2011) which is a generalisation of the Oaxaca-Blinder procedure and can be applied to any distributional parameter other than the mean. The procedures applied are described in the following sections.

3.1. The Esteban et al., 2007 index to analyse income polarization and identify the middle-income group

According to the theoretical study by Esteban and Ray (1994), a population of individuals may be grouped according to some vectors of characteristics into “clusters”, such that each cluster is very homogeneous in terms of the attributes of its members, but many dissimilarities are observable between different clusters. The feeling of identification and alienation are expressed through two different functions. The identification function indicates the attitude that any individual in a given group i has towards an individual in the same income group. It can be formally described as: $I: \mathbb{R}_+ \rightarrow \mathbb{R}_+$, with $I(\pi_i) > 0$ for every $\pi_i > 0$. I is a continuous and increasing function of the share of individuals π_i in the group i .

The alienation function is defined as a $\mathbb{R}_+ \rightarrow \mathbb{R}_+$, continuous and non decreasing function with $a(0)=0$. The sense of alienation that an individual y_i feels towards another one, y_j , is defined as: $a(\delta(y_i, y_j))$, where $\delta(y_i, y_j)$, indicates the absolute distance between the individuals with incomes y_i and y_j .

The polarization measure aims to capture the “effective antagonism” that an individual with income y_i feels towards individual with income y_j . According to Esteban and Ray (1994), the effective antagonism is the combined result of the alienation and the identification function.

Effective antagonism is expressed by $T(I, a)$, a strictly increasing function with $(I, a) > 0$ and it is assumed that $T(I, 0) = 0$, which indicates that the effect of an isolated individual is not to be considered relevant. So, the total polarization is the sum of all the effective antagonisms amongst the individuals belonging to different groups:

$$P(\pi, y) = \sum_{i=1}^n \sum_{j=1}^n \pi_i \pi_j T(I(\pi_i) a(\delta(y_i, y_j))) \quad (1)$$

From the general form Esteban and Ray (1994) derive the index PER, which satisfies specific axioms and combines the sense of group identification (π_i^α) with the “between groups” alienation, expressed as the distance between the average income of each group ($|\mu_i - \mu_j|$). The product between the two indicates the effective antagonism felt by each individual of group i towards the individuals of group j . The extent to which identification affects the effective antagonism is expressed by the parameter α , which varies between 0 and 1.6. α indicates how much weight is assigned to the effect of within-group identification. When $\alpha=0$, P^{ER} is equal to the Gini index.

But the index PER is based on a discrete, finite set of income groupings located in a continuous space of different income values. For this reason, (Esteban *et al.*, 2007), propose an extension of the original measure, which tries to overcome this problem by setting the “optimal” partition for a given number n of groups. Based on the assumption that an income distribution can be represented by a density function f in a bounded interval, the function f can be represented with an “ n -spike” distribution denoted ρ .

The difference between f and ρ is the error term $\varepsilon(f, \rho)$ which is the “measure of error” caused by the n -group representation. It can be defined as $G(f) - G(\rho^*)$ where $G(f)$ is the Gini index obtained from the actual density function and $G(\rho^*)$ is that deriving from optimally separating the population in defined n number of groups. Minimising the within-group dispersion using an iterative procedure, the new polarization measure is obtainable in the following way:

$$P_{\alpha}^{EGR} = (f; \alpha, \beta) = P^{ER}(\alpha, \rho) - \beta \varepsilon(f, \rho) \quad (2)$$

$$P_{\alpha}^{EGR} = (f; \alpha, \beta) = \sum_{i=1}^n \sum_{j=1}^n \pi_i^{1+\alpha} \pi_j |\mu_{i-} - \mu_j| - \beta \varepsilon(f, \rho) \quad (3)$$

$$P_{\alpha}^{EGR} = (f; \alpha, \beta) = \sum_{i=1}^n \sum_{j=1}^n \pi_i^{1+\alpha} \pi_j |\mu_{i-} - \mu_j| - \beta G(f) - G(p^*) \quad (4)$$

As suggested by (Borraz *et al.*, 2011), this process has been applied to identify lower, middle and upper income groups, fixing $n = 3$ and $\alpha = 1$ to calculate the optimal income boundaries that separate each group from the others. The assumption of a fixed number of groups is not entirely satisfactory, as discussed by Esteban *et al.* (2007). However, three groups have been chosen to maximize the extended polarization, considering more than two groups to identify who are the in the middle of the income distribution.

3.2. Self perceived social position inequality. The decomposition approach

In this section it is shown how to formally break down changes in the distribution of the variable subjective social position into the contribution of each group of covariates using the recentered influence function (RIF) regression approach introduced by Fortin *et al.* (2011).

The procedure is similar to the Oaxaca-Blinder decomposition for the mean of a distribution (Oaxaca 1973; Blinder 1973) but, instead of recurring to a standard regression, the RIF-regressions allow us to perform the same kind of decomposition for any distributional parameter for which an influence function can be computed, including the variance and the Gini index.

Let Y_{i1} be the declared position of an individual i observed in period 1, and Y_{i0} the corresponding value in period 0. For each individual i the category declared across the social scale is given by $Y_i = Y_{i1} \cdot T_i + Y_{i0} \cdot (1 - T_i)$, where $T_i = 1$ if the individual i is observed in period 1 and $T_i = 0$ otherwise. In a standard Oaxaca-Blinder decomposition, the overall differences in means over time $\Delta_o^{\mu} = \mu_1 - \mu_2$ are broken down into two different components, the first related to the change in the returns of the set of covariates, defined the coefficient or structure effect Δ_S^{μ} and usually called the “unexplained” effect in Oaxaca decompositions, and the second determined by the different distribution of the covariates, the composition effect Δ_X^{μ} . The detailed decomposition allows to subdivide the contribution of each covariate to these two effects into the respective contributions of each covariate, $\Delta_{S,K}^{\mu}$ and $\Delta_{X,K}^{\mu}$.

Fortin *et al.* (2011) proposed the RIF-regression method that allows us to perform a detailed decomposition for any distributional statistics for which an influence function can be computed. A RIF-regression is similar to a standard regression but the dependent variable Y , is replaced by the (re-centered) influence function of the statistic of interest. The RIF is the sum of the distributional parameter of interest and the influence function $I(y; \nu)$. This latter measures the relative effect of a small perturbation in the underlying outcome distribution on the statistic considered, detecting the contribution of each observation to the distributional parameter of interest.

Because the expected value of the $R_i(y; \nu)$ coincides with the statistic of interest, the law of iterated expectations permits to express the distributional parameter ν in terms of the conditional expectations of the RIF on the covariates X :

$$\nu = E[RIF(Y; \nu)] = E_X\{E[RIF(Y; \nu)|X]\} \quad (5)$$

$$E[RIF(Y; \nu)|X] = X\gamma^{\nu} \quad (6)$$

Where the parameter γ^{ν} can be estimated by the OLS regression.

In this way, it is possible to decompose the overall difference over time of ν , $\Delta_o^{\nu} = \nu_1 - \nu_0$ into a coefficient (Δ_S^{ν}) and composition effect (Δ_X^{ν}), $\Delta_o^{\nu} = \Delta_S^{\nu} + \Delta_X^{\nu}$ where:

$$\Delta_S^{\nu} = E[X|T = 1]'(\gamma_1^{\nu} - \gamma_0^{\nu}) \quad (7)$$

$$\Delta_X^{\nu} = (E[X|T = 1] - E[X|T = 0])' \gamma_0^{\nu}$$

However, a limitation of this decomposition, as discussed in Barsky *et al.* (2002), is that it provides consistent estimate only in the case of a linear specification of the conditional expectation, like it is expressed in equation 2. The solution to this problem has been proposed by Fortin and al. (2011) that suggested using a (non-parametric) reweighted approach as in DiNardo *et al.* (1996) to decompose the different effects. Indeed, by reweighting it is possible to construct a counterfactual distribution $F_{y_A^c}(\cdot)$ that replaces the marginal distribution of X for group A with the marginal distribution of X for group B using a reweighting factor $\Psi(X) = \frac{\Pr(T=1|X)/\Pr(T=1)}{\Pr(T=0|X)/\Pr(T=0)}$.

In the case of two different periods, we may be interested in what would be the distribution of the variable investigated at time 0 if individuals had the same X's as time 1: applying this procedure it is possible to obtain a distribution of X's in the first period equal to the distribution in the second period, so that observations that were relatively more likely in the first year than in the last are weighted up and observations that are relatively less likely are weighted down.

Then it is possible to estimate the counterfactual mean \bar{X}_{01} and the counterfactual coefficients $\hat{\gamma}_{01}^v$ from the regression of the RIF ($y;v$) on the reweighted sample. Consequently, the difference $\hat{\gamma}_1^v - \hat{\gamma}_{01}^v$ reflects a true change in the relationship that links the covariates to the outcome.

In practice, they are estimated by constructing a third sample, which in this case will be the sample of individuals at time 1 with the weights of individuals at time 0, sample 01.

The detailed reweighted decomposition is thus obtained by running two Oaxaca-Blinder decompositions (Fortin *et al.*, 2011):

- 1) a decomposition with sample 0 and sample 01 to get the pure composition effect,
- 2) a decomposition with sample 1 and sample 01 to get the pure coefficient effect.

So, the first effect can be divided into a pure composition effect ($\Delta_{X,p}^v$) and a component measuring the specification error ($\Delta_{X,e}^v$):

$$\Delta_{X,R}^v = (\bar{X}_{01} - \bar{X}_0)\hat{\gamma}_0^v + \bar{X}_{01}(\hat{\gamma}_{01}^v - \hat{\gamma}_0^v) \quad (8)$$

$$\Delta_{X,R}^v = \Delta_{X,p}^v + \Delta_{X,e}^v$$

While the second effect can be expressed as:

$$\Delta_{S,R}^v = \bar{X}_1(\hat{\gamma}_1^v - \hat{\gamma}_{01}^v) + (\bar{X}_1 - \bar{X}_{01})\hat{\gamma}_{01}^v \quad (9)$$

$$\Delta_{S,R}^v = \Delta_{S,p}^v + \Delta_{S,e}^v$$

So, the overall change is given by:

$$\Delta_0^v = \Delta_{X,p}^v + \Delta_{S,p}^v \quad (10)$$

In the final stage, the two components are further divided into the contribution of each explanatory variable using novel recentered influence function (RIF) regressions. These regressions estimate directly the impact of the explanatory variables on the distributional statistic of interest.

4. Empirical results

4.1. Middle class and income polarization

The first step forward to assess the evolution of the middle income groups in the years from 1994 to 2010 is to calculate the Esteban *et al.* (2007) polarization indices whose values are reported in table 1. Different values of

The Middle Class in World Society

α reported for the EGR index mean different levels of identification. A greater value of α means that more emphasis is placed on the identification.

What emerges is that, on the one hand, different values of polarization indices are observable across countries reflecting different shapes of the income distributions. In every wave, United States and United Kingdom show the highest values of the indices, followed by Italy, Poland, Germany and Norway.

On the other hand, a general tendency towards an increasing polarization is observable during the period from 1994 to 2010 for Germany, Norway, Poland and United States while Italy and United Kingdom show a modest decline of the values of the indices.

Table 1. Polarization indices

Polarization index	1994/95	1997/98	1999/2000		2004	2007/08	2010
EGR $\alpha=1$	Germany	0.080		0.078	0.081	0.085	0.085
	Italy	0.096	0.101	0.097	0.097	0.093	0.093
	Norway	0.074		0.076	0.077	0.076	0.076
	Poland	0.087		0.080	0.088	0.088	0.089
	United Kingdom	0.100		0.102	0.101	0.098	0.097
	United States	0.106	0.106	0.105	0.108	0.110	0.109
EGR $\alpha=1.3$	Germany	0.058		0.057	0.057	0.062	0.062
	Italy	0.070	0.074	0.071	0.071	0.068	0.068
	Norway	0.054		0.055	0.056	0.055	0.055
	Poland	0.063		0.058	0.064	0.064	0.065
	United Kingdom	0.074		0.075	0.074	0.072	0.071
	United States	0.077	0.077	0.077	0.079	0.080	0.080
EGR $\alpha=1.6$	Germany	0.042		0.041	0.043	0.046	0.045
	Italy	0.052	0.054	0.052	0.053	0.050	0.050
	Norway	0.039		0.040	0.041	0.040	0.040
	Poland	0.046		0.043	0.047	0.047	0.048
	United Kingdom	0.054		0.055	0.055	0.053	0.052
	United States	0.056	0.057	0.056	0.058	0.059	0.059

Notes: own calculation on weighted household income data from LIS

To look more in depth how income classes have evolved during the period considered we apply the process implemented by Esteban *et al.* (2007) to identify lower, middle and upper class with the calculus of the optimal income boundaries to separate each group from the others, as it has been suggested by Cruces *et al.* (2011). Setting the polarization sensitivity parameter at 1, table 2 reports the estimated thresholds of the income distributions for the first and the last wave considered in our sample.

Mean	21,168	19,211	22,777	13,120	21,274	32,186	27,371	22,100	31,888	14,341	27,024	35,882
Median	18,609	16,295	21,410	11,395	17,460	26,697	23,906	18,953	29,806	12,115	22,125	29,340
<i>Mean income for EGR group with</i>												
Low income	11,758	9,377	12,790	6,907	10,378	14,058	14,726	11,280	17,155	7,649	13,583	15,087
Middle income	21,179	19,681	23,306	13,160	21,969	32,678	27,661	22,459	32,110	14,330	27,145	36,473
High income	38,683	39,300	38,446	25,625	44,885	68,502	51,766	44,595	54,127	28,888	57,842	78,021
<i>% of population for EGR group with</i>												
Low income	39.4	42.0	37.6	40.0	44.1	41.6	40.6	42.0	35.8	41.8	42.9	42.0
Middle income	39.5	38.3	39.8	40.3	36.6	38.1	38.9	38.4	40.8	39.0	38.5	37.9
High income	21.1	19.7	22.6	19.7	19.3	20.3	20.6	19.6	23.3	19.3	18.6	20.2
<i>% of income for EGR group with</i>												
Low income	21.89	20.50	21.11	21.06	21.51	18.17	21.84	21.44	19.26	22.29	21.56	17.66
Middle income	39.52	39.24	40.72	40.42	37.79	38.68	39.31	39.02	41.08	38.97	38.67	38.52
High income	38.56	40.3	38.15	38.48	40.72	43.21	38.96	39.55	39.55	38.88	39.81	43.92

Notes: own calculation on weighted household income data from LIS

Numbers reveal that middle class is significantly different in terms of incomes across countries but some common evidences can be detected coherently with what emerged from the synthetic measures of polarization. First average and median incomes significantly increase for this group both in European countries and the USA but rising income gaps emerge between groups especially in United Kingdom and United States. Furthermore, it can be noted that the size and the quote of the income share for the middle income group are substantially stable with a modest decrease in every country with the exception of United Kingdom where both the size and the income share of the middle income group show a slight rise.

Looking at the characteristics of the population living in a family where disposable income is between the two thresholds for the two years considered (table is reported in the Appendix) a substantial stability of the composition of the middle income groups is observable despite some differences across countries.

The changes between periods are mainly related to the educational attainment (the quote of people with a high level education increases) and to the higher age of individuals in the middle group in 2010 if compared with 1994/95.

4.2 Self perceived social position inequality: descriptive findings

The analysis of how people tend to locate themselves across a social scale reveals that, coherently with some of the previously overviewed literature, most people tend to locate themselves in the middle categories and the highest share of people answers category 5 or 6 in every country (figure 1). On average, after a time span of 17 years, the subjective social position declared has slightly increased, passing from a mean of 5.10 observed in 1992 to a mean of 5.30 in 2009. Some differences emerge across countries: for example it is interesting to consider how in 1992 in Poland a significant percentage of people answer the low values of the scale and how the judgment of personal social condition has evolved in this country after less than 20 years. In Italy, individual perception of their position across society has deteriorated significantly since an increasing number of people in 2009 declared to be located at the bottom of the social scale. Furthermore, in the United States more than 45% of the population believe to be located after the middle of the social scale declaring the same value 6.

The Middle Class in World Society

All these evidences can be resumed looking at two different measures of dispersion, the variance and the Gini index, which values are reported in table 3 for 1992 and 2009.

The variance and the Gini index of the variable “declared position” are calculated across countries and the whole population to explore the inequalities between people’s perception that is an ordinal variable. Both these distributional parameters decreased in the period considered in every country (table 3): on average the variance diminished by around 15%, from 3.19 to 2.71, while the Gini index reduced from 0.18 to 0.162 (with a reduction of 10%). In particular, also countries where income polarization increases during nearly the same period like Germany, Norway, Poland and the USA show a significant decrease of the variance and the Gini index for the answers on social position perceived. In Italy, the variance and the Gini calculated on this variable increase in 2009 despite the decrease of income polarization previously observed.

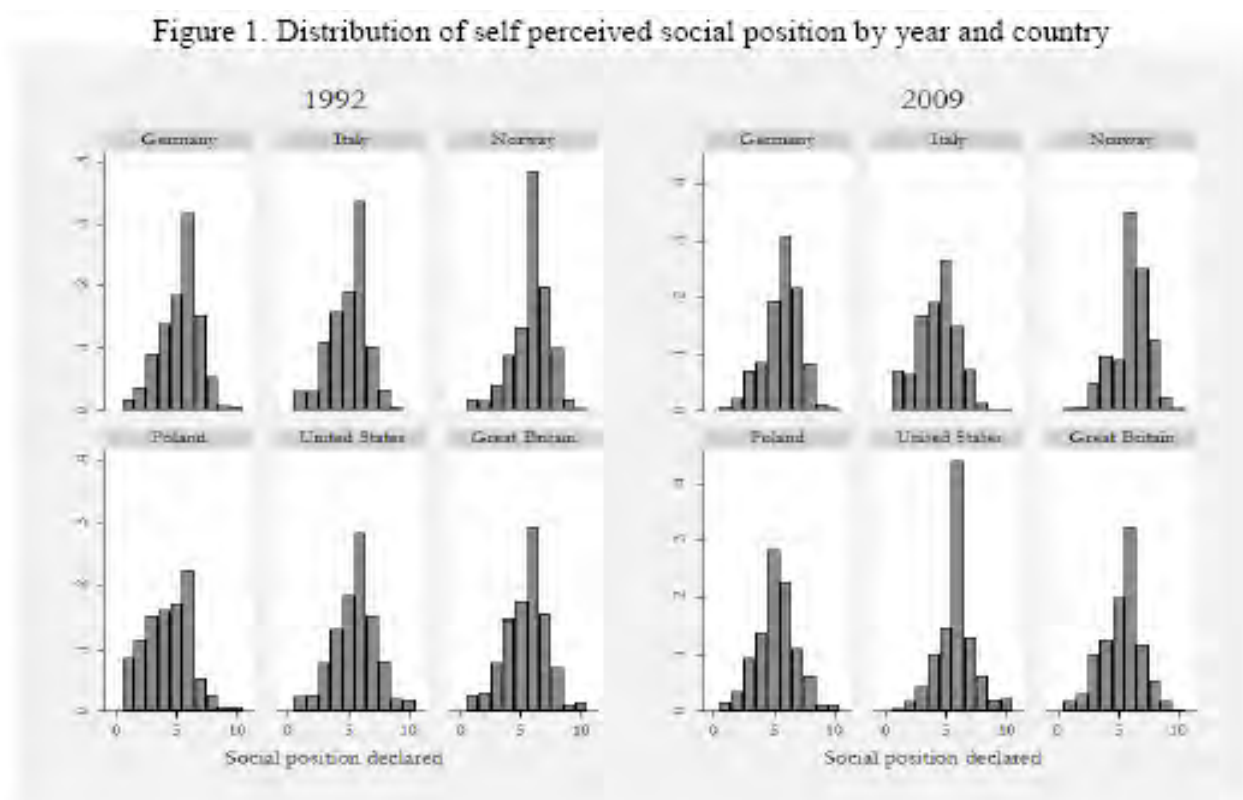


Table 3. Gini and variance by year and country

	Gini 1992	Gini 2009	Variance 1992	Variance 2009
Germany	0.168	0.144	2.65	2.3
Italy	0.172	0.213	2.54	2.79
Norway	0.138	0.129	2.36	2.15
Poland	0.25	0.175	3.69	2.8
United Kingdom	0.178	0.169	3.08	2.7
United States	0.179	0.135	3.22	2.27
Population	0.188	0.162	3.19	2.71

Table 4. Composition of the sample and mean of subjective social position declared				
	Composition 1992	Mean of subjective social position declared 1992	Composition 2009	Mean of subjective social position declared 2009
Female	0.520	5.179	0.514	5.482
<i>Education</i>				
Low educated	0.372	4.787	0.158	4.675
Middle educated	0.438	5.273	0.471	5.392
High educated	0.188	6.086	0.371	6.106
<i>Age</i>				
Age 16-24	0.076	5.304	0.071	5.506
Age 25-34	0.229	5.384	0.158	5.524
Age 35-44	0.225	5.294	0.199	5.654
Age 45-54	0.170	5.285	0.203	5.608
Age 55-64	0.139	5.048	0.182	5.588
Age over 65	0.133	5.015	0.173	5.343
<i>Marital status</i>				
Married	0.676	5.281	0.570	5.685
Single	0.255	5.207	0.319	5.395
No longer married	0.069	5.040	0.110	5.250
<i>Employment status</i>				
Full time worker	0.523	5.414	0.524	5.829
Part time worker	0.087	5.361	0.108	5.419
Unemployed	0.055	4.594	0.046	4.695
Student	0.027	5.849	0.024	5.705
Retired	0.202	4.869	0.208	5.253
Housewife,-man	0.083	5.313	0.054	5.347
Disable	0.005	4.668	0.015	4.309
Other inactive	0.018	4.993	0.020	5.031
<i>Profession</i>				
Profession low skill	0.099	4.703	0.088	4.903
Profession medium skill	0.739	5.140	0.640	5.365
Profession high skill	0.163	6.055	0.272	6.172
Observations	7601		6603	

Source: own calculation on weighted data from ISSP.

Furthermore, we can observe that answers' dispersion is the highest in Poland both in 1992 and 2009 followed by USA, UK, Germany and Italy in 1992 and Italy, UK, Germany and USA in 2009. Norway shows the lowest dispersion in both years. Table 4 reports the distribution of the selected covariates across our sample in the two periods and the mean of subjective social position declared within each category.

As can be easily predicted and coherently with what emerged from other empirical analysis, on average the highest values are declared by high skill professionals and high educated while the lowest values by unemployed, disables and low educated. In general, comparing the two years, a small increase of the mean values can be detected for all the groups of people considered.

The Middle Class in World Society

Considering the differences in observable covariates across groups in the two different years, it is possible to observe that: i) the percentage of postsecondary educated has grown to 37% in 2009 compared to the 18.8% of 1992 increasing the average level of education; ii) the proportion of the total population in different age groups has significantly changed, since the percentage of people over 45 increased and the proportion of youth has fallen; iii) the shares of the widowed, the separated, the divorced (included in the variable “no longer married”) and of those single increased, while the percentage of married fell from 67.6% to 57%; iv) regarding the employment status, there is a lower percentage of unemployed that passed from 5.5% in the year 1992 to 4.6% in 2009.

4.3. Determinants of self perceived social position inequality

The distribution of people among the hierarchical scale depends on some individual features: society can be conceived as an amalgamation of groups, where certain individuals are similar and others differ relative to some given set of attributes or observable characteristics which have an influence on self perceived social position. This part of the paper explores which the main drivers are of the inequalities of people’s perceptions of their position in society comparing 1992 and 2009.

As we can observe from our data considering the variance for the two periods across some groups (figures are reported in the Appendix), there is an increasing homogeneity of people’s answers according to age, educational levels, employment status and profession. In particular, the variance of self perceived social position by age classes is significantly lower in 2009 than in 1992: for the age class between 55 and 64 years old the variance passed from 3.46 to 2.63. Similarly, the categories of self perceived social position declared by the employed in 2009 are closer to the mean, since the variance decreased by 27%, from 3.88 to 2.82.

Table 5 reports the results of the RIF regressions for both period considered, for the Gini index and the variance. The covariates included in the regressions reflect the different individual characteristics that have been suggested by the literature previously reported. The key set of variables on which we focus are gender, age (six groups), education (three education groups), marital status (three groups), occupational status (six categories) and three hierarchical categories of profession (carried out in the present or in the past) constructed by the International Standard Classification of Occupation code, ISCO-88. Note that the base group used in the RIF-regression models consists of male, aged over 65, highly educated, married, in full time employment and profession highly skilled.

Table 5. RIF Regressions for the two periods, for Gini index and variance

	1992			Gini			1992			Variance		
	coeff	t		coeff	t		coeff	t		coeff	t	
Female	0.003	0.66		0.003	0.93		0	-0.11		0.003	0.89	
Age 16-24	0.012	1.14		0.008	0.74		0	0		-0.006	-0.67	
Age 25-34	0.021	2.49	**	0.013	1.47		0.009	1.11		-0.007	-0.92	
Age 35-44	0.028	3.25	***	0.017	2.08	**	0.014	1.72	*	-0.001	-0.16	
Age 45-54	0.021	2.37	**	0.014	1.67	*	0.011	1.35		-0.002	-0.33	
Age 55-64	0.015	1.92	*	0.003	0.42		0.008	1.07		-0.008	-1.18	
Low educated	0.046	7.05	***	0.077	12.42	***	0.012	1.93	*	0.042	7.53	***
Middle educated	0.018	3.08	***	0.017	4	***	-0.006	-1.02		0.003	0.71	

Single	0.02	3.98	***	0.019	4.35	***	0.02	4.11	***	0.013	3.32	***
No longer married	0.033	4.19	***	0.038	6.28	***	0.026	3.52	***	0.029	5.35	***
Part time worker	-0.011	-1.45		0.014	2.33	**	-0.01	-1.37		0.006	1.14	
Unemployed	0.062	7.01	***	0.071	7.93	***	0.044	5.3	***	0.044	5.52	***
Student	0.004	0.28		0.017	1.39		0.018	1.48		0.016	1.42	
Retired	0.049	6.62	***	0.028	3.69	***	0.037	5.22	***	0.008	1.26	
Housewife,- man	0.004	0.45		0.005	0.6		0.009	1.24		-0.003	-0.4	
Disable	0.082	3.06	***	0.116	7.76	***	0.07	2.76	***	0.075	5.59	***
Other inactive	0.017	1.12		0.019	1.41		0.007	0.49		0.002	0.15	
Profession low skill	0.05	5.87	***	0.016	2.08	**	0.021	2.59	***	-0.002	-0.32	
Profession medium skill	0.01	1.62		0.004	0.95		-0.012	-2.17	**	-0.008	-2.08	**
Constant	0.111	11.48	***	0.103	12.43	***	0.095	10.46	***	0.075	10.14	***
Obs.	7,601			6,603			7,601			6,603		
R2	0.044			0.066			0.02			0.03		

Notes: * stands for statistically different from zero at 10%, **at 5%, *** at 1%.

Source: own calculation on weighted data from ISSP.

What emerges looking at the values and the relevance of the coefficients is that the main determinants of self perceived social position inequality are connected with occupational status, type of profession, marital status and disability. Considering the Gini coefficient, the effect of low education increased with time since the association between this covariate, which increases the dispersion of the variance, and our measure of inequality is higher in 2009 than in 1992.

Being single and no longer married (widowed, separated or divorced) has a significant and positive effect regardless the period considered. Looking at the occupational status, it is well worth noting that having a part-time job is related to a lower values of the indices in 1992 but an inverse relationship is observable in the second year. Unemployment has a positive and significant impact that becomes more evident in 2009: the mean values of the declared categories by unemployed are very low (4.59 in 1992 and 4.69 in 2009) but the results of the regressions show a great dispersion from these scores and a strong influence on the total variance registered. Similarly, the disability status significantly increases the subjective social position inequality, while the effects of being a student, housewife and other inactive are never significant. Furthermore, the effect of being retired is positive and decreases over time. Finally, the estimated RIF-coefficients associated with professional skills are not always statistically different from zero and their impact decreases over time.

Looking at the results considering the variance the majority of the evidences emerged from the analysis of the Gini index are confirmed since the coefficient that are significant in both analysis have always the same sign and similar magnitude, given the different scale between the two inequality indices. The differences between the two models regard the statistical significance of some coefficients. In some of these cases, where just one of the two coefficients is statistically different from zero, opposite signs of the value are observable.

4.4. Decomposition results

The observed changes in the distribution of the subjective social position inequality over the last 17 years are decomposed in a composition effect due to differences in observable covariates across population, and a structure effect due to differences in the relationship that links the covariates to the outcome.

The results of decomposition analysis of the Gini index and the variance are presented in table 6.

Table 6. Subjective social position inequality changes: FFL decomposition results, composition and coefficient effect for Gini index and variance

Inequality measure	Gini			Variance		
Unadjusted change	-0.025	(0.0027)	***	-0.0278	(0.002)	***
Composition effect attributable to						
Gender	0.000	(0.000)		0.0000	(0.0000)	
Age	-0.001	(0.001)	*	-0.0003	(0.0005)	
Education	-0.009	(0.001)	***	-0.0027	(0.0012)	**
Occupational status	0.003	(0.001)	***	0.0024	(0.0007)	***
Profession	-0.002	(0.001)	**	0.0010	(0.0006)	
Total explained	-0.009	(0.002)	***	0.0003	(0.0014)	
Coefficient effect attributable to						
Gender	0.006	(0.003)	**	0.0108	(0.0027)	***
Age	-0.007	(0.008)		-0.0088	(0.0075)	
Education	-0.001	(0.004)		0.0019	(0.0036)	
Occupational status	-0.005	(0.004)		-0.0144	(0.0037)	***
Profession	-0.006	(0.005)		-0.0035	(0.0045)	
Constant	-0.003	(0.011)		-0.0143	(0.0106)	
Total unexplained	-0.016	(0.003)	***	-0.0284	(0.0025)	***

Notes: * stands for statistically different from zero at 10%, **at 5%, *** at 1%.

Standard errors are in parentheses.

Source: own calculation on weighted data from ISSP.

To simplify the presentation of the results, the table reports the composition effect for five sets of explanatory factors: gender, age, education, occupational status and profession. Both composition effect and coefficient effect have contributed to the change in the distribution of the categories declared by people concerning their location across a social scale between 1992 and 2009, but with a different strength.

Considering the impact on the change of the Gini index, the composition effect negatively influences the variation of the inequality, while the coefficient effect has a much stronger and negative impact. This means that if the distribution of the covariates across population had remained constant over time, the Gini would have decreased anyway.

Looking at the composition effect, the decreased percentage of people with a low education in 2009 (from 37.2% in 1992 to 15.8% in 2009) significantly reduced the total variation of the Gini. On the contrary, the composition effect is positive in the case of occupational status, but the effect is low.

Interesting evidences emerge from the analysis of the coefficient effect: as previously noticed the total impact is negative and the results indicate that -0.016 of the -0.025 decline in the Gini variation due to this effect remains unexplained since it is given by the effect of the “constant” in table 5. As defined in Fortin, Lemieux and Firpo (2011), in fact, the change in intercepts represents the change in the distribution for the base group used in the RIF-regression analysis. Then that component of the decomposition can be interpreted as the residual (or within-group) change for the base group. Also the effects of age, profession and occupational status contribute in the same direction to reduce within-group inequality but coefficient are smaller and not significant in the case of this index. On the contrary, gender have a positive impact in the change of the Gini index over this period (0.006).

Looking at the FFL decomposition results for the variance²⁴, the composition effect is positive but very little and not significant overall. The signs of the coefficient effects are confirmed and the occupational status variables have in this case a significant effect.

5. Conclusion

The literature suggests that social class analysis should consider objective and subjective factors since different elements determine people’s aspirations and behavior, particularly in the analysis of the middle class. Nonetheless, in the last few years, the economic approach to social class analysis has been mainly based on statistically measurable characteristics of individuals, such as income and consumption, while it should also consider other key elements in the evolution of living standards, such as wealth and debts, earnings’ insecurity and vulnerability, and subjective dimensions such as individuals’ perception of their social position.

The aim of this paper was to analyse whether changes in the size of the middle income group in terms of objective data are associated with similar changes in the perceptions of the members of the various groups. More precisely, the focus was on inequality in people’s self-declared position in society and its comparison with evidence in terms of income distributions and distribution of different individual characteristics.

The different steps of this research have outlined an interesting pattern. On the one hand, during the time period considered, an increasing distance between income groups is observable. On the other hand, subjective social position inequality fell between 1992 and 2009. Looking at decomposition results evidence is found that this decline does not only depend on the changes of the distribution of the covariates across population. Indeed, a significant decrease of subjective social position inequality between groups and within groups with different characteristics can be imputed to changes in the relationship between the covariates to the outcome. Looking at the whole picture this means that individual characteristics such as family disposable income, age, education, employment status and occupation play a weaker role in explaining the heterogeneity of people’s answers on their location across society. The case of the United States is emblematic: it is a high polarization country with relatively low values of subjective social position inequality.

These results can be explained in different ways. First, individuals can have false perceptions of their incomes and their economic advantage or disadvantage compared to others. Second, the perceived distances between members of society can depend on different undetectable factors (objective or subjective) that influence the sense of identity or alienation observable within a community and it can be distributed very differently from income. This latter explanation, when evidence of an increasing income distance between social groups is found, while no increase concerns inequality in perceptions, is coherent with the “reference-groups hypothesis” according to which there is an increasing tendency for people to perceive themselves as being in the middle. Authors such as Frank (2007), Layard (2005), and Graham (2007) connected this attitude to the increasing role played by the relative social

⁴ The unadjusted change is -0.0278 and not -0.48 because the means in both distribution are imposed to be equal to 1 to avoid problems connected with the dependency of the variance on the mean

The Middle Class in World Society

context in shaping people's aspirations and their consciousness of quality of life. On the contrary, opposite evidence was provided for the case of Italy. In this country, an empirical evidence of stability in the income inequality is accompanied by the worsening of confidence and expectations experienced by Italian households that shows how results can also be affected by individual trajectory in terms of social mobility as pointed out in other studies (Boeri and Brandolini 2004, Ricci 2016).

Indeed, according to this evidence there are some potential effects. In particular, these findings may describe a society within which trust and expectations about one's personal situation and those about the country situation do not differ across the different income classes, leading to general emulative behaviour despite increasing inequality (Golinelli and Parigi, 2004; Levine, Frank and Dijk, 2010). For instance, such reasoning could explain the observed decline in aggregate saving rates of the middle class in the USA. Moreover, these dynamics of perceptions may also explain the lack of reaction to the rise of economic disparities which many authors are currently debating.

Consequently, the consideration of this variable can help understand different economic phenomena. In addition, the insights derived from the integrated approach followed in this paper point out that economic analysis, especially in the analysis of the middle class, should take into account various dimensions. Hence, future research in this direction should be encouraged.

References

1. Akerlof G. and Kranton R. (2000) Economics and identity. *The Quarterly Journal of Economics* 115(3), 715-753.
2. Andersen R. and Curtis J. (2012) The polarizing effect of economic inequality on class identification: Evidence from 44 countries. *Research in Social Stratification and Mobility*, 30(1), 129-141.
3. Atkinson A. and Brandolini A. (2013) On the identification of the middle class. *Income Inequality Economic Disparities and the Middle Class in Affluent Countries* Edited by Janet C. Gornick and Markus Jäntti, Stanford C.A., Stanford University Press.
4. Barsky R, Bound J, Charles KK, Lupton JP (2002) Accounting for the black-white wealth gap: a nonparametric approach. *Journal of American Statistics Association* 97(459):663-673
5. Blinder A. S. (1973) Wage discrimination: Reduced form and structural estimates. *Journal of Human Resources* 8, 436-455.
6. Boeri T. and Brandolini A. (2004) The Age of Discontent: Italian Households at the Beginning of the Decade. *Giornale degli Economisti e Annali di Economia* 63, 155-193.
7. Borraz F., González Pampillón N., Rossi M. (2011), "Polarization and the Middle Class in Uruguay", *Latin American Journal of Economics*, vol. 50 n. 2, pp. 289-326.
8. Cruces, G., López Calva L., and Battistón D. (2011) Down and Out or Up and In? Polarization-Based Measures of the Middle Class for Latin America. *CEDLAS Working Paper 113*, Universidad Nacional de la Plata, Centro de Estudios Distributivos, Laborales y Sociales (CEDLAS).
9. DiNardo J., Fortin N.M. and Lemieux T. (1996) Labour market institution and the distributions of wage, 1973-1992: a semiparametric approach. *Econometrica*, 64, 1001-1044.
10. Durkheim E. (1933) *The Division of Labour in Society*, Free Press, Glencore IL.
11. Esteban J.M., Gradín C., Ray D. (2007), "An Extension of a Measure of Polarization, with an Application to the Income Distribution of Five OECD Countries", *The Journal of Economic Inequality*, vol. 5 n. 1, pp. 1-19.
12. Esteban J.M., Ray D. (1994), "On the Measurement of Polarization", *Econometrica*, vol. 62 n. 4, pp. 819-851.
13. Evans M.D.R. and Kelley J. (2004) Subjective Social Location: Data From 21 Nations. *International Journal of Public Opinion Research*, 16(1), 3-38.
14. Fortin N., Lemieux T. and Firpo S. (2011) Decomposition methods in economics. Ashenfelter O., Card D. (edited by), *Handbook of Labor Economics* 4A, North Holland, Amsterdam.

15. Foster J.E. and Wolfson M.C. (1992) [2009], Polarization and the Decline of the Middle Class: Canada and the U.S.. *The Journal of Economic Inequality*, 8(2), 247-273.
16. Frank R.H. (2007) *Falling Behind. How Rising Inequality Harms the Middle Class*, University of California Press, Berkeley.
17. Golinelli R. and Parigi G. (2004) Consumer sentiment and economic activity: a cross country comparison. *Journal of Business Cycle Measurement and Analysis*, 1(2), 147-172.
18. Gornick, J.C. and M. Jäntti (eds) (2013). *come Inequality: Economic Disparities and the Middle Class in Affluent Countries*, Stanford University Press, Stanford.
19. Handcock M. and Morris M. (1998) *Relative distribution methods in the social science*, Springer, New York.
20. Handcock M. and Morris M. (1999) Relative Distribution Methods. *Sociological Methodology*, 28, 53-97.
21. Hodge R.W. and Treiman D.J. (1968) Class Identification in the United States. *American Journal of Sociology*, 73(5), 535-547.
22. Jackman M.R. and Jackman R. (1973) An Interpretation of the Relation between Objective and Subjective Social Status. *American Sociological Review*, 38, 569-582.
23. Kahneman D., Slovic P. and Tversky A. (1982) *Judgment Under Uncertainty: Heuristics and Biases*, Cambridge University Press, New York.
24. Kelley H.H. (1967) Attribution Theory in Social Psychology Nebraska. *Symposium on Motivation*, 15, 192-238.
25. Kelley J. and Evans M.D. (1995) Class and Class Conflict in Six Western Nations. *American Sociological Review*, 60(2), 157-178.
26. Krugman P. (2014) Redefining the Middle Class, 14 February 2014, <http://truth-out.org/>
27. Levine A.S., Frank R.H. and Dijk O. (2010) Expenditure Cascades, available at SSRN: <http://ssrn.com/abstract=1690612> .
28. Lindemann K. (2007) The Impact of Objective Characteristics on Subjective Social Position. *Trames*, 11, 54-68.
29. Lora E.A. and Fajardo A.G. (2011) Latin American Middle Classes: The Distance between Perception and Reality. IDB Working Paper, N. IDB-WP-275.
30. Lora E.A. and Fajardo A.G. (2015) Feeling Middle Class and Being Middle Class: What Do Subjective Perceptions Tell Us? *Latin America's Emerging Middle Classes*, 173-185.
31. Luxembourg Income Study (LIS) Database (2015) <http://www.lisdatacenter.org> (multiple countries; data run in July 2015). Luxembourg: LIS.
32. Marx K. (1844) [1972], *Economic and Philosophic Manuscripts of 1844: Selections*, Trans Martin Milligan. Tucker R. (edited by) *The Marx-Engels Reader*, W.W. Norton, New York.
33. Marx K. and Engels F. (1968) *The Communist Manifesto. Selected Works*, International Publishers, New York.
34. Oaxaca, R. (1973) Male–female wage differentials in urban labor markets. *International Economic Review* 14, 693–709.
35. Ricci C.A. (2016) The mobility of Italy's middle income group. *PSL-Quarterly-Review* 69(277).
36. Rizzello S. (2000) Economic Change, Subjective Perception and Institutional Evolution. *Metroeconomica*, 51(2), 127-150.
37. Savage M. (2015) *Social Class in the 21st Century*, Penguin Books, London.
38. Torche F. and López-Calva L. (2013) Stability and Vulnerability of the Latin American Middle Class. *Oxford Development Studies*, Taylor & Francis Journals, 41(4), 409-435.
39. Vanneman and Pampel (1977) The American Perception of Class and Status. *American Sociological Review* 42, 422-437.
40. Wright E.O. and Singelmann J. (1982) Proletarianization in the American Class Structure. Burawoy M. and Skocpol T.(edited by), *Marxist Inquiries: Studies of Labor, Class and States*, supplement to the *American Journal of Sociology*, 88, 176-209.
41. Yamaguchi K. and Wang Y. (2002) Class Identification of Married Employed Women and Men in America. *American Journal of Sociology*, 108(2), 440-475.

Appendix

Table A1. Composition of the middle income group 1994/95 – 2010

	1994/95						2010					
	DE	IT	NO	PL	UK	USA	DE	IT	NO	PL	UK	USA
Female	51.45	51.42	50.64	52.65	51.49	51.14	52.19	51.51	49.84	52.63	50.74	50.79
<i>Education</i>												
Low educated	24.57	64.62	26.39	34.31	n.a.	23.31	16.99	59.82	28.89	26.41	19.80	17.75
Middle educated	53.85	29.41	53.65	58.71	n.a.	50.50	56.69	30.45	42.99	57.71	56.32	47.48
High educated	21.58	5.97	19.96	6.98	n.a.	26.20	26.33	9.73	28.13	15.88	23.89	34.77
<i>Age</i>												
Age 16-24	24.56	26.91	31.39	36.61	32.20	34.91	22.35	23.90	30.89	31.68	29.53	32.81
Age 25-34	17.23	17.32	16.95	12.17	16.98	17.38	10.21	11.68	14.11	15.40	14.42	14.94
Age 35-44	14.57	13.64	14.40	16.35	13.66	16.15	13.73	15.82	14.95	12.96	14.19	13.02
Age 45-54	12.81	13.25	13.02	12.61	12.66	11.71	15.89	14.64	13.53	14.32	13.87	14.36
Age 55-64	13.35	11.32	8.38	11.15	9.69	7.92	13.84	12.83	12.09	13.22	11.88	12.08
Age over 65	17.48	17.57	15.87	11.11	14.81	11.93	23.98	21.13	14.43	12.41	16.11	12.80
<i>Marital status</i>												
Married	58.96	58.97	49.81	63.16	16.91	42.68	57.03	50.56	35.49	57.13	50.07	40.48
Single	21.01	29.41	33.83	23.54	22.65	43.63	25.38	38.18	51.05	27.74	32.78	45.09
No longer married	20.03	11.62	16.37	13.30	15.44	13.69	17.59	11.26	13.46	15.31	17.15	14.43
<i>Employment status</i>												
Employed	57.77	41.58	56.81	42.96	56.35	61.52	56.70	37.82	45.11	49.92	56.59	57.16
Not employed	0.44	0.36	17.51	0.00	0.00	0.00	0.00	0.04	31.93	1.32	0.00	0.00
Unemployment	6.67	7.53	0.00	7.15	5.15	3.84	4.83	8.94	0.00	30.40	4.69	5.95
Not in labour force	10.07	22.65	0.00	32.14	19.18	19.69	8.21	32.26	9.24	18.35	17.19	21.58
Retired, pensioner or rentie	24.65	27.89	26.32	17.75	19.33	14.96	30.23	23.88	13.71	25.19	21.52	15.31
In military or civil service	0.41	0.00	0.00	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.00
<i>Profession</i>												
Profession low skill	8.94	n.a.	n.a.	n.a.	13.09	9.37	9.12	36.41	n.a.	9.96	11.18	6.93
Profession medium skill	71.50	n.a.	n.a.	n.a.	70.87	61.36	67.23	32.45	n.a.	68.83	59.78	60.53
Profession high skill	19.56	n.a.	n.a.	n.a.	15.65	29.27	23.65	6.06	n.a.	21.21	29.03	32.54
Indistinguishable	0.00	n.a.	n.a.	n.a.	0.39	0.00	0.00	25.08	n.a.	0.00	0.00	0.00

Notes: own calculation on weighted data from LIS

Figure A1. Variance of self perceived social position by profession

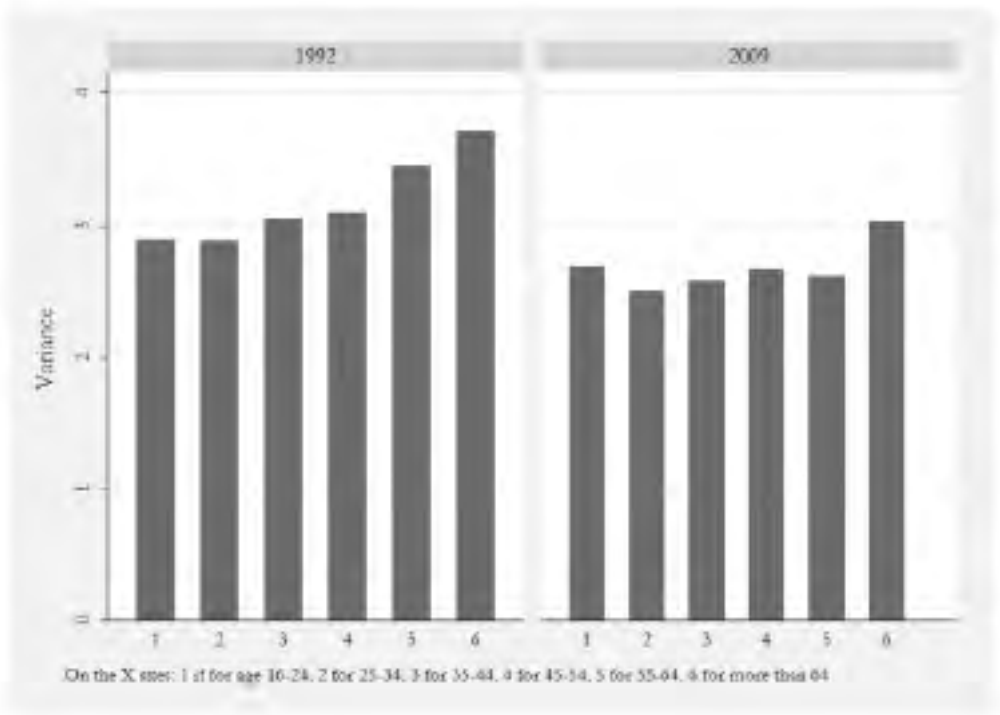


Figure A2. Variance of self perceived social position by educational level

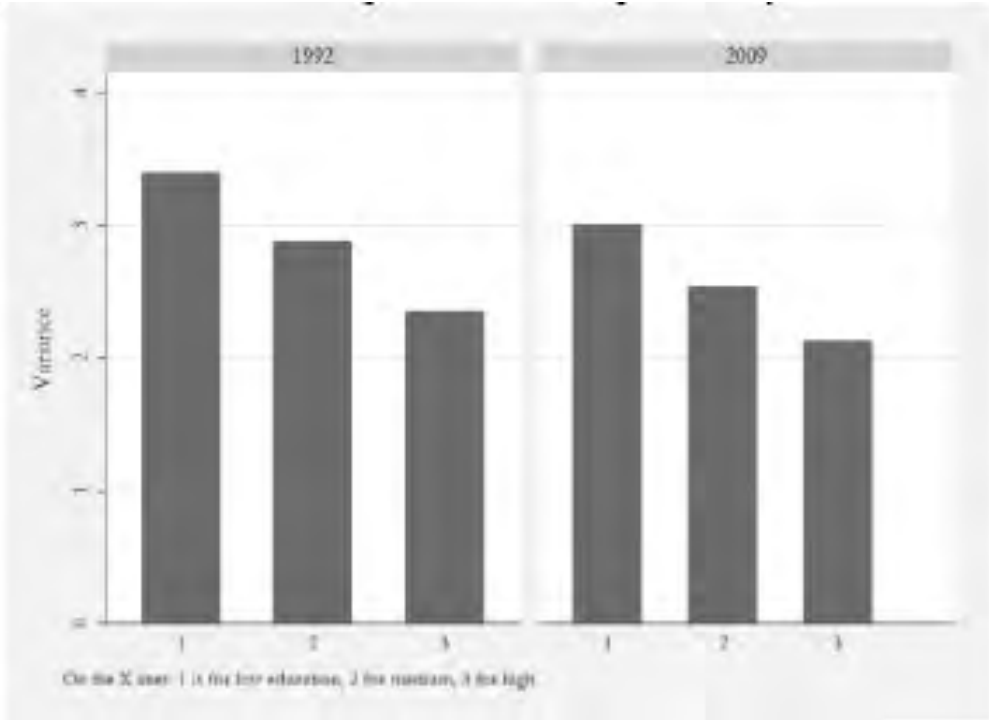


Figure A1. Variance of self perceived social position by occupational status

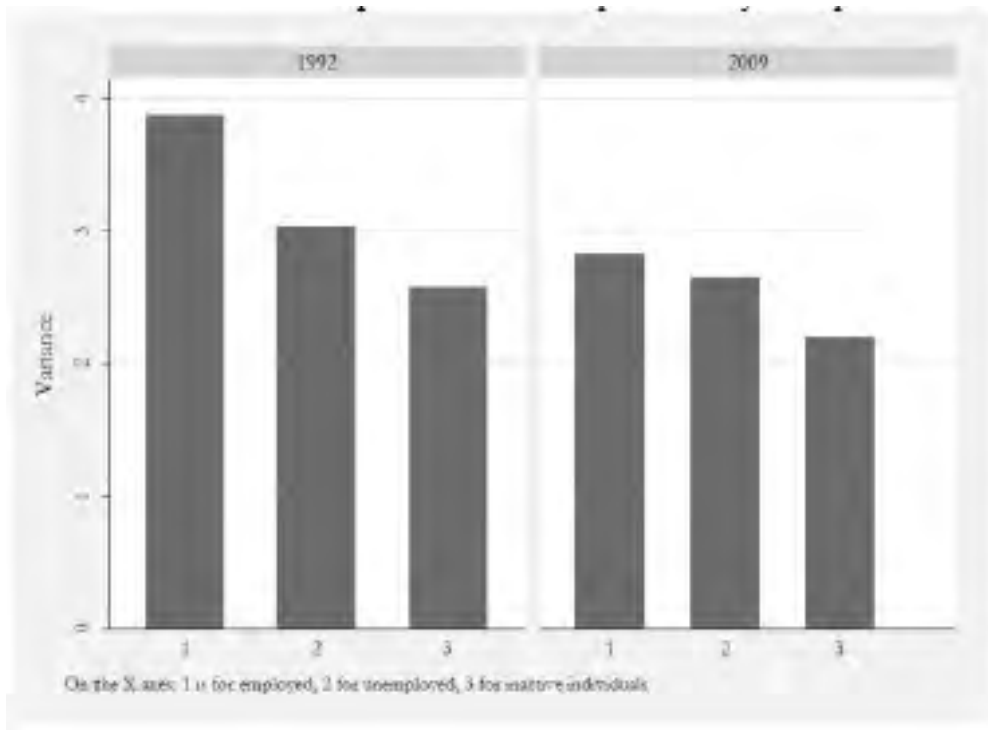
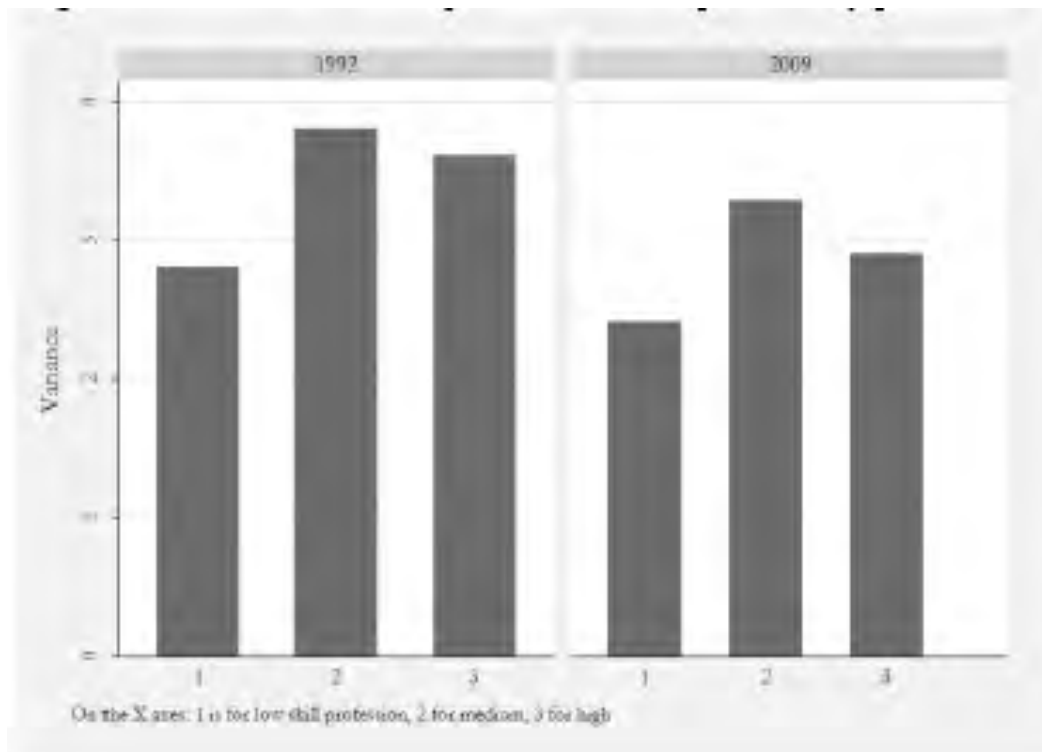


Figure A4. Variance of self perceived social position by profession



The ‘Middle Classing’ of Development: Key Problems in Southern Africa

Roger Southall

Over recent decades, global institutions have identified a rapid advance in the ‘human development’ status of many countries in the global south following from the industrialisation of ‘emerging economies’ such as Brazil, China and India. Notwithstanding the recent retreat from rapid growth, the world is hailed as becoming steadily richer, with the lot of the poor steadily improving. As a result, more people are becoming ‘middle class’. According to the United Nations Development Programme (2013: 14), ‘Between 1990 and 2010, the South’s share of the global middle class population expanded from 26% to 58%. By 2030, more than 80% of the world middle class is projected to be residing in the South and to account for 70% of total consumption expenditure’. Similarly, the World Bank has hailed ‘the rise of the global class as a key megatrend sweeping the planet’, with the middle class in low and middle income countries increasing from 5% in 2005 to 25% in 2030. China alone, it has proclaimed, will add one billion people to the middle class during this period. Although at present the Chinese middle class accounts for only 12% of the population, this could rise to 70% by 2030, as China stands ‘on the verge of becoming a middle class nation’ (Kharas 2011). Indeed, with middle class consumption in the US and other G7 powers falling, the world economy will become increasingly reliant upon the expansion of middle classes in China, India and other countries of the South, with their capacity for consumption offering a more reliable prospect of sustainable growth than is to be found in the West (Kharas and Gertz 2010; Kiernan 2015). Furthermore, the middle classes in the South are commonly identified as ‘supporters of democracy and progressive political platforms’. They can influence economic development through more active participation in the political process, expressing support for more ‘inclusive growth’ (Pezzini 2012). In a word, the more the world becomes ‘middle class’, the more it becomes ‘developed’ and hence the better the prospects for democracy.

Only around 2% of this expanding global middle class is to be found in sub-Saharan Africa. Nonetheless, Africa has been celebrated as having ‘the fastest-growing middle class in the world’, an assertion integral to the narrative of ‘Africa Rising’. ‘After decades of slow growth’, proclaimed *The Economist* in 2011, ‘Africa has a real chance to follow in the footsteps of Asia’. In eight of the last ten years, Africa had grown faster than East Asia, including Japan, and even allowing for the knock-on effect of the northern hemisphere’s slowdown, the IMF was expecting the African economy to continue growing. Much of its optimism was to do with the manufacturing and service economies that African countries were beginning to develop. China’s growing involvement in the continent had boosted infrastructure, and with other non-western countries (‘from Brazil and Turkey to Malaysia and India’) joining in the fun, the prospects were improving that Africa could break into the global market for light manufacturing. Despite numerous reasons for tempering optimism, notably extensive poverty, declining food production, war, corruption and poor governance, more and more countries were beginning to get their economic development right. There were now around 60 million Africans with incomes of \$3000 a year, and there would be 100 million by 2015 (*The Economist* 2013).

The ‘Africa Rising’ narrative was to be somewhat confounded by the subsequent collapse in commodity prices and economic slow down. Even so optimists continued to identify the rising middle class as providing a major ‘opportunity for profit (that) was underpinned by volume’. This middle class was urban-based, highly educated, future- and children-oriented, and highly aspirational. Furthermore, it was highly attuned to changing technology, was culturally self-confident, and was politically assertive (Deloitte on Africa 2013) In other words, not only was the African middle class a ‘driver of development’, but it was robustly modern and a ‘driver of democracy’ (Fletcher 2013).

The Middle Class in World Society

Economists have been to the fore in enumerating the middle class in the global South. Overwhelmingly, they have identified the middle class according to income and/or consumption. There are two different approaches (Neubert 2013). One identifies middle classes relative to their specific countries and societies, that is, they are in the middle strata in income terms in each country; the other defines the middle class by reference to socio-economic data such as poverty, income or expenditure levels either globally or continentally. Unsurprisingly, the resulting definitions vary widely. The UNDP (2013) used as a measure an income or expenditure of between US\$10 and \$100 a day. Previously, Bhanerjee and Duflo (2008) had set the bar lower defining the middle class as earning between \$2 and \$10 per day, while the World Bank economist Martin Ravallion (2009) had plumped for between \$2 and \$13 a day. The African Development Bank (2012) had similarly applied the \$2 threshold for entering the middle class, although it had upped the ante for exiting the middle class at the top end of the scale to \$20 a day.

There has been extensive criticism of this literature, and the global policies implied by it. Among the critiques has been the argument that the definition of what it is considered 'middle class', especially if the entry level is set as low as \$2 per day, is absurdly low. Another has been that if definitions vary so widely, they may include far too many social layers under a single category of 'middle class', and hence imposing an artificial unity. Yet above all, this latter-day, economically-driven perspective is accused of slipping in unwarranted assumptions, even while it is devoid of political and social theory. The range of definitions of the middle class has become so flexible, avers Henning Melber (2013), that it can be used 'to cover almost everything 'in between', thereby signifying little or nothing'.

Critics' fundamental objection is to the uncomplicated manner in which the international agencies identify the middle classes of the global South as the products or agents of modernity. This is not to say that they wish to do away with the notion of modernity, for indeed, it seems unlikely that we can ever do without it. However, it is to argue that, overall, the discourse around 'the middle classing of development', as propounded by the global agencies, has sought to revive an economically-driven modernisation perspective which, harking back to Walt Rostow (1960), propagandised in favour of the West and capitalism during the early years of the Cold War, and identified the 'elites' of 'new states' as the instruments of progress. Integral to this perspective was the suggestion that modernisation implied a unilinear evolution of 'traditional societies' to a modernity that embodied the institutions, values and practices of 'advanced' western capitalist societies. During this period, too, key importance was accorded to the state in priming development, not merely in creating favourable market conditions within which capital could operate, but in pursuing an independently productive role while simultaneously leading the market.

Modernisation theory was to give way to different phases in thinking, from underdevelopment theory on the left, through to adoption of such missions as 'basic needs' and 'human development' by mainstream development theory. In significant part, this was because, from the 1970s, depression and turbulence in the global economy and growing 'third world' debt brought the developmental role of the state into question, while correspondingly, notions about the developmental agency of 'elites' fell victim to widespread concerns about their corruption, kleptocracy and authoritarianism in the now not-so-new states. It was not to be long before their modernising mission was to be handed over to emerging middle classes.

From the late 1980s, the middle classes became central to considerations of globalisation. This followed on from 'the rise and spread of neo-liberal logics, with the end of the Cold War, economic crises in Latin America and Asia, the movement of white-collar jobs from the United States and Western Europe to India and China, and now the current economic crisis' (Heiman et al. 2012: 4). Stripped of notions of class struggle and class consciousness, middle classes were celebrated as major actors in the drama of global development, and proclaimed as hard-working, aspiring, individualistic, consumption-oriented, entrepreneurial, deserving and proto-democratic. Such approaches, 'emptied of the otherwise contentious language of class', cast 'middle-class' as a 'benign category, free of the implications of exploitation and social struggle', hence clearing the way for the advance of neo-liberal capitalism (Heiman et al. 2012: 180). Meanwhile, as the reach of globalisation extended, it was accompanied by surging middle class aspirations shaped by the global media. This drew attention to the

spread of similar life-styles, careers and civic engagements across the globe, as middle classness increasingly became a synonym for aspiration and longing. Notwithstanding nuances, such as recognition that these new middle classes are often acutely vulnerable to economic downturns, their ability to consume is increasingly cited as integral to their class identity (Brandi and Buge 2014). However, because the advance of globalisation is so uneven, because in consequence the ability of discrete national middle classes to consume is so very different, the middle classes of the global South are ranked at different levels of development, with those of China, India and Brazil (particularly) being depicted as being far in advance – qualitatively as well as quantitatively – of those of, notably, Africa. Even so, everywhere, it would seem, the middle classes are invested with the burdens of development, both as consumers and citizens.

The major problem with this vision is that it smooths over the rough edges of history. While, certainly, complex processes such as the development of the division of labour and bureaucratization are almost certainly likely to be integral to the emergence of any middle class, we need to go beyond notions that modernity was uncomplicatedly a product of the European Enlightenment and/or that it was or is a uniform global process spreading from ‘hegemonic’ Western capitalism to societies on the periphery. Rather, as far as individual middle classes are concerned, the particularities of their emergence, evolution and culture have been profoundly shaped, directly and indirectly, by the timing and manner of their incorporation into the global capitalist system (Lopez et al. 2012). For instance, it is merely to state the obvious that the cultures of the mercantile bourgeoisies which established capitalist trading nodes within medieval European societies were very different from those of the industrial bourgeoisies of Nineteenth Century England, while these in turn were profoundly different from the indigenous bourgeoisies which evolved in colonised societies. Again, while these last-mentioned may have provided the platform for the emergence of contemporary middle classes in post-colonial societies (although that cannot be taken as a given, especially as some countries, such as China, experienced a revolutionary rupture with the past), the immense variations in the economic roles (commercial or industrial, innovative or derivative, productive or predatory) played by different middle classes, in different societies and in different eras, speaks to the difficulties of categorising such widely different collectivities as all being ‘middle-class’. Even so, if we *do* proceed to define them all as middle class, then it must be that we consider them as sharing some key social characteristics. And that, of course, is where a lot of the trouble starts, for while ‘middle class’ seems to be one of those categorisations which we are unable to do without, the theorisation of the middle class – beyond general agreement that ‘middle class’ refers to a category of people who are in the middle range of hierarchies of income, wealth, property ownership, occupation and power or whatever – is hugely disputed.

It is trite to observe that the different conceptions of class, and hence of what we mean by ‘middle class’, flow from the grand traditions of analysis established by Karl Marx (construing class as flowing from ownership or non-ownership of property), and Max Weber (who viewed class as more multi-dimensional, shaped beyond property by income, status and occupation). Even if we concede that these perspectives are as much complementary as they are in combat, it is impossible to ignore them if we are to achieve a credible conception of what it means to be middle class in the modern world. Yet that is precisely what the discourse promoted by the international institutions would seem to be doing when it invests ‘emerging’ middle classes in the very different regions and countries of the South with so much commonality – notably, in deeming them as inherently ‘progressive’. ‘Progressive’, we have to ask, for whom, how and why?

There is no attempt here to review the literature on the middle class in the global South as a whole. Rather, the intention is to contrast the generic perspective on the middle class promoted by the international institutions with the nature of the middle class as it has developed in major countries of Southern Africa. Above all, it will focus upon the key role played by what is termed ‘the party-state’ in shaping the character of the middle class in each society, even while those middle classes display their eagerness to join the fray of consumption. It will simultaneously posit how, given their somewhat precarious insertion into the production and rewards system of global capitalism, and how they are simultaneously heavily dependent upon yet squeezed by the state, they can by no means be described as inherently progressive, nor as necessarily contributing meaningfully to a wider societal ‘development’.

Conceptualising the Middle Classes in Southern Africa

Elsewhere, I have sketched out an approach to conceptualising ‘the new black middle class’ in South Africa (Southall 2016: 59-63) which I argue can be extended to the analysis of the middle classes of other countries in the southern Africa region, notably those in which former liberation movements have taken state power after waging armed and popular struggle against colonial or white minority regimes.⁵ Basically, I suggest that class location is founded on occupation and possession or non-possession of wealth, upon which the income and lifestyles (including consumption) are fundamentally based. From this we are able to discern a hierarchy of classes – power elite (or bourgeoisie)/upper middle/lower middle/working/and underclasses (or whatever) – reflecting these differential levels of income and wealth. However, if we pursue this approach, then we need to go further by linking occupation and wealth to differential levels, types and sources of power and authority. These are drawn overwhelmingly from two major sources. The first is the ‘party-state’, in which the former liberation movements as post-liberation political parties, have come to dominate the state and the economic resources it deploys. The second is the large (internationally or domestically-owned) corporations which dominate the major productive sectors of the economy.

Basically, the argument is that class location and behaviour is overwhelmingly determined by the relationship a class has to the state and/or the corporate sector. For instance, the power elite is likely to be principally composed of high state or party officials (‘state managers’) and top ranking managers who wield high levels of state or corporate authority (with the corresponding investment powers and personal emoluments that these imply). Correspondingly, the shape and class location of the middle class is likely to be dependent upon the extent to which its employment and any managerial authority it wields is directly or indirectly dependent upon either the state or the corporate sector. In other words, the closer the fate of the middle class is tied to the state, the less its economic and political independence. Accordingly, it follows that we cannot understand middle classes in the region without reference to the rise of ‘party-states’ and their relationship with the large corporations which dominate at least key sectors their economies.

African Middle Class Development under Colonial and White Settler Rule in Southern Africa

The African middle classes in Southern Africa share a common background in so far as their development was simultaneously summoned up yet stunted by the nature of their countries’ incorporation into the expansion of the global economy and the particular forms this took under, respectively, Portuguese colonial, British colonial and British influenced white settler rule.

African Middle Classes under Portuguese Rule:

Portuguese traders, formally operating under a crown monopoly, secured slaves, gold, ivory and other valuable commodities to trade in European markets from the mid-fifteenth century. Much of this trade was conducted by middlemen, usually from low status backgrounds, who had no expectations of returning to Portugal, married African women and whose families over the course of generations increasingly Africanised. This trade in commodities, which was never under exclusive Portuguese control, was heavily dependent upon relationships forged with African states and peoples (along with Arab powers in Eastern Africa). It was to be very severely affected by the abolition of the slave trade from the early years of the Nineteenth Century and later, by the formalisation of empire, which followed from ‘the scramble for Africa’ from the mid-1870s. A product of competitive jostlings between the far more powerful thrusts made by Britain, France and Germany, this saw Portugal’s attempts to establish control throughout central Africa reduced to its formal colonisation of Angola and Mozambique (Newitt 1981).

⁵ Given the substantial presence of a white middle class in South Africa, today’s African middle class in that country overwhelmingly identifies as ‘black’.

Under colonialism, the role of the Angolan and Mozambican economies was to supply foreign exchange and raw commodities to the metropolitan economy, while providing a market for Portuguese goods. Brought to its apogee from the mid-1920s under the Salazar corporatist regime, which was to last until the late 1960s, this was to see the domination of the colonial economies by large concession companies and European-owned plantations which saw to the production of crops and extraction of minerals (notably diamonds in Angola) under regimes of de facto forced labour, as well as the massive exportation of migrant labour to the South African mines and farms from Mozambique. Given the backward nature of Portuguese capitalism, the concession companies were largely foreign owned, although compelled to export their raw materials to Portugal at less than world market prices (Somerville 1986; Isaacman 1983).

These structural constraints did little to encourage emigration to the colonies by Portuguese, for whom Brazil, the United States and Latin America had more appeal. Although the Portuguese presence did increase considerably after 1945, the absolute number of Portuguese always remained relatively small (no more than 6% of the Angolan population in the 1960s), and was composed largely of small farmers, artisans, managers and administrators. However, despite official strategies to promote further white settlement from the 1960s, both Angola and Mozambique were to become steadily less appealing to emigrants with the beginning of the wars for national liberation. Although the regime sought to offset steadily increasing military costs by more vigorous efforts to attract foreign investment, and by forging stronger collaborative alliances with Western powers, Rhodesia and South Africa, the cost of the wars was to ultimately cripple the metropolitan economy. Ultimately, this was to lead to the overthrow of the regime by radicalised elements within the armed forces in 1974, and the virtually immediate grant of independence to Angola and Mozambique (Da Ponte 1974).

The proclaimed aim of Portuguese colonialism was to culturally integrate Africans within Portuguese society. The process was described as 'civilising' (Newitt 1981: 100). To become assimilated, or '*assimilado*', the African needed to be recognised by officialdom as having achieved particular standards, notably to be able to speak Portuguese, earn sufficient income to support his family, be of good Catholic character, and so on, whereupon he (sic) would enjoy the full civic rights of those born Portuguese. In practice, however, only a tiny minority of Africans (or *mesticos*, Afro-Europeans) attained *assimilado* status.

The expansion of commodity production, international commerce and the colonial bureaucracy had required the cultivation of local traders, artisans, commodity producers and bureaucrats. Despite numerous obstacles, an emergent stratum of Africans and Afro-Europeans in the ports of notably, Luanda and Lourenco Marques, took advantage of their access to markets, land and (limited) educational opportunities to participate in a growing capitalist sector. However, their development was to be stunted and ultimately reversed by the contradictory requirements of Portuguese colonialism. From early on, the small white business community was insistent that all business opportunities, however petty, be channelled to white Portuguese in order to alleviate white unemployment and ensure Portuguese control over the economy. Education for Africans was designed to undercut the cost of (white) skilled labour and to cultivate disciplined compradors, yet care was always taken to reinforce black subordination and protect white workers. Hence while efforts were made to train Africans to fill positions such as nurses, teachers and policemen, for which they needed to attain the educational standards demanded of an *assimilado*, they were denied that status in order to justify the payment to them of lower salaries than those received by white counterparts. Consequently, whereas the African/African-European emergent elites had expected that education and increased participation in the colonial economy would provide them with upward mobility, their hopes were largely confounded by colonial practice. While constantly claiming that their form of colonialism was devoid of racism, the Portuguese regime remained committed to stifling African advance in order to foster a white petty-bourgeoisie, and thereby to secure its political support for an enterprise which, by latter years of colonial rule, was increasingly worn down by rising military expenditure (Bender 1978; Penvenne 1982).

Although there were many contestations between *assimilados*, *mesticos* and *indigenas* (the overwhelming majority of Africans), the denial of meaningful educational and economic opportunities led to significant numbers

The Middle Class in World Society

of them joining and even achieving leadership positions in the liberation movements. Come independence, with the rapid departure of the majority of Portuguese settlers, the successor independence regimes had little alternative but to turn to them to staff both government institutions and managerial positions in the economy. This was despite the formal commitments of the MPLA (the Popular Movement for the Liberation of Angola) and Frelimo (the Mozambican Liberation Front) to the creation of socialist societies, the forging of worker-peasant alliances and the limitation of what they regarded as 'petit-bourgeois' influences (Somerville 1986).

African Middle Classes under White Settler rule in Rhodesia and South Africa

The origins of the contemporary political economies of Zimbabwe and South Africa lie in the discovery of rich deposits of diamonds in Kimberley and gold on the Witwatersrand in the late Nineteenth Century. The later developmental trajectory was profoundly shaped by the monopoly of political control enjoyed by white settler regimes, in Rhodesia as a semi-autonomous British colony, and in South Africa as a de facto independent state under the economic hegemony of British mining capital. The class structure subsequently fashioned by settler colonialism in both territories left little scope for the emergence of middle classes from amongst the conquered African populations.

Public policy in settler territories was designed to vitiate opportunities for upward mobility amongst the colonized. Appropriations of African land saw the mass of the African populations confined to 'native reserves', from which migrant labour was drawn to service the white-owned mines, farms, and industries, as well as for domestic service. Within these political economies, the overwhelming majority of African wage workers were employed in poorly paid, unskilled and semi-skilled occupations. They were subordinate to white working classes which, although relatively small, provided vital support to the white regimes in return for protection of their economic privileges. In both territories, severe restrictions were imposed upon African capitalist enterprise, while peasant production within the reserves was required to bear the cost of social reproduction of the migrant labour force, underpinning the cheap labour regime. Although, ultimately, this model was to permit the growth of permanently settled African populations in urban areas (albeit under severely repressive controls) to service developing industries, little opportunity was provided for emergence of African middle classes, save in low level occupations (such as clerks) required by the colonial bureaucracies, or via those (notably, nursing, teaching and religious ministries) where small cohorts of Africans were required to service the needs of their own communities.

Despite these limitations, small minorities of Africans proved able to defy the odds. Key to the emergence of small African middle classes were the educational efforts of missionaries, whose efforts to save souls and 'civilise the natives' required the spread of literacy. Often those they educated were drawn from families within African society which were relatively advantaged, either because they were drawn from local aristocracies or because they had accumulated significant capital from peasant farming. Few acquired more than a basic education sufficient to enable them to enter the lower ranks of the nursing and teaching professions, with only a handful acquiring sufficient learning to breach the barriers of the higher professions, notably law. Although denied the advantages enjoyed by their white counterparts, these small middle classes acquired a status which set them apart from the majority of Africans. Meanwhile, in South Africa, a small middle class coterie developed a lively indigenous press, cultivating an emergent political consciousness amongst Africans in the wake of military defeat, and playing a major role in the formation of the first pan-ethnic, cross-class political organisation, the African National Congress (ANC) in 1912. Despite enduring numerous retreats, failures and divisions, the ANC was to provide the inspiration for other such proto-nationalist movements throughout southern Africa (West 2002; Southall 2016).

Given their small size, African middle classes were drawn into alliances with the far more weighty African working classes. These alliances underpinned the strike actions and demands for political rights being made by the different nationalist movements. Push-back occurred earlier in South Africa, where in 1948 the National Party (NP) sought to reverse urbanising trends among Africans by the introduction of apartheid, whose educational programme was specifically designed to maintain African inferiority and block upward mobility. The banning of the ANC

strengthened its ties to the South African Communist Party, leading to its incorporating Marxist theory and rhetoric into its otherwise inclusive nationalist programme.

In Rhodesia, tentative moves by white political parties to tame African nationalism by cultivating 'moderate' elements amongst the African middle class were similarly reversed by the ascent to power of the Rhodesian Front (RF). Under Ian Smith, the RF declared unilateral independence to circumvent moves by the British government to steer a transition to political independence under majority African rule. In both countries, resort to the suppression of African nationalism and the concerted deployment of terror resulted in yet deeper involvements of African middle classes in nationalist organisations which by now had moved underground and into exile to wage armed struggle.

Ultimately, 'white' Rhodesia was propelled into a majority-rule settlement in 1980 by the US, UK and neighbouring African-ruled states after the Portuguese coup collapsed its defences along the border with Mozambique, enabling the liberation movements (notably the Zimbabwe African National Union, ZANU, of Robert Mugabe) to gain effective control of the countryside. In South Africa, where the NP was backed by a larger white minority and a much stronger economy, the regime was able to hold out for longer. However, beyond its repression, the apartheid regime sought to deflect African nationalist impulses by the creation of a panoply of ethnic neo-colonial states, staffed by chiefs and middle class collaborators, leaving the white population in charge of its own (much larger) territory. Although gaining degrees of acquiescence from complicit African politicians and promoting a thin stratum of African bureaucrats and professionals, the 'bantustan' strategy was overwhelmingly repudiated by a majority population which, by the 1980s, was in a state of revolt centred in the conurbations, but spreading out to the semi-urban and rural peripheries. In response, the NP introduced various constitutional innovations designed to shore up white control, inclusive of attempts to devolve political authority to an African middle class in urban municipalities. However, none of these devices were able to acquire any degree of political legitimacy. Accordingly, when the Cold War came to end, Western powers withdrew their backing for the regime as a supposed bulwark against communism and the NP was propelled into a negotiated settlement with the ANC, neither party able to defeat the other (Southall 2013).

Although obscured under socialist rhetoric, African 'petit-bourgeois' leadership of the liberation movements had proved vital. The transition to democracy in both Zimbabwe and South Africa was subsequently to provide the platform for middle class development.

The Party-State and the Middle Class in Southern Africa

The global institutions' focus on the middle class as the measure of development assumes an ever-increasing middle class involvement in capitalist growth. This leaves the issue of whether such growth is private sector-led or state-led (as in China) unproblematised, notably regarding the relationships (cooperative and/or contested) between large companies (notably multinationals) and the state. In Southern Africa, the nature of these relationships varies considerably, although common to all is the key role played by the party-state in shaping them, and hence determining the fate of the middle classes.

This process has played out, albeit unevenly, across the southern African region. In the former Portuguese territories, this involved MPLA and Frelimo, when faced by civil wars which were vigorously stoked by the apartheid regime, officially adopting Marxism-Leninism and re-structuring themselves as 'vanguard' parties on the Soviet model with a view to remaking society along socialist lines. During this period, promoting themselves as alliances of the intelligentsia, workers and the huge mass of peasants, both parties officially opposed what they termed 'petit-bourgeois' tendencies and embraced 'anti-bourgeois' struggle. Nonetheless, facing acute shortages of skilled and educated personnel with the mass exodus of Portuguese settlers, they were forced to rely heavily upon the small cohorts of *assimilados* and *mestizos*, (the former the most highly educated Africans and the only ones with significant experience of working in the state administration), whether or not they had aligned themselves with the party during the liberation struggle. To be sure, the 'patriotic bourgeoisie' was embraced as part of the

The Middle Class in World Society

revolutionary movement so long as they indicated their ideological commitment, but if they failed to respond adequately to 'rectification' programmes, they were likely to be condemned as 'petty-bourgeois opportunists'. Even so, the crippling shortage of educated personnel necessitated an unavoidable dependence upon the 'petit-bourgeoisie', not least because the dire need of the economies (shattered by decades of liberation and civil war) demanded a pragmatic acceptance of both small scale private enterprise and investment by foreign corporations. To the extent, however, that the petit-bourgeoisie as a class was deemed ideologically suspect, it was to be subject to the revolutionary discipline of the MPLA and Frelimo (RIIA; Sumich forthcoming).

In Zimbabwe, a continuing settler presence ensured that there was greater continuity in both the administration and the economy after independence. Nonetheless, the steady exodus of whites combined with the aspirations of ZANU-PF, now the ruling party, to ensure the rapid Africanisation of an expanding public sector (state, parastatals and public services, notably health and education). Officially, ZANU-PF espoused socialism, yet despite much rhetoric about the need for the state to control the means of production, its early policies were pragmatic. In part, this reflected the constraints of the independence settlement, to which ZANU-PF had conceded under pressure from the UK and USA as well as from its war-torn neighbours, who were desperate for peace. Accordingly, the settlement incorporated guarantees of property rights (notably for white owned land), this backed by promises of an inflow of much needed foreign investment. Additionally, however, ZANU-PF was inheriting relatively sophisticated, diversified commercial agricultural, manufacturing and financial sectors which, although white-owned and needing to recover from the impact of economic sanctions imposed against UDI, rendered the economy (which was also well endowed with minerals) one of the most promising in Africa. This ensured that, notwithstanding ZANU-PF's rhetorical egalitarianism, it initially opted for collaborative relations with private capital (Southall 2013).

During the first decade of independence, an expanding economy and significant inflows of foreign investment and aid provided the platform for the rapid growth of what was generally termed, at this time, the African elite. Overwhelmingly, this was located in the public sector, and in turn, ZANU-PF increasingly used this a source of patronage, providing lucrative opportunities for party cadres and cronies of the leadership. Within a few years, this rapidly expanding class was adapting the lifestyle (large houses, expensive cars and private education while buying into farms and businesses) which had previously been reserved for whites. Although the extensive corruption in which it engaged was ritually deplored, the political elite's obsession with private accumulation ensured that little action was taken. Meanwhile, although Mugabe initially urged ZANU-PF to declare in favour of Marxist-Leninism, he met with little enthusiasm from the party leadership. Although the latter was hostile to a small African business class which developed outside its orbit, it was in no way opposed to capitalist enterprise as such, so long as it could use its political influence to secure position (on company boards and so on) and private profit from corporations which, within the context of a highly regulated economy, depended heavily on political favour. By the early 1990s, there were reasonable expectations that 'a merger between white and black elites' would provide for the emergence of 'a post-independence middle class' (Compagnon 2010: 96).

The middle classes in these three countries have subsequently met contrasting fates although their trajectory has continued to be fundamentally shaped by the party-state. However, whereas in both Angola and Mozambique the middle classes have expanded considerably, and begun to enjoy greater (if modest and often rather precarious) prosperity following economic liberalisation, the middle class in Zimbabwe has been overwhelmed by persistent political and economic crisis, forcing most its number to emigrate, and rendering it heavily dependent upon remittances from outside the country.

The collapse of the Soviet Union in 1989 and looming democracy in South Africa provided the context for the abandonment of Marxism-Leninism and a transition to market economies in Angola and Mozambique. In Angola, where the civil war with UNITA⁶ continued for over another decade, initial progress towards liberalisation was

⁶ The National Union for the Total Independence of Angola, a rival liberation movement, today the second largest political party.

slow, although it did allow for a substantial privatisation of state assets (whose benefits, along the Russian model, were largely reaped by those with strong connections to the MPLA). Subsequently, after a peace agreement in 2002, economic reform gained pace. Massive inflows of international investment, notably into the resource sector (oil and diamonds, which account for almost 60% of GDP) alongside reconstruction of infrastructure, provided for remarkable growth, rendering the economy the fastest-growing in Africa. In Mozambique, an even more thorough-going process of economic liberalisation (extensive privatisations, financial sector reforms and encouragement of a private sector via IMF-backed structural adjustment programmes) similarly provided for extremely rapid growth boosted notably by international investments in mega-projects, such as the Mozambique Aluminium project, construction and infrastructure and in recent years, a developing off-shore natural gas sector. In both countries, however, even while formally embracing multi-partyism, the ruling parties have retained their political predominance, the grip they have maintained upon the state constituting the underlying cause of perennial threats by their former rivals, now turned political parties, to return to civil war (Kulipossa 2005; RIIA 2005).

Angola's transition to the market economy has been unaccompanied by any real depth of democracy (Soares de Oliveira 2011). Its transition is closely managed by a ruling elite, clustered around the president and his entourage, which uses the party-state as its instrument. Even the big operators, including the major international oil companies, have to engage with elite networks around the presidency which allocate licenses, subsidies and other favours as well as using employing other mechanisms, such as over-invoicing, diversion of oil and loan financial flows, and monopolistic or oligopolistic control over imports (RIIA 2005: 6). Mozambique's transition has resulted in a similar outcome, with Frelimo transforming from a liberation movement into 'a neo-liberal party with authoritarian tendencies' (Harrison 1994: 432). Having forged a 'party-state' which partners in a triple alliance with multinational corporations and an emergent national capitalist class, Frelimo has engaged in extensive privatisation programmes which, when not engaged in the sale of state firms to foreign investors, have transferred heavily subsidised public assets to nationals, notably high-ranking Frelimo members who became 'born-again private sector entrepreneurs' (Bowen 1992: 270; also Castel-Branco 2014). Meanwhile, the numerous opposition parties (with Renamo at their head) offer no serious alternative, with their leaderships all coming from a similar class background of small businessmen and educated professionals who seek political leverage in order to enable them to share in the loot.

Although it is widely asserted that rapid growth has facilitated an equally rapid growth of the middle class, it is difficult to come up with reliable estimates of the size of the latter in either Angola or Mozambique. Generally, it is reckoned that something between a fifth and a third of their populations to be 'middle class' according to modest definitions in terms of income (Standard Bank 2014; Lopez. 2015). Even if more restrictive definitions are adopted (with for instance, Soares de Olivereira 2015 arguing that the middle class in Angola refers to little more than some half a million people out of a population of 20-25 million), it is accepted that a wider spectrum of better-off people self-define as or aspire to being middle class. Beyond size, however, what is more certain is that the core of the middle classes are located in the higher reaches of the party, the state bureaucracy, the security apparatuses and among educated urbanites (Sumich 2016; Bornschein 2009). Lower down the social scale, the bulk of the middle classes – although elevated above the desperate poverty which continues to define the lot of the mass of the population – remain heavily dependent upon their own linkages with the party-state and enjoy only a precarious existence.

The international literature places heavy emphasis upon the increasing participation of emergent middle classes in Africa in a globalising consumer culture, and how associated consumption patterns (from designer clothing styles and fancy products through to flashy cars) are linked to claims to political modernity and citizenship. Yet multiple media references to the growing prosperity of the African middle class clash with the evidence of widespread precarity. In both Angola and Mozambique, even while formal employment remains a key indicator of status, few belonging to the middle class are able to live on their salaries alone, unless they have highly specialised employment (for instance, in the oil industry). Most have to constantly juggle their jobs with diverse revenue sources (such as 'spaza' shops or other petty businesses) to make ends meet (Bornschein 2009; Schubert 2016). Furthermore, securing housing deemed appropriate to middle class standards is a particular battle. While there is a

The Middle Class in World Society

rapid expansion of luxury accommodation, the provision of housing for even the middle class (let alone the urban poor) lags massively behind, with the cost of houses usually far above the means of ordinary people, even if they are salaried. So exorbitant is the cost of housing that it is reproducing the socio-geographical patterns that took shape in colonial times, albeit now along class rather than racial lines, with the party-state elite and rich expatriates sheltering behind high walls in well endowed areas. In turn, many amongst the aspirant middle class are moving to new developments on the outskirts of or outside the city, vacating less well-off areas to those below them on the ladder. Even when families gain access to 'social housing', this is very often a result of some connection with the ruling parties or via employment in the civil service. Maputo's middle class, avers Sumich (forthcoming), may be privileged, occupying its place in the social hierarchy through its relationship with the ruling party, yet its aspiration to join the brave new world of global consumer culture seems ultimately to be always out of reach. Anne Pitcher, in relation to the Angolan middle class, agrees. While 'a small, incredibly wealthy elite that has access to profits generated by the sales of oil', the middle class 'are really struggling' (Pitcher 2013).

If middle class life in Angola and Mozambique has become difficult, in Zimbabwe it has become nigh on impossible for those without any connection to the party-state. The tale of Zimbabwe's decline is now well worn. Basically, it is a story of how a liberation movement and the political-military elite to which it has given rise has refused to give up power, challenging the right of any other political force in society to rule. By the mid-2000s the economy had hit rock-bottom. Massive public indebtedness, fueled by military adventurism in the civil war then raging in the Democratic Republic of Congo, plus its adoption of a 'Fast Track Land Reform' programme which involved the expropriation of white commercial farms without compensation, led to a breach of relations with the IMF and western donors. As the country spiralled further into debt, the government resorted to printing money, leading to a hyperinflation which destroyed the livelihoods of all those unable to access scarce supplies of foreign currency. Inevitably this led to popular protest. Spearheaded by an opposition party (the Movement for Democratic Change, MDC), this was heavily backed by middle class elements, largely from business and civil society beyond the immediate orbit of ZANU-PF, which had been ruined by inflation. In response, the government resorted to vicious political repression.

Although compelled (by regional pressure) to concede a coalition with the MDC in 2008 (following an effective electoral defeat), ZANU-PF ensured that it remained in control of the security forces. This, in turn, enabled the diversion of the profits of windfall diamond discoveries into the pockets of the politico-military elite, and set the scene (despite the MDC's management of a modest economic recovery) for ZANU-PF to manipulate victory in a further election in 2013 and the re-establishment of its monopoly political control. Subsequently, the economy has plunged back into yet deeper crisis, with no serious prospect of relief until there is a change in political leadership (Southall 2013: 80-84).

Amidst this disaster, the politico-military elite continues to thrive, enjoying privileged access to scarce foreign currency. The US dollar was adopted amongst a basket of currencies as a cure to hyperinflation in 2008. This has worked, but basically, there are too few dollars to go around. Paradoxically, therefore, while the country has been reduced to one of the poorest in Africa, its economy has become one of the most expensive. As far as the middle class is concerned, this means it has been faced by two major options: either to struggle on, clinging to jobs which pay very little (with salaries paid by government regularly arriving late), or leaving the country to work elsewhere. Given the heritage of a relatively high standard of education, middle class Zimbabweans have been able to find jobs abroad (notably in Australia, New Zealand and UK) or other African countries where currencies are harder and employment more stable. Despite many restrictions on their right to work there, many have also migrated to South Africa where often – despite their skills and training – they are forced to take menial jobs or work in the informal sector. Notwithstanding such difficulties, the monies they remit to Zimbabwe are crucial to the survival of relatives left behind, and their ability to cling to the remnants of a middle class existence. Few doubt that the return of the Zimbabwean middle class will be necessary to drive an economic recovery, yet this seems unlikely the more an increasingly desperate ZANU-PF clings to power (Thorneycroft 2002; Hobbes 2014; *The Herald* 2015).

The decline of the middle class in Zimbabwe contrasts markedly with the situation in South Africa, where the ANC's party-state has driven a substantial development of the black middle class. Although white employment in the public service was initially guaranteed by a 'sunset clause' built into the negotiated constitution, the ANC moved as fast as it could to 'deploy' party loyalists to high state positions. Indeed, with its stated aim being to 'seize control' of the 'command posts' of the economy, it also encouraged the appointment of party personnel to the boards of large corporations, which were eager to curry favour with the new government. Formally, this was dressed up as 'black economic empowerment' (BEE), a strategy which was twinned by a policy of 'equity employment' whose goal was to achieve 'demographic representivity' across the key institutions of society. In practice, it proved far easier to 'transform' the employment profiles of the public sector (this being difficult to distinguish from 'deployment' of party personnel). Notwithstanding much criticism of the private sector (and the professions) for lagging behind, there has been substantial change across the economy, with the black middle class steadily climbing up both the corporate and (more unevenly) the professional ladders. In turn, this process has been underpinned by the manner in which the educational system has been deracialised. Basically, this has been via the semi-privatisation of the historically privileged white schools. Initially designed to allay white fears by allowing school governing boards the right to charge fees and control admissions, the upshot has been the effective restructuring of the schooling system into a privileged upper tier for the rich and middle class, and a seriously dysfunctional public tier for the majority of the population. In turn, it is those with a schooling provided by the former white schools (alongside the increasing number of private schools) who are most advantaged in terms of gaining admission to the elite tier of formerly white universities.

The existence of a dominant private sector distinguishes South Africa from its neighbours, and has imposed greater limits upon the influence of the party-state. Even so, the ANC has ensured that its party-state has become powerful. It has established a firm grip over the central government, eight out of the nine provinces, and most local governments (although following recent local elections it no longer controls key metropolitan cities). When added to its control over the very significant parastatal sector (directly responsible for around 15 per cent of GDP) and a host of other major public institutions (such as the South African Broadcasting Corporation), this provides an extensive platform for patronage in that, throughout the public sector, it has structured its procurement policies to ensure adherence of would-be contractees to the requirements of BEE and equity employment. Unsurprisingly, political influence and outright graft flourish in the award of contracts to private companies, (which are quite often established for the purpose by the politically connected). Party-state corruption has hence become a significant lever for black upward mobility, whilst even in the private sector and the professions, the newly arrived black middle class continues to look to the state to counter what they perceive as entrenched racial barriers to their further upward progress. In turn, this reflects the sense of insecurity which continues to define black middle class existence. Many members of the black middle class, especially those at the lower end of the scale in white collar jobs, are severely overstretched financially, their consumerist aspirations outpaced by constantly rising prices and commitments such as school fees. Worse, with the economic slowdown, many now face the danger of retrenchment and the loss of their lifestyle. Even so, of all the cases in Southern Africa, it is the rapid development of the black middle class in South Africa which most nearly exemplifies the optimistic narrative of 'Africa Rising', even while looming economic difficulties suggest that its future prosperity is far from guaranteed (Southall 2016).

Problematizing the 'middle classing' of development

If the objective of 'development' is to tackle poverty, then it is by no means absurd to hail the upward mobility of the previously impoverished into higher income levels, where they can not only satisfy their basic needs but indulge in discretionary spending for present comfort or future enjoyment. No wonder then, the enthusiasm of the global institutions for 'the middle classing of development'. From this perspective, (capitalist) growth is working, steadily chipping away at global poverty and leading to a better, more prosperous world. Furthermore, for all that many critics comment disdainfully upon the consumerism of the 'new middle classes', it is arrogant to condemn popular aspirations for the accoutrements of a better life: formal housing, reliable municipal services, 'decent' jobs and perhaps above all, the chance for children to obtain an education which will equip them to participate fully in

The Middle Class in World Society

the modern world. Let us remember, too, that analysis of such aspirations has a long history: recall, for instance, the debate which took place in post-war Europe during the 1950s and 1960s about the ‘embourgeoisement’ of the working class. Today, such theorising has its counterpart, even on the left, where for instance Goran Therborn (2012) has observed the global decline of the traditional working class and the appeal of socialism, with middle classness emerging as the symbol of a desirable alternative future. Even so, this notion of the ‘middle classing of development’ remains deeply problematic.

There is no need to belabour the theoretical limitations of allocating people to the middle class purely on grounds of income. This is not to deny the importance of income as an indicator of class, or of higher incomes as an indicator of upward mobility. Global institutions have wholly legitimate reasons for wanting to explore such aggregate data, and our understanding of trends would be much diminished without their efforts. However, what is far less acceptable is when the upward movement of previously poor people into higher income levels is uncomplicatedly declared as their becoming ‘middle class’. Yes, it is important to identify middle strata in income terms – yet it is a huge jump thereafter to view such strata as ‘middle classes’, and to ascribe them with presumed middle class characteristics, without reference to a wider body of sociological and political theory.

Far from having spontaneously accompanied the capitalist growth taking place in the global south, the trajectory of the middle classes in the major southern African countries has been largely determined by the party-states installed by liberation movements, whose vision of societal transformation was forged in their armed and popular struggles against colonialism and white minority rule. In Angola and Mozambique, the defeat of the Portuguese and the inheritance of shattered, underdeveloped economies, led to the liberation movements initially pursuing socialist policies which – while (reluctantly) promoting African middle classes – subjected them to stern political discipline. Even when, subsequently, global and regional changes led to the embrace of capitalism, the fate of the middle classes remained heavily reliant upon favourable connections to the ruling parties, their prospects for economic autonomy and political independence inhibited by the close alliance which foreign companies had forged with the party-state to secure access to opportunities for investment. In Zimbabwe, the policies of the ruling party provided for the substantial progress of the middle class during the early years of post-independence growth. Thereafter, however, economic downturn led to the adoption of disastrous policies, supposedly in pursuit of national revolution, but in reality enabling the politico-military elite to monopolise power and to use it to corner diminishing resources for itself. Faced by brutal repression, the bulk of the middle class has simply opted to flee the country. Finally, in South Africa, while the ANC’s party-state has played a crucial role in promoting the substantial development of the black middle class. However, its influence has been significantly counter-balanced by the weight of large-scale corporate capital, which increasingly provides other avenues of upward mobility for suitably educated blacks – even while black employees within the corporate sector continue to look to the state to back their further upward mobility.

The question which is now posed is whether, given their varying situations, these middle classes have the capacity to thwart the authoritarian leanings of all these regimes. Much depends on the extent to which they are able to establish their independence from the party-state. In Zimbabwe, an increasingly desperate, remnant middle class has recently led demonstrations in the major towns demanding political change. In South Africa, the results of recent local government elections have been widely interpreted as indicating that the ANC is losing support amongst substantial segments of the black middle class. Perhaps these are indications that the grip of the party-state in southern Africa is weakening. The more its independence from the state, the more the middle class will be able to contribute to development and democracy.

References

1. Banerjee A and E. Duflo (2008), ‘What is Middle Class about the Middle Classes around the world?’, *Journal of Economic Perspectives*, 22, 3-28.
2. Bender, G. (1978) *Angola under the Portuguese: the Myth and the Reality*. London, Heinemann.

3. Bornschein J. (2009) 'The urban middle class in Maputo', MA thesis, Political Science, University of Bordeaux.
4. Bowen (1992) 'Beyond Reform: Adjustment and Political Power in Contemporary Mozambique', *Journal of Modern African Studies*, 30, 2.
5. Brandi C. and M. Bruge 2014: 'A Cartography of the New Middle Classes in Developing and Emerging Countries'. German Development Institute, Discussion Paper 35/2014.
6. Castel-Branco, C. (2014). 'Growth, capital accumulation and economic porosity in Mozambique: social losses, private gains', *Review of African Political Economy*, 41, 143.
7. Compagnon, D. (2010). *A Predictable Tragedy: Robert Mugabe and the Collapse of Zimbabwe*. Philadelphia; University of Philadelphia Press.
8. Da Ponte. (1974). *The Last to Leave: Portuguese Colonialism in Africa*. London, International Defence and Aid.
9. de la Terre, A. and J. Rigolini, 'MIC Forum: The Rise of the Middle Class', www.worldbank.org/.../MICForum-the-rise-of-the-middle-class-SM13pdf
10. Deloitte on Africa (2013) 'The Rise and Rise of the African Middle Class', www.deloitte.com/assets/Dcom-SouthAfrica/local%20Assets/Documents/rise-and-rise.
11. Fletcher, P. (2013) 'Africa's Emerging Middle Class Drives Growth and Democracy', www.Reuters.com/artilce/2013/05/10-us-africa-investment-idUSBRE949DV20130510
12. Harrison, G. (1994) 'Mozambique: An Unsustainable Democracy', *Review of African Political Economy*, 61: 315-324.
13. Hobbes, M. (2014) 'How did Zimbabwe become so poor – and yet so expensive?', newrepublic.com/article/115925/Zimbabwe-prices-why-are-they-so-high-new-york-citys
14. Isaacman, A and B. (1983) *Mozambique: From Colonialism to Revolution*. Harare: Zimbabwe Publishing House.
15. Kharas, H, 2011, 'The Emerging Middle Class in Developing Countries', Brookings Institution, June XX.
16. Kharas H and G. Gertz (2010), 'The New Global Middle Class: A Cross-Over from West to East'. Wolfensohn Center for Development at Brookings. www.brookings.edu/.../china%20middle%20class%20Kharas/03-china-middle-class...
17. Kiernan, P. 2015. 'The world's middle class is growing – and America is getting left behind', <http://www.businessinsider.com/world-is-more-middle-class-2015-6>
18. Kulipossa F. (2005) 'The Political Economy of Turnaround in Mozambique', www!.world.bank.org/.../poleconomy/Mozambique%20paper%20draft
19. Lopez A., R. and B. Weinstein (eds) 2012. *The Making of the Middle Class: Towards a Transnational History*. Durham: Duke University Press.
20. Lopez C. (2015) 'Emerging Africa, its middle class and new development challenges', www.iss.nl/fileadmin/ASSETS/iss/Documents.../lecture_carlos_lopez.pdf
21. Melber, H. (2013). 'Africa and the middle class(es)', *Africa Spectrum*, 3: 111-120.
22. Newitt, M. (1981) *Portugal in Africa: The Last Hundred Years*. London, C. Hurst & Co.
23. Neubert, D. 2014: 'What is middle class? In Search of an Appropriate Concept'. Meta-journal.net/article/view/1330
24. Penvenne, J. (1982) 'The Unmaking of an African petit-bourgeoisie: Lourenco Marques, Mozambique'. African Studies Centre, Boston University.
25. Pezzini, M. (2012) 'An Emerging Middle Class', http://www.oecdobserver.org/news/fullstory.php/aid/3681/An_emerging_middle_class.html
26. Pitcher, A. (2013) 'Angola's housing bubble: middle class residents need not apply', <https://www.lsa.umich.edu/UMCH/polsci/.../Pitcher%20Final%%20Jan%202013pdf>
27. Ravaillon M (2010) 'The Developing World's Bulging (but vulnerable) Middle Class', *World Development*, 38, 2010P 445-454.
28. Royal Institute of International Affairs (RIIA) (2005) 'Angola: Drivers of Change: position paper 1 – Economic Change and Reform'.
29. Rostow, W. (1960) *The Stages of Economic Growth: A Non-Communist Manifesto*. Cambridge: Cambridge University Press.

The Middle Class in World Society

30. Schubert, J. (2016) 'Emerging middle-class subjectivities in post-war Angola', in Henning Melber, *The Rise of Africa's Middle Class*. London: Zed Press.
31. Soares de Oliveira, R. (2011). "Illiberal Peacebuilding in Angola", *The Journal of Modern African Studies*, 49, 2:287-314.S26-S48.
32. Soares de Oliveira (2015)
33. Somerville, K. (1983) *Angola: Politics, Economics and Society*. London, Pinter Publishers; Boulder, Lynne Reiner.
34. Southall, R. (2013) *Liberation Movements in Power: Party and State in Southern Africa*. (Woodbridge, James Currey; Scottsville, University of KwaZulu-Natal Press.
35. Southall, R (2013a). 'The Power Elite in Democratic South Africa: Race and Class in a Fractured Society', in Daniel J., P. Naidoo, D. Pillay and R. Southall (eds), *New South African Review 3: The Second Phase – Tragedy or Farce?* Johannesburg, Wits University Press.
36. Southall, R. (2016). *The New Black Middle Class in South Africa*. Woodbridge, James Currey; Johannesburg, Jacana Media.
37. Standard Bank (2014) 'Rise of the middle class in sub-Saharan Africa', <https://blog.standardbank.com/node/61428>
38. Sumich, J. (forthcoming) *The State, Middle Class Formation and the Politics of Transformation in Mozambique*. ??????
39. *The Economist* (2013) 'The Hopeful Continent: Africa Rising', 3 December. <http://www.economist.com/node/21541015>
40. *The Herald* (2015) 'Zimbabwe's middle class and the Diaspora', 20 January.
41. Therbon, G. (2012) 'Class in the 21st Century', *New Left Review*, 78: 5-30.
42. Thornycroft, P. (2002) 'Zimbabwe's new middle class have one ambition: a ticket out', *The Daily Telegraph* (London) 29 October.
43. United Nations Development Programme (2013). *The Rise of the South: Human Progress in a Diverse World. Human Development Report 2013*. New York. UNDP: 14.
44. West, M. (2002). *The Rise of an African Middle Class in Colonial Zimbabwe, 1898-1965*. Bloomington and Indianapolis, University of Indiana Press.

South Africa's Black Middle Classes, Entanglement and State Dependence

Dr. Jason Musyoka

This paper drew comparisons between middle class formation by the South African State of the early 20th century (between 1920s and 1940s), and the post-apartheid state, with acute focus on the industrial sector. This objective in perspective, I examined the entanglements which characterise South Africa's Black middle classes after 1994, and how these entanglements tend to shape development and dependence on the state. This entanglement, I argue, is a distinctive characteristic between the poor whites who were the target of the middle class project of the early 20th century state, and blacks who are the target of post-apartheid middle classes formation. I draw the entanglement concept from quantum physics, archaeology as well as sociology, but modify it to suit social mobility among South Africa's black middle classes.

1. Definitional Issues on Middle Classes

Like global literature trends, the bulk of literature on South Africa's middle class presents the growth of middle class, without clarifying on the adopted definition. Where the attempts to articulate a definition of middle class are made, the tendencies are to put forward sweeping statements, which do little to deconstruct the otherwise complex concept of middle class. The conceptualization efforts of South Africa's middle class are therefore numerous. Rivero, Du Toit and Kotze (2003) on their part use the occupational approach, their justification of this approach being that it is Weberian as it is Marxist, and that there is what they dub as “a basic line of division between so-called white-collar worker [new black middle class] and self-employed and propertied (petit bourgeoisie) [old middle class]”. This is an oversimplification of the middle class debate in South Africa.

In a less assuming assessment, Visagie (2011) joins the economic approach, effectively putting forward the affluent and the middle strata methodologies. On the affluent approach Visagie classifies as middle class households which earn between R1, 400 and R10, 000 per capita per month in 2008 prices. The middle income strata considers the median income as a reference point, then spreads the limits to between 50% and 150% of the median income. Visagie however does admit the limitation of his synthesis, observing that the South African context differs significantly from developed economies where the affluent household and the middle income strata household converge. This convergence is essentially a similarity of lifestyle –thus middle class lifestyle.

The South African government uses non-income indicators in its definition of a middle class. Thus, Statistics South Africa (2009) classifies as middle class households which have “formal housing...water tap in the residence, ...a flush toilet in the residence,...electricity as the main lighting source, ... electricity or gas as the main cooking source, and ...a landline or a household member having a cell phone” (Statistics South Africa, 2009:1). The combination of these indicators, (rather than individual indicators) according to Statistics South Africa constitute a middle class household.

Households which qualify into Stats SA classification as middle class, are more likely to meet Bernajee and Duflo's (2007) classification of a middle class household as earning between \$2 to \$4 per day per capita, as well as Kharas and Gertz's (2010) \$6 to \$10 per day per capita. Like many others, the Statistics South Africa definition is far from objective. It does not consider that townships do have formal housing (even if as small as the Reconstruction

The Middle Class in World Society

and Development Programme Houses), they also have access to municipality subsidised water, and, some, illegal access to electricity. The reasoning that access to running water, flush toilets and access to electricity constitutes a middle class household is misleading to say the least, especially if the above informal dynamics are accounted for.

In this paper, I define middle classes by triangulating four indicators⁷. First, the paper employs Kharas and Gertz (2010) persuasion which considers middle class households as those within a comfortable lifestyle. For Kharas and Gertz, comfort manifests in the ability to afford decent health care, decent housing, job security, higher education, reasonable retirement benefits as well as surplus income for leisure activities. Second, I rely on Southall's (2004c) occupational based indicator which categorizes as middle class those who hold employment positions in government or corporates. The third indicator is income based and accommodates Visagie and Posel's (2011) definition of middle classes as those earning between R1400 and R10, 000 per capita per month in 2008 prices. Visagie and Posel's proposal is based on the median income as a reference point, and the 50% to 150% spread from the median income. The fourth indicator is locational and housing. Middle classes are often identified through visible features such as living in suburbs, or owning large houses in townships and rural areas. For an individual or household to qualify into the middle class category, they needed to fulfil at least one of the above criteria.

2. Middle Class Formation through Industrialization in the Early 20th Century

In the start of the 20th century, South Africa was characterised by widespread unemployment and poverty. By the time the Union was formed in 1910, the economy was still largely agrarian, and, about three quarters of the population of six million people lived in the rural areas which were characterised by periodic droughts (Nattrass and Seekings, 2010). Some pockets of industrial activity was concentrated in Johannesburg, Witwatersrand and Capetown (Ibid). Feinstein (2005) records that in 1911 agriculture contributed 22% towards National GDP, against mining which contributed 27%⁸.

The state of the economy in the first decades of the 20th century was shaped by at least three socio-political crises. These were the following.

- a) Locust invasion, drought and outbreak of the Rinderpest epidemic in 1896-1898; In August 1894, the coastal belt of Natal and Zululand were invaded by red locusts, which stripped cane fields and millie fields of their leaves (Cripps, 2012). In 1895, a severe drought followed, and in 1896 another wave of locust invasion occurred, destroying about two thirds of all crops (See Minaar, 1990). Also, in 1896 the Rinderpest pandemic wiped out over three quarters of cattle in South Africa, leaving the economy practically crippled (Ibid).
- b) The second Anglo-Boer war which occurred between 1899 and 1902; The second Anglo-Boer war had a significant impact on the economy, as indicated by Wasserman (2005). The impact was much more devastating for the Afrikaners. Thus, the context of the war occurred in a period when:

“being an Afrikaner meant being subjected to an ethnic orientated economic liquidation under Martial Law by means of looting, confiscation, commandeering, and wanton destruction. In time only those Afrikaners who remained loyal managed to receive some relief. For the majority of Natal Afrikaners directly affected by the war, economic recovery never happened or took a long time to achieve” (Wasserman, 2005:396).

⁷ I have used this triangulation elsewhere (See Musyoka, 2015) as an effective definition, especially for practical rather than theoretical reasons.

⁸ In 1910, South Africa produced 1/3 of the world's Gold (See Feinstein, 2005)

In Natal, the British military was especially involved in collecting of spoils (as food supplies) after the Afrikaners left their farms in escape. In other cases, Afrikaners were arrested, their cattle confiscated and sold on auction, and the proceeds given to the imperial natal government. One of the significant incidences as recorded by Wasserman (2005:401), which possibly constituted:

“the greatest economic deprivation amongst Natal Afrikaners took place north of Ladysmith during and immediately after the advance of Buller’s Army in May 1900. In its northward drive almost all the livestock belonging to Natal Afrikaners amounting to tens of thousands of animals, were swept away by the ‘looting corps’”.

When the dust settled, the agricultural sector, which had been dealt a major blow by the Rinderpest outbreak in less than five years, shrunk significantly. And, there was no reconstruction programme for the devastated farming sector. The mining activities had been disrupted, leading to closures and loss of employment as well as capital.

- c) Adding to the above was the First World War, and its impact on the global economy. The industrial revolution which started in the 1800s, had generated transfer of capital, trade and technology across the globe. National economies had become increasingly integrated initially due to steam power forms of transportation, effectively eliminating Blainey’s ‘tyranny of the distance’ (Blainey, 1968). The disruptions of international trade between 1914 and 1918, affected South Africa, especially given that South Africa had increasingly become part of the commodity global value chains.

The noted crises were critical in destabilising the economic comforts of the Afrikaners in a significant way. Given that the livelihoods of the Afrikaners mainly depended on small scale and commercial agriculture (Seekings 2006), many rural based Afrikaner’s moved into urban centres in search for alternative sources of livelihoods. Infact, Giliomee (1995) suggests that the population of urban Afrikaners had quadrupled between 1900 and 1926. Many of the Afrikaner’s who moved to cities did not have skills to work in the mines or in the then emerging manufacturing or mining industries. Their skills were mismatched with the urban economy which they were forced into by circumstances. This therefore led to urban poverty and urban employment among the Afrikaners.

Successively, each of the above crises shaped the Rand rebellion of 1922, which was about major (and later violent) protests of white Afrikaner workers who worked in gold and coal mines. In 1921, the price of gold declined significantly, which led mine owners to lower production costs, mainly the employment of African workers at lower wages, in the place of white mine workers who demanded higher wages (See Tolcher, 2011). Roughly twenty five thousand white mine workers went on strike for a period of two months. Jan Smut’s government responded to the workers militancy with force, with 5000 strikers arrested (Callinicos, 1980) over two hundred people killed in the process of containing the tensions, and more than fifteen thousand labourers were put out of work. Unknown to Jan Smuts, the writing was on the wall for his government. He lost to a coalition (referred to as a pact government) of Barry Hertzog’s Nationalist party and Colonel Creswell’s Labor party (which had white workers as the main constituency).

Before Smuts government lost to ‘the Pact’ it set up the Industrial Conciliation Act of 1924. The Act established employee- employer councils which had powers to prevent and resolve labor disputes, and determine wages (Callinicos, 1980). The Act however did not make provisions for employee associations (See Webster, 2001). It also excluded Africans (by not including Africans in the definition of employees), and rather left them to bargain for their conditions with their employers directly rather than through the councils.

The Pact government came into power during a period of widespread white poverty, given the events narrated above. Discussions and debates on poverty in the 1920s were especially focused on white (mainly Afrikaner) poverty, with social welfare forming a major part of historical accounts of the 1920s. The exact timelines on when social welfare started being implemented is contested.

The Middle Class in World Society

Several authors point to the Carnegie commission findings and recommendations which were published in 1932, as the critical turning point for South Africa's social welfare (See for example Fourie, 2006; Iliffe, 1987; Fleitch, 1995 as well as Berger, 1983). For others such as Duncan (1993), the commission's findings were a result of a technical exercise, but the politicisation of these findings in the 1930s and 1940s ultimately led to a social welfare state. Seekings (2006) contests the foregoing arguments which rely on the Carnegie Commission as the essential basis for South Africa's social welfare state, arguing that the 1920s and not the 1930s, provide a more accurate estimation of the initial steps towards a social welfare state. Seekings (2006) draws attention to the formation of the Pact Government in 1924 as a critical milestone towards a welfare state, although pointing to at least five commissions appointed within a period of two decades, before the Carnegie Commission. These five commissions, whose jurisdiction was limited to investigating white poverty were (a) the Transvaal Indigency commission of 1908; (b) the Transvaal Relief and Grants-In-Aid commission of 1916; (c) the Unemployment commission of 1922; (d) the Employment and wages commission of 1926 and (e) the Pienaar commission of 1927 (Seekings, 2006).

Given the state of workers after the Rand Rebellion, and considering the build-up of urban (white) poverty, Seekings (2006) conclusion seems highly likely, that the first steps towards social welfare are traceable to the socio-economic conditions of the 1920s, with the Pact as the more likely political vehicle for advancement of social welfare. The rigid labor laws and social welfare initiatives were aimed at alleviating poverty. The unemployed could survive through social grants, and the low skilled or unskilled could be protected through rigid labor laws which among other benefits allowed an effective mechanism of collective bargaining, for example, the establishment of employer-employee councils. Thus, Natrass and Seekings (2010:3) observe that through the 20th century, "The state ... implemented policies and established institutions designed to ensure that its white citizens enjoyed a 'civilised' standard of living, through a combination of high earnings, protected employment and a welfare state".

Thus in the 1920s, the South African state initially sought to alleviate poverty through basic social and labor protection. This however was a short term objective. The long term strategy for Barry Herzog and Colonel Creswell's coalition, if implicit, was to create middle classes through state led-industrialization. Thus, Hertzog's pact government is credited with coordinating the country's first inward industrial protection policy, which was developed in 1925. The Import substitution regime would become popularised by structuralist (development) theorists in the 1950s, the leadings advocates being Hans Singer and Raul Prebisch. Industrialization efforts were part of South Africa's economic diversification during the 1920s for at least reasons. First, global wool prices (of which wool was South Africa's leading agricultural commodity export) declined significantly and second, gold prices had fallen, paving way for the Rand Rebellion blood bath. The state's response to falling global wool and gold prices was industrialization.

Between the 1920s and 1950s, the successive governments established several parastatals aimed at industrializing the economy but also, importantly for this paper, creating social mobility towards middle classness. The first set of parastatals established in the 1920s were the Electricity Supply Commission (Eskom) and the South African Iron and Steel Corporation (Iscor)⁹. From its first operations in Pretoria in 1934, Iscor was successful in producing iron and steel on one hand, on the other, creating employment (See <http://www.arcelormittalsa.com>). In 1943 a second plant opened in Vereeniging. Immediately after World War II, the construction of an integrated steel works was started in 1947 in Vanderbijlpark and in 1952 it was operational (Ibid). Major expansions of the Vereeniging plant occurred between 1964 and 1969. In order to diversify the industrial sector from the Witwatersrand region, another integrated steel works was established in Newcastle in May 1969. And, between 1972 and 1977 extensive expansion of the Vanderbijlpark integrated steel plant took place, due to increasing local and global demand. With these expansions, Iscor had become one of the largest employers in the country.

Iscor however provided more than employment; it provided a social mobility ladder especially for white labourers. The Carnegie commission had diagnosed emerging low income housing on the fringes of mining and

⁹ Eskom was established in 1923 and Iscor was established in 1928

industrial areas (inhabited by Afrikaners who had moved to cities, and on starting to earn, they build low cost housing outside the commercial and industrial areas (Capetown, Pretoria, Witwatersrand and Bloemfontein) (See Langley, 1997). Iscor was concerned that in cases of emergency employees would take long to respond, and therefore a decision to establish some few dwellings on site was taken. This developed a housing scheme for white workers, mainly located 'on site'.

In 1934 however, the general works manager put forward a proposal underscoring "the great practical and economic inconvenience which existed due to the fact that there were no residences for staff and employees at or near the works (Langsley, 1997:68-69). The primary concern was that in cases of after hour 'call outs', Iscor would pay large sums of money given that the payments programme was on the basis of miles covered (Langsley, 1997). The racial segregation though, which characterised even the Iscor's housing scheme casts doubts on the 'emergency' argument. While Black employers were concentrated in compounds (also build by Iscor) under heavily congested and generally unhealthy conditions, their white counterparts lived in decent housing, in 'white townships'.

Adding to employment and housing, Iscor provided medical and pension benefits to white labourers. The white Iscor labourers also had access to the best sports facilities in the country at the time (Langsley, 1997). White labourers had the opportunity to become more productive at work, and, they had a chance to develop skills without the competition from black labourers (who would only be allowed to do low skilled jobs).

It follows therefore that white labourers who worked for Iscor did not only move out of poverty, they had an opportunity for upward social mobility. This social mobility was enabled through provision of affordable (yet decent) housing, social security in form of pensions and medical benefits, high wages, and protected skills development (especially given that black laborers were only allowed to participate in low skills employment. At the same time, other parastatals such as Eskom provided similar social mobility possibilities.

In 1940, social mobility among urban white poor residents was further expanded through the establishment of the Industrial Development Corporation (IDC). The IDC was instrumental in the setting up of other industry based state corporations namely, the Phosphate Development Corporation (Foskor); the South African Coal, Oil, and Gas Corporation (SASOL); and the Southern Oil Exploration Corporation (Soekor). On the very basic level, all these parastatals mopped up unemployment among whites, and provided social mobility ladders for white middle class formation. By the late 1940s and 1950s, there are no records of the kind of white poverty experienced in the 1920s and 1930s.

The foregoing suggests that the state was largely responsible for white middle class formation in the 20th century. What is perhaps unique about the colonial and later apartheid state middle class formation was that, white workers were 'incubated' in parastatals, mainly the parastatals which operated in the manufacturing sector. After several years of this incubation, white labourers were then able to move horizontally to the private sector or vertically to even better paying opportunities -what Sorokin referred to as covering social distance (Sorokin, 1959). In otherwords, the state facilitated the formation of middle classes in the manufacturing sector.

Although the global and national economic landscape had changed significantly by the close of the 20th century¹⁰, white workers had covered a significant social distance for at least two generations. It is no surprise that white South African labor dominate the manufacturing industry on the larger part as employers and as entrepreneurs. Many manufacturing businesses tend to be intergenerational, therefore suggesting intergenerational skills transfer on one hand, on the other, a protected social (middle class) space. Below I look at the state after 1994, and the kinds of interventions made as a methodology for black middle class formation.

¹⁰ Iscor was sold in 1989, and in 1995, the then Deputy President Thabo Mbeki announced the search for equity partners for Eskom.

3. The Middle Class Boom and the Post Apartheid State

The post-apartheid state has made significant economic gains since 1994, part of which has involved the formation of an ever emerging black middle classes. According to Stats SA classification, as at 2006, roughly 26% of all households in South Africa were considered as middle class, up from 23.4% in 1998 (Stats SA 2009). This expansion is largely attributable to increase in black African households, considering that as at 1998, already 85% of white headed households and three quarters of Indian headed households (75%) were middle class, compared to 41% of coloured headed households, and 15% of black African households (Stats SA, 2009). Between 1998 and 2006, the black African middle class rose with a seven percentage point, from 15% to 22%. Iheduru (2004) estimates that there are over 400,000 new salaried black middle class every year. Considering the large population of black African households in the country (about three quarters) the incidence of middle class is significantly high. Although poverty in South Africa might appear to have declined, the impact is not necessarily intergenerational. The new poverty mask is less elegant, but by many means intergenerational.

The foregoing figures result from commendable economic growth on the one hand, on the other, state redistribution policies. The locus point of this growing middle class has been the Black Economic Empowerment (BEE) affirmative action policy (Ihenduru 2004; Southall, 2004a), although authors like Van Der Berg (2010) contend that the dramatic rise of the country's middle class cannot be attributed only to affirmative action policies. But even if the rise of middle classes cannot be fully attributed to affirmative action, the majority of them are. This is perhaps one of the visible economic outcomes of the post 1994 era.

The black middle classes have developed mainly from within the state, primarily as civil servants and secondarily as citizens doing business with the state –colloquially referred to as ‘tenderpreneurs’. It is no coincidence that the state is the single largest employer (see Van der Walt, 2015). As at 2016, there are at least one hundred and twenty nine (129) state owned enterprises¹¹ all of which have played a major role in middle class formation.

4. The Black Middle Classes and Entanglement

This section narrates how entanglement occurs in black middle classes households. The term entanglement is used in quantum science to explain what Einstein referred to as ‘spooky action in a distance’¹². The term entanglement (Verschränkung) was coined in 1935 by Erwin Schrodinger (an Austrian Physicist) who at the time contested the idea of determinism. In describing entanglement, Schrodinger argued that;

“When two systems, of which we know the states by their respective representatives, enter into temporary physical interaction due to known forces between them, and when after a time of mutual influence the systems separate again, then they can no longer be described in the same way as before, viz. by endowing each of them with a representative of its own. I would not call that one but rather the characteristic trait of quantum mechanics,” the one that enforces its entire departure from classical lines of thought. By the interaction the two representatives...have become entangled” (Schrödinger, 1935:555).

Following Schrodinger, Archaeologists have also used the term to denote the interdependence of humans and ‘things’ such as clay, soil, etc (see Thomas, 1998; Olsen, 2010; Tilley, 1994 as well as Gosden, 2005). In synthesizing archaeological literature, for example, Hodder (2011:155) shows how “human existence and human social life depend on material things” and in this synthesis formulates a thesis which he refers to as ‘Human-thing entanglement’.

¹¹ See <http://www.gcis.gov.za/content/resourcecentre/contactdirectory/government-structures-and-parastatals>

¹² Albert Einstein used this phrase to mean that an object can be moved, changed, or otherwise affected without being physically touched (as in mechanical contact) by another object.

Physicists therefore see entanglement as the tension between macroscopic and microscopic state; while archaeologists use the term generally in reference to the interdependence between humans and ‘things’. Sociologists have also used the term entanglement, to mean dependency and co-dependency. Thus, Sanjay Srivastava (2014) has used the term ‘entangled’ in reference to the process of urbanization, identifying slums, gated communities and malls as the entangled features. In the same discipline, Costa (2011) has used the term entanglement in researching on interdependence of issues which produce social inequalities.

So the term has been used in various platforms to denote interaction of factors which shape and co-shape the elements involved. I would like to modify this term, to suit my social mobility research interests. Based on my PhD thesis on black middle classes, these black middle classes are more than ‘interacting’. The research found a rather messy relationship, of which the systems involved do not have the freedom to opt in or out. This relationship, the study found, is both obligatory and voluntary at the same time.

Take for example, Moses¹³ who is a civil servant, as is his wife Ruth¹⁴, both of whom earn a combined monthly income of about R38,000. The couple have two children, but Moses claims that they provide financial support to two other children, a nephew and niece –Philip and Anne¹⁵. Philip who is in grade twelve, and therefore completing secondary education) lives in his uncle’s (Moses and Ruth) household, Anne (who is 27 years old, and does not attend school or college) lives in her mother’s household, some 20 kilometres away, in Madadeni Township (Newcastle, Kwa-Zulu Natal). Moses went on to point out that they are financially assisting Philip to complete secondary education to obtain university scholarship but if they do not obtain this scholarship, they are committed to pay for university fees. Although Moses and his wife Ruth provide daily upkeep for Anne who lives in the mother’s household, the couple are prepared to provide college or University fees towards Anne’s education, conditional to her taking college or university position. Both Moses and Ruth’s children are in University, without scholarship and therefore their parents (Moses and Ruth) provide full financial support on upkeep as well as university fees. Further inquiry established that being the first born, Moses started providing financial support to his parents and siblings at the age of 16, as he stated in the following response:

“...in those days when I finished my standard ten, my father had problems with his seniors at the church, meaning he was no longer employed, so I had to take over. I looked for work. I was fortunate in 1978, I came to Newcastle and after three months I was working as a clerk. And I carried on and on, supporting my parents and siblings...taking them to schools and everything. I was only relieved of all that when I got married”

Moses and Ruth’s account point to a rather messy financial relationship with Moses parents on the one hand, on the other, Moses nephew and niece. The choice for Moses to stop offering support to his parents and siblings was not a straightforward one. Neither is the choice to offer financial and educational support to Philip and Anne. And, working for the state is an advantage, in that scholarships are easily available for Moses and Ruth’s dependants, and, Moses and Ruth have access to job security as well as social security benefits. But also, Moses is involved in promotion of good working conditions for informal economy workers in Newcastle, and in his own admission, he knows the challenges faced by informal traders. He is highly critical of the state, albeit secretly. So on one level he is a regulator for informal traders, on another level, he opposes the state. In otherwords, the relationship with the state is a more complex one than simply an employee-employer relationship. And yet he is grateful that the state has offered him a chance for social mobility. So then, Moses is entangled (thus he has a messy relationship) with the state. Moses and Ruth are likely to stick with state employment as long as they are financially ‘entangled’ with several other relatives.

¹³ Not his real name

¹⁴ Not her real name

¹⁵ Not their real names

The Middle Class in World Society

Also on entanglement with the poor, a different kind of economic inter-relationship is visible during household based emergencies. This kind of relationship differs from the above in that, in cases of emergencies, there is no opportunity to plan and make the necessary savings, especially because the emergencies might take any form, they may be significant or otherwise; they may be short term or long term. In this light, the middle class function as a social security net for a broad circumference of household members. A case in point, on the Saturday before the interview, Charles¹⁶ narrated how he was expected to provide the financial requirements for his grandfather's funeral. He observed the following:

“Infact you remember I told you that I was in the funeral last weekend on Saturday for my grandfather. The whole funeral was...you know...we had to take care of it as my father's sons. While that under normal circumstances from western culture be expected of the direct children of my grandfather who would be my uncles and aunts. But in this case because we are part of the middle class which is seen as affording. So we were expected. My aunts all of them were taking a back seat and we had to provide the funds”.

A strong chain of biological and social relationships is detectable in the above response. Charles sees the pressure to contribute towards his grandfather's funeral as emerging from his middle class status, but also because he is a grandson. Why were his uncles and his father not on the frontline? The answer, according to Charles was that he could afford. He could not abscond this duty, it is, as he referred to it, a 'silent obligation'. At the time of the interview, Charles worked for a parastatal (after left the private sector) and was therefore guaranteed of job security as well as social benefits. He admitted that dependants constrained his risk taking. Charles can be said to be entangled with the state parastatal he works for, and his broader extended family.

Another form of entanglement (spatial entanglement) is also detectable. Even though majority of the new black middle classes live in decent suburbs, majority of their relatives and social friends are located in townships or rural areas. These spatial linkages provide an opportunity for demonstration of progress, achievement as well as newly acquired status. Part of this demonstration involves sharing of wealth, whether within biological or social relations, and, it is also a response to expectations from individuals and households who live in rural areas or townships.

A case in point, talking about how his father relates to his cousins, Sibusiso¹⁷ noted the following:

“The household where he comes from in Wasbank, they are staying there and they look after his cows and he tends to feel obliged and he buys groceries every month. Some of the kids are in varsity and they would call him saying, Malume [Zulu word for Uncle] we need a few thousands and he is a man who is very sensitive to education”.

Sibusiso's father is a typical example of a middle class who still has strong links with rural life, and the support systems which occur in a farm life –in this case nephews. So Sibusiso's father is spatially entangled, in addition to being entangled with his nieces. Asked whether this relationship amounted to an obligation, Sibusiso noted the following:

“I think there was an obligation because some of his siblings had not undergone education. Some of them could have turned around and said, ‘you didn't put us through school’. So he did for all of them so that the topic never comes up”.

What the foregoing suggests is that, the black middle classes should not be viewed from a linear, atomistic view. They are entangled with numerous systems, a situation which dispenses with cause and effect arguments such

¹⁶ Not his real name.

¹⁷ Not his real name

as middle classes and democracy. Their relations with development and democracy is not a straightforward one, entanglements constrain them.

This entanglement is a distinctive difference between white South Africans in the 1920s and 1930s, and black South Africans post 1994. There are deep intergenerational entanglements among black South Africans which shape their economic and social life in a fundamental way. White South Africans in the 1920s and 1930s had become poor due to some spectacular events, while black South Africans have been trapped in poverty for at least three generations since the beginning of the twentieth century. It was therefore relatively easy to create social mobility ladders among poor whites in the 1930s and 1940s than it is to create social mobility ladders for black South Africans after 1994. This being the case, the important question is whether the current state policy is addressing these issues of entanglement, and intergenerational poverty, effectively. Below I examine the industrial policy in the attempt to answer this question.

5. Post Apartheid Industrial Policy and Middle Class Formation

Are the current de-industrialization trends traces of a post- industrial society, or are there internal predispositions of South Africa's post 1994 manufacturing sector, which undermine middle class formation? Altman and Meyer (2003) suggest that industrial policy after 1994 heavily leans towards supply side interventions, contrary to the pre-1994 demand based interventions. These authors go on to identify supply side interventions as the following:

- (a) The Motor Industry Development programme (MIDP) and its successor, the Automotive Production and Development Programme (APDP)
- (b) The Duty credit certificate Scheme for the clothing and textile sector
- (c) Export promotion measures such as duty drawbacks for inputs used in the manufacturing sector, establishment of export councils, setting up of schemes to promote technological advancements.
- (d) Investment promotion
- (e) Black Economic Empowerment
- (f) SMME development
- (g) Restructuring of parastatals, mainly in the transport, energy and telecommunications sectors
- (h) Spatial Development Policies, including Industrial Development Zones.

The focus on supply side relates to the need for job creation. What is important to note is that, the supply side interventions seem to target downstream rather than upstream beneficiation. Zalk (2014) takes note of the fact that the post 1994 era looks to downstream beneficiation and value addition for job creation, as opposed to the upstream intervention employed by the pre-1994 state.

The job creation objective which has manifested in supply side downstream beneficiation is evident in the National development Plan, the New Growth Path and the Industrial Policy Action Plan. These policies are examined below.

The New growth Path Framework (Republic of South Africa, 2010), as does the National Development plan, identifies manufacturing as one of the six main sectors along with infrastructure, mining, agriculture, the green economy and tourism. The National Development Plan posits that the cost structure of the manufacturing sector is too high, rendering it non-competitive in low skills manufacturing (Republic of South Africa, 2011). The solution to a competitive manufacturing sector, according to the National Development Plan is to reduce cost structure so as to increase the skills base, address infrastructure challenges and stabilise the exchange rate (Republic of South Africa, 2011). The New Growth Path (NGP) has a considerable focus on manufacturing, noting that between 2000 and 2008 the economy was dominated by consumption, thus the retail sector grew while other sectors including manufacturing declined. The NGP partly blames the contraction of manufacturing on strong Rand, which reduced competitiveness of the sector.

The Middle Class in World Society

The NGP is explicit that its primary objective is to ensure employment creation through the sector. How this would be achieved, according to the NGP, is through provision of support to labor intensive activities in light manufacturing industries. Downstream beneficiation is especially critical as far as the NGP is concerned. The NGP further expects parastatals to achieve specific targets such as create 50,000 artisans by 2015. All in all, the New Growth Path underscores the job creation objective. The policy does not mention the quality of these jobs, except implicitly. This it does through focusing on “sectors that can generate employment on a large scale and meet basic needs at lower cost in short to medium term” (2010:34). The underlying reasoning seems to point to *number of jobs*, and thus poverty alleviation rather than middle class formation. There is an indication that when full employment is reached, the state will then turn to capital intensive investments in the economic sectors. This would include upstream support for the manufacturing sector. This might be a generation away.

The first Industrial Policy in South Africa was developed in 2007, although as Zalk (2014) observes, several adhoc interventions occurred before then. The Cabinet approved the Industrial Policy Framework in January 2007 and the Industrial Policy Action Plan in August the same year (Zalk, 2014). The Industrial Policy Action Plan is reviewed after every three years, and the current (2016/17 -2018/19) is the fifth iteration.

Understandably so, the Industrial Policy Action Plan (IPAP) provides a more detailed diagnosis of the manufacturing sector. The IPAP suggests that there are four categories of manufacturing sub-sectors worth supporting. These are:

- (a) Growth multipliers such as automotives, metal fabrication, transport infrastructure equipments, plastics, pharmaceuticals and chemicals.
- (b) Strong employment multipliers such as agro-processing; forestry, timber, paper, pulp and furniture;
- (c) Stressed sectors such as clothing, textiles, leather and footwear
- (d) Skills upgrading subsectors which include crafts and related SMEs.

The latest IPAP 2015/16 - 2017/18 considers several priorities, all of which seem focused on state driven manufacturing. It goes on to mention only once, and in passing, that private sector will be crowded in, but then leaves out the details for the readers guess work. The core objectives of the 2015/16 - 2017/18 IPAP are:

- (a) Provision of support to diversification through value addition
- (b) Promote labor absorption manufacturing activities
- (c) Enhance industrialization which models after inclusive growth
- (d) Target continent wide industrialization and
- (e) Move towards knowledge economy (See Department of Trade and Industry, 2016).

The first three objectives are focused on poverty alleviation, the fourth responds to geo-politics while the fifth relates to national goals. None of these objectives are focused on addressing social mobility in any meaningful way. The current IPAP is also inundated with some sort of input-output matchmaking, mainly monetary investments versus jobs created, or factories established, etc. This is of course understandable given the need to account for funds employed in the efforts to re-industrialise. This input-output approach however casts long shadows on social mobility, and by so doing undermines the attempts to terminate poverty traps in a more sustainable way.

The IPAP highlights three key areas of focus, namely; public and private procurement, leveraging the country's resource endowment, especially mining and provision of support on manufactured exports. The third focus area involves among other strategies, the support for black industrialists through facilitating access to markets, access to finance and skills development. The support of export based Original Equipment Manufacturers (OEM) is a strategic intervention, which would rightly support black middle class formation. The emphasis on creation of black industrialists is a noble one, and, the IPAP points to success stories such as the South African Fruit and Vegetable Canning Association, where 70% of the Robertson based orchard is owned by black women. The IPAP also draws

attention to Black-owned and-controlled Ansys which have been awarded R 188 million contract by Transnet to supply integrated dash-board display systems for the freight rail utility's locomotives. Large foreign conglomerates are also obligated to meet local recruitment targets, although there are no indications on the outcomes of these global and local intersections.

It is also refreshing to note the ambition to create black industrialists through access to finance, access to markets, skills development, and enabling black manufacturing industries to meet standards, quality and productivity improvements.

On industrial financing, the 2015/16 -17/18 IPAP identifies at least twelve funding sources as noted below (DTI, 2016):

- (i) Industrial Development Corporation which disbursed R6 billion in the 2015/16 financial year, supporting 4753 jobs and creating 4126
- (ii) Development Bank of Southern Africa which spent more than R21 billion towards infrastructure and municipal support issuing loans of up to 56.7 billion in the 2015/16 financial year.
- (iii) The National Empowerment Fund (NEF) which during the same financial year approved 700 transactions totalling more than R6.9 Billion for black –empowered businesses and supporting 84,000 jobs.
- (iv) Manufacturing Competitiveness Enhancement Programme (MCEP) which approved funding for up to 232 organizations between April and December 2015, and spent approximately R8.8 billion sustaining 52,446 jobs.
- (v) The Automotive Investment Scheme (AIS) which approved 39 projects with incentives totalling R978 million and total investments of R3.7 billion, between April and December 2015.
- (vi) Enterprise Development Programme-between 2015 and 2016, DTI plans to spent R44 million in to revamp two industrial parks located in Eastern Cape -the Vulindlela Heights Industrial Park (based in Mthatha) and Queenindustria Industrial Park (Queenstown).
- (vii) 12i Tax Allowance Incentive Scheme which approved projects of estimated value of R9.5 billion during the 2015/16 financial year
- (viii) Aquaculture Development and Enhancement Programme (ADEP) which supported 11 projects with an incentive value of R49 million, during the 2015/16 financial year. This, DTI (2016) argues, leveraged investment worth R206 million, with expectations that this would create 291 jobs.

6. Recommendations and Conclusions

6.1. Recommendations

On the whole, there are indications that the DTI is making efforts to create black middle classes in the manufacturing sector. The methodology proposed in the IPAP, however, might yield piecemeal growth of the black middle class. Part of the reason is that the IPAP seems to focus on jobs only. It fails to consider that many black South Africans need more than jobs, they need social mobility. This points to the need to offer meaningful jobs which account for entanglements. In the very least, this should be made explicit in policy. This argument goes against the National Development Plan which rather than creating social mobility ladders, aims to 'moderate' the wages of the middle income group (Republic of South Africa, 2011:39). In what seems to be a contradiction, however, the NDP alludes to social mobility as critical in achieving vision 2030. For the NDP, much of the social mobility facilitation is left for employers to determine the pace and methods. The challenge with poverty alleviation obsession (masked under job creation) is that, it scratches on the surface.

Like the colonial state of the 1920s, this study recommends that policy should explicitly seek to create sustainable jobs, bundling these jobs with promoting social security measures might. Maintaining labor rigidity is

The Middle Class in World Society

also, not necessarily a negative strategy as some arguments tend to suggest. This is one of the avenues employed by the colonial state to facilitate social mobility among poor whites. On this, Von Fintel (2015:1) has shown that “in the long run, wages are much more flexible and structural factors explain more of the unemployment puzzle” than labor rigidity does, and, only in specific contexts such as unionised workers does labor rigidity suppress job creation. Creation of mid-paying jobs, provision of social security and labor protection are likely to produce slower but yet lasting impact on unemployment and poverty.

Additionally, the creation of black industrialists through access to markets, access to finance and skills development is likely to achieve more political than economic goals. Access to market and access to finance has tended to benefit those closely connected to the political machine. Also, the IPAP does not specify how doing business with the state could be modelled to facilitate private sector based expansion of middle classes. The IPAP could have included an incubation programme aimed at facilitating exit from primary dependence on the state. The identification of career industrialists is also conveniently missing. IPAP would do well to draw some lessons from the land reform programme, that funding and access to markets does not produce a career aspiration.

6.2 Conclusion

This paper examined how South Africa’s post-apartheid industrial space is intersecting with the formation of middle classes. Efforts were made to trace historical trajectory of how in the past, the South African state was successful in addressing poverty through industrializing. The argument made is that the sorts of interventions implemented by the state in the 1920s through 1940s were in essence middle class creation rather than poverty alleviation. The bundling of initiatives such as labor protection, high wages, and housing had effective and lasting impact on white poverty at the time. It also set into motion intergenerational social mobility among previously poor whites. The paper concluded that the country’s industrial policy reflects significant constraints in effective and sustainable creation of black middle classes.

References

1. Feinstein, C. (2005). *An Economic History of South Africa: Conquest, Discrimination and Development*. Cambridge: Cambridge University Press.
2. Berger, D. L. 1983. *White Poverty and Government Policy in South Africa, 1892-1934*. PhD thesis, Temple University, Philadelphia.
3. Blainey, Geoffrey 1966, *The Tyranny of Distance: How Distance Shaped Australia’s History*, Melbourne: Sun Books.
4. Costa, S. (2011) *Researching Entangled Inequalities in Latin America. The Role of Historical, Social and Transregional Inequalities*. *DesiguALdades.net Working Paper Series*, No. 9, Berlin; *desiguALdades.net Research Network on Interdependent Inequalities in Latin America*.
5. Cripps, E (2012). *Provisioning Johannesburg, 1886-1906*. Masters Thesis. University of South Africa
6. Duncan, D (1993). *The Origins of the Welfare in Pre-apartheid South Africa* [Online] http://sas-space.sas.ac.uk/4232/1/David_Duncan_-_The_origins_of_the_welfare_state_in_pre-apartheid_South_Africa.pdf. Downloaded on 9th March 2016
7. Fleisch, B. D. (1995). *Social scientists as policy-makers: E.G. Malherbe and the National Bureau for Educational and Social Research, 1929-1943*, *Journal of Southern African Studies* 21,3 (September): 349-72.
8. Fourie, J. 2007. *The South African poor White problem in the early twentieth century: Lessons for poverty today*. *Management Decision*, 45(8):1270-1296.
9. Giliomee, H. (1995). *The Growth of Afrikaner Identity* in William Beinart and Saul Dubow (eds.), *Segregation and Apartheid in Twentieth-Century South Africa* (London: Routledge, 1995), pp.189-205

10. Gordon, J., and P. Gupta. 2004. Understanding India's Services Revolution. International Monetary Fund Working Paper 04/171. Washington, DC: International Monetary Fund.
11. Hodder, I (2011). Human-thing entanglement: towards an integrated archaeological perspective. *Journal of the Royal Anthropological Institute (N.S.)* 17, 154-177.
12. Iheduru, O. (2004) Black Economic Power in South Africa. *The Journal of African studies*, 42 (1) 1-30.
13. Industrial Development Corporation (2013). South African Economy. An Overview of Key Trends Since 1994. <http://www.idc.co.za/reports/IDC%20R&I%20publication%20-%20Overview%20of%20key%20trends%20in%20SA%20economy%20since%201994.pdf>. Downloaded on 03rd June 2016
14. Iscor (2016). <http://www.arcelormittalsa.com/Portals/0/The-History-of-ArcelorMittal-South-Africa.pdf>. Downloaded on 2nd June 2016
15. Langley, W.R.C (1997). The Economic and Socio-political factors influencing labor relations within Iscor from 1934 to 1955. University of South Africa; Masters Dissertation.
16. Lucien van der Walt, 2015, "Beyond 'White Monopoly Capital': Who owns South Africa?," *South African Labour Bulletin*, volume 39, number 3, pp. 39-42.
17. Natrass, N. and Seekings, J. (2010). The Economy and Poverty in the Twentieth Century in South Africa. CSSR Working Paper No. 276. <https://nicspaul.files.wordpress.com/2011/04/the-economy-and-poverty-in-the-20th-century-in-sa.pdf>. Downloaded on 23rd May 2016
18. Minnaar, A. (1990) *The Locust Invasion of Zululand 1933-1937*. *Natalia* 20 (1990):30-42.
19. Musyoka, JM (2015). Perspectives on emerging Wealth Distribution in South Africa's previously disadvantaged households: A Systems Thinking Approach. PhD Thesis; University of Kwa-Zulu Natal
20. Petterson, L. (1996). Post Apartheid Southern Africa. Economic Challenges and Policies for the Future. London and New York: Routledge.
21. Visagie, J. and Posel, D. (2013) A Reconsideration of What and Who is Middle Class in South Africa. *Development Southern Africa* 30(2):149-167.
22. Singh, N. 2006. Services-Led Industrialization in India: Assessment and Lessons. In *Industrial Development for the 21st Century: Sustainable Development Perspectives*. New York, NY: United Nations, Department of Economic and Social Affairs.
23. Sorokin, P (1959). *Social and Cultural Mobility*. London; The free Press of Glencoe Collier-Macmillan Limited.
24. Southall, R. (2004c). Democratic Change and the Black Middle Class in South Africa. *Canadian Journal of African Studies* 38 (3) 521-542.
25. Statistics South Africa (2009). Profiling South African middle-class households, 1998–2006. Pretoria: Statistics South Africa. <http://www.statssa.gov.za/publications/Report-03-03-01/Report-03-03-01.pdf>. Downloaded on 29th May 2016.
26. Schrodinger, E (1935). Discussion of Probability between Separated Systems, *Proceedings of the Cambridge Physical Society* 1935, (31) 4.
27. Srivastava, S (2014). *Entangled Urbanism Slum, Gated Community and Shopping Mall in Delhi and Gurgaon*. New Delhi: Oxford University Press
28. Tolcher, A. (2011) How does the 1922 Rand Rebellion Reveal the Relative Importance of Race and Class in South Africa? *University of Sussex Undergraduate History Journal* (No.01/2011). <https://www.sussex.ac.uk/webteam/gateway/file.php?name=rand-rebellion-race-and-class.pdf&site=15>. Downloaded on 24th May 2016
29. Wasserman, J.M (2005). *The Natal Afrikaner and The Anglo-Boer War*. University of Pretoria, PHD Thesis.
30. Webster E (2001). *Essays in Southern African Labour history*. Johannesburg: Ravan Press.
31. Zalk, N (2014). Industrial Policy in a Harsh Climate: the Case of South Africa. In Salazar Xirinachs, JM, Nubler, I. and Kozul-Wright, R. (Eds). *Transforming Economies. Making Industrial Policy Work for growth, jobs and Development*. Geneva; International Labor organization.

Emergence of the New Middle Class in India and Its Structural Composition: An Empirical Investigation from 1999-00 To 2011-12

Sandhya Krishnan and Neeraj Hatekar

1. Introduction

Conventionally, the Indian middle class is understood as a small group of people with relatively high level of education, engaged in professional service activities and largely belonging to the upper castes (Joshi, 2010; Sheth, 1999). As against this, many recent studies have engaged in discussions on the emergence of a 'new' middle class in India, associated with a certain level of income and consumption expenditure (see ADB 2010; Fernandes 2006; Krishna and Bajpai 2015; Lahiri 2014). The new middle class plays a vital role in driving consumption demand. Murphy, Shleifer, & Vishny (1989) show that unlike the very rich who demand imported luxuries; the new middle class, as consumers of mass production of domestic goods promote industrialization and growth in their own country. In the current global economic scenario, where demand from the western middle classes is bleak, new middle classes in developing economies like India have become all the more important not only for driving domestic growth, but also in the recovery of global consumption demand.

Despite the critical role played by the new middle class in driving growth both at the national and at the global level, there is no consensus about the size of the Indian new middle class. While ADB (2010) and Ravallion (2010) claim that the size of the class has multiplied massively post 1990 and that it will drive global consumption demand in the near future, Krishna & Bajpai (2015) find India's new middle class growth to be stagnating. Besides this ambivalence in the expansion in new middle class size, there exists very little research about the structure of the new middle class. Fernandes (2006) claims that the social structure of the new middle class is not very different from that of the conventional middle class, that is, most new middle class members come from the pre-existing middle class, belonging to the upper-castes. However, Fernandes' claim is based on a study of a small group of workers who have benefitted from new employment opportunities arisen in India post liberalization and globalization. In a way, the study assumes that only those working in the new service activities belong to the new middle class.

This paper draws on a large national level data-set of the National Sample Survey (NSS) on Household Consumer Expenditure in India. It adds to existing literature on the new middle class in India by providing estimates of the size of the class across different regions of India. It further assesses changes in the structure of the class in terms of its social composition and industry of employment. The NSS data is widely recognized and employed by many scholars to study various socio-economic aspects of the Indian society. Surprisingly, with the exception of Meyer and Birdsall (2012), no study on the new middle class in India has used this data-set yet. We use three quinquennial rounds of NSS surveys on household consumer expenditure- the 55th round, conducted in 1999-00¹⁸, the 61st round conducted in 2004-05 and the 68th round carried out in 2011-12. We discard data from the 66th round of the survey conducted in 2009-10, as 2009-10 was declared a national drought year. In fact, the 68th round of the survey was conducted (just two years after the earlier round) to replace the 66th round data.

¹⁸ It is argued that the 55th round of the NSS survey on household consumer expenditure should be altogether discarded as it has produced biased results because of a faulty survey design. We are of the opinion that it does provide some idea of the level of consumption expenditure of that time. We hence continue to use the data, being aware that it may be slightly biased.

In spite of being widely discussed, the precise definition of the new middle class in India remains ambiguous. Section 2 reviews existing definitions of the new middle class, subsequently arriving at the definition used in this study. Estimates of new middle class size and its growth from 1999-00 to 2011-12 are presented in Section 3. Section 4 traces new middle class expansion across different states in India. Structural changes in the new middle class in terms of employment distribution and ethnic composition are discussed in Section 5. The final section concludes.

2. What is new middle class- a critical review of existing definitions

While the new middle class is generally identified based on its income or consumption, existing studies differ in their income/consumption ranges used to define the class. Broadly, these definitions can be classified into relative and absolute types. Relative definitions, such as that offered by Easterly (2001) are essentially useful for cross-sectional analyses of the new middle class. For inter-temporal studies like the present one, absolute definitions need to be employed. We hence restrict this discussion to absolute definitions of the new middle class.

One such absolute definition is proposed by Kharas (2010), who defines the emerging new middle class in developing countries as those with daily per capita incomes between US\$10 and US\$100 in purchasing power parity (PPP) terms. The lower bound is chosen with reference to the average poverty line in Portugal and Italy, while the upper bound is chosen as twice the median income of Luxembourg, the richest advanced country. Meyer and Birdsall (2012), in their study on the new middle class in India use the same lower threshold of \$10 per capita per day, measured in 2005 PPP, but their upper bound is defined at \$50. They argue that the lower bound of \$10 is the global minimum to be categorized as the new middle class. The upper bound is set at \$50 because most Latin American households earning beyond this limit consider themselves rich, not middle class (see Birdsall 2012). A popular definition of the new middle class in the Indian context is provided by the National Council of Applied Economic Research (NCAER). It defines new middle class households as those earning an annual income between 200,000 rupees and 1 million rupees in 2001-02 prices (Shukla 2010: 100). Assuming an average household size of five, this approximately equals \$11 and \$55, respectively, per capita per day, in 2005 PPP terms, close to the bounds defined by Meyer and Birdsall (2012). In essence, these definitions imply that the new middle class in developing countries are those who are well above poverty not only in their own countries, but also by the standards of developed countries.

In contrast to the above definitions, some scholars include within the new middle class all those individuals who are fairly above the poverty line of developing countries. Ravallion (2010), for instance, defines the lower bound of new middle class as the median of poverty lines of 70 developing countries, which is \$2 per capita, per day, measured in 2005 PPP. The upper bound is defined as the poverty line of the US in 2005, which is \$13. ADB (2010) identifies the new middle class in developing Asia using the same lower-bound of \$2, but a higher upper bound of \$20 per person per day, measured in 2005 PPP. Using household surveys of 13 developing countries including India, Banerjee and Duflo (2008) define the new middle class as those who spend between \$2 and \$10 per capita, per day, at 1993 PPP. Within the new middle class, they further consider two groups of households- the lower-middle class, whose daily per capita expenditures are between \$2 and \$4 and the upper-middle class, whose expenditures lie between \$6 and \$10.

Different from these income and consumption based approaches, Krishna and Bajpai (2015) define the new middle class in India on the basis of ownership of transportation assets. They define the lower-middle class as those whose best available means of transportation is a motor-cycle or a motor scooter. The upper-middle class consists of those who possess a car, whereas the rich are those who possess both an air-conditioner and a car. The authors are of the view that in contemporary India, assets are the key status symbols of new middle class identity.

Given these various definitions, the critical question is which of them best describes the new middle class in India. Though Krishna and Bajpai (2015) use a rather novel definition, which well relates to the contemporary middle class in India, it is not without problems. First, the authors themselves point out that assets are relatively more stationary

The Middle Class in World Society

than income or consumption, implying that ownership of assets does not accurately reflect the fast-paced change in income and consumption taking place in India lately. Second, ownership of type of transportation assets depends on local infrastructure, particularly, transport facilities, which are quite diverse in different regions of India. A uniform transportation-asset based classification is hence unsuitable for defining the new middle class at the national level.

The income bounds of the new middle class put forth by Kharas (2010), Meyer and Birdsall (2012) and NCAER are quite high, making them unsuitable to be applied to a developing country like India. Further, income-based definitions are cumbersome to be applied on consumption expenditure data of the NSS. The definitions proposed by ADB (2010), Banerjee and Duflo (2008) and Ravallion (2010) are consumption-based, set at a lower bound of \$2. A minimum expenditure of \$2 is reasonable to be identified as new middle class in a developing country as it ensures a base amount of consumption that can contribute economically to growth (Chun, Hasan and Ulubasoglu 2011). However, ADB (2010) and Ravallion (2010) measure expenditures in 2005 PPP. Compared to the World Bank poverty line of \$1.9 a day (2011 PPP), it places the new middle class only marginally above the poor. As against this, Banerjee and Duflo (2008) measure expenditure at a higher real value of 1993 PPP which is sufficiently greater than both the global poverty line and the national poverty line for India¹⁹. The upper-bound of \$10 is ideal to ensure that no non-new middle class person is left out of the category as well as no affluent member is included in the new middle class. We therefore find the definition offered by Banerjee and Duflo (2008) the most fitting among all existing definitions of the new middle class.

3. Estimating new middle class size

After having identified the most suitable definition for the new middle class, we estimate its size for the years 1999-00, 2004-05 and 2011-12. To do this, we first convert the consumption expenditure ranges proposed by Banerjee and Duflo (2008) in 1993 PPP dollars (private consumption) to Indian rupees. Thereafter, we adjust them for inflation rates in India for the years under consideration. To calculate inflation rates, we use the Gross Domestic Product (GDP) deflator instead of the Consumer Price Index (CPI). We do so because the new CPI series for India (CPI-rural and CPI-urban) is available only from 2011-12 onwards. Older CPI indices do not correctly reflect prices faced by the aggregate national population as they are restricted to Agricultural Labourers (CPI-AL) or Industrial Workers (CPI-IW) alone. Nevertheless, we compared new middle class expenditure ranges for rural and urban areas using both GDP deflator and CPI-AL (for rural areas) and CPI-IW (for urban areas) adjusted prices. Since we found no significant difference in the expenditure ranges, we settled for the GDP deflator. The rupee-denominated expenditure ranges for the different classes thus obtained are presented in Table 1.

Table 1: Daily Per Capita Consumption Expenditure Range for Different Classes in India Using the Banerjee- Duflo Definition (Rupees)

	1999-00	2004-05	2011-12
Poor (<\$2)	<20.3	<24.7	<39.5
New middle class (\$2-\$10)	20.3-101.7	24.7-123.4	39.5-197.3
Lower-middle class (\$2-\$4)	20.3 - 40.7	24.7 - 49.4	39.5 - 78.9
Middle-middle class (\$4-\$6)	40.7-61.0	49.4-74.0	78.9-118.4
Upper-middle class (\$6-\$10)	61.0 - 101.7	74.0 - 123.4	118.4 - 197.3
Affluent (>\$10)	>101.7	>123.4	>197.3

Source: Authors' calculations using World Data Bank (PPP rates- private consumption) and Handbook of Statistics on Indian Economy, Reserve Bank of India (GDP deflator).

Table 2 shows the size of different classes in India. Between 1999-00 and 2004-05 (henceforth t₁) there was

¹⁹ The national poverty line suggested by the Tendulkar committee (Planning Commission, 2013) is daily per capita expenditure of Rs. 27.2 (2011-12 prices) or \$1.8 (2011 PPP) for rural India and Rs. 33.3 (2011-12 prices) or \$2.2 (2011 PPP) for urban India

no significant change in the size of the new middle class in India. In fact, share of the new middle class in total population shrunk marginally, while that of the poor increased. Within the new middle class, the middle-middle and upper-middle classes expanded, but this was offset by a larger decline in the share of the lower-middle class. Rural India showed a similar trend, where the poor swelled in numbers, proportion of the lower-middle class declined, while the rest of the classes expanded marginally. Urban India, in contrast, witnessed a marginal decline in the share of the poor, although in absolute numbers, it increased by about 5 million. The urban new middle class expanded slightly, but only due to growth in the middle-middle and upper-middle classes.

From 2004-05 to 2011-12 (henceforth t_2), however, we witness an astonishing change in class composition in India. The share of the poor declined from over 70 per cent to less than 50 per cent of the population. The new middle class, which accounted for less than 30 per cent of the population earlier, rose to over 50 per cent. In absolute size, the new middle class almost doubled, from 304 million to 604 million. The middle-middle and upper-middle classes also expanded, from a mere 5 per cent of the population in 2004-05 to 13 per cent in 2011-12. Interestingly, the bulk of the expansion in the new middle class in this period was led by the lower-middle class, which constituted three-fourths of the total new middle class population. Also, unlike the earlier period, both rural and urban areas witnessed an increase in the share of the new middle class and reduction of the poor. In fact, rural India surpassed its urban counterpart in terms of total new middle class population by 107 million more people.

Our analysis suggests that the seven years between 2004-05 and 2011-12 have been quite significant for India, in both rural and urban areas. The new middle class has swelled in an unprecedented fashion, albeit mainly in the \$2 to \$4 category. Several people have come out of poverty to join the lower-middle class ranks. Our findings are in sharp contrast to that of Krishna and Bajpai (2015), who find the size of the Indian new middle class declining in the recent years. Moreover, many studies view the new middle class as essentially an urban phenomenon (see Fernandes, 2006; Nijman, 2006), which is also in contradiction to our results.

Table 2: Size of different classes in India (Percent)

India			
	1999-00	2004-05	2011-12
Poor (< \$2)	70.7 (707.5)	71.4 (777.3)	47.8 (574.8)
New middle (\$2 - \$10)	28.9 (289.7)	27.9 (304.2)	50.3 (604.3)
Lower-middle (\$2 - \$4)	23.6 (236.3)	21.8 (237.8)	37.1 (446.3)
Middle-middle (\$4 - \$6)	3.9 (38.7)	4.2 (45.4)	9.0 (108.5)
Upper-middle (\$6 - \$10)	1.5 (14.7)	1.9 (21.0)	4.1 (49.5)
Affluent (>\$10)	0.4 (3.8)	0.7 (7.5)	1.9 (22.9)
Rural			
	1999-00	2004-05	2011-12
Poor (< \$2)	79.6 (597.0)	81.4 (662.1)	58.2 (499.1)
New middle (\$2 - \$10)	20.3 (152.2)	18.4 (149.6)	41.4 (355.7)
Lower-middle (\$2 - \$4)	18.3 (137.1)	16.2 (131.4)	34.9 (299.1)

The Middle Class in World Society

India			
	1999-00	2004-05	2011-12
Middle-middle (\$4 - \$6)	1.6 (12.0)	1.7 (13.8)	5.1 (43.4)
Upper-middle (\$6 - \$10)	0.4 (3.1)	0.5 (4.4)	1.5 (13.2)
Affluent (>\$10)	0.1 (0.6)	0.2 (1.8)	0.4 (3.4)
Urban			
	1999-00	2004-05	2011-12
Poor (< \$2)	44.0 (110.6)	41.8 (115.3)	22.0 (75.6)
New middle (\$2 - \$10)	54.7 (137.4)	56.1 (154.5)	72.4 (248.7)
Lower-middle (\$2 - \$4)	39.5 (99.1)	38.6 (106.3)	42.8 (147.2)
Middle-middle (\$4 - \$6)	10.6 (26.7)	11.5 (31.7)	18.9 (65.1)
Upper-middle (\$6 - \$10)	4.6 (11.6)	6.0 (16.5)	10.6 (36.4)
Affluent (>\$10)	1.3 (3.2)	2.1 (5.7)	5.7 (19.4)

*Note: Figures in brackets are population size in million.
Consumption expenditure is based on Mixed Reference Period (MPCE-MRP) of the NSS surveys.
Source: Authors' calculations based on NSS Household Consumer Expenditure Survey, 55th, 61st and 68th rounds and Reserve Bank of India (annual population figures).*

It could be argued that the deviation in our results from existing studies is merely a matter of differences in the definition of the new middle class. Hence, to verify the robustness of our results, we carry out an exercise to check how the estimates vary with changes in definition of the new middle class. We compare the definition that we use with three other definitions, namely, ADB (2010), Meyer and Birdsall (2012) and Krishna and Bajpai (2015). The first definition defines new middle class as those who are just above the poverty line; the second compares them to the global middle class, while the third uses transportation assets as the defining characteristic of the new middle class^{20 21}. We find that depending on the definition used, the size of the new middle class varies drastically (see Figures 1a-1c). In rural India, by the definition of Meyer and Birdsall (2012), the new middle class was as small as 5 per cent in 2011-12, compared to 41 per cent by the definition of Banerjee and Duflo (2008). Similarly, the size of the urban new middle class varied between 20 per cent and 80 per cent, depending on the definition used. However, irrespective of the definition, we see that growth in the share of the new middle class was almost flat in t1, but rose remarkably in t2. Moreover, even by the ownership of assets-based definition of Krishna and Bajpai (2015), we find

²⁰ Meyer and Birdsall's (2012) definition is income-based, while NSS surveys provide data on consumption. Hence, to arrive at an income distribution from the consumption distribution we make use of the quintile-wise income-expenditure ratio of households for 2004-05 given in Shukla (2010). We calculate corresponding income levels for each consumption quintile, separately for rural and urban areas and then combine them to arrive at the aggregate income distribution. Since the income-expenditure ratios are available only for 2004-05, we assume the ratio to be constant over all three years under analysis.

²¹ To estimate new middle class size by the Krishna and Bajpai (2015) definition, we draw on NSS data on ownership of transportation assets. Because NSS survey for 1999-00 does not supply this data, we arrive at new middle class estimates based on Krishna and Bajpai's definition only for 2004-05 and 2011-12.

the new middle class to have expanded in both rural and urban areas, much in contrast to the findings of the authors themselves. This shows that our estimates of the size of the new middle class are in general robust to changes in definition of the class.

Figure 1a: New middle class size by different definitions, India

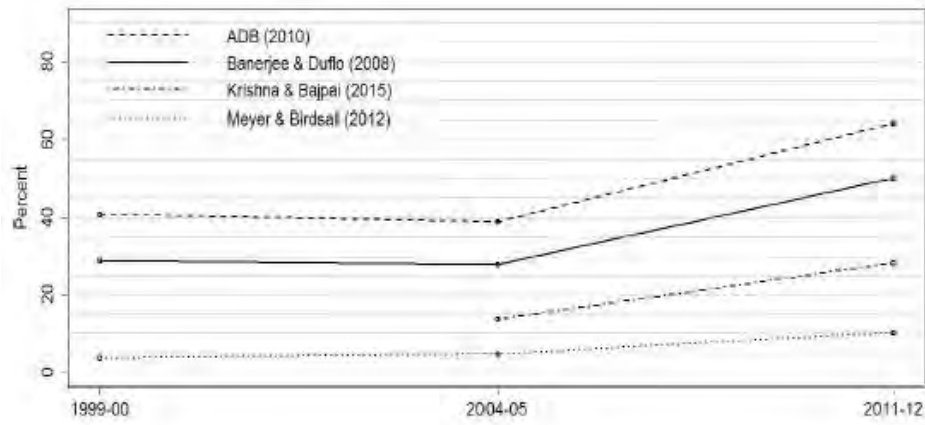


Figure 1b: New middle class size by different definitions, Rural India

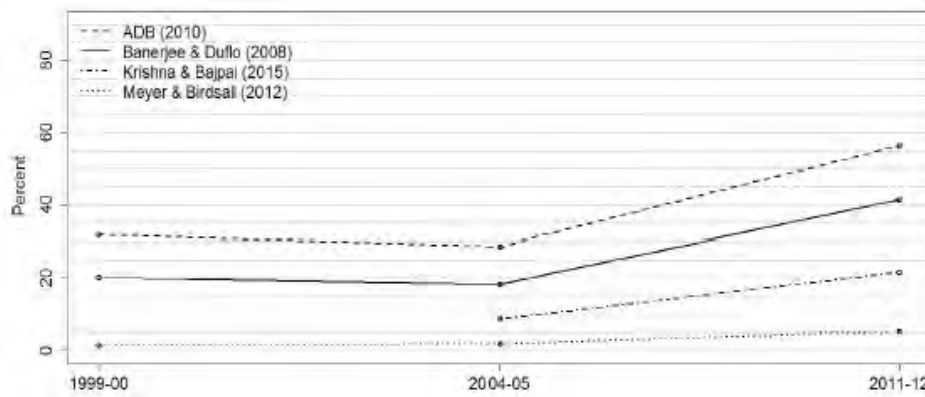
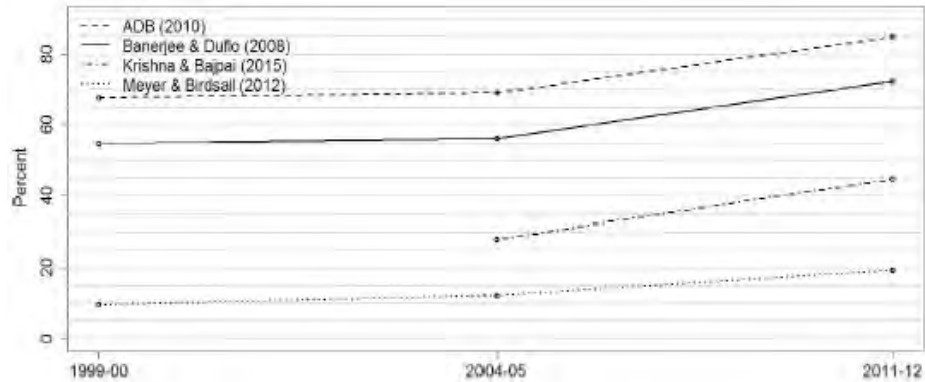


Figure 1c: New middle class size by different definitions, Urban India



Source: Authors' calculations using NSS Household Consumer Expenditure surveys, 55th, 61st and 68th rounds.

4. Regional distribution of the new middle class

Our findings so far reveal that expansion in new middle class is not confined only to urban India. But how have different states of India performed in terms of new middle class growth? This section conducts a state-wise study of new middle class distribution to answer this question. Our analysis is limited to t2 as the reconstitution of a few states in the year 2000 makes comparison between t1 and t2 unfeasible for the reconstituted states. Nevertheless, Appendix 1 gives state-wise new middle class size for all three years.

State-wise analysis shows that in 2004-05, proportion of new middle class population in many of the states in India was below the national average, that is, less than 30 per cent of the respective state populations (Figure 2a). Only two southern states of Tamil Nadu and Kerala, two western states of Maharashtra and Gujarat and some of the states in the north, such as Jammu and Kashmir, Haryana and Punjab were among the large states with a new middle class population share above national average.

In 2011-12, the fraction of new middle class population increased in majority of the states (Figure 2b). But more importantly, distribution of new middle class population share also became more balanced across states. Many more states in 2011-12 had a new middle class population share greater than the national average (50 per cent), as compared to 2004-05. The states of Andhra Pradesh, Karnataka and Rajasthan in particular fared exceptionally well. However, states in eastern India showed hardly any growth in the share of new middle class population. In the states of Bihar, Chhattisgarh, Jharkhand and Odisha, though the proportion of new middle class population showed an improvement, it continued to stay at less than 30 per cent of the state population throughout t2.

Our state-wise analysis reveals that not only has the new middle class in India expanded across both rural and urban areas, but also across different states. While some states have performed better than the others, overall, all states have witnessed an increase in the share of new middle class population. Further analysis on why some states have performed better than the others is called for, which however is beyond the scope of this paper.

Figure 2a: State-wise share of new middle class in total state population, India, 2004-05

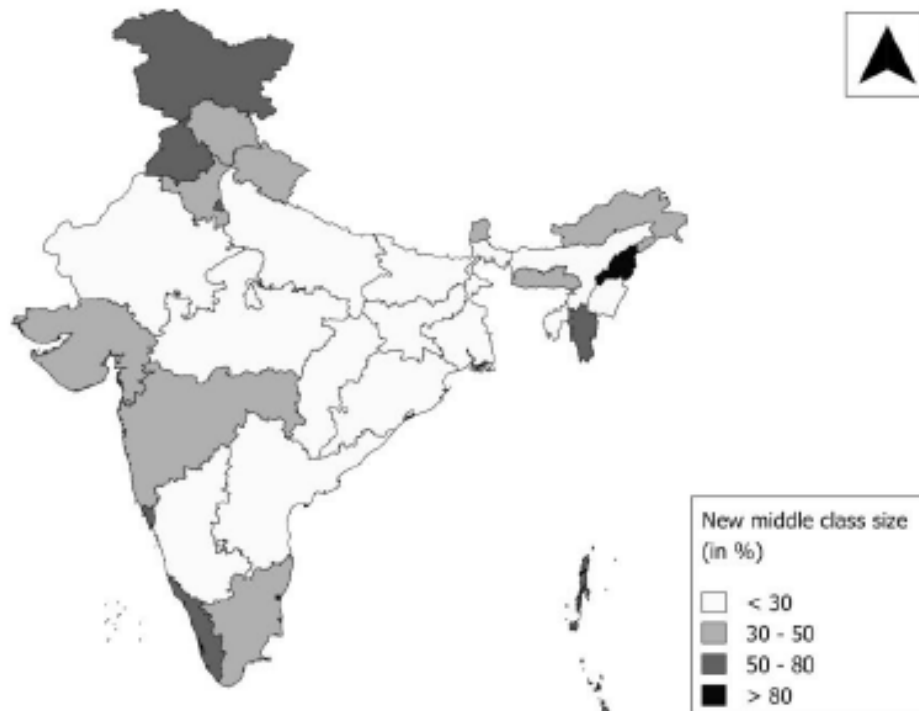
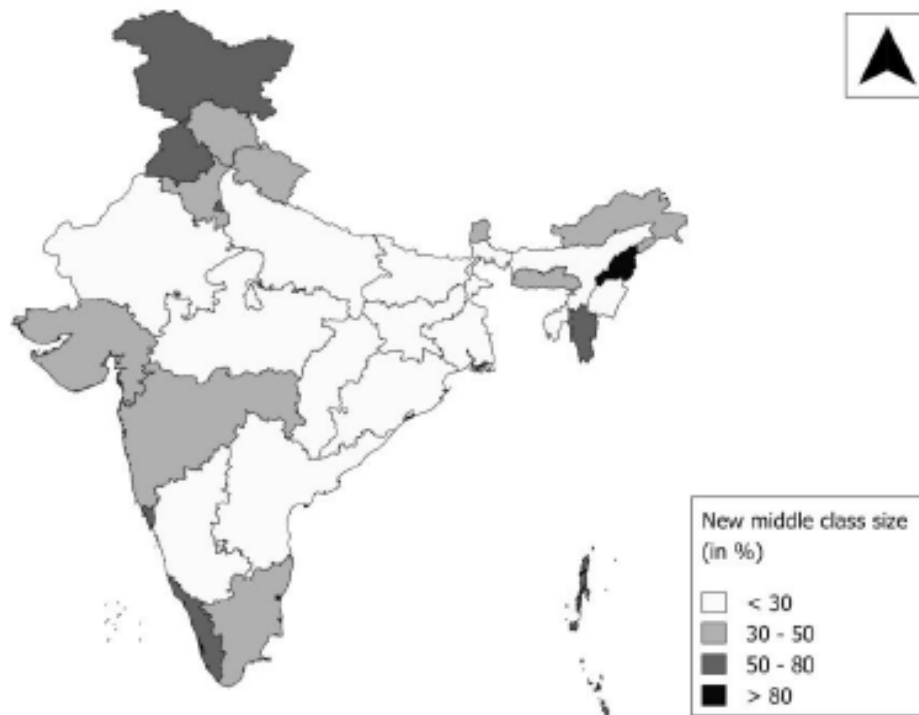


Figure 2b: State-wise share of new middle class in total state population, India, 2011-12



Source: Authors' calculations using 61st and 68th rounds of NSS Household Consumer Expenditure survey.

5. Structural composition of the new middle class

It is clear that India has witnessed a massive expansion in the size of its new middle class across regions. The next important question that follows is who constitutes the new middle class? In other words, what is the structural composition of the new middle class in terms of its occupation and ethnic composition? Is the quantitative expansion in the size of the new middle class accompanied by qualitative changes in the structure of the new middle class? Existing studies on the new middle class point out that liberalization and globalization have changed the nature of jobs that the Indian middle class is engaged in. Fernandes (2006), for instance, extensively illustrates how those employed in new service activities in multi-national firms are identified as the new middle class. The IT industry is also often linked to new middle class formation (see Fuller and Narasimhan 2007; Upadhyaya 2007). In terms of social composition, these studies find the new middle class to have changed little, where it continues to be dominated by upper caste Hindus. These studies are however relatively dated, that is, they do not capture the remarkable expansion in the size of the new middle class in t2. This calls for an investigation into whether the unprecedented expansion of the new middle class after 2004-05 entails a socially diverse new middle class, which is engaged in occupations different from those of the earlier middle class.

5.1 Occupational structure

Figures 3a and 3b present the employment distribution of the new middle class in rural and urban India, respectively. The data presented is in accordance with the National Industrial Classification of India (NIC), 2008. It may be noted that this data pertains to the primary occupation of the household, and not of the individual. That is, it refers to the industry of occupation from which the household earned its largest share of income during the year of the survey. The figures show that significant changes have taken place in the occupational distribution of the

The Middle Class in World Society

new middle class in t2. In rural areas, there has been a noticeable increase in the proportion of households involved in the construction sector. Construction has in fact become the second largest employer of the rural new middle class after agriculture, replacing manufacturing and trade activities. Urban India too has witnessed a considerable decline in the fraction of new middle class households employed in traditional urban middle class occupations of manufacturing, trade and various service activities. These have been replaced with jobs in the construction sector.

Figure 3a: Employment distribution of new middle class households, Rural India

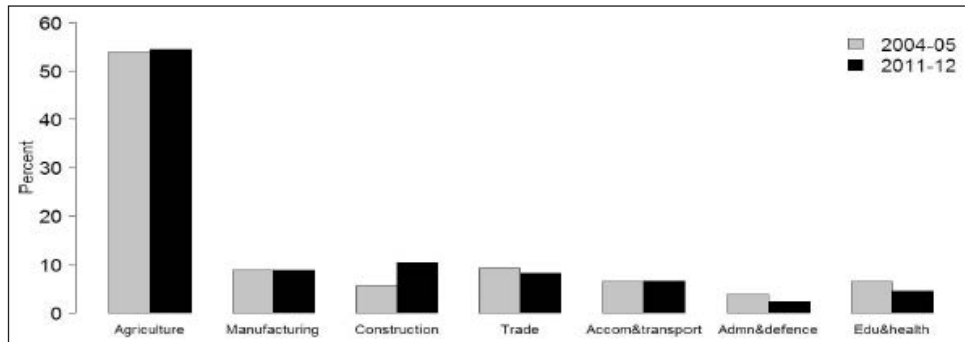
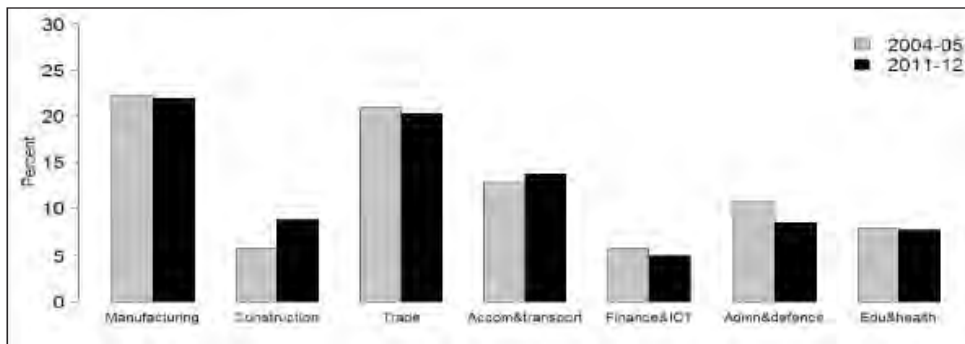


Figure 3b: Employment distribution of new middle class households, Urban India



Source : Author's calculations using NSS Household Consumer Expenditure survey, 61st and 68th rounds

There are substantial differences in the occupational distribution within the new middle class. As Appendices 2A and 2B show, it is primarily the lower-middle class, in both rural and urban areas that is employed in the construction sector. In fact, the occupational structure of the lower-middle class does not seem very different from that of the poor. Banerjee & Duflo (2008) assert that at first blush the occupational patterns of the poor and the lower-middle class seem similar. At a closer look, they find a number of concealed differences in the occupations of the poor and the lower-middle class. For instance, the rural middle class is less directly connected to agriculture than the poor. The NSS consumer expenditure surveys, however, lack the data for such nuanced understanding of differences in occupations across classes. Further research using other data sources that provide more rich information on occupations may help in understanding the intricate differences in occupational patterns between classes.

Within the middle-middle and upper-middle classes, there has been a gradual shift towards relatively low-skilled occupations such as manufacturing and trade, away from high-skilled occupations such as public administration, health and education. Our results also show that in contrast to claims made by Fernandes (2006) and others, new service activities represented by finance, insurance and ICT industries seem to have a rather limited role in new middle class formation at the national level. These service activities appear to mostly cater to the urban upper-middle class and affluent groups. Even within the upper-middle class, the share of households engaged in these occupations has shrunk in t₂.

The most striking finding of our analysis is that the construction sector is the most significant driver of new middle class formation in India. Given that most of the expansion in the new middle class has happened at the lower-middle class level, the construction sector appears to have lifted several households out of poverty and enabled them to enter the lower-middle class. There are not many studies that have looked at the rise of the construction industry in India in the recent years. A few reports, however, point out that casual labourers in both rural and urban areas have witnessed the highest wage increase in India between 2004-05 and 2011-12 (see Deshpande & Bhattacharya, 2013; John, 2007). A large part of these casual workers were engaged in the construction sector, thanks to the spurt in real estate activities in the country in recent years. The boom in construction activities has swelled wages for construction workers and consequently taken many people out of agriculture and moved them into construction activities. This also indicates that although new service activities such as finance and ICT may be directly boosting consumption expenditure of only a few households at the top of the pyramid, they are perhaps indirectly contributing to new middle class formation on a larger scale at the lower level by creating more demand for construction workers. The construction sector seems to be the biggest beneficiary of the trickle-down effect of organized services.

Given that many households employed in unskilled and casual work have been able to transition from poverty into the lower-middle class, it is likely they also come from diverse ethnic backgrounds, different from those of the traditional Indian middle class. The following sub-section investigates this prospect.

5.2 Ethnic composition

The numerous castes and caste groups in India are officially classified into four broad categories. These are: (i) the upper castes, which include intermediate castes, (ii) the backward castes, comprising small and marginal peasants and artisans, classified as Other Backward Classes (OBCs), (iii) the Dalits or former untouchables, classified as Scheduled Castes (SCs) and (iv) the tribal communities, classified as Scheduled Tribes (STs). We use this official state nomenclature of castes in this analysis. In addition to castes, there are also several religious groups in India. For simplicity, however, we consider only Hindus and Muslims. They respectively form the single largest majority and the largest minority religious groups in the country, together constituting over 90 per cent of India's population.

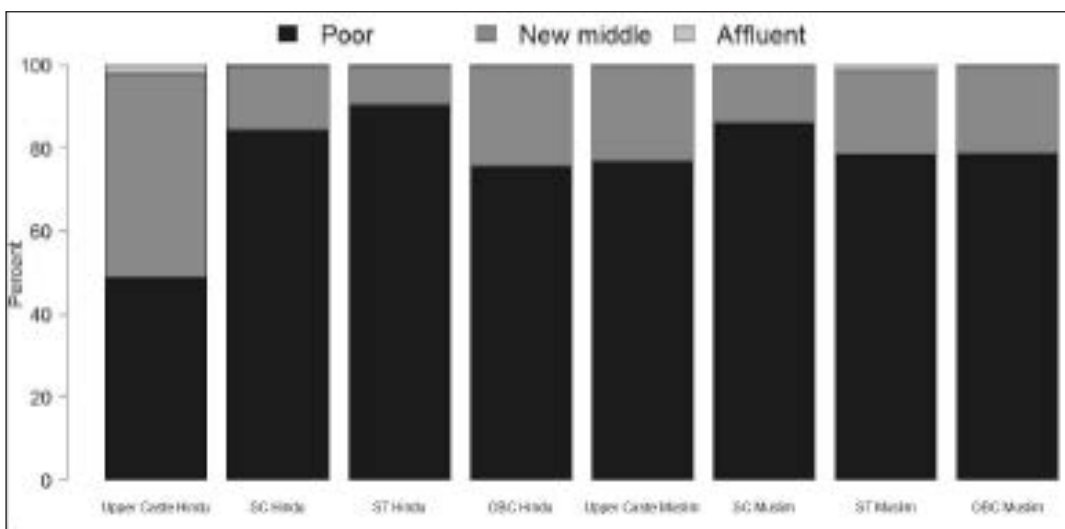
Figures 4a and 4b present the class distribution across different social groups in India for the years 2004-05 and 2011-12, respectively. The figures show wide disparities in class membership across different groups. Religious identity has a considerable influence on class status. An upper caste Hindu is far more likely to be in the new middle class as compared to an upper caste Muslim. Caste differences also exist in both religious groups, but are more pronounced among the Hindus than among the Muslims. Upper caste Hindus are the most economically prosperous social group, with close to 70 per cent of them belonging to the new middle class in 2011-12. In contrast, only about one-fourth of ST Hindus belong to the new middle class and over 70 per cent of them live on less than \$2 a day. These differences between castes and religions have however gradually shrunk with the expansion of the new middle class. As Figures 4a and 4b show, all social groups have witnessed an expansion in new middle class size in t2 and a subsequent reduction in the proportion of the poor.

More importantly, the share of upper caste Hindus has shrunk within the new middle class, from 38 per cent to 27 per cent in t2 with a corresponding increase in the proportion of other social groups (see Appendix 3). OBC Hindus have replaced upper caste Hindus as the largest social group within the new middle class. The increase in the fraction of OBCs in the new middle class and the corresponding decline in the proportion of upper castes may be partially related to the inclusion of many former upper caste groups in the OBC category in t2. A few of the middle class upper caste members may have merely moved to the OBC category, swelling the number of OBC members in the new middle class. But despite these changes in the classification of caste groups, it cannot be denied that several lower caste groups have managed to enter the new middle class in t2. However, the lower caste groups primarily belong in the lower-middle category, while upper-caste Hindus continue to constitute the majority segment in the upper-middle and affluent classes.

The Middle Class in World Society

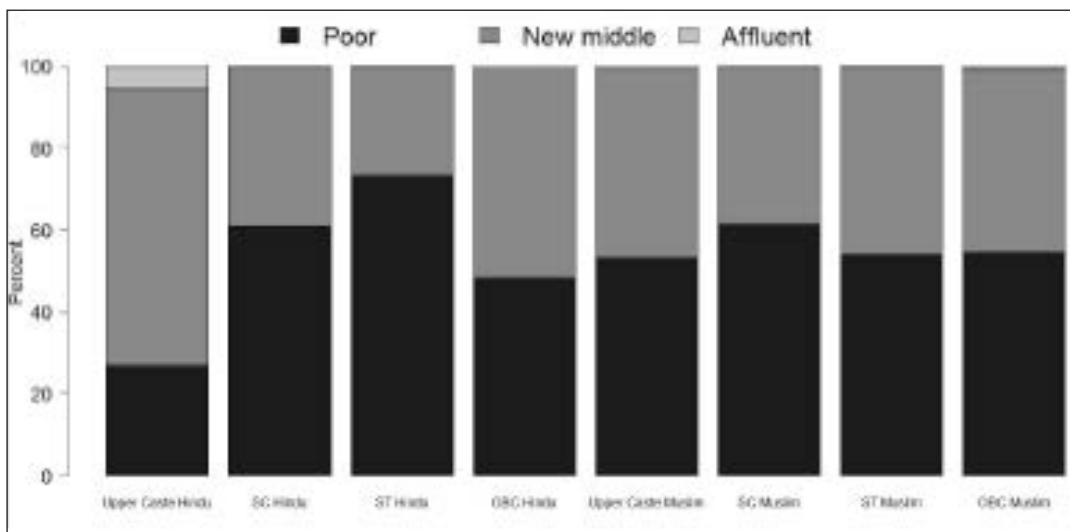
These results illustrate that ethnic composition of the new middle class has broadened with an expansion in the size of the class. Socially disadvantaged groups have successfully come out of poverty to enter the new middle class. This however does not imply that these groups have also accomplished better access to employment in skilled jobs. Most of the lower-castes primarily belong to the lower-middle class, which, as seen in the preceding sub-section section is characterized with unskilled work. In contrast, the high-caste Hindus continue to dominate the middle-middle and upper-middle classes, who are characterized with employment in more skilled occupations. Because consumption expenditure, rather than occupation determines access to the new middle class, many lower-caste groups have been successful in gaining access to the class. The rise of well-paying unskilled jobs has provided the socially disadvantaged with new opportunities for upward economic and class mobility.

Figure 4a: Class distribution across caste and religious groups, India, 2014-05



Source : Author's calculations based on NSS Survey on Household Consumer Expenditure, 61st round

Figure 4b: Class distribution across caste and religious groups, India, 2011-12



Source : Author's calculations based on NSS Survey on Household Consumer Expenditure, 58th round

6. Conclusion

This paper traced expansion of the new middle class in India and its structural changes in the recent period between 1999-00 and 2011-12. We find that in the initial period between 1999-00 and 2004-05, growth of the new middle class was modest. In the latter period from 2004-05 to 2011-12, size of the new middle class almost doubled, with half of India's population in the new middle class category. Qualitatively, the new middle class is quite different from the earlier middle class in India. Many new entrants to the class are from lower caste groups, employed in casual labour, especially in the construction sector. However, the majority of them belong to the lower-middle class category. The upper-middle class is small in size but continues to be qualitatively similar to the conventional middle class.

The heterogeneity in the new middle class and its structural composition has important developmental implications. The majority in the lower-middle class are perhaps not regular wage earners or well-educated (as they are in agriculture or construction activities), which may restrict their role in the development process usually associated with the middle class. It is necessary to further investigate the characteristics of the new middle class such as its spending patterns and voting behavior to understand the larger implications of its massive growth. It is also vital to unearth the factors that have contributed to the unprecedented expansion of the new middle class between 2004-05 and 2011-12. Particularly, it remains to be seen whether the boom in the construction sector and the consequent growth in consumption expenditure will sustain in the long run. Further research is called for to understand the reasons for growth in the construction industry, especially looking at whether growth in formal service activities such as finance has tickled-down to the construction sector.

On the negative side, our results imply that because a far larger share of the population now has the economic means to access various goods and services, it may create pressure on existing supply of physical and social infrastructure. Further, socially inclusive growth can be accompanied with undesirable social consequences. It could lead to tensions between the recent entrants to the new middle class and the established middle class as the former attempt to compete with the latter in different realms of consumption. Caste and religious insecurities and violence could be one such outcome. The government ought to foresee such possibilities and accordingly invest in the requisite physical and social infrastructure as well as create mechanisms to avoid outbreak of any social conflicts.

References

1. ADB. (2010). *Special Chapter: The Rise of Asia's Middle Class in Key Indicators for Asia and the Pacific*. Manila.
2. Banerjee, A. V., & Duflo, E. (2008). What is middle class about the middle classes around the world? *The Journal of Economic Perspectives: A Journal of the American Economic Association*, 22(2), 3.
3. Birdsall, N. (2012). *A Note on the Middle Class in Latin America*. CGD Working Paper 303. Washington, DC.
4. Chun, N., Hasan, R., & Ulubasoglu, M. (2011). *The Role of the Middle Class in Economic Development: What Do Cross-Country Data Show?* (ADB Economics Working Paper Series No. ADB Economics Working Paper Series No. 245).
5. Deshpande, A., & Bhattacharya, P. (2013, November 19). Labour market: The rural wage boom. *Mint*. Mumbai. Retrieved from <http://www.livemint.com/Specials/H6IUUYIYHJLPyViYh2ZtgJ/Labour-market-The-rural-wage-boom.html>
6. Easterly, W. (2001). The Middle Class Consensus and Economic Development. *Journal of Economic Growth*, 6(4), 317–335.
7. Fernandes, L. (2006). *India's New Middle Class: Democratic Politics in an Era of Economic Reform*. University of Minnesota Press.
8. Fuller, C. J., & Narasimhan, H. (2007). Information Technology Professionals and the New-Rich Middle Class in Chennai (Madras). *Modern Asian Studies*, 41(1), 121–150.
9. John, S. (2007, April 20). Wages of construction workers up 50 per cent. *The Times of India*. Bangalore. Retrieved from <http://timesofindia.indiatimes.com/business/india-business/Wages-of-construction-workers-up-50-per-cent/articleshow/1926095.cms>

The Middle Class in World Society

10. Joshi, S. (2010). *The middle class in colonial India*. Oxford University Press.
11. Kharas, H. (2010). *The Emerging Middle Class in Developing Countries*. *Global Development Outlook*.
12. Krishna, A., & Bajpai, D. (2015). Layers in Globalising Society and the New Middle Class in India- Trends, Distribution and Prospects. *Economic and Political Weekly*, 50(5), 69–77.
13. Lahiri, A. K. (2014). The Middle Class and Economic Reforms. *Economic And Political Weekly*, 49(11), 37–44.
14. Meyer, C., & Birdsall, N. (2012). *New estimates of India's middle class: Technical Note*. Center for Global Development.
15. Murphy, J. (2011). Indian call centre workers: vanguard of a global middle class? *Work, Employment & Society*, 25(3), 417–433.
16. Murphy, K. M., Shleifer, A., & Vishny, R. (1989). Income Distribution, Market Size, and Industrialization. *The Quarterly Journal of Economics*, 104(3), 537–564.
17. Nijman, J. (2006). Mumbai's Mysterious Middle Class. *International Journal of Urban and Regional Research*, 30(4), 758–775.
18. Planning Commission. (2013). *Press Note on Poverty Estimates, 2011-12*. Government of India, Press Information Bureau.
19. Ravallion, M. (2010). The Developing World's Bulging (but Vulnerable) Middle Class. *World Development*, 38(4), 445–454.
20. Sheth, D. L. (1999). Secularisation of Caste and Making of New Middle Class. *Economic and Political Weekly*, 34(34/35), 2502–2510.
21. Shukla, R. (2010). *How India earns, spends and saves: unmasking the real India*. Journal of entrepreneurship (Vol. 20). India: Sage Publications.
22. Upadhyaya, C. (2007). Employment, Exclusion and “Merit” in the Indian IT Industry. *Economic And Political Weekly*, 42(20), 1863–1868.

Appendix

Appendix 1: State-wise Size of New Middle Class Population (%)

	1999-00			2004-05			2011-12		
	State	Rural	Urban	State	Rural	Urban	State	Rural	Urban
Andaman & Nicobar Islands	70.1	63.4	87.1	70.2	61.0	88.1	84.2	85.1	82.7
Andhra Pradesh	24.6	14.4	49.9	29.6	21.3	53.8	71.3	64.9	84.4
Arunachal Pradesh	40.5	39.2	54.7	40.7	37.8	62.9	50.8	45.5	72.5
Assam	15.5	11.0	55.6	21.5	16.9	66.5	30.7	26.5	67.1
Bihar	10.6	7.3	32.8	8.0	5.2	35.5	23.7	20.6	52.7
Chandigarh	78.4	71.5	79.5	70.2	53.7	72.0	69.5	93.6	67.6
Chhattisgarh	NA	NA	NA	13.8	7.6	48.5	25.2	18.7	49.0
Dadra & Nagar Haveli	28.5	22.6	80.1	28.4	22.2	75.3	44.5	22.8	74.8
Daman & Diu	79.2	76.7	82.7	85.9	88.4	81.4	93.1	98.5	84.5
Delhi	78.1	84.8	75.9	72.8	55.1	74.1	79.5	81.8	79.3
Goa	76.0	64.9	88.2	61.6	58.7	66.2	89.3	86.5	92.0
Gujarat	40.5	29.1	64.9	41.2	26.3	69.7	65.8	51.9	86.3
Haryana	56.5	52.9	66.0	50.0	45.4	62.5	78.8	79.9	76.1
Himachal Pradesh	50.9	47.8	83.0	46.6	42.8	83.4	73.5	72.4	83.4
Jammu & Kashmir	59.5	53.6	82.4	54.1	46.8	75.8	71.2	68.1	81.7
Jharkhand	NA	NA	NA	14.1	6.0	56.4	25.8	16.0	63.2
Karnataka	31.9	20.5	61.1	25.8	11.6	57.6	55.7	47.4	70.4
Kerala	56.3	53.7	63.5	56.5	54.0	64.9	78.2	78.3	78.0

Lakshadweep	81.7	71.6	87.9	76.3	69.9	82.8	90.3	95.6	85.1
Madhya Pradesh	17.6	10.3	43.2	16.9	9.6	40.7	33.5	25.5	56.8
Maharashtra	37.8	22.1	62.9	37.4	20.5	62.3	67.2	55.4	81.2
Manipur	33.5	27.3	52.5	26.1	20.2	44.4	56.1	52.6	65.7
Meghalaya	39.5	29.6	88.9	35.3	29.1	75.3	63.1	56.3	88.8
Mizoram	71.6	60.9	87.7	69.8	58.1	87.7	69.8	50.8	91.9
Nagaland	92.1	91.0	94.7	83.8	79.4	94.5	86.2	83.1	91.9
Odisha	13.7	9.2	36.4	12.8	8.0	43.1	22.9	17.0	55.8
Puducherry	48.8	37.3	56.3	52.4	39.6	59.4	89.7	84.9	92.2
Punjab	58.5	55.1	65.8	57.1	50.3	71.2	85.8	86.1	85.3
Rajasthan	35.3	29.5	56.0	26.3	19.7	49.5	65.5	61.2	79.3
Sikkim	30.1	25.0	75.6	38.6	34.2	73.1	66.3	60.1	95.8
Tamil Nadu	35.7	22.9	59.7	34.5	19.9	57.8	67.7	58.6	79.0
Tripura	29.2	24.2	60.7	16.3	10.2	53.6	42.8	37.6	71.3
Uttarakhand	NA	NA	NA	33.1	25.6	57.6	63.5	58.5	78.2
Uttar Pradesh	22.0	17.5	39.8	20.1	14.9	41.2	31.5	26.8	48.7
West Bengal	23.3	14.7	54.9	26.6	17.0	56.0	45.0	35.8	70.5

Note: Data for 1999-00 are not comparable with that of 2004-05 and 2011-12 for the states of Bihar, Madhya Pradesh and Uttar Pradesh as they were reconstituted in 2000 to form three new states of Jharkhand, Chhattisgarh and Uttarakhand, respectively. Data for the new states are hence unavailable for 1999-00.

Source: Author's calculations using NSS survey on household consumption expenditure, 55th, 61st and 68th rounds.

Appendix 2.1: Class wise Distribution of Primary Industry of Occupation of Households- Rural India (%)

1999-00						
	Poor (<\$2)	New middle (\$2-\$10)	Lower-middle (\$2-\$4)	Middle-Middle (\$4-\$6)	Upper-middle (\$6-\$10)	Affluent (>\$10)
Agriculture, forestry and fishing	76.0	60.5	61.9	52.2	42.7	46.2
Mining and quarrying	0.6	0.6	0.6	0.6	0.2	0.1
Manufacturing	6.6	8.7	8.5	9.7	10.4	6.4
Electricity, gas, water supply, waste management	0.2	0.9	0.7	1.4	3.8	0.4
Construction	4.1	3.8	3.9	2.6	4.4	6.4
Trade	4.3	6.9	7.0	6.3	5.9	4.3
Transportation, food and accommodation	3.1	4.4	4.2	5.0	6.9	4.0
Finance, insurance and ICT	0.1	1.0	0.8	2.3	1.4	7.0
Real estate	0.0	0.1	0.1	0.3	0.0	0.0
Professional, scientific and technical activities	0.1	0.3	0.2	0.4	0.9	0.0
Public administration, support services, defence and social security	1.0	5.3	4.9	7.3	8.9	10.5
Education, health and social work	1.0	5.2	4.4	9.8	13.4	10.1
Other service activities (includes recreation, extraterritorial organizations and households as employers)	2.3	2.2	2.3	1.4	0.9	4.6

The Middle Class in World Society

2004-05						
	Poor (<\$2)	New middle (\$2-\$10)	Lower-middle (\$2-\$4)	Middle-Middle (\$4-\$6)	Upper-middle (\$6-\$10)	Affluent (>\$10)
Agriculture, forestry and fishing	70.6	53.9	55.9	41.6	41.7	30.6
Mining and quarrying	0.7	0.8	0.8	0.7	1.2	0.2
Manufacturing	7.4	8.8	8.3	11.8	12.2	17.0
Electricity, gas, water supply, waste management	0.1	0.8	0.7	1.5	2.7	0.3
Construction	7.2	5.5	5.7	4.4	2.5	1.9
Trade	5.2	9.2	9.1	9.7	8.9	6.2
Transportation, food and accommodation	3.8	6.4	6.4	6.9	4.3	2.6
Finance, insurance and ICT	0.2	1.4	1.2	2.6	3.9	15.6
Real estate	0.0	0.1	0.1	0.1	0.1	0.0
Professional, scientific and technical activities	0.1	0.6	0.6	1.1	1.1	2.8
Public administration, support services, defence and social security	0.9	3.8	3.5	5.7	5.2	6.0
Education, health and social work	1.2	6.4	5.5	11.5	14.1	13.9
Other service activities (includes recreation, extraterritorial organizations and households as employers)	2.3	2.0	1.9	2.1	2.0	3.0
2011-12						
	Poor (<\$2)	New middle (\$2-\$10)	Lower-middle (\$2-\$4)	Middle-Middle (\$4-\$6)	Upper-middle (\$6-\$10)	Affluent (>\$10)
Agriculture, forestry and fishing	64.6	54.4	56.6	46.9	38.0	39.1
Mining and quarrying	0.5	0.5	0.5	0.7	0.6	0.8
Manufacturing	6.9	8.8	8.1	10.8	15.1	11.8
Electricity, gas, water supply, waste management	0.2	0.4	0.3	0.9	1.4	1.5
Construction	14.5	10.3	11.0	7.5	5.6	3.1
Trade	5.3	8.2	8.0	9.7	9.2	10.3
Transportation, food and accommodation	3.8	6.5	6.5	6.7	8.8	5.2
Finance, insurance and ICT	0.1	1.1	0.8	2.0	2.0	5.8
Real estate	0.0	0.1	0.1	0.2	0.3	1.2
Professional, scientific and technical activities	0.1	0.4	0.3	0.8	0.9	1.7
Public administration, support services, defence and social security	0.6	2.4	1.9	4.4	6.3	5.9
Education, health and social work	1.2	4.5	3.7	7.3	10.8	11.1
Other service activities (includes recreation, extraterritorial organizations and households as employers)	2.1	2.4	2.4	1.9	1.2	2.6
<i>Note: Industrial classification based on National Industrial Classification (NIC), 2008. Source: Authors' computations using NSS Household Consumer Expenditure Survey, 55th, 61st and 68th rounds.</i>						

Appendix 2.2: Class wise Distribution of Primary Industry of Occupation of Households- Urban India (%)

1999-00						
	Poor (< \$2)	New middle (\$2-\$10)	Lower- middle (\$2-\$4)	Middle- middle (\$4-\$6)	Upper- middle (\$6-\$10)	Affluent (>\$10)
Agriculture, forestry and fishing	12.0	4.3	5.3	2.6	1.3	2.5
Mining and quarrying	1.1	1.1	1.2	0.8	0.6	0.3
Manufacturing	21.8	22.6	22.6	24.2	19.3	22.4
Electricity, gas, water supply, waste management	1.0	1.4	1.1	2.1	1.8	1.1
Construction	13.3	5.6	6.6	3.9	2.9	4.2
Trade	19.1	18.6	19.9	16.5	14.9	8.7
Transportation, food and accommodation	14.2	12.8	14.2	10.8	8.1	7.7
Finance, insurance and ICT	1.0	4.9	3.6	6.8	9.3	10.6
Real estate	0.1	0.3	0.2	0.4	0.4	1.0
Professional, scientific and technical activities	0.6	2.0	1.5	2.6	3.8	7.9
Public administration, support services, defence and social security	5.0	14.6	12.9	16.7	20.9	19.7
Education, health and social work	3.0	7.3	5.8	9.4	13.4	12.3
Other service activities (includes recreation, extraterritorial organizations and households as employers)	7.2	4.0	4.6	2.9	3.1	1.4
2004-05						
	Poor (< \$2)	New middle (\$2-\$10)	Lower- middle (\$2-\$4)	Middle- middle (\$4-\$6)	Upper- middle (\$6-\$10)	Affluent (>\$10)
Agriculture, forestry and fishing	10.2	3.8	4.7	2.3	2.4	3.0
Mining and quarrying	1.0	1.4	1.4	1.1	1.5	1.3
Manufacturing	21.8	22.2	23.4	21.8	16.7	20.9
Electricity, gas, water supply, waste management	0.7	1.4	1.3	1.5	1.6	1.2
Construction	15.1	5.8	6.7	4.1	4.0	3.0
Trade	19.8	21.0	21.5	21.2	17.8	10.0
Transportation, food and accommodation	15.9	12.9	14.3	11.4	8.5	8.0
Finance, insurance and ICT	1.1	5.8	4.0	6.8	14.1	18.0
Real estate	0.0	0.3	0.3	0.3	0.5	0.5
Professional, scientific and technical activities	1.0	2.7	2.2	2.8	5.2	8.1
Public administration, support services, defence and social security	3.7	10.7	9.2	13.6	13.7	9.6
Education, health and social work	2.3	7.8	6.4	9.4	11.9	15.1
Other service activities (includes recreation, extraterritorial organizations and households as employers)	5.5	3.2	3.5	3.0	1.5	1.1

The Middle Class in World Society

2011-12						
	Poor (< \$2)	New middle (\$2-\$10)	Lower- middle (\$2-\$4)	Middle- middle (\$4-\$6)	Upper- middle (\$6-\$10)	Affluent (>\$10)
Agriculture, forestry and fishing	11.0	4.0	5.5	2.5	1.8	1.7
Mining and quarrying	0.7	0.9	0.9	0.9	0.6	2.8
Manufacturing	19.4	21.9	21.3	25.2	18.1	13.3
Electricity, gas, water supply, waste management	0.9	1.9	1.6	2.4	2.0	2.0
Construction	18.8	8.7	11.4	6.2	4.6	4.2
Trade	19.5	20.3	21.4	19.2	18.7	11.8
Transportation, food and accommodation	15.2	13.7	14.8	13.2	11.5	7.6
Finance, insurance and ICT	1.1	5.0	2.8	5.2	11.2	25.1
Real estate	0.1	0.9	0.5	1.2	1.4	1.6
Professional, scientific and technical activities	0.3	1.7	1.1	2.5	2.2	5.0
Public administration, support services, defence and social security	2.8	8.4	6.4	9.3	13.2	10.4
Education, health and social work	2.7	7.6	5.6	8.6	11.7	12.7
Other service activities (includes recreation, extraterritorial organizations and households as employers)	7.2	5.0	6.7	3.3	2.0	1.6

Note: Industrial classification based on National Industrial Classification (NIC), 2008.
Source: Authors' computations using NSS Household Consumer Expenditure Survey, 55th, 61st and 68th rounds.

Appendix 3: Class distribution across castes and religions, India (%)

	Poor (<\$2)	New middle (\$2-\$10)	Lower- middle (\$2-\$4)	Middle- middle (\$4-\$6)	Upper- middle (\$6-\$10)	Affluent (>\$10)	Total
1999-00							
Upper caste Hindus	51.0 (131.3)	48.0 (123.6)	36.3 (93.4)	8.3 (21.4)	3.4 (8.8)	1.0 (2.6)	100 (257.5)
SC Hindus	89.5 (155.1)	10.5 (18.2)	9.5 (16.5)	0.8 (1.4)	0.2 (0.3)	0.0 (0.0)	100 (173.3)
ST Hindus	65.1 (49.4)	34.7 (26.3)	31.3 (23.8)	3.5 (2.7)	0.0 (0.0)	0.1 (0.1)	100 (75.8)
OBC Hindus	84.5 (264.4)	15.4 (48.2)	14.1 (44.1)	1.1 (3.4)	0.3 (0.9)	0.1 (0.3)	100 (312.9)
Upper caste Muslims	76.4 (64.8)	23.5 (19.9)	20.4 (17.3)	2.2 (1.9)	0.9 (0.8)	0.1 (0.1)	100 (84.8)
SC Muslims	73.5 (1.5)	26.4 (0.6)	21.5 (0.5)	3.8 (0.1)	1.0 (0.02)	0.2 (0.004)	100 (2.1)
ST Muslims	75.6 (1.2)	24.4 (0.4)	23.3 (0.4)	0.7 (0.01)	0.3 (0.01)	0.0 (0.0)	100 (1.6)
OBC Muslims	79.1 (28.8)	20.8 (7.6)	19.1 (7.0)	1.5 (0.5)	0.2 (0.1)	0.0 (0.0)	100 (36.4)

2004-05							
Upper caste Hindus	48.8 (113.7)	49.2 (114.6)	34.9 (81.3)	9.4 (21.9)	4.8 (11.2)	2.0 (4.7)	100 (233.0)
SC Hindus	84.2 (166.5)	15.7 (31.1)	13.8 (27.3)	1.4 (2.8)	0.5 (1.0)	0.1 (0.2)	100 (197.8)
ST Hindus	90.3 (74.3)	9.6 (7.9)	8.3 (6.8)	1.0 (0.8)	0.3 (0.2)	0.1 (0.1)	100 (82.3)
OBC Hindus	75.6 (288.3)	24.1 (91.9)	20.2 (77.0)	2.8 (10.7)	1.1 (4.2)	0.3 (1.1)	100 (381.3)
Upper caste Muslims	76.9 (63.2)	22.7 (18.7)	18.9 (15.5)	2.7 (2.2)	1.1 (0.9)	0.4 (0.3)	100 (82.2)
SC Muslims	86.0 (0.7)	14.0 (0.1)	9.7 (0.1)	4.3 (0.03)	0.0 (0.0)	0.0 (0.0)	100 (0.8)
ST Muslims	78.4 (0.5)	20.3 (0.1)	15.2 (0.1)	3.0 (0.02)	2.2 (0.01)	1.2 (0.01)	100 (0.6)
OBC Muslims	78.5 (42.5)	21.1 (11.4)	17.9 (9.7)	2.3 (1.2)	0.9 (0.5)	0.3 (0.2)	100 (54.1)
2011-12							
Upper caste Hindus	26.9 (64.4)	67.7 (162.1)	42.4 (101.5)	16.4 (39.3)	8.9 (21.3)	5.5 (13.2)	100 (239.8)
SC Hindus	61.0 (132.0)	38.5 (83.3)	31.6 (68.4)	5.2 (11.3)	1.7 (3.7)	0.5 (1.1)	100 (216.4)
ST Hindus	73.2 (68.7)	26.4 (24.8)	23.0 (21.6)	2.6 (2.4)	0.9 (0.8)	0.3 (0.3)	100 (93.8)
OBC Hindus	48.2 (209.8)	50.8 (221.1)	39.4 (171.5)	8.3 (36.1)	3.1 (13.5)	1.1 (4.8)	100 (435.7)
Upper caste Muslims	53.1 (40.6)	45.9 (35.1)	36.8 (28.2)	6.1 (4.7)	3.0 (2.3)	1.0 (0.8)	100 (76.5)
SC Muslims	61.4 (1.5)	38.6 (1.0)	34.3 (0.9)	2.6 (0.1)	1.7 (0.04)	0.0 (0.0)	100 (2.5)
ST Muslims	54.0 (1.0)	45.6 (0.8)	38.7 (0.7)	4.7 (0.1)	2.3 (0.04)	0.4 (0.01)	100 (1.8)
OBC Muslims	54.6 (45.4)	44.6 (37.1)	36.2 (30.1)	6.4 (5.3)	2.0 (1.7)	0.8 (0.7)	100 (83.2)
<p><i>All figures are rounded-off. ;Figures in brackets are population size in million.</i></p> <p><i>Source: Author's calculations based on NSS Household Consumer Expenditure survey, 55th, 61st and 68th rounds.</i></p>							



The Middle Class in World Society

Institute for Social and Economic Change, Bangalore/India

December 16-17, 2016

WORKSHOP SESSION – II

MIDDLE CLASS LIFESTYLES AND CONSUMPTION



Framing India's New Middle Class Politics of Lifestyle in the Globalisation Era

Mansi Awasthi

1. Introduction: Conceptualising the Middle and New Middle Class

The rapid growth of the Indian economy over the past three decades has triggered a robust debate over who in India actually belongs to the 'middle class', its size, composition, and political and social behaviour. The middle class is more than a simply an income group whose income makes it neither rich or poor. The debate on what defines middle class has no easy answers because there is no universally accepted definition of middle class and social class is a conceptually complex measure. The term has a broader social and conceptual history (Jodhka, 2016). There is only data available data on consumption pattern in Indian. But even if acceptable measures and hard data could be compiled, they would still be ill-equipped to have conclusive remarks on this elusive concept (Fernandes, 2006). Furthermore, the rise of the new Indian middle class should understood in terms of a political process of group formation that has unfolded in the context policies of economic liberalization—a process that involves questions of culture and discourse, socioeconomic factors, and the role of the state.

Beginning with the 1990s, the story of the Indian middle class has witnessed a major shift. The pace and patterns of its growth changed with the introduction of economic reforms. By incentivizing private capital and encouraging foreign investments in India, the 'neo-liberal' turn helped India to accelerate the pace of its growth substantially. There is a strong association between the implementation of economic reforms and the rise of a new middle class (middle class re-defined in reform period) in contemporary India. The associated structural changes occurred are undoubtedly has resulted in a massive expansion of the middle class - service sector economic growth, rapid urbanisation and higher education. The idea of middle class is invoked in everyday life of contemporary India in a variety of different ways: urban educated with salaried job and professionals; mobile, enterprising, young men and women; consumers of luxury and high end goods and services; willing to travel across continents and adapt to a variety of working conditions.

The policies of economic liberalization initiated since the 1990s have been accompanied by public discourses that centered on a shifting role of the middle class and their attitudes, lifestyles, and consumption practices. Secondly, rapid socioeconomic changes in cities and small towns in India have sparked the local, national, and transnational imaginations of academicians and writers. The picture of small towns was increasingly marked by mushrooming institutes for coaching and computer training, internet & mobile, and satellite dishes—symbols of growing technological sounded globalizing economy (Fernandes, 2006). The comfortable middle class housing colonies have sprouted up across the country and new models of cars and mobiles became an iconic signifier of middle class status. On the other hand, metropolises like Mumbai, Delhi and Bangalore have achieved the status of global cities, and their urban middle classes assertively claim a national visible role as the agents of globalization in India.

Societies do not evolve in linear progression. The local histories of the spread and development have been different across region and time. Past realities and local histories of different regions and their culture actively shape outcomes of economic processes. The new social class always carries the stamp of their past. The growing visibility of this new Indian middle class embodies the emergence of a wider national political culture, the shift from older ideologies of a state-managed economy to a middle class-based culture of consumption. The neo-liberal ideology increasingly portray urban middle class consumers as the representative citizens of liberalizing India. The evidence of the public impact of ideological shifts can be seen in public debates on the social and political implications of the

The Middle Class in World Society

rise of this new Indian middle class. The proponents of economic liberalization portray the middle class as a group that is fundamentally tied to the success of economic reforms and assert that the middle class is a sizeable market—one of India's major selling points in attracting foreign investment. Adding, they have adopted consumer-based understandings of the middle class and have argued that the middle class has benefited from economic reforms through the availability of new commodities and increasing opportunities for consumer choice. This class is seen as a idealised standard which is competing in a global economy.

The existing academic research, addressing the middle class in relation to economic liberalization has largely echoed the three variants of public discourses. Firstly, the existing analyses on estimating the size of the middle class and the growth of intermediate classes as a potential base of support for liberalization. Secondly, culturally oriented research has tended to analyze the middle class through the lens of consumption, an approach that has rested on an underlying conception of the middle class as a consumerist class. Given its location, middle class is presumed to be obsessed with consumption. Consumption for the middle class is not simply an act of economic rationality but also a source of identity. The emerging consumption practices represent an important set of everyday signs and symbols through which people make sense of the more abstract term 'economic reforms'. The third acknowledgement of the middle class is in relation to the market - occupational-based definitions of middle class corresponding to white-collar, professional–managerial workers.

The new social and economic status of middle class in terms of their ability and willingness to consume more than their parents did and many of them conform to the 'new cultural standard associated with a hegemonic urban middle-class lifestyle'. Most of them possess almost of the consumer goods that have become standard markers of 'middle class' status. The consumption style has become a marker of difference between themselves and the previous generation, and between the old middle class and the new. The most visible cultural coding of economic reforms is the emergence of consumption patterns and lifestyles associated with newly available commodities.

But middle class analysis implicitly assumes that this category has benefited uniformly from policies of economic liberalisation. This assumption has ignored important internal differentiations, for instance class within class, caste and religion, within the middle class. Deshpande (2003) argued that 'if there is one class for whom the benefits of globalization seem to clearly outweigh the costs, it is the middle class, particularly its upper (managerial-professional) segment of metropolitan middle class.' Even, the restructuring and privatization of public-sector units yielded short-term costs to some segments of these middle class workforces.

Moreover, one cannot assume that there had a smooth transition to new economy jobs for all segments. Also, various internal social hierarchies such as caste, region, religion, and language shape the middle class and the impact of liberalisation varied across. The liberalizing 'new' middle class is not identical with a generalised sociological description of the middle class. The layered and mutually constitutive processes that is involved in mechanism of the creation of the new middle class is fundamentally shaped by the dynamics that arise through the interaction between these sets of resources, identities, and practices. The formation of the new middle class does not result in a homogeneous cultural or socioeconomic group. The creation of this group is shaped by the internal differences that are in turn created through unequal distributions of capital and structured, identity-based inequalities.

The middle class is not 'new' in terms of its structural or social basis. Rather 'newness' refers to a process of production of distinctive social and political identity that represents and lays claim to the benefits of liberalisation (Fernandes, 2006). Its newness is characterised by the ways in which this fraction has sought to redefine middle class identity through the language of liberalisation. The construction of this social group rests on the assumption that other segments of the middle class and upwardly mobile working class can potentially join it. This potential access to membership makes the boundaries of this interest group both fluid and political in nature for other social segments (Fernandes, 2006; Jodhka, 2016). The estimates of the size and nature of the Indian middle class vary greatly and in the face of such diversity, the identity of the new Indian middle class provides a kind of normative standard or reference to which other groups can aspire.

A range of practices produces the boundaries of social groups - both subjective forms of behavior that rest solely on the contingency of daily life and the outcome of a dynamic set of processes that are both symbolic and material, and that are shaped both by longer historical processes as well as by the temporality of the everyday (Fernandes, 2006). The understanding of the dynamic politics of the rising new middle class will be captured in this paper through an intertemporal interpretative approach of lived realities of the urban professionals middle class. The paper emphasis is on the cultural shifts rather than a economic statistics and the notions with new attitudes, lifestyle, education and employment in the wake of the liberalisation of markets and globalisation.

The next section explores the complex history and sociology of middle class from interdisciplinary perspective. How middle class engagements with politics have been of crucial and critical significance in modern India; from the colonial period to present times? The comprehensive analysis of the making of the Indian middle class and its diversity to understand the dynamic of contemporary India requires to revisit its historical roots as well as its transformation in the context of the post-1991 liberalisation of the Indian economy.

2. Historical Transformation of the Indian Middle Class

The rise of the new Indian middle class is marked by a long historical trajectory. Far from being an outgrowth that is simply defined by contemporary globalization, the emergence of this social group can be traced back to earlier periods in India's colonial past. The history of the Indian middle class is complex, diverse and different. This section is an attempt to unravel the idea of the Indian middle class, by looking at its origin during the colonial period and the colossal expansion during economic liberalisation period. The engagements of this group with politics is crucial to look at and is of significance importance to decipher the popular transition of middle class from defenceless, timid and worried person to an aspirational, proud and acquisitive citizen happened in this period (Jodhka, 2016). This historical examination is carried forward to the substantive social processes that unfolds themselves through the emergence of middle class and how in turn they shape social, cultural and political life. The objective of this section is to provide a historical overview of the rise of the new middle class and to examine the broader implications for the middle class and to understand the following questions. How this emerging creative Indian class has moved upwards through education and hard work and thus transforming the nation in a globalising world? How they have spread themselves across the critical avenues of opportunities? What hegemonic roles they have played right from the independence to the development of nation? Also to have a clear understanding on the public discourses that has been debated on the identity and practices of a (new) middle class that has been emerging since colonial India.

The history of colonial rule is the single most important fact of the contemporary Indian society (Jodhka, 2016). The middle class is a historical and sociological category, which was introduced in the country by the Western-style secular education system, the industrial economy and commercial and administrative system by the colonial rule. The present day geographic boundaries and identity of nation state were shaped and marked at the time of Partition. The intention of creating middle class was not to produce a innovative middle class participating in the economic sphere of life but for the facilitation of the needs for administration services for the British rulers. Neither the British wished to change the pre-existing social realities, rather they transformed and reinforced the pre-existing structures of power relations. The old middle class during colonial rule was simultaneously placed in a position of subordination (was created with this purpose; dominance by British elites) and in a position of dominance in another (Fernandes, 2006).

Thomas Macauley asserted that the educational policy of British India lead to the creation of a 'class, Indian in blood and colour, but English in tastes, in opinions, in morals and intellect' (Fernandes, 2006). The old middle class was culturally invented through colonial-based English education. English becoming the medium of communication among the middle-class elites and the encouragement of private players and trusts to open schools and colleges were the indicators of the British India. Those who went to Cambridge, Oxford, and other Europe universities brought British culture and values but also generated the seeds of freedom, equality and democracy. Overtime, a new educated middle class emerged different from colonial middle class in the country.

The Middle Class in World Society

Fernandes (2006) showed how the politics of language was simultaneously overlapped with the spatialised pattern of the colonial middle class. The colonial educational policy majorly and intensively concentrated on Presidency towns like Calcutta, Bombay and Madras intensified the strengthen the size of middle class in these regions. This overlap created new forms of distinctions between English-educated elites dominant in the Presidency towns of Calcutta and Bombay. The privileges and points of access that education provided access to economic and political power and restricted for other subordinating classes. The role of education created new and enduring socioeconomic hierarchies both within the middle class and in relation to subordinated groups.

The scholarship on Indian political economy has demonstrated that the historical relationship between the state and class politics played a central role in shaping the direction of economic development. Earlier colonial linkages between the state and middle class that were created through educational policies and state employment were expanded through the state-managed model of economic planning and development (Jodhka, 2016). After independence, the developmental role of state has invested colossal in public sector enterprises. It accompanied with expansion of schools, universities and hospitals. The associated positive change was the arise of private capital. A direct implication of the state led development of economic and governance was a gradual (also growing metropolis) but significant expansion of the middle class (number as well as influence).

It was in 1980s when the first public discourses on a liberalizing consumer-based middle class begin to emerge and compete with existing models of a state-managed middle class. The last decade of 20th century witnessed greater visibility of Indian middle class. The initiation of economic reforms significantly enhanced the engagements of this class with the global economy. The incentivising of private capital and encouraging foreign investments pushed the economic growth to a new tangent and began to grow at 8-9 percent. The other distinctive feature was the urban-centric nature of growth, in particular service sector which grew steadily. Along this line, middle class have become richer but internally more diverse (Jodhka, 2016). The process of economic growth and expanding middle class is the fundamentally necessary in providing the economic and political base to the emerging market based capitalist economy. The emergence of the market, rise of big corporations and expansion of industrial capitalism as an institution for ordering economic transactions is the most significant change in this context. Pranab Bardhan has pointed the role of professional middle class and white-collar workers in controlling networks of patronage through the distribution of economic resources and benefits, that transformed the middle class into one of the 'dominant propriety classes' and shaped the state-directed model of Indian political economy (Fernandes, 2006; Jodhka, 2016).

Today's new middle class is very different from the old middle class. The new middle class came from their place in the industrial economy and their expansion was because of the new demands of modern industry and service sectors that require large number of professionals, specialists, technical and administrative skills (Fernandes, 2006). This new educated middle class are the bearers of modernity and active advocates of policies. Media revolution of the 1990s begins to influence and shape middle-class identities and their notion of self realisation and freedom. The visual representations of newly available commodities have become central symbols that depict the benefits of economic liberalization. Prior to liberalization, goods from abroad were primarily accessible to upper class individuals who had the financial means to travel and import goods, or to individuals who migrated to, or had relatives residing abroad. Hence, the idea that 'abroad is now in India'.

The new middle class is a carrier of India's intensified embrace of economic liberalisation. It is the whole journey of change with hopes and aspirations from the planning for development period to the capitalist model of economic growth with an active role for the state. The debates on the character and effects of the rise of this new middle class sought to manage the distinctive position of this social group, one that rested in a liminal area between the colonial state on the one hand and to new economy on the other (Fernandes, 2006).

3. Research Design: Politics of Lifestyles and Identity

India's move toward economic liberalization in the 1990s did not simply bring about changes in specific economic policies—it set into motion a broader shift in national political culture. This shift was clearly and precisely captured in the fashion and lifestyle magazines (which also grew exponentially in size) through highly visible images of changing trends in consumption practices, lifestyles, and aspirations. These images were centered around the escalating of commodities and the associated global brand names.

Though there were a whole lot of families who were wealthy all over India in the North and South prior to liberalisation but all their lifestyles were very low key. They were not exhibitionist or they were not into the whole consumer culture (Fernandes, 2006). The white kurta-dhoti clothed politician - an image of the past is transformed into branded cloths, cars and live five-star lifestyles. There is a vast traverse in political ethics. The availability of satellite television has led to the mushrooming of both American television series as well as Indian versions of American shows such as game shows and talk shows, specifically target a middle class audience and address a range of issues such as the cultural effects of consumerism, changing youth and global commodification.

The paper will examine the emergence of the consumer-based identity of the new Indian middle class which increasingly represents a hybridisation process. How the boundaries of symbolic-material frames are complex that intersect with each other and are the product of both historical processes as well as the temporality of everyday practices? The point of analysis is to provide a sense of the cultural texture of iconic representations of the new middle class and to demonstrate symbolic framing of commodities and middle class consumer practices. The analysis will demonstrate whether the shifts in income necessarily translate into the broad-based forms of consumerism that are represented in public discourses. It will attempt to measure the symbolic-materialistic boundaries of the new middle class. Furthermore, how the changes in consumption were consolidated into more permanent lifestyle changes for sections of the middle class i.e., commodities increasingly becoming a necessary components of their lifestyle?

The example of work history will represent and discuss the dominant narratives that attempt to create idealized images of middle class lifestyles and employment. The work histories address the cultural creation of the new middle class and the kinds of symbols that are a significant component of the everyday meanings. Secondly, the changing definition of status distinction from older generation, i.e., people noticing of what one not having becomes the matter of devaluation in contemporary times? For instance, does working in multinational corporations or global financial services is considered more valuable and taken with pride than in domestic company or banking services?

The interviews will have an intertemporal interpretative approach of lived realities of ten urban professionals middle class that will point to the importance of new choices available to consumers as a sign of the benefits of reform. Furthermore, how these responses are part of a broader pattern in which individuals map and negotiate arenas such as employment and education. It seeks to decipher how middle class have alternated between purely culturalist definitions and economic measures based on income and occupations through work histories.

4. New Generation Middle Class Consciousness

This paper draws on interview data of ten urban professionals in National Capital Region (henceforth, NCR) to sketch the cultural orientation, social attitudes and identity of new generation middle class, in terms of consumption patterns and lifestyles. The analysis shows the images of prosperous and consuming young middle class which are often pictured as the part of India's booming globalising economy. The growing consumption capacity of this class symbolises the benefits of liberalisation and cultural representation in the country as well as globally. The analysis builds on the consumer preference of analysis and behaviour - addressing the relationship the economic change

The Middle Class in World Society

and consumer aspirations and attitudes. The section sketches the systematic relationship between consumption and the restructuring of state developmental regimes under liberalisation. It seeks to conceptualise the new middle class in NCR as expanding consumer group which has not naturally been produced by economic growth. The aim is not to delve deeper into the internal fractures of middle class and models of sustainability but to look how the gleeful languages of middle class consumption practices, which have become the signs of the success of liberalising policies by touching their political economy of lifestyle.

The analysis will sought to outline some of the broad strokes of the dailiness of life of the respondents. Furthermore, it will analyse the work history of new economy workers to raise deeper questions regarding the political implications of the labour market restructuring. The individuals interviewed are employed as either administrative, managerial or technical occupations in the group 'new middle class.' The analysis points to a significant contradictions in the position of contemporary and previous generation middle class in liberalising India. The contradictions and shifts in behaviour arising out of empirical findings raise the idealised images and aspirations of urban centred middle class in the broader cultural and social dimensions of globalisation.

4.1 Globalisation of Lifestyle: Empirical Findings

All of the respondents have agreed to the quickly adoption of the consumption-oriented lifestyles of the new middle class. Their discourse about consumption, materialism and attitudes reflects the emerging blunt consumer culture and cosmopolitan lifestyles. The global brands have become cultural forms and ubiquitous structure of common differences from subaltern masses in global consumer culture. They encloses the ideas and imaginations about the way people look and live their daily lives. The respondents make use of (consume) luxury brands for instance, Burberry fragrance, ALDO accessories, Rolex watches, Canali clothing, Michael Kors handbags and many others which are specific symbolic forms and also, a way of seeing and talking about the world and more importantly, how world views them. These brands promises to fulfill unmet desires and needs and set a standard which is associated with a quality signal across world. The respondents notes that these brands symbolises modernity and individual independence.

The role of shopping and purchasing and shifting trends towards recreational and luxury shopping have grown tremendously. Apart from necessities, the respondents household budget show interesting characteristics - they spend more on leisure, sports and luxuries. Moreover, their weekly grocery list contains more of exotic vegetables like broccoli, zucchini, button mushrooms, lettuce iceberg, celery, pak choi, etc. This points to the existence of strong consumer interest as a part of an urban culture. The increasing desires to consume branded goods that are advertised through online shopping, magazines and television is a consistent and recurring theme among the urban centred young middle class. The interviews illustrate that respondents have immense desire for products of high end like Fabindia for traditional wears; Mango, Zara, Diesel, Louis Vuitton and Paul Smith for Western and office going and fetish for best performing gadgets that gives them a sense of liberation and upward socioeconomic mobility. Despite knowing that this sense of liberation is social construction, respondents feels that these things have been routinised in their lives.

Consumerism is a tool that allows respondents to become whatever they want and provides them decision making authority on how world views them. One of the respondent pointed that their outings, dinners and get together corresponds to how she wishes her peer group and world to perceive her. Other respondent exclaims she has countless number of dresses ranging from Only to Avirate! Many of which she has never worn and she will never because she is over with them. But this will not stop her from buying more luxury clothing for herself. Similarly, the other respondent narrated his story of his obsession with watches, shoes and fragrances. Not surprisingly, responses have confirmed that earlier cars were seen as the highest aspirations among our previous generation and was symbol of middle class even in Delhi but in contemporary times, changing and buying big cars and frequent outings/holidays are the accepted emblems of modern and prosperity.

Drawing from the narratives, it has been observed that there have been obvious changes in the consumption patterns and visible transformation in lifestyles. They have fully bought into the ideology of the consumerism which is in contrast with their previous generation middle class values, traditions and degree of sociality. Earlier generations were more involved into the fulfilment of the most immediate demands and consumer goods unlike present generation, which aims for the most inaccessible highest order consumer goods and leisure activities. They point that it is the central of the environment in which they live and work that engenders desire and aspiration to consume. Their lives are routinised around high-rise offices and apartment towers, online shopping, ubiquitous luxury brands, internet sites on each and every thing from preparing gourmet food to interior decorations. And these have become unavoidable part of their lives and self display among their contemporaries and peer groups. The consumption practices have become a life term project in which young generation rejuvenate with each possessing and objects. Few accepted that sometimes it is also social pressure to maintain a certain minimum lifestyle to be just in the group so that people recognise their presence and status. For instance, usually during dinners in weekends people prefer to talk about movies and entertainment like American drama serials (Homeland, Suits, House of Cards, etc) and if you don't watch them, the discussions make you feel alienated. The respondents asserted that a certain degree of their globalising lifestyles began during their post-graduation times (most of them have MBA degrees) and attained full consumerism when they entered job markets.

Again comparing the present day modernity with a generation back, one respondent stated that 'the exercise of freedom to choose, consuming extravagant objects and showcasing their assets were practically non-existent among our parents who also had capacities and capabilities to buy more durable goods but did not because they were not grown and lived in exhibitionist environment but yes our children will go a level higher than us and maybe sooner than us (in schools) as they are and will live in a different civilisation that is soaked into whole consumer culture.' Second respondent added and supported this argument by pointing that 'traditionally, their parents lifestyle was locally determined and evolved slowly. However, today our tastes, motivation and preferences are globally influenced and changes rapidly.' These two statements clearly indicate the visibility of new consumption practices and sharpness of the contrast between conspicuous consumption and restrictions on consumption in their previous generation. Ergo, the current generation self-identifies them with new patterns of consumption. All point to the availability of new commodities and consumer choices available under liberalisation have shaped and marked their lifestyle practices and how their personal identities and practices are linked to global brands/ products and consumption forms.

The most visible marker of these respondents which also corresponds to today's young generation middle class is the changing consumption practices which are associated with a politics of lifestyle. All respondents asserted that the emerging politics of lifestyle is a socio-cultural phenomenon that has arisen purely as a function changing consumer because they are responding to the global images and Westernised lifestyle practices. They are promoting Westernised 'middle class' oriented models of urban life. Many have agreed that they have engaged quite quickly in the material production of new middle class lifestyle. These processes point to the discontinuities in English speaking fast grasping highly educated generation working in large multinationals from their previous generation which was also English speaking educated but were dependent on state for education and employment and also had responsibilities towards families. The previous generation restricted their aspirations partly due to the salaries at their time and partly due to the family responsibilities which was much higher than the current generation (they had actually none!).

It outlines the range of practices and forms of civic and associational life of new middle class. The individuals have asserted that consumer based identity they have adopted in order to achieve social upmobility. They view that their potential promise of consumer ownership as the economic progress of the whole society. The shifts from basic physiological needs to conspicuous consumption is attributed to exposure of online shopping, commercial advertisements, magazines and virtual sources. The paper uses contemporary and fast growing trends to illustrate how tastes and preferences have developed and are influenced by commercialisation and globalisation and media. At the societal level, they perceive as consumer preferences as 'goodness' and 'social status'. They have accepted how their attitude have changed towards fashion dress and sports leisure activities in the last decade particularly,

The Middle Class in World Society

after entering job market which is due to the modernisation and globalisation. And this is obvious for the present generation as if all made up from same factory. They have started appreciating western leisure pursuits which is largely a result of conspicuous consumption. For instance, it is interesting to analyse the consumer culture of one couple (respondents in the study) which depicts the lived cultural experience of everyday life and the relationship between their meaningful ways of life and material resources. It is critical to look at the set of behaviour at all time and place which is dominated by free personal choice in the private sphere of everyday life and their idea of modernity. They do have higher purchasing power to adopt Western lifestyles, seeking out new products and adopting modern, often Western lifestyles and culture. 'Our food is determined by its purchasing power and socio-economic level, consciously or unconsciously we have adopted affluent diet and developed a taste for all cuisine food. Every weekend we dine out and prefer to try out new menus and restaurants in Delhi and Gurgaon. We have to show our status in our friend circle and high end products is a ideal way of showing the status since it is owned by the upper middle class in the developed countries. For summers, we plan for vacations and if possible we try to visit our cousins or relatives abroad so that kids see and explore foreign land. Sometimes we have converted (or merge) work related cross country mobility or long distance travelling into family holidays.'

The making of new middle class shows that more educated are considered the spearhead of border-crossing, opportunities grabbing, competences and associated with new economy jobs. They have pleasures of discretionary income and the freedom to choose. The above narrative shows that consumerism is all about excess beyond having necessities. Intertwining all narrations shows that human pursue achievement of status, self-esteem and self-actualisation after having necessity which they had achieved in their parent's generation. This is consistent with the Maslow's theory of hierarchy of needs. Their basic characteristics, the preferred way to show status is considerably influenced by the demonstration effect, which is to follow the way surrounding people looks and behaviour. The conspicuous consumption described by lavish spending on goods and services to display income or wealth primarily in order to manifest their social power and status in work and neighbourhood. This emerging new class is characterised by increasing demand for more varieties, more subtle and better quality, more social, conspicuous and distinctiveness in consumption. As their society and peer group becomes affluent, lifestyles and tastes will have more weightage in consumption behaviour. The conspicuous consumption is the best way to get the information of wealth and status across peers and to be at the same level as of others. This is consistent with hierarchy needs theory of Clayton Alderfer's ERG (existence, relatedness and growth).

Housing is another indicator of the politics of lifestyle. All the respondents occupy a modern house that mirrors the reputation of living in the postmodern urban settings. The type of housing they want reflects their lifestyle including furniture and interior decoration and also conducive to the types of casual socializing to which peer circle they belong. The interviews clearly show that these professional have the means and the desire to invest in housing at a very young age (most of them have booked a flat in apartments after 2-3 years of entering job market at an age of 27-30 years of age) in the new luxury housing complexes that provide that amenities such as swimming pool, gym, retail shopping and ATMs that have come up in Gurgaon and Noida/ Greater Noida. The modern facilities have automatically changed their habits. It is fascinating to look how rooms in their homes are designated by their use and decorations such as kids rooms, guest rooms, play room, and grandparents room. The mushrooming of high rise housing and offices cater to the needs of this emerging young class and mirrors their style and postmodern culture.

There is a pattern of change in middle-income residential areas. Since earlier generations were dependent on state for employment, many lived in government quarters and after their retirement shifted to their own homes which are four/ eight story building in the suburban middle-income neighbourhoods. The former periphery like Gurgaon, Noida/ Greater Noida (features high rises office and housing estates) are transformed into the urban fringe in the recent past due to the location of employment opportunities for these class through the movement of office of transnational companies from the city to the periphery. And what used to be urban fringe during 1990s and first decade of present century, the proper Delhi are now integrated into inner city. Similar to the residential and commercial area, the centrality is based on the resources producing centrality through establishment of humongous shopping malls and fancy departmental stores catering to the needs of these people.

Consider the work history of 'M' who lives in a luxury apartment in Gurgaon, a young woman who received a MBA degree and now a digital media professional in an American multinational technology company specialising in internet-related services and products. After working in cities like Delhi, Mumbai and London, she has finally settled in Gurgaon with her spouse and a kid. The macro changes in her household are manifested in significant variations in her consumption trends from her modern luxury apartment, durable consumer goods to cars in which she takes pride and achievement is all due to her consistently growing six digit monthly income. The level at which she is at work has no glass ceiling for her and she is quite confident that there is immense scope for her career to grow, if not in this company then in some other. She doesn't hesitate in switching jobs; she knows her calibre and is always ready to prove her mettle anywhere. Her story points to the construction of the new middle class whose consumption practices are determined by rising incomes and complex interaction of subjective and objective dimensions of group formation. People such as 'M' brought the image of India's upwardly mobile middle class to global audiences.

5. Conclusion

Consumption in the new generation middle class is lovingly tied to the creation and production of a sense of self. The respondents, which are the representatives of the urban centred new middle class view their consumption pattern that sets them apart from the rest of society, marking them as a elusive and self-sustaining individuals. Consumption patterns have become one of the most creative practices among the present generation which were considered a restrictive practices among previous generations. The consumer driven images of 'self' exemplify 'who are we' and 'with whom do we belong.' Today, the consumption function has become a way for consumers in which they communicate with society at large and their position within the social structure. It is not an individualistic response to the print or non-print advertising images of changing lifestyles but a broader symbolic-material process. In concrete terms, it is a complex configuration of symbolic, material and attitudinal changes that resonate with the changes at a global level. Consumerism is not only an economic system. Rather, it is the way the society functions. The global brands and products play symbolic role in the global culture but one cannot make conclusive remarks about how consumption of products leads to develop a sense of who we are as a person. Consumerism has figured out the position of people within the society and has provided the means by which people change their social circumstances.

The newness in the new middle class is the change in lifestyle and consumption patterns. The paper draws on a study of professional in NCR to sketch the cultural orientation and probes the specificities of middle class environmentalism. The three structural changes in the country post liberalisation - service-sector led economic growth, rapid expansion of urbanisation and attainment of higher education have resulted in the massive expansion of the middle class. The rising incomes of present generation working in transnational companies have come along with greater urbanization, changing lifestyles and different expectations and greater aspirations in the younger generations. The paper argues that globalisation of lifestyles from the perspectives of hybridization - cultural blending and the emergence of new cultural forms and practice which is also considered a proxy for globalisation and economic growth to outside world. This cultural globalisation is open-ended, fluid, indeterminate process that cannot be understood by a dialectical approach to homogenization and diversification (Lange, 2009). Anthropologist Jan Pieterse views globalisation as the process of hybridisation in which some forms of culture separate from existing cultural practices and recombine with new forms. The institutions (both formal and informal) and organisations criss-cross with an aim to create new spaces, identity and politics. The transnational, national, macro and micro regional, and local modes of organisations are synthesised with functional networks of corporations, international organisations and non-governmental organisations to construct a 'continuum of hybridities' in the context of cultural hegemony. The postmodern discourse claims the growing recognition of narrations and different subjectivities beyond the categorisation of classes and the whole question of identity which is central to hybridisation. The fusion of historically different cultures and identities and consociating with each other is leading to the rise of new and hybrid patterns. In this perspective, the new middle class represent a focus of attention of cultural globalisation.

References

1. Beteille, Andre. 2001. 'The Indian Middle-Class'. *The Hindu*, 5 February.
2. Beteille, Andre. 2013. 'Does Middle Class Have Boundaries'. In Surinder S. Jodhka (ed.), *Interrogating India's Modernity: Democracy, Identity and Citizenship*. New Delhi: Oxford University Press.
3. Deshpande, Satish. 2003. *Contemporary India: A Sociological View*. New Delhi: Penguin Books.
4. Kohli, Atul. 2011. 'India's Fragmented Multi-Cultural State and Protected Industrialisation'. In Atul Kohli (ed.), *Democracy and Development in India: From Socialism to Pro-Business*, 107-39. New Delhi: Oxford University Press.
5. Lange, H., & Meier, L. (Eds.). (2009). *The New Middle Classes: Globalizing Lifestyles, Consumerism and Environmental Concern*. Springer Science & Business Media.
6. Leela Fernandes (2006). *India's New Middle Class: Democratic Politics in an Era of Economic Reform*. Minneapolis: University of Minnesota Press.
7. Leela Fernandes, P. H. (2009). Hegemonic Aspirations: New Middle Class Politics and India's Democracy in Comparative Perspective. In R. Agarwala, & R. J. Herring, *Whatever Happened to Class?: Reflections from South Asia* (pp. 146-165). Plymouth: Lexington Books.
8. Mathur, Nita. 2010. 'Shopping Malls, Credit Cards and Global Brands: Consumer Culture and Lifestyle of India's New Middle Class'. *South Asia Research*: 211-23.
9. Surinder S. Jodhka, A. P. (2016). *The Indian Middle Class*. New Delhi: Oxford University Press.

An Analysis of Non-Food Expenditures of the Middle Class in India

Devanshi Kulshreshtha, Abhishek Behl and Abhinav Pal

The role of consumption in steering a market economy is uncontested and the middle classes contribute most to this consumption; this is because the upper classes have higher propensities to save and the lower classes have little purchasing power. As the income of the middle class rises, there is also an increase in the amount of discretionary spending¹ or expenditure on non-essential items. Further, a robust middle class contributes to the formation of human capital through a well-educated populace. It drives entrepreneurship and innovation and is instrumental in hedging against credit booms and busts.

It is noteworthy to point out that India's middle class consumption was almost equal to Ireland's total private consumption in 2010 and it has been forecasted that it would grow almost three times as a portion of India's total consumption by 2025, highlighting the importance of the consumption of the Indian middle income class.² It may thus be worthwhile to look at the consumption patterns of this group in slightly greater detail. The consumption patterns of a household, typifies its lifestyle, which is reflective of its values and attitudes. It is also useful in macroeconomic planning, to generate projections of demand for various commodities. The incidence of taxation can also be evaluated using consumption behaviour as tax burden cannot be shifted any further.

The present study uses secondary data collected from 68th round of NSSO Consumer Expenditure Survey (2011-12). The homogeneity of the distribution of social groups and the diversified spread of households into urban and rural sector forms the base for classification of data. This paper aims at analysing the structure of consumption patterns that characterise the different lifestyles in India. In particular, the present research proposes a hypothesized relationship which studies the existence of any significant differences in the consumer expenditures on various *broad categories*³ between the *middle income class*⁴ households and the non-middle income class households. The present study also examines how the consumption patterns of the middle class vary across different social groups and sectors.

Differences in household consumption patterns are analysed by means of a Tobit model, owing to a large number of zero expenditures. The marginal effects and elasticities associated with them are then reported for the households where positive expenditure is seen.

It will also throw light on whether economic empowerment has transcended differently across social groups. Given that the middle income classes contribute to sustainable, market-oriented growth, the providence of this economic and social class needs to be examined in greater detail.

¹ Beinhocker, Eric D., Diana Farrell, and Adil S. Zainulbhai. "Tracking the growth of India's middle class." *McKinsey Quarterly* 3 (2007): 50.

² Saxena, Rachna, Maria Laura Lanzeni, and Thomas Mayer. "The middle class in India." *Issues* (2010).

³ The *broad categories* used are loosely based on Classification of Individual Consumption According to Purpose (COICOP)- Food and Non-Alcoholic Beverages, Alcoholic Beverages, Tobacco and Narcotics, Clothing and Footwear, Housing, Electricity, Gas and Other Fuels, Furnishings, Household Equipment and Routine Household Maintenance, Health, Transport, Communication, Recreation and Culture, Education and Miscellaneous Goods and Services.

⁴ For the purpose of this study, middle income classes are defined as those with income between 0.75 and 1.25 of median per capita income. This approach makes the middle income classes comparable across and within countries, and time.

Keywords: Consumption; India; Middle class; Social Sector, NSSO Consumption Expenditure

Introduction and Review of Literature

The middle class in India constitutes roughly 33 percent of the population. Studies have confirmed that an expanding middle class can contribute to greater economic growth and strengthening of democracy (Londregan and Poolan, 1996). In the light of the same, it is found that high propensity to save by the upper income classes and limited purchasing power of the lower income classes makes the contribution of the middle class to consumption pivotal. Stronger concentration of power with the wealthy allows them to lobby government services in their favour, resulting in poor representation in the government.

Studies have always been emphasizing on the importance of the formal yet wide definition of middle class. The definition of income groups, in particular the middle classes, is an oft debated concept, and for good reason. There is multitude of definitions surrounding the middle class. The definition of a middle class cannot be universal in nature - it is contingent on time and context. According to Easterly (2001) “middle class” are those who fall between the 20th and 80th percentile of a consumption distribution. However, if we consider the case of rural India, those with a 2\$ worth of consumption lie above the 80th percentile line, but it won't be fair calling them rich.

There is lack of consensus not only in terms of the measure to be used, but of the approach to follow. Income levels, asset holdings, consumption distribution and vulnerability are some of the approaches that have been used to define a middle class. Krishna & Bajpai (2015) use an everyday asset based approach by defining economic classes in the context of transportation assets. Lower middle class is identified as those owning motorcycles or motor-scooters, and the upper middle class as the ones owning automobiles. Lopez-Calva (2010) developed on a vulnerability approach to define the middle class, using a panel data approach is used to estimate the likelihood of falling into poverty.

The approach to identify the middle class can be bifurcated into a relative or an absolute approach. Easterly (2001) stated that “middle class” comprises those who fall between the 20th and 80th percentile of a consumption distribution. Bhalla (2009) has adopted the absolute approach of defining “middle class” as those with per capita income lesser than 3900 USD in Purchasing Power Parity (PPP) terms. Institutions like the World Bank have also used the absolute approach in order to define the middle class. The debate therefore gives a diverse understanding in the scale of measurement and relationship developed for middle income. It is in the context of these studies having presented a broad yet a complicated and barbed picture of middle income. In so far as purchasing power is a measure of social status, income can be used as an operational definition for estimating the middle class. Borrowing Birdsall, Graham, and Pettinato (2000)'s definition of middle class, for the purpose of this paper, the analysis of the middle class is in effect the middle income class. Middle class is defined as those with income between 0.75 and 1.25 of median per capita income. The advantage in this approach lies chiefly in its comparability within countries over time and the availability of comparable survey data (Burger, 2014).

Few studies have also stressed on the role of middle-class consumption in contributing to human capital and saving (Doepke and Zilibotti, 2007). However, other studies on a country like China have refuted the same, claiming that households save the surplus of their income even when they are poor and Kenny (2008) has identified and gathered evidences of the beta convergence in variables pertaining to human capital like education and infant mortality, which prove that rate of accumulation of human capital will be faster if the starting point lower.

Analysis of Consumption Patterns

Economists from Bourdieu, Engel to Veblen, Marx have spoken of the pivotal place consumption enjoys. Consumption behaviour simultaneously shapes, and is shaped by social states. The consumption patterns of a

household, typifies its lifestyle, which is reflective of its values and attitudes. A higher proportion of expenditure on comfort and luxury products (conspicuous consumption) is expected in wealthier communities. Poorer the family, the greater proportion of its total income is spent on food as coined by Engel's law. The utility of consumption, in particular material consumption, as an indicator of social status has, come to overshadow its use of fulfilling basic needs. These social benchmarks are often set on the tastes and preferences of higher social classes. A social class' tastes and preferences often take on after the consumption patterns of higher classes. Consumption, thus has evolved into being more than just an economic indicator, and bears wider ramifications for society. In an attempt to know more about India's middle class, its consumption behaviour is sought to be examined. Various studies have in fact used consumption patterns to explore the middle class segment (Wessel 2004; Wang & Lau 2009).

The analysis of consumption patterns was made possible by the pioneering work on Ernst Engel. Many authors have studied household consumption patterns using the Engel curve framework. Gupta (1968), Khan and Khalid (2011), Burney & Khan (1991), Thamarajakshi (1971), Goud (2012), Giles & Hapton (1985)). While the Engel's analysis made use primarily of income to determine the expenditure elasticities, several other factors such as prices, composition of households (Massell & Heyer (1969), Sinha & Hay (1972)), urbanisation (Gupta, 1968), geographic and climactic differences (Khan & Khalid, 2011) may also impact the pattern of consumption.

The use of expenditure elasticities in place of income elasticities is common in literature. As the income of a household determines its expenditure, income elasticities allow the most feasible way to predict demand. However, household consumption expenditure surveys often do not capture the reliable estimates of income. For this reason, total expenditure is used as a proxy for income. Since a portion of household income is saved, expenditure elasticities tend to overstate the demand predictions that otherwise would have been made by income elasticities (Thamarajakshi, 1971). For the purposes of this study, only income and household size are taken into account, as these have been established to be the major determinants. Further, we compute the expenditure elasticities separately for urban and rural areas.

This paper aims at analysing the structure of the consumption patterns that characterise the different lifestyles in our pluralist society. In particular, it is examined whether any significant differences prevail in the consumer expenditures on various broad non-expenditure categories between the middle income class households and the non-middle income class households.

Through the analysis of consumption expenditure patterns, we hope to gain some insight into what distinguishes the middle class in India, besides the economic wellbeing and social standing of people. The study could offer appropriate insight in food production policies. An inspection of the consumption patterns of India's middle class will also enable corporations to create services for them. It is also useful in macroeconomic planning, to generate projections of demand for various commodities. The incidence of taxation can also be evaluated using consumption behaviour.

Research Design

Data

For this study, the 68th round of the Consumption Expenditure Survey was used. The 2011-12 survey report results from 101651 households in 7469 villages and 5268 urban blocks spread over the entire country.

National Sample Survey Organisation (NSSO) has been collecting consumption data by surveying a representative sample since 1973 via its quinquennial Consumption Expenditure Surveys. These surveys are widely used to study variations in consumption spending patterns across different social, economic and racial groups.

Study Methodology

For the purpose of this analysis, nuances in the data did not permit the use of a linear expenditure system. Large numbers of zero expenditure were recorded for several categories. Approximately 45% of households reported no expenditure in the case of education, while 37% reported zero expenditure on alcoholic beverages, tobacco and narcotics. Roughly one-fifth of the sample reported no expenditure on health, and one-tenth reported no expenditure on communication and recreation & culture. The existence of numerous zero expenditures rules out the usage of ordinary least squares regression.

The problem of a censored sample is often encountered in dealing with expenditure analysis (Tobin, 1958; McDonald & Moffitt, 1980; Maddala, 1983). To avoid biased estimates (Maddala, 1983), ordinary least squares estimation cannot be applied here. Thus a multivariate Tobit model is used for all 10 expenditure categories. The Tobit model allows distinguishing between zero and non-zero observations, thus accounting for differences in responsiveness of the households reporting positive consumption, and the decision to consume itself.

The observed dependent variable is expressed in terms of a latent variable. For positive values, the non-observed latent dependent variable is given by:

$$\text{Where } y_i = \begin{cases} y_i^* & \text{if } y_i^* > 0 \\ 0 & \text{if } y_i^* \leq 0 \end{cases}$$

$$y_i^* = \beta \cdot X + u_i$$

The β estimates that are obtained from the Tobit model are the marginal effects associated with the latent variable, and can then be employed to estimate the expected values, marginal effects and the elasticities associated with the the unconditional dependent variable (and the uncensored conditional dependent variable ()). The unconditional dependent variable focuses on all the observed values, while the uncensored conditional dependent variable focuses on the positive values of the observations. From Ghany (1997), the marginal propensity to consume is given by:

$$\frac{\partial E(y_i)}{\partial X} = F(Z) \cdot \frac{\partial E(y_i^*)}{\partial X} + E(y_i^*) \cdot \frac{\partial F(Z)}{\partial X}$$

Here, $F(Z)$ is the probability of having an expenditure greater than zero for all cases. The total change in y has been decomposed into the changes in observed value of y , and the probability that the observation will lie above the lower limit. (McDonald & Mofitt, 1980). The Marginal effect on the unconditional dependent variable allows us to consider the amount of consumption by all individuals.

The dependent variable, y , imply various expenditure categories the *broad* consumption categories used such as Alcoholic Beverages, Tobacco & Narcotics, Clothing & Footwear, Housing, Water, Electricity, Gas & Other Fuels, Furnishings, Household Equipment & Routine Household Maintenance, Health, Transport, Communication, Recreation & Culture, Education and Miscellaneous Goods & Services⁵. These categories are borrowed from the Classification of Individual Consumption According to Purpose (COICOP). Developed by the United Nations Statistics Division, COICOP is a reference classification that divides the purpose of individual consumption expenditures incurred by three institutional sectors, namely households, non-profit institutions serving households and general government.

The independent variables comprise the total expenditure of the household, its weighted household size, the sector (rural/urban) it belongs to, its social group, the region it belongs to, and whether the household owns land.⁶

⁵ The mapping between NSSO's consumption categories and COICOP is provided in the appendix.

⁶ The inclusion of several other variables, such as religion, and occupation category of the household was considered, but the likelihood ratio tests from the present model were the most favourable.

Variations in consumption patterns may seep in due to factors other than variations in income viz. family size (Iyenger et al., 1966), socio-demographic variables (Banskota, Kamal, et al., 1986), habits, social customs and climatic conditions and religion.

The use of total expenditure as a proxy for income is done keeping in mind a household’s inclination to disclose its expenditure rather than its income. Several other studies have made a similar substitution (Houthakker and Taylor, 1970; Massell & Heyer, 1969). Weighted household size is the total number of people in the household, with children being assigned half the weight of an adult. Higher household size contributes to economies of scale in consumption (Houthaker, 1957).

The inclusion of sector as an explanatory variable stems from the different emphasis placed on the consumption of goods in the rural and urban sectors (Gupta, 1968). Climatic and cultural variations in consumption patterns are accounted for by the use of regions as categorical variable. Region may refer to North, Central, East, North-East, West, South or Others. The appendix provides details with regard to their composition. Cultural variations also seep in from the social group a household belongs to. Social group is also a categorical dependent variable. The social groups, as reported in the NSSO survey are: Scheduled Caste, Scheduled Tribe, Other Backward Castes and Others. People belonging to a certain social identity have the same cultural history, and this may seep into their preferences (Burger et al., 2014). The intent of introducing social identity as a factor is to ascertain whether any differences in consumption patterns exist.

The sample was divided into three segments - low-income, middle-income and high-income households, as defined above, and the multivariate Tobit model was applied to the three samples.

Characteristics of the Sample

Socio-demographic characteristics

The concentration of households in the rural sector is higher. Roughly 58 percent of the population under study belongs to the rural sector.

Sectors		Number of Households	Percentage of Households
Rural	<i>Low-Income</i>	22794	22.42
	<i>Middle-Income</i>	22347	21.98
	<i>High-Income</i>	14554	14.32
Urban	<i>Low-Income</i>	8151	8.02
	<i>Middle-Income</i>	11497	11.31
	<i>High-Income</i>	22319	21.95
Total number of households		101662	100

The marginal per capita expenditure (MPCE) based definition of the middle class provides certain interesting results. For the entire population under study, the number of people belonging to the low income classes is roughly 30 percent, those belonging to the middle income classes form 33 percent, while those belonging to the high-income people constitute 36 percent of the population.

When observed across the rural and urban sectors, some variation in the composition of income groups is observed. Among urban households, most belonging to the high income category have the greatest representation, while the low income households have the lowest. For households belonging to the rural sector, the greatest number comprises the low income groups followed by middle income households and high income households. Thus, a

The Middle Class in World Society

sharp difference in composition is seen when comparing rural and urban areas. This may point towards greater relative poverty in rural areas, and may be the result of a uniform definition of income class across the country. Standards of living in rural and urban areas often tend to be different.

Household Size:

On an average, a middle class households is comprised of 3 adults and 2 children. This aligns with the low-income households as well. High-income households, though, recorded 3 adults and 1 child per household.

Discussion of Results

Average Consumption Expenditure of Households

The average expenditure shares for all kinds of households can be found in the appendix. In general, it is found that households in the urban areas spend more than their rural counterparts.

Considerable variations are seen in the amounts of average expenditure, for different kinds of households. As we move from the low-income to middle income households in rural areas, there is more than 100 percent increase in expenditure in the case of education, recreation and culture, and transport. Comparing the middle and high-income households in rural areas, more than 100 percent difference is seen in the case of Furnishing, Health and Transport, Education and miscellaneous goods and services. Thus, the differences between middle and high-income households are starker than the differences between low and middle income households.

In urban areas, comparing low and middle income households, there is an increase of more than 100 percent of average expenditure in case of transport and education. For middle and high-income households, the greatest differences (more than 100 percent) are seen in the case of Furnishings, Household Equipment & Routine Household Maintenance, Health, Transport, Communication, Recreation & Culture, Education and Miscellaneous Goods & Services.

The highest jump in average expenditure is seen in the case of transport (INR 275 in case of rural areas, and INR 256 in case of urban areas). The same trend, though starker is observed as we move from middle-income to high-income households (INR 1075 in case of rural areas, and INR 1040 in case of urban areas.). The differences in average expenditure on transport may be because of the increased likelihood of a household owning a four-wheeler as the income level of the household increases.

It is seen that the middle income households spend the greatest proportion of housing, followed by clothing and footwear (in both rural and urban areas). The same pattern is seen for low-income households. High-income households report the highest expenditure on Housing, followed by miscellaneous goods and services.

Both middle and high income households in rural spend the least proportion on alcoholic beverages, tobacco and narcotics, while low-income households spend the least proportion on education. In urban areas, all households spend the least proportion of alcoholic beverages, tobacco and narcotics.

Results from the Model

Differences in spending patterns for different income groups of households are estimated while controlling for various socio-demographic variables. Tobit regression is used to examine the effect of these variables. The

maximum likelihood estimates for all ten expenditure categories are reported in the appendix. These estimates were then used to determine expected value, marginal effects and the elasticities.

The interpretation of coefficients from a Tobit model maps the effect of any independent variable on the uncensored latent variable, and not the observed outcome.

Across all income groups and expenditure categories, total expenditure has a significant positive effect. For alcohol and furnishing, the same level of responsiveness is seen across the three income groups. The responsiveness of the middle class matches that of the low income household for alcohol, clothing, housing, health and miscellaneous goods and services. For furnishing, the responsiveness of middle and high income households aligns together. Thus, it can be seen for most consumption categories, the behavior of a middle class household is closer to the lower income group than the higher.

It is interesting to note that the greatest level of responsiveness by the middle class segment is seen in the case of education.

Economies of scale in consumption are observed in the case of Housing (for high-income households), Furnishing, Health, Transport (for all income groups), Communication (for low income groups), Recreation and Culture (for low and middle income households.)

Compared to rural households, urban households spent significantly less on alcohol, furnishing, health, transport and miscellaneous goods and services. Urban households, high-income households in particular tend to record greater expenditures in the case of education.

Differences among the middle class segment

Even among the middle class segment, variations in consumption patterns stem in from the varying composition of socio-demographic variables. Differences in sectors also contributed to differences in consumption patterns. Middle Class Households in urban areas have significantly lower spending on alcohol, clothing and footwear, furnishings, health, transport, and miscellaneous goods and services, while they also record significantly higher expenditure for other items.

Significant differences in consumption spending stem from the social group a household belongs to. Compared to Scheduled Tribes, all middle class households belonging to other social groups have significantly lower expenses on alcohol, clothing and footwear and miscellaneous goods and services. Scheduled tribes tend to spend the least amount on alcohol.

For the variable capturing regions, north was taken as the base. The geographical location of a household, measured by the variable region also contributed to significant differences in almost all expenditure categories. In particular, middle class households in the Centre/East/West/NorthEast or others tend to spend higher than the ones in North. The greatest difference, compared to north is seen for Others, followed by Northeast. The greatest level of spending for Clothing & Footwear is reported by middle class Households belonging to Lakshadweep or Andaman and Nicobar, followed by the Northern states. The lowest level of spending on clothing and footwear is reported by the Central States.

In the case of housing, middle class households in the north report the greatest level of positive spending, while the Others report the least expenditure. Expenses on Furnishing are the greatest for Central States. Significant and positive differences (compared to the Northern States) in spending on furnishing exists in the case of Central, East, North East and the Southern regions.

The Middle Class in World Society

The lowest levels of Health spending are reported in the middle class households belonging Other states, while the highest is in the case of the Central states.

Middle class households in the Southern states report the highest level of transport expenditure, while the significantly lowest was in the case of North Eastern States.

Western states communicated the lowest levels of expenditure on communication, and middle class households in the other states the highest.

For education and miscellaneous goods and services, the highest expenditure was seen in the case of North-East and Central Regions respectively, while the lowest is seen for Others and Northern region respectively.

Finally, a great deal of differences among the middle class also stem in from landownership. Land is considered a form of wealth and may contribute to differences in consumption patterns. It is seen that middle class households owning land consumed significantly higher levels of clothing and footwear, furnishings, health, transport, communication, recreation and culture, education and recreation and culture.

Thus, definition of middle class employed may not reflect groups with homogenous characteristics and cohesion. The use of cultural, social and demographic identities allows us to analyse differences in consumption patterns across different social groups- allowing us to transcend beyond the economic limitations imposed by income (expenditure), and take into consideration the limitations imposed by social groups.

The marginal effects of total expenditure on the conditional dependent variable are present below. These figures portray the effects of a change in total expenditure on expenditure on the said item category, when item expenditure is positive. This is done keeping all other commodities constant.

For the middle income households who do not report zero expenditure, the greatest marginal effect of an increase in total expenditure is seen in the case of clothing and footwear, while the lowest is for alcoholic beverages, tobacco and narcotics. The same is true for low and high-income households. Differently put, for an increase in total expenditure by 1 rupee, 7 paise are spent by the middle income households on Clothing and footwear. Compared to low-income households, the middle income households have a higher marginal effect of expenditure in the case of furnishing, health, transport, communication, recreation and culture and miscellaneous goods and services. Higher income households have a higher marginal propensity than middle in the case of housing, health and transport. Thus, middle income households have the greatest marginal effect in the case of clothing and footwear, furnishings, communication and education. Such a cyclical pattern may arise from both qualitative and quantitative changes in consumption.

Marginal Effect on Changes in Total Expenditure on the value of , when y is positive

	Low-Income	Middle-Income	High-Income
Alcoholic Beverages, Tobacco And Narcotics	0.011	0.008	0.001
Clothing And Footwear	0.078	0.071	0.022
Housing, Water, Electricity, Gas And Other Fuels	0.073	0.066	0.080
Furnishings, Household Equipment And Routine Household Maintenance	0.030	0.033	0.023
Health	0.029	0.031	0.039

Transport	0.035	0.065	0.126
Communication	0.019	0.020	0.013
Recreation And Culture	0.026	0.037	0.016
Education	0.024	0.055	0.020
Miscellaneous Goods And Services	0.046	0.047	0.071

The following table explores the elasticities of different income classes with respect to total expenditure. For middle-income households, and elasticity greater than unity is seen in the case if transport and recreation and culture, and thus these goods may be classified as luxuries for these households. (Layard & Walters, 1978).

Elasticity of the Unconditional Dependent Variable wrt Total Expenditure

	Low-Income	Middle-Income	High-Income
Alcoholic Beverages, Tobacco And Narcotics	0.68	0.74	-0.18
Clothing And Footwear	0.93	0.88	0.32
Housing, Water, Electricity, Gas And Other Fuels	0.61	0.60	0.67
Furnishings, Household Equipment And Routine Household Maintenance	0.78	0.80	0.48
Health	1.18	0.95	1.15
Transport	1.09	1.08	1.15
Communication	1.18	0.77	0.38
Recreation And Culture	1.39	1.25	0.45
Education			
Miscellaneous Goods And Services	0.84	0.81	0.82

Conclusion

Using the 68th round of NSSO's Consumption Expenditure Survey, the present paper explored differences in non-food consumption patterns of households belonging to varied income classes. Multivariate Tobit model was employed for this purpose, owing to a large number of zero expenditures.

The marginal effects and expenditure elasticities of 10 commodity groups (Food And Non-Alcoholic Beverages, Alcoholic Beverages, Tobacco And Narcotics, Clothing And Footwear, Housing, Water, Electricity, Gas And Other Fuels, Furnishings, Household Equipment And Routine Household Maintenance, Health, Transport, Communication, Recreation And Culture, Education And Miscellaneous Goods And Services) were estimated in a Tobit framework, while accounting for household size, and other socio-demographic variables such as sector, social group, region and ownership of land. The same price levels are assumed to hold for all households.

The division of households into income categories is done by employing a definition based on the marginal per capita expenditures. Middle class are defined as those with income between 0.75 and 1.25 of median per capita income.

The Middle Class in World Society

It is found that total consumption expenditure has significant effect on the expenditures on all items. Economies of scale in consumption are observed for middle-income households in the case of Furnishing, Health, Transport, Recreation and Culture. Significant differences also exist between the consumption of different sectors.

A look at the elasticities of the households reporting positive consumption shows that the middle class households consider recreation and culture and transport as luxuries. The low-income households consider Health, Transport, Communication and Recreation and Culture as luxuries, while the high income households regard health and transport as luxuries. Thus, while all households consider transport to be a luxury, for other commodity groups, no such consensus exists.

Thus, there exist differences in consumption patterns between the low, middle and high income households.

Within the middle class segment too, some variations in consumption patterns are seen owing to sector, region, social group and land ownership. Thus the middle class is not a homogenous groups, and owes several differences, at least in consumption patterns to the varied socio demographic characteristics of households within its wide ambit. Further, research on class should consider not only objective social status, but also subjective social status –especially in light of its potential role in mediating key economic and political benefits associated with the middle class.

The results could be further tested with other similar rounds of NSSO data which would help in drawing conclusions uniformly and contribute towards development of theory/concepts. The results can be further extended by bringing in data from other sectors and keeping new control variables to have efficient and diversified insights to the problems of household consumption pattern.

References

1. 'Classification of Expenditure according to Purpose', Department of Economic and Social Affairs, Statistics Division, Statistical Papers Series M No. 84
2. ABDEL-GHANY, M. O. H. A. M. E. D., and Deanna L. Sharpe. "Consumption patterns among the young-old and old-old." *Journal of Consumer Affairs* 31.1 (1997): 90-112.
3. Agrawal, Tushar. "Educational inequality in rural and urban India." *International Journal of Educational Development* 34 (2014): 11-19.
4. Banerjee, Abhijit V., and Esther Duflo. "The economic lives of the poor." *The journal of economic perspectives* 21.1 (2007): 141-167.
5. Banskota, Kamal, et al. "An Analysis of the Expenditure Patterns of Jamaican Households." *18th West Indian Agricultural Economics Conference, University of the West Indies, Jamaica, April*. 1986.
6. Bhalla, Surjit. "The Middle Class Kingdoms of India and China." *Peterson Institute for International Economics, Washington, DC* (2009).
7. Birdsall, N., Graham, C., & Pettinato, S. (2000). Stuck in tunnel: Is globalization muddling the middle?.
8. Burger, R., Steenekamp, C. L., Van der Berg, S., & Zoch, A. (2014). The middle class in contemporary South Africa: Comparing rival approaches. *Development Southern Africa*, 32(1).
9. Burney, Nadeem A., and Ashfaque H. Khan. "Household consumption patterns in Pakistan: an urban-rural comparison using micro data." *The Pakistan Development Review* (1991): 145-171.
10. DeMaris, Alfred. *Regression with social data: Modeling continuous and limited response variables*. Vol. 417. John Wiley & Sons, 2004.
11. Doepke, M., & Zilibotti, F. (2007). *Occupational choice and the spirit of capitalism* (No. w12917). National Bureau of Economic Research.
12. Dr Peter Corrigan-The Sociology of Consumption an Introduction-Sage Publications Ltd(1997)

13. Easterly, William. "The middle class consensus and economic development." *Journal of economic growth* 6.4 (2001): 317-335.
14. Ernst Engel 1857, 2. edition, 1896b, s.28-29
15. Faruk, Ö. (2015). INEQUALITY OF EDUCATIONAL OPPORTUNITY: TURKEY CASE. *The International Journal of Social Sciences*, 56-63.
16. Giles, David EA, and Peter Hampton. "An Engel curve analysis of household expenditure in New Zealand." *Economic Record* 61.1 (1985): 450-462.
17. Goud, S. Limba. "Consumption Pattern In India: Estimation Of Expenditure Elasticities For Commodity Groups (1950-51 To 2007-08)." *Indian Journal of Economics & Business* 9.3 (2010).
18. Government of India, National Sample Survey Office, Socio-Economic Survey, Sixty-Eighth Round: July 2011- June 2012
19. Government of India, National Sample Survey Office, Socio-Economic Survey, Sixty-Eighth Round: July 2011- June 2012
20. Gupta, Devendra B. "A Comparison of Consumption Patterns in Uttar Pradesh and Madras--A Study of Inter-regional Variations with Reference to India." *Indian Economic Review* 3.2 (1968): 129-144.
21. Houthakker, Hendrik S., and Lester D. Taylor. "Consumer demand in the United States." (1970).
22. Houthakker, Hendrik Samuel. "An international comparison of household expenditure patterns, commemorating the centenary of Engel's law." *Econometrica, Journal of the Econometric Society* (1957): 532-551.
23. Iyengar, N. S., Jain, L. R., Srinivasan, T. N., 'Economies of Scale in Household Consumption? a Case Study', paper presented at the Indian Econometric Conference, Calcutta, 1966 (mimeo.).
24. Kenny, C. (2008). What's not converging? East Asia's relative performance in income, health, and education. *Asian Economic Policy Review*, 3(1), 19-37.
25. Khan, Ashfaque H., and Umer Khalid. "Is Consumption Pattern Homogeneous in Pakistan? Evidence from PSLM 2007-08." *The Pakistan Development Review* (2011): 629-648.
26. Krishna, Anirudh, and Devendra Bajpai. "Layers in globalising society and the new middle class in India." *Economic and Political Weekly* 50.5 (2015): 69-77.
27. Layard, P. Richard G., and A. Alan. *Microeconomic theory*. No. 339.23 L3. 1978.
28. Londregan, John B., and Keith T. Poole. "Does high income promote democracy?." *World politics* 49.01 (1996): 1-30.
29. Lopez-Calva, Luis F., and Eduardo Ortiz-Juarez. "A vulnerability approach to the definition of the middle class." *The Journal of Economic Inequality* 12.1 (2014): 23-47.
30. Massell, Benton F., and Judith Heyer. "Household expenditure in Nairobi: A statistical analysis of consumer behavior." *Economic Development and Cultural Change* 17.2 (1969): 212-234.
31. McDonald, John F., and Robert A. Moffitt. "The uses of Tobit analysis." *The review of economics and statistics* (1980): 318-321.
32. Minhas, B. S. (1988). Validation of large scale sample survey data Case of NSS estimates of household consumption expenditure. *Sankhyā: The Indian Journal of Statistics, Series B*, 279-326.
33. Moore Jr, Barrington. "Social origins of dictatorship and democracy." *Groniek* 15 (1971).
34. Mukherjee, Arpita, et al. "Are Indian consumers brand conscious? Insights for global retailers." *Asia Pacific Journal of Marketing and Logistics* 24.3 (2012): 482-499.
35. Mukherjee, Arpita, et al. "Impact of the retail FDI policy on Indian consumers and the way forward." *Globalization and Standards*. Springer India, 2014. 41-59.
36. Saxena, R., Lanzeni, M. L., & Mayer, T. (2010). *The middle class in India*. Issues.
37. Sinha, R. P., and F. G. Hay. "Analysis of Food Expenditure Patterns of Industrial Workers and their Families in a Developing Country". *Journal of Development Studies*. Vol.8, No. 4. July 1972.
38. Smith, Marlene A., and G. S. Maddala. "Multiple model testing for non-nested heteroskedastic censored regression models." *Journal of Econometrics* 21.1 (1983): 71-81.

The Middle Class in World Society

39. Thamarajakshi, R. (1971). Expenditure-Elasticities of Intersectoral: Consumer Demand in India. *Economic and Political Weekly*, A187+A189-A190.
40. Tobin, James. "Estimation of relationships for limited dependent variables." *Econometrica: journal of the Econometric Society* (1958): 24-36.
41. Vaidyanathan, A. (1986). On the validity of NSS consumption data. *Economic and political Weekly*, 129-137.
42. Van Wessel, Margit. "Talking about consumption how an Indian middle class dissociates from middle-class life." *Cultural Dynamics* 16.1 (2004): 93-116.
43. Visaria, P. (1980). Poverty and living standards in Asia. *Population and Development Review*, 189-223.
44. Wang, Jun, and Stephen Siu Yu Lau. "Gentrification and Shanghai's new middle-class: Another reflection on the cultural consumption thesis." *Cities* 26.2 (2009): 57-66.

Appendix

Expenditure Categories

COICOP Classification	NSSO Consumption Expenditure Survey Categories
1 Alcoholic Beverages, Tobacco And Narcotics	Pan [309] Tobacco [319] Intoxicants [329]
2 Clothing And Footwear	Clothing (<i>mixed recall period</i>) [379] Footwear (<i>mixed recall period</i>) [399]
3 Housing, Water, Electricity, Gas And Other Fuels	Fuel and light [349] Rent [529] Water charges [540] House rent, garage rent (imputed- urban only) [539] bathroom and sanitary equipment (<i>mixed recall period</i>) [630] plugs, switches & other electrical fittings (<i>mixed recall period</i>) [631]
4 Furnishings, Household Equipment And Routine Household Maintenance	other minor durable-type goods [445] Bedding (<i>mixed recall period</i>) [389] Other household consumables [479] Other machines for household work (<i>mixed recall period</i>) [621] residential building & land (cost of repairs only) (<i>mixed recall period</i>) [632] other durables (<i>mixed recall period</i>) [633] furniture & fixtures (<i>mixed recall period</i>) [559] crocker & utensils (<i>mixed recall period</i>) [579] cooking & other household appliances (<i>mixed recall period</i>) [599]
5 Health	Medical (non-institutional) [429] Medical (institutional) (<i>mixed recall period</i>) [419] Therapeutic appliances (<i>mixed recall period</i>) [619] Spectacles [440]
6 Transport	Conveyance [519] Personal Transport equipment (<i>mixed recall period</i>) [609]

	COICOP Classification	NSSO Consumption Expenditure Survey Categories
7	Communication	telephone charges: landline [487] telephone charges: mobile [488] postage and telegram [490] internet expenses [496] mobile handset (<i>mixed recall period</i>) [623] telephone instrument (<i>mixed recall period</i>)(landline) [624]
8	Recreation And Culture	Entertainment [439] Goods for recreation (<i>mixed recall period</i>) [569] Books, journals: first hand(<i>mixed recall period</i>) [400] Books, journals: second hand (<i>mixed recall period</i>) [401] Newspapers, periodicals (<i>mixed recall period</i>) [402] Library charges (<i>mixed recall period</i>) [403] Stationary, photocopying charges (<i>mixed recall period</i>) [404] PC/ Laptop/ other peripherals incl. software (<i>mixed recall period</i>) [622]
9	Education	Tuition and other fees (school, college etc.) (<i>mixed recall period</i>) [405] Private tutor/ coaching centre (<i>mixed recall period</i>) [406] Educational CD (<i>mixed recall period</i>) [407] Other educational expenses (<i>mixed recall period</i>) [408]
10	Miscellaneous Goods And Services	Consumer services excluding conveyance (excluding telephone charges: mobile, telephone charges: landline, postage and telegram and internet expenses) [480, 481, 482, 483, 484, 485, 486, 491, 492, 493, 494, 495, 497] Other Consumer taxes and cesses [541] Toilet articles [459] Umbrella & raincoats [443] lighter (bidi/ cigarette/ gas stove) [444] Jewelry& ornaments (<i>mixed recall period</i>)[649] Clock, watch (<i>mixed recall period</i>) [620] Any other personal goods (<i>mixed recall period</i>) [625] Torch [441] Lock [442]

Classification of Regions

Regions	States/ Union Territories
North	Chandigarh, Delhi, Haryana, Himachal Pradesh, Jammu & Kashmir, Punjab, Rajasthan, Uttaranchal
Central	Chhastisgarh, Madhya Pradesh, Uttar Pradesh
East	Bihar, Jharkhand, Orrisa
Northeast	Arunachal Pradesh, Assam, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura,
West	Dadra & Nagar Haveli, Daman & Diu, Goa, Gujarat, Maharashtra, West Bengal
South	Andhra Pradesh, Karnataka, Kerala, Pondicherry, Tamil Nadu
Others	Andaman & Nicobar Islands, LAKshawdeep

The Middle Class in World Society

Average Expenditure Shares of House-holds

	<i>Low- Income</i>	<i>Middle- Income</i>	<i>High- Income</i>	<i>Low- Income</i>	<i>Middle- Income</i>	<i>High- Income</i>
Alcoholic Beverages, Tobacco And Narcotics	115.92	171.95	255.81	97.36	139.07	194.23
Clothing And Footwear	388.54	557.64	794.54	393.46	556.15	857.04
Housing, Water, Electricity, Gas And Other Fuels	520.04	679.88	1067.62	668.81	933.72	1795.06
Furnishings, Household Equipment And Routine Household Maintenance	180.44	294.36	626.79	169.39	267.41	589.53
Health	173.79	312.41	774.54	160.87	285.2	714.44
Transport	168.8	444.75	1520.71	148.4	404.89	1445.26
Communication	92.66	184.13	354.68	101.09	195.09	485.31
Recreation And Culture	95.12	206.85	409.98	132.13	252.66	513.85
Education	63.6	181.64	571.18	104.75	270.14	861.8
Miscellaneous Goods And Services	250.95	404.79	1082.62	262.92	405.75	1075.35
Total Non-Food Expenditure	2049.86	3438.4	7458.47	2239.18	3710.08	8531.87
	Budget shares in Rural Households			Budget shares in Urban Households		
Alcoholic Beverages, Tobacco And Narcotics	5.66	5.00	3.43	4.35	3.75	2.28
Clothing And Footwear	18.95	16.22	10.65	17.57	14.99	10.05
Housing, Water, Electricity, Gas And Other Fuels	25.37	19.77	14.31	29.87	25.17	21.04
Furnishings, Household Equipment And Routine Household Maintenance	8.80	8.56	8.40	7.56	7.21	6.91
Health	8.48	9.09	10.38	7.18	7.69	8.37
Transport	8.23	12.93	20.39	6.63	10.91	16.94
Communication	4.52	5.36	4.76	4.51	5.26	5.69
Recreation And Culture	4.64	6.02	5.50	5.90	6.81	6.02
Education	3.10	5.28	7.66	4.68	7.28	10.10
Miscellaneous Goods And Services	12.24	11.77	14.52	11.74	10.94	12.60

Maximum Likelihood Estimates from the Tobit Model

	Alcoholic Beverages, Tobacco And Narcotics						Clothing And Footwear					
	Low-Income		Middle-Income		High-Income		Low-Income		Middle-Income		High-Income	
Total Expenditure	0.02	*	0.02	*	0.01	*	0.08	*	0.08	*	0.03	*
Weighted Household Size	0.97		13.67	*	61.70	*	8.13	*	14.40	*	138.74	*
Sector												
Urban	-34.42	*	-60.28	*	-145.15	*	-10.94	*	-8.64	*	98.64	*
Social Group												
Scheduled Caste	-31.76	*	-61.71	*	-49.98	*	-8.43	*	-58.86	*	-159.85	*
Other Backward Classes	-72.12	*	-126.49	*	-215.64	*	-7.17	*	-59.53	*	-143.83	*
Others	-92.39	*	-160.36	*	-301.93	*	-19.01	*	-56.45	*	-62.67	*
Region												
Central	26.65	*	52.44	*	202.57	*	-26.61	*	-70.75	*	-96.56	*
East	15.56	*	40.91	*	212.43	*	-29.74	*	-56.40	*	-120.18	*
North-East	93.77	*	165.70	*	552.72	*	-42.40	*	-47.86	*	7.97	
West	14.79	*	35.32	*	129.19	*	-21.53	*	-51.77	*	-106.44	*
South	22.29	*	54.76	*	10.12		-26.32	*	-61.61	*	-113.31	*
Others	69.30		201.55	*	615.73	*	169.01	*	52.40	*	-8.21	
Lack of Land Ownership	5.01		-11.66		-14.41		-36.97	*	-39.38	*	-53.08	*
Constant	-4.89		-36.69	*	-324.56	*	10.06	*	84.59	*	176.96	*

	Housing, Water, Electricity, Gas And Other Fuels						Furnishings, Household Equipment And Routine Household Maintenance					
	Low-Income		Middle-Income		High-Income		Low-Income		Middle-Income		High-Income	
Total Expenditure	0.08	*	0.07	*	0.15	*	0.04	*	0.05	*	0.05	*
Weighted Household Size	4.69	*	1.46		-171.98	*	-7.24	*	-14.06	*	-6.09	
Sector												
Urban	102.11	*	156.87	*	245.84	*	-13.79	*	-29.74	*	-46.69	*
Social Group												
Scheduled Caste	-3.89		-10.20		-0.37		-3.74		-6.33		-7.65	
Other Backward Classes	-2.86		-13.89	*	-31.10		-1.40		-4.61		-19.28	
Others	-10.66	*	-18.79	*	-26.81		-14.49	*	-18.13	*	-18.15	
Region												
Central	-74.58	*	-90.18	*	-169.60	*	14.15	*	34.66	*	46.66	*

The Middle Class in World Society

East	-99.26	*	-110.47	*	-79.82		16.46	*	29.99	*	59.43	*
North-East	-88.52	*	-63.44	*	-97.50	*	19.91	*	23.21	*	38.51	
West	-61.88	*	-29.14	*	-25.12		-12.91	*	-6.86		-9.65	
South	-170.57	*	-191.12	*	-281.75	*	3.67		11.89	*	34.56	*
Others	-143.77	*	-258.43	*	-273.49	*	-80.67	*	-35.89		-124.98	*
Lack of Land Ownership	191.80	*	460.80	*	1144.14	*	-24.25	*	-42.75	*	-177.69	*
Constant	236.05	*	255.64	*	-83.21	*	22.66	*	19.28	*	95.69	*

	Health						Transport					
	Low-Income		Middle-Income		High-Income		Low-Income		Middle-Income		High-Income	
Total Expenditure	0.06	*	0.07	*	0.10	*	0.06	*	0.11	*	0.28	*
Weighted Household Size	-12.84	*	-18.59	*	-63.01	*	-8.38	*	-22.49	*	-423.39	*
Sector												
Urban	-38.14	*	-50.87	*	-169.39	*	-45.72	*	-64.33	*	-472.15	*
Social Group												
Scheduled Caste	76.47	*	149.62	*	302.86	*	-23.57	*	13.57		213.20	*
Other Backward Classes	56.79	*	92.87	*	196.96	*	-15.40	*	51.36	*	278.00	*
Others	49.26	*	104.75	*	127.87	*	-11.87	*	38.19	*	102.07	
Region												
Central	87.93	*	176.45	*	155.78	*	33.78	*	117.86	*	349.10	*
East	39.42	*	121.25	*	427.09	*	-18.77	*	-2.24		-49.80	
North-East	-63.74	*	-121.94	*	-294.66	*	5.24		35.00	*	-24.00	
West	27.16	*	25.28	*	-27.30		61.04	*	126.54	*	162.97	*
South	19.48	*	63.06	*	26.29		108.35	*	160.99	*	228.95	*
Others	-556.61	*	-899.28	*	-1651.07	*	-121.20	*	16.76		404.71	*
Lack of Land Ownership	-28.19	*	-95.79	*	-474.60	*	-39.65	*	-110.96	*	-291.96	*
Constant	-194.16	*	-265.58	*	-600.86	*	-104.49	*	-310.82	*	-680.80	*

	Communication						Recreation & Culture					
	Low-Income		Middle-Income		High-Income		Low-Income		Middle-Income		High-Income	
Total Expenditure	0.04	*	0.03	*	0.02	*	0.05	*	0.06	*	0.03	*
Weighted Household Size	-2.75	*	7.72	*	42.54	*	-15.65	*	-35.56	*	27.04	*
Sector												

The Middle Class in World Society

Urban	4.68	*	8.93	*	137.92	*	33.73	*	46.25	*	111.94	*
Social Group												
Scheduled Caste	9.12	*	-14.83	*	-82.02	*	-0.90		-5.99		-52.69	*
Other Backward Classes	18.08	*	-3.70		-69.02	*	-0.46		2.83		-51.01	*
Others	19.59	*	6.76	*	20.04	*	5.67	*	10.36	*	18.13	
Region												
Central	-6.16	*	-13.04	*	-33.91	*	15.46	*	10.97	*	-17.37	
East	-15.03	*	-20.33	*	-59.70	*	14.93	*	20.84	*	-1.32	
North-East	3.73		34.96	*	64.77	*	27.60	*	96.38	*	126.80	*
West	-18.75	*	-23.38	*	32.26	*	3.01		7.12		44.78	*
South	6.63	*	-3.95		8.65		57.87	*	54.32	*	67.28	*
Others	53.29	*	54.13	*	82.06	*	-72.97	*	-100.25	*	-155.43	*
Lack of Land Ownership	-15.10	*	-13.73	*	-55.81	*	-20.38	*	-33.51	*	-82.28	*
Constant	-83.86	*	-49.02	*	-19.11		-97.07	*	-105.77	*	-100.91	*

	Education						Miscellaneous Goods and Services					
	Low-Income		Middle-Income		High-Income		Low-Income		Middle-Income		High-Income	
Total Expenditure	0.07	*	0.15	*	0.06	*	0.06	*	0.06	*	0.15	*
Weighted Household Size	-30.83	*	-126.92	*	350.69	*	0.18		2.10		-163.84	*
Sector												
Urban	56.57	*	108.49	*	437.00	*	-1.22		-10.51	*	-169.11	*
Social Group												
Scheduled Caste	21.21	*	77.35	*	65.64		-7.55	*	-24.80	*	10.75	
Other Backward Classes	30.22	*	119.35	*	271.27	*	-4.52		-22.12	*	50.82	
Others	49.00	*	120.82	*	287.70	*	-14.26	*	-33.71	*	-19.36	
Region												
Central	47.90	*	26.86	*	-221.30	*	41.09	*	103.53	*	323.07	*
East	26.61	*	67.68	*	-243.72	*	6.08		50.85	*	321.15	*
North-East	44.88	*	120.33	*	-130.96	*	-6.85		18.49	*	214.82	*
West	-105.22	*	-182.37	*	-484.17	*	91.16	*	130.17	*	397.50	*
South	-38.01	*	-28.17	*	-274.77	*	58.94	*	119.26	*	578.58	*
Others	-186.63	*	-304.58	*	-1173.84	*	76.21	*	75.51	*	53.62	
Lack of Land Ownership	-22.73	*	-46.82	*	20.12		-29.23	*	-48.80	*	-249.86	*
Constant	-307.62	*	-653.20	*	-2207.72	*	-22.60	*	-81.08	*	-387.55	*

Exploring the ‘New’ Middle Class in Lived Experience: Identities, Anxieties and Contestations

Prof. Manish K Jha & M. Ibrahim Wani⁷

We are in the middle of a buying spree. And at the centre of that is the Great Indian Middle Class’ boasts an article in *The Economic Times* – a premier business newspaper in India (Mukherjee & Thakkar, 2016). This reiteration of a Middle class, positioned in terms of its consumer potentials, was marked not just in business publications, but formed a part of a veritable discursive event across Indian media. The event was marked in a celebration of 25 years of reforms in India traced to the opening up of India’s economy in a national budget presented in 1991. At the centre of this celebration was the growth of the ‘new’ middle class, argued as the spark for a ‘new Indian’, explained in terms of his new found consumerism, ‘Give me more - three words that embody the ideology of Indians in the post-liberalisation era’ (*The Indian Express*, 2016). Continuing the association of this ‘new’ with ‘more’, a newspaper headline notes the shift with an earlier era, ‘the rise of the ‘More’ era...in line with the changing aspirations of the new generation...Yeh Dil Maange More! [This heart wants more – An advertising slogan for a carbonated drink] resonated deeply across the country that was waking up to a consumer revolution’ (Parameswaran, 2016). Another newspaper article in *Hindustan Times* proclaims, ‘India before 1991 was so different, it was another country’ and goes on to explain the new found love for consumerism in contrast to an austerity for the old (Kesavan, 2016). Perhaps based only on the media discourse it would not be difficult to be in consent to the dominant notion of this ‘new’ Indian Middle Class; a two and a half decade old ‘new’ class of consumption, economic freedom and lifestyle.

Is this ‘new’ middle class just a media construct? The aim of introducing such discursive practices into a problematisation of the ‘new’ middle class is not to position an analysis of the dominant media frames (for such analyses, see Fernandes, 2000; Iqani, 2015; Khorana, 2013, 2014). The introduction of the new middle class as a media construct is to mark the convergences and continuities with the ‘new’ middle class as an academic construct. Understood as an urban trait, the reference to ‘newness’ in academic positioning like media constructs has been placed in a debate which has largely revolved around recurrent themes of debased and conspicuous consumerism and a lifestyle of leisure; in rising incomes, availability of easy capital and to the articulation of identity based in mediated socio-symbolic practices of consumption and aspiration; lifestyles, education, employment and leisure associated with commodities (Fernandes, 2004; Scrase, 2002; van Wessel, 2004). As Fernandes notes, ‘The ‘newness’ of this Indian middle class is a cultural characteristic that is marked by attitudes, lifestyles and consumption practices associated with commodities made available in India’s liberalising economy’ (Fernandes, 2004, p. 2415). If on one side this consumerism is held as a departure with the old traditions of austerities, Nina Mathur qualifies it as one which does not completely lose sight of its contrasts with the old, and she explains the ‘newness’ as, ‘more cosmopolitan in outlook and lifestyle, global in aspirations, time-investing and risk-taking in jobs, demanding in leisure-time services (such as tourism and hospitality in hotels) and at the same time watchful of values and lifestyle laid down by age-old tradition emphasising austerity, frugality and voluntary poverty’ (N. Mathur, 2010, p. 227).

Related to such cultural positioning, but also moving away from the cultural placement to the different disciplinary understandings are debates which deal with definitional criteria of the ‘new’ middle class in rising incomes and its associated income slab debates (Lahiri, 2014; McKinsey Global Institute, 2007), asset ownership (Krishna & Bajpai, 2015) limiting or enhancing the scope of activity and area of influence. We define

⁷ Swati Singh is acknowledged for a contribution to a joint review of literature for an earlier proposal.

economic classes in relation to different transportation assets, considering as the lower middle class those who have motorcycles or motor-scooters, and as the upper middle class, those who own automobiles. Unambiguously identifying a middle class is difficult; the term is relational, context-dependent, and inchoate. However, the lower-and upper-middle classes, defined in this manner, are robust to alternative definitions: these groups have substantially higher incomes than groups below, own disproportionately large shares of other physical assets, and do much better in terms of education, health, media exposure, and social capital. The middle class increased from 11% in 1992 to almost double this percentage in the early years of the new millennium. Subsequently, its growth has slowed down, coming almost to a halt in rural areas. Fragility and volatility are in evidence; many, formerly in the middle class, have fallen back. It cannot be blithely assumed that India's middle class will grow much larger. A new middle class has come to prominence since the Indian economy became market-driven and better integrated with the global economy. It has attracted growing attention among academic scholars and market analysts. Identified as its chief beneficiary, the new Indian middle class is also seen as a main support for greater global integration (Fernandes 2006; Sridharan 2010; Varma 1998, or histories of the class with the neo-liberal turn as a key event (Jodhka & Prakash, 2011). These definitional debates relate to the unsettled definitional location of the new middle class and offer a wide range of understandings, yet the larger reference is placed in the rising incomes and consumerist frame.

While as consumerism, rising incomes, asset ownership and its associated lifestyle changes have been positioned as a fundamental defining feature of this new identity of being a 'new' middle class in India, other markers of this newness have been contextualised with changing political roles. Charted in the history of the middle classes, the trajectory places a new assertive political role for the new middle classes. As Satish Deshpande notes while positioning an agenda to study the new class-political, 'From its position as a 'proxy' for the nation, this class has now graduated to thinking of itself as a 'portrait' of the nation...the middle class no longer claims merely to represent the people (who alone were thought to constitute the nation in the era of development), but rather that it is itself the nation' (Deshpande, 1998). Based in this larger academic frame, where the 'new' class is identified as an increasingly political, various strands of scholarship have focussed on elite green activism (Lahiri, 2015; Urfi, 2012), new middle class political movements (Sitapati, 2011), role in elections (Kaur, 2014), rise of political associations which combine neo-liberal rhetoric with religious ideological moorings (Fernandes & Heller, 2006; Jaffrelot, 2013; Srivastava, 2009). Noteworthy of mention, a particular area of focus for this scholarship has been the interplay of relationship of state, ideology and political assertion of the 'new' class with structuring and production of urban spaces and cituscapes; the particular attention is to the role of Resident Welfare Associations (Kamath & Vijayabaskar, 2009, 2014; Srivastava, 2009; Zérah, 2007).

Both these larger frames of study mark remarkable intertextualities with the dominant media discourses, and it seems that in both convergences as well as criticisms, the broader contours of the debate revolve around positioning rooted to consumer citizen and new political activism. A significant detail which can be added to this imagining of the new middle class identification is the positioning of the cleavages and contestations between the urban new middle class and the 'other' – the urban poor. To mark this cultural project of creating a new middle class identity in academic and journalistic discourse, it is placed as a monolith of exclusionary and purifying processes. As Fernandes states, 'On the one hand, the new Indian middle class represents a visible embodiment of the potential benefits of globalisation...On the other hand, the political dynamics of the new Indian middle class rest on a political project of forgetting the urban poor and working classes' (Fernandes, 2004, p. 2428).

II. Probematising Questions of Identity

The range of scholarship in the preceding section presents a case for a 'new' middle class identification. It does not explicitly recognise the new class as a unity; there are references to the class as one which is variegated,

The Middle Class in World Society

dynamic and composed of intersectionalities of other identities based in caste, language, religion, gender or even income brackets within (See Fernandes & Heller, 2006; S. Mathur, 2014; Scrase, 2002). The problem lies in the setting and settling of the larger contours and references on this new middle class identity as well as the debates and disagreements on it. A question which can be asked is that does foregrounding the consumerist, the political, the aesthetic and the exclusion of the poor as dominant traits present us with an over-encompassing outline of a 'new' middle Class Identity? Is it only the new middle classes which can be identified with the consumerist or the political? Do classes across the income bracket lines in India not engage in exclusionary politics? Or following from Trentman, was 'the past...some pre-consumerist dark age' and is consumerism in itself a 'new' feature in the economy?' (Trentmann, 2010, p. 36).

The primary reference of the current study is positioned in terms of problematisation of 'new' middle class identity. It is in this 'new' middle class identity, that the attempt is made to see beyond the discursively positioned consumerism or overassertive political qualification, and instead to foreground subjective lived experience. The aim is to reposition the actor of everyday new middle class existence; in such a probing the macro infuses with the micro, the extra-ordinary with the banal routine and a study of its everydaneess in routines, practices and negotiations assumes a distinct essence (See Adler, Adler, & Fontana, 1987; Kalekin-Fishman, 2013; Scott, 2009; Sztompka, 2008). This everydayness is one in which 'devalued practices of common life...holds open the possibility of new types of relationships, alternative visions of the natural and the artificial and more humane forms of history' (Sandywell, 2004, p. 176) if highly diverse and problematic, theme of modern philosophy and social theory. The focus of the essay concerns the uncertain ontological status of 'the everyday' within the human sciences. An initial exploration of the ambiguity of the expression 'everyday life' points to a more consequential type of undecidability once it is fully recognized how the ideology of 'everyday life' functions to suppress the materiality, contingency, and historicity of human experience. This can be seen in the contrast between powerful atemporal conceptions of everyday life and more critical understandings of the lifeworld framed in temporal categories. The distinction between everyday life and lifeworld proves useful as a marker for two very different approaches to the ordinary. The paper claims that the ordinary has been systematically denigrated in the very act of being theorized as 'everyday life'. A tradition of binary and dichotomous theorizing is uncovered as one of the fundamental sources of the myth of an ahistorical, unmediated everyday life. After mapping a range of more reflexive perspectives toward the investigation of ordinary life, the paper concludes on a positive and reconstructive note by suggesting that any attempt to go beyond the dualisms and antinomies of contemporary theory must first abandon this mythology to reveal the historicity. The key questions for probing emerge as "What are the everyday experiences of life in this new middle class? and What is the import of such experience for new middle class identities?"

In the aims and directional questions of the study, the methodological design emerges in descriptive qualitative research (Creswell, 2014; Denzin & Lincoln, 2011; Flick, 2007). It becomes essential to note here that the present research study forms a part of a larger research project on the 'new middle class' at TISS, Mumbai and is currently placed in an ongoing data collection phase. Consequent to this, the research analysis is as of yet only rudimentary, but the descriptions as well as the analysis presented here will form an important component of the larger research process for the project.

Placed in the methodological design of the study, the reference to participants is in identification of two larger categories of participants; the first transitioning from an old middle class to a new middle class and second as new entrants from below. Based in an inductive logic, the focus of the researcher-participant interaction is on collecting qualitative data from the participant perspective to explore people's perceptions, actions, situations and meanings attached to them (Denzin & Lincoln, 2011). The researchers locate themselves as placed within this new middle class as insiders, and select the site for these interactions in Mumbai and Navi Mumbai. The primary research method used is the Interview method (In-depth interviews). That the research study is ongoing has been referred to earlier, the reiteration here is to state that as of now the point of saturation is still elusive.

For the purpose of this paper, data is presented in the form of following six enquiries into everyday life;

1. A New Middle Class House: A New flat in Mulund and a Second hand Sofa for Rs 4000

Jiten is anxious while talking. A manager in a financial company, he has not as of yet got a buyer for his 1 BHK flat, but has already moved to a new 2 BHK flat in Mulund. He says he had to make the decision as the deal was too good to miss, but ended up taking too many loans from banks as well as acquaintances and relatives. He has to sell the old flat fast to be able to meet the upcoming payments on the flat. His family of seven including parents is getting used to new space and new facilities including a lift and a garden for the building. It was difficult for the mother to climb the four floors of stairs in the last residence.

The furniture in the flat seems new. It is only later that Jiten informs that he has bought it on quikr.com (a website for used products) for Rs 4000, as he wanted to save every penny for the loan, and yet wanted to give a sofa's comfort to the family to sit on. They did not have a sofa in the last house.

Jiten gives a tour of the new house. It has many repairs to be completed, but they will be taken up in time. All the leftover Provident Fund of his father has gone into the repairs, most of it was spent on the marriage of the daughter two years earlier. He presents statistics on carpet area, built up area, actual area and the scope to increase the area when his son grows up, without making much sense to the researcher. It seems he is in a constant struggle to justify the decision to move to the new house, to derive maximum square feet from the flat.

The earlier residence was in Mulund too. On being asked why he did not prefer to move to a cheaper area, he informs that all their life has been based in the Gujarati community in Mulund. 'No other option. It would be impossible for my family to make sense of any other place other than Mulund,' he says.

2. A New Middle Class Phone: A Dalit Consumer bought an iPhone!

No. It is not about trying to waste my money. Who does that? It is brought because of the assertion and a desire. Am sure that people think many times before buying...people save for things for a long time...Do you know that many dalits in the village buy a phone, and do manual labour to save for it, just to be able to buy a phone to show to the upper castes...Caste continues despite the class...when I board an auto I talk to Autorickshaw drivers, who are mostly upper castes from UP and Bihar. As soon as they guess my caste, their tenor changes...I have also faced many many problems in getting a flat to live...some of my relatives live in a place close to Colaba...It is mostly a Dalit place...they want to buy an LCD and put tiles in the house. No, it is not just to show off, but a normal profile is to be maintained. It is not any *fazool kharch*, it is very important today...All of it is needed and does not add any luxury...if it is in the budget, what is the problem in purchasing it..(Dilip - a university student).

3. A New Middle Class Flat: A Muslim searches for a rental flat

'I have the money but have no entry...' states Riyaz, a Muslim middle class participant who works in a software company and earns more than Rs 40,000 each month. He remarks that he only feels being a muslim strongly whenever faced with the decision to move to a new rental accomadation. Reffereing to the recent incidents when 'it' came in the news, he says nothing is written in any building/society law, but 'everyone knows'. Being a bachelor makes it even more difficult for him, as landlords are hesitant renting out places in such cases. He is used to the rotuine now, but mentions a specific incident when he came to know that a fellow workmate at office had a flate to rent. On very friendly terms with the older lady, he approached her for the rental, but she kept delaying the prospect with one reason or another. It was only later that he came to know that deposite his offer the flat was rented out to some other tenant. Another workmate informed him that she had remarked that she could give a flat to anyone but a Muslim. Nothing has changed between Riyaz and the workmate. She recently had a conversation with him on the

The Middle Class in World Society

career choice for her daughter. Whenever she gets some food from home, she makes it a point to share it with Riyaz. Asked on his current landlord, he replies ‘Hindu only’.

4. A New Middle Class Lifestyle: Weight Loss at VLCC!

Sarita is a young lady in her late twenties. She is a customer at the VLCC weight loss centre where she has paid more than Rs 15,000 to lose 10 Kgs of weight. She goes to the centre, a swanking setting where there are more than 12 staff including doctors and dieticians for weight loss sessions as well as advice on her metabolism and diet. She has not been asked by any doctor to lose weight – she informs that there are some customers who have been explicitly asked by their doctors to try to lose weight, but also informs that all of them had been advised against artificial weight loss techniques. She is at the centre on the insistence of her mother, who was informed by a relative of the centre. Her mother had never seen any advertisement for the centre, and did not even know that it existed. Sarita does not go to the centre for any lifestyle myths, but only for improving her marriage prospects. She has been rejected many times in formal settings, and her mother feels it is her being overweight which is responsible for the rejections.

5. A New Middle Class Politics: No Power over anything!

Raj, works in an office in Vikroli, and lives on rent in a flat in Navi Mumbai. Ever since the last few months he has been facing a lot of problems due to water cuts. He has called up the landlord who has assured him that the society is doing all things possible to sort the issue. He is from a small town, and can not understand much about the working of this society, other than that he keeps receiving signed meeting minutes addressed to the landlord. He has talked to the society members himself too, but with little success in resolving the water crisis. Sometimes, he receives letters in the flats where some society members blame others for things he does not understand like redevelopment, society fund etc. He has also been informed by the landlord that the society has complained that some tenants in other flats have been creating trouble and may be evicted. He feels it is just a way for the landlord to remind him of his various obligations. When told that these associations are ways to exert power for the new middle class, he laughs and retorts, ‘Some people think they can change things after watching TV news. Anyways what power does a person who does not own a flat have? Leave that has anyone been even able to pressurise the government into easing traffic jams or cover up the pot holes?’

6. A New Middle Class Family: Sending money back home to buying a Second Hand Fridge!

Prakash is an Ola driver. He used to drive a load carrier for ten years, but with his savings has bought a ola cab (Ritz) in partnership with a friend. The participant met one of the researchers in a Taxi drive. The researcher probed why the driver was making lots of phone calls, and was informed that he is guiding his wife to send money back home to his village in UP. His wife is to now go to a money transfer agent, who will charge a commission to transfer the money. He is only able to transfer this money since he has saved some extra money in his new work. The purpose of the transfer is the purchase of a fridge – from a family in the village who are selling a ‘good’ fridge to buy a ‘brand new’ one. He thinks that the fridge will help his old mother with her daily routines and will ease the kitchen work.

Discussion

Probes into everyday routines of the preceding descriptions made a rich world of the new middle class visible. Some of the other descriptions are not detailed here, but present an equally intricate picture: these identify long lines outside Apple stores selling ‘expensive’ iphones available only on full downpayment, while on the other describe the

'new' middle classes heading to discount stores like *Sahakari Bazaar*'s and *D-Mart*'s to save money in shopping for essentials. On one hand, these descriptions (not detailed here) observe food courts of shopping malls full on a weekend, but do not lose sight of the rigorous budgeting techniques put into effect to save money on the smallest things. The study of this new middle class did not come across the 'new' middle class that was politically assertive, yet it could observe banal political choices in conscious purchase of new ideologically positioned consumer products (like a new range of Patanjali consumer products). But rather than politics and consumerism, what came across as the most pronounced markers in the study were 'anxieties', so much so that this class may be called a class in anxiety. These anxieties are markedly different from what have been argued as status anxieties (Dickey, 2013; Fernandes & Heller, 2006) or anxieties placed between notions of Indianness and consumerism (Srivastava, 2009). Srivastava's anxieties may be observed in Patanjali products, but the study without discounting the notions of Indianness contends that the popularity of such products may be linked less to ideology and more to the novelty and price positioning.

Moving beyond such anxieties, the particular reference to anxieties here is in reference to 'everyday anxieties' visible across the descriptions presented earlier; Raj is anxious to sell his flat and the immediate payments on loans are a constant anxiety for him, yet after this is resolved he will start worrying about the repairs in the house. Sarita as well as her family are anxious for a marriage match for her but as soon as they will find the match their everyday life will be occupied by anxieties to arrange the wedding. The lives of Riyaz, Dilip and Raj are placed in anxieties related to negotiations and adjustments in caste, religion, migrant status, as well as insecurities related to more everyday banal concerns – water supply, office relationships and commuting. It is here that the talk of anxieties and their resolution assumes even more importance; people explained problems, worries, future concerns, and attempted to devise ways to negotiate these anxieties in their ordinary lives. Upon knowing the academic engagements of the researcher, many participants asked for advice for their children's careers.

But this talk did not just confine to everyday concerns in private domains, or in the more public as inflation, the quality of air, the problem of traffic jams and potholes etc. The class in anxiety seemed anxious about the global in 'Brexit', about the Zika Virus, about the fallout of the oil crisis in the gulf, anxieties positioned into their lived lives through mediated practices in mass media and political discourse. Yet, the primary concern remained rooted to the immediate, the ordinary and not the global. This is also not to argue that status anxieties may not converge with everyday anxieties, but the participant's descriptions did not present a view of status anxieties as primary, not even in case of Dilip. His explanation of the purchase of the mobile phone as well as the justification can be seen in terms of the 'accumulating feelings of self worth' (Saavala, 2001, p. 317), but the problem with such a conceptualisation is that it encapsulates all behaviour in a hierarchical trajectory. Using Saavala's own arguments, instead of a feeling of self worth, this may be understood not with a pre-understanding in hierarchical practices, but in their attempts to create 'own interpretation derived from shared cultural resources and categories' (Saavala, 2001, p. 317). The paper can suggest this interpretation in the resolution of everyday anxieties, which relate less to challenging caste through commodity, but placing the commodity in a routine felt need, whose resolution may be possible through not just rising incomes but intelligent practice.

The global for Prakash was placed in small everyday extensions of the village in his new world, and his anxieties are identified as ones of transitions where people populate intricate worlds of mobilities and continuities. It is argued that the contours of this new class are not settled, and the interface with the poor is not just one of contention, but one of a continuity and mobility, where most of those who constitute and will become a part of the 'new' middle class will enter it from below.

Turning back to the discursive event introduced in the beginning, a special mention is to be made of a web article on the BBC, which reflects this 'new' of 'more' for an international positioning. It approaches the question of the new middle class in the quotidian space of the kitchen and everyday cooking, and notes the change from tradition to modern; 'Women now cook standing up, not squatting down... Buying a hand held blender, electric chopper or sandwich maker that costs a couple of thousand rupees is seen as an investment in efficiency but it's also an affordable way to indulge the urge for novelty' (Baviskar, 2016). Such stereotypic portrayals are reflective

The Middle Class in World Society

of the consumer trajectory placed in a gaze that positions privileged caste/religious affiliations and their practice into the dominant ideas on new middle class identity. The introduction of 'everyday anxieties' and attempts at their resolution is to move away from the contours of consumerist and establish everyday as the astereotypical centre of this new position.

These anxieties and their quotidian control can be understood as contestations on the idea of a new middle class identity or its prevalent positioning, as in the case of Riyaz and his co-worker who exist as well as contradict in the space new middle class space. It is here that the prevalent notions of identity and identification can be equated to criticism of identity as an analytical category itself. As Brubaker and Cooper note, "Identity" is a key term in the vernacular idiom of contemporary politics, and social analysis must take account of this fact. But this does not require us to use "identity" as a category of analysis or to conceptualize "identities" as something that all people have, seek, construct, and negotiate. Conceptualizing all affinities and affiliations, all forms of belonging, all experiences of commonality, connectedness, and cohesion, all self-understandings and self-identifications in the idiom of "identity" saddles us with a blunt, flat, undifferentiated vocabulary' (Brubaker & Cooper, 2000, p. 2). And yet, despite this criticism the veritable explosion of references to terminologies of a 'new' middle class identity confine us to its use; it is important to note here that none of the participants actually used identity as co-terminus with the new middle class. More importantly still, the term middle class was hardly ever used by the participants to locate their existence, and it was often hard to position a discussion of the middle class affiliation; it was as if the process of research was introducing a new middle class identity comparable to what Handler cautions against an 'ideology of identity' (Handler, 1994, p. 38). It is here that a departure is taken from a new middle identity to new middle class identities; identity here loses its noun form and is replaced by identities to connote dynamics, motions, fluidity of experience and constant erasure, as Hall states of identities as 'never singular but multiply constructed across different, often intersecting and antagonistic, discourses, practices and positions' (Stuart Hall, 1996, p. 4). These identities are explored as layered, in heterogeneity and always in construction in the everyday occupied by Raj, Riyaz, Dilip as well as other participants. Thus, the 'new' class in itself becomes a "dynamic" site, where multiple processes of economy, migration, mass media and culture converge, where as Fadaee explains the 'existence of different subjectivities should be given equal importance' (Fadaee, 2014, p. 454).

References

1. Adler, P. A., Adler, P., & Fontana, A. (1987). Everyday Life Sociology. *Annual Review of Sociology*, 13(1987), 217–235.
2. Baviskar, A. (2016). How India's changing kitchens have 'modernised' food habits. *BBC News*. Retrieved from <http://www.bbc.com/news/world?asia?india?36415061>
3. Brubaker, R., & Cooper, F. (2000). Beyond "Identity." *Theory and Society*, 29(1), 1–47.
4. Creswell, J. (2014). *Qualitative, Quantitative, and Mixed Methods Approaches* (Vol. 1). New Delhi: SAGE Publications. <http://doi.org/10.1017/CBO9781107415324.004>
5. Denzin, N. K., & Lincoln, Y. S. (2011). Introduction: The Discipline and Practice of Qualitative Research. In N. K. Denzin & Y. S. Lincoln (Eds.), *The SAGE Handbook of Qualitative Research*. New Delhi: SAGE.
6. Deshpande, S. (1998). After Culture: Renewed Agendas for the Political Economy of India. *Cultural Dynamics*, 10(2), 147–169. <http://doi.org/10.1177/092137409801000205>
7. Dickey, S. (2013). Apprehensions: On gaining recognition as middle class in Madurai. *Contributions to Indian Sociology*, 47(2), 217–243. <http://doi.org/10.1177/0069966713482963>
8. Fadaee, S. (2014). India's New Middle Class and the Critical Activist Milieu. *Journal of Developing Societies*, 30(4), 441–457. <http://doi.org/10.1177/0169796X14545583>
9. Fernandes, L. (2000). Nationalizing 'the global': Media Images, Cultural Politics and the Middle Class in India. *Media, Culture & Society*, 22(5), 611–628. <http://doi.org/10.1177/016344300022005005>

10. Fernandes, L. (2004). The politics of forgetting: class politics, state power and the restructuring of urban space in India. *Urban Studies*, 41(12), 2415–2430. <http://doi.org/10.1080/00420980412331297609>
11. Fernandes, L., & Heller, P. (2006). Hegemonic Aspirations. *Critical Asian Studies*, 38(4), 495–522. <http://doi.org/10.1080/14672710601073028>
12. Flick, U. (2007). *Designing Qualitative Research: The SAGE Qualitative Research Kit* (Vol. 1). New Delhi: SAGE Publications. <http://doi.org/10.1017/CBO9781107415324.004>
13. Hall, S. (1996). Introduction: Who Needs “Identity”? In S. Hall & P. du Gay (Eds.), *Questions of Cultural Identity*. New Delhi: SAGE Publications. <http://doi.org/http://dx.doi.org/10.4135/9781446221907.n4>
14. Handler, R. (1994). Is “Identity” a Useful Cross-cultural Concept? In J. R. Gillis (Ed.), *Commemorations: The Politics of National Identity* (pp. 27–40). Princeton: Princeton University Press.
15. Iqani, M. (2015). A new class for a new South Africa? The discursive construction of the “Black middle class” in post-Apartheid media. *Journal of Consumer Culture*, 1469540515586865. <http://doi.org/10.1177/1469540515586865>
16. Jaffrelot, C. (2013). Gujarat Elections: The Sub-Text of Modi’s “Hattrick”--High Tech Populism and the “Neo-middle Class.” *Studies in Indian Politics*, 1(1), 79–95. <http://doi.org/10.1177/2321023013482789>
17. Jodhka, S. S., & Prakash, A. (2011). *The Indian Middle Class: Emerging Cultures of Politics and Economics*. KAS International Report.
18. Kalekin-Fishman, D. (2013). Sociology of everyday life. *Current Sociology*, 61(5-6), 714–732. <http://doi.org/10.1177/0011392113482112>
19. Kamath, L., & Vijayabaskar, M. (2009). Limits and Possibilities of Middle Class Associations as Urban Collective Actors. *Economic and Political Weekly*, XLIV(26 & 27), 368–376.
20. Kamath, L., & Vijayabaskar, M. (2014). Middle-Class and Slum-Based Collective Action in Bangalore: Contestations and Convergences in a Time of Market Reforms. *Journal of South Asian Development*, 9(2), 147–171. <http://doi.org/10.1177/0973174114536098>
21. Kaur, R. (2014). The “Emerging” Middle Class Role in the 2014 General Elections. *Economic and Political Weekly*, XLIX(26 & 27), 15–19.
22. Kesavan, M. (2016, July 24). Before the change : When austerity , simplicity ruled everyday middle class life. *Hindustan Times*. Mumbai. Retrieved from <http://www.hindustantimes.com/india/news/before?the?change?when?austerity?and?simplicity?ruled?everyday?middle?class?life/story?PuanuEB9aMkrD4doqtzI4>
23. Khorana, S. (2013). Gender Mores on Indian TV: The “Respectable” Middle Class and Ndtv’s The Big Fight. *Media International Australia*, 147(1), 111–121. <http://doi.org/10.1177/1329878X1314700112>
24. Khorana, S. (2014). The Political is Populist: Talk Shows, Political Debates, And The Middle_Class Public Sphere in India. *Media International Australia*, (152), 98–107.
25. Krishna, A., & Bajpai, D. (2015). Layers in Globalising Society and the New Middle Class in India: Trends, Distribution and Prospects. *Economic & Political Weekly*, 31(5), 69–77.
26. Lahiri, A. K. (2014). The Middle Class and Economic Reforms. *Economic and Political Weekly*, XLIX(11), 37–44.
27. Lahiri, A. K. (2015). Green Politics and the Indian Middle Class. *Economic & Political Weekly*, L(43), 35–42.
28. Mathur, N. (2010). Shopping Malls, Credit Cards and Global Brands: Consumer Culture and Lifestyle of India’s New middle Class. *South Asia Research*, 30(3), 211–231.
29. Mathur, S. (2014). Memory and hope: new perspectives on the Kashmir conflict - an introduction. *Race & Class*, 56(2), 4–12. <http://doi.org/10.1177/0306396814542906>
30. McKinsey Global Institute. (2007). *The “Bird of Gold”: The Rise of India’s Consumer Market*.
31. Mukherjee, W., & Thakkar, S. M. (2016, July 21). 25 years of reforms : Middle class in centre stage - Effects of the Great Indian consumption boom. *The Economic Times*. Mumbai. Retrieved from <http://economictimes.indiatimes.com/news/economy/policy/25years?of?reforms?middle?class?in?centre?stage?effects?of?the?great?indian?consumption?boom/a...>
32. Parameswaran, A. (2016). Out With the Old , More of the New. *Indian Express: Eye Magazine Supplement*. Retrieved from <http://indianexpress.com/article/business/business?others/out?with?the?old?more?of?the?new?2932688/>

The Middle Class in World Society

33. Saavala, M. (2001). Low caste but middle-class: Some religious strategies for middle-class identification in Hyderabad. *Contributions to Indian Sociology*, 35(3), 293–318. <http://doi.org/10.1177/006996670103500301>
34. Sandywell, B. (2004). The Myth of everyday life: toward a heterology of the ordinary. *Cultural Studies*, 18(2), 160–180. <http://doi.org/10.1080/0950238042000201464>
35. Scott, S. (2009). *Making Sense of Everyday Life*. Cambridge: Polity Press.
36. Scrase, T. J. (2002). Television, The Middle Classes and the Transformation of Cultural Identities in West Bengal, India. *International Communication Gazette*, 64(4), 323–342. <http://doi.org/10.1177/174804850206400402>
37. Sitapati, V. (2011). What Anna Hazare’s Movement and India’s New Middle Classes Say about Each Other. *Economic & Political Weekly*, XLVI(30), 39–44.
38. Srivastava, S. (2009). Urban Spaces, Disney-Divinity and Moral Middle Classes in Delhi. *Economic and Political Weekly*, XLIV(26 & 27), 338–345.
39. Sztompka, P. (2008). The Focus on Everyday Life: a New Turn in Sociology. *European Review*, 16(01), 23–37. <http://doi.org/10.1017/S1062798708000045>
40. The Indian Express. (2016, July 25). EYE Magazine Supplement. Indian Express. Special Issue: 25 Years of Reforms. *Eye Supplement Magazine: The Indian Express*. Mumbai.
41. Trentmann, F. (2010). Tiny Middle Class, Huge Moral Anxieties. *Economic & Political Weekly*, XLV(29), 35–36.
42. Urfi, A. J. (2012). Birdwatchers, Middle Class and the “Bharat-India” Divide: Perspectives from Recent Bird Writings. *Economic & Political Weekly*, XLVII(42), 27–29.
43. van Wessel, M. (2004). Talking about Consumption: How an Indian Middle Class Dissociates from Middle-Class Life. *Cultural Dynamics*, 16(1), 93–116. <http://doi.org/10.1177/0921374004042752>
44. Zérah, M.-H. (2007). Middle class Neighbourhood Associations as Political Players in Mumbai. *Economic and Political Weekly*, 61–68.

Globalization and the Rise of New Middle Class: Construction of New Gender Roles in Bengali Print Advertisement, 1991-2010

Amrita Basu Roy Chowdhury

Introduction

I would like begin with Douglas Kellner's perception on globalization:

"Globalization appears to be the buzzword of the 1990s, the primary attractor of books, articles, and heated debate, just as postmodernism was the most fashionable and debated topic of the 1980s." (Kellner, 2002: 285)

Globalization has probably been one of the most seriously discussed and debated phenomena of the recent times. Over the past decade, a huge academic literature has developed on the subject. To provide an exhaustive account of this vast and ever-expanding literature is clearly an impossible task. Globalization, in a literal sense, is international integration. The governments, international governmental mechanisms, academicians, NGOs, policy formulators, planners and administrators are involved in discussing the issues related to the globalization and its impact across the society and on the different segments of the society. But reaching a consensus has been difficult since people are either supporting it or opposing it based on their perceptions. The neoliberal policies and its possible impact on women have been of interest to many, especially the feminist groups. Many critics fear that globalization might scale up gender inequalities and thus harm women- especially of the South. On the other hand, the advocates of globalization believe that in patriarchal societies where women have been repressed historically, some features of globalization might have liberating influence.

The 'conditionalities' of the international funding agencies and the regulations of the WTO have resulted in further marginalization of women, especially rural and indigenous women. Women working in sweatshops have to suffer exploitation in terms of low wages, poor working environment, instability of employment, and denial of labour rights. Globalization has also increased women's unpaid work as social services are increasingly privatized. Boost in tourism industry and cross border migration has further aggravated violence against women due to cross- cultural disconnect, insensitivities and the vested interests of the people involved. The economic globalization has increased the pace of environmental deterioration and climate change. This has harmed women in more than one ways. However, by creation of jobs in large numbers, globalization has empowered women. Women who migrate to work in developed countries have been able to help themselves, their families and the sending countries by way of remittances. Thus, whether globalization has improved the condition of women or reinforced gender inequalities is still a matter of assessment. The Beijing + 5 Document noted that the globalization presents opportunities to some women but leads to marginalization of many others and thus advocated mainstreaming in order to achieve gender equality. According to a United Nations Development Fund for Women's Report, the process of globalization has contributed to widening inequality within and among countries. It has led to increasing violations of women's economic, political and cultural rights in large measures due to the withering away of the welfare state. International women's organizations observe that the new trade agreements contravene the spirit and often the letter of international conventions on human rights, labour rights and women's rights. On the other hand, the positive aspects of the globalization have provided women with increasing opportunities to work in solidarity at regional, national and international levels to demand their rights.

The Middle Class in World Society

Thus, the process of globalization so far has had a mixed impact on women. For alleviating its negative impacts by making it women-centric and to promote mechanisms that strengthen its positive aspects and consequences, it needs judicious course correction.

Globalization and Its Tenets:

Indian economy in particular and society in general, witnessed several changes, of which the major one included a shift from the state centric welfarism to a market driven economy. During the early decades of the post-independence era, the Indian economy had been concentrating on its development through the process of self-reliance which was being achieved through minimal dependence on external foreign aids. However, as India underwent several internal and external pressures, which were created by political, economic and social crises both at international and national front, there resulted in a shift in its economic policies.

After independence from Britain in 1947, India had the classic profile of the 'underdeveloped country': small elites, large numbers of peasants and a predominantly rural population, high poverty levels, high mortality rates and low life expectancy, poor nutrition and an economy dominated by agriculture and exports of primary products. Indian leaders embarked on a programme which tried to raise living standards and development without western aid. India majorly looked to Russia for aid and markets. Their policies included protection of local industry with tariffs on imported goods and establishing of import substitution industries. The aim was to establish a mixed economy of private enterprise and government planning. Priority was given to heavy industrial production rather than consumer goods. (Ciochetto, 2004: 01)

The World Bank flooded India with loans in the 1950s in an attempt to change India's policy from import substitution and government intervention in the economy, and to bring it into the orbit of the west. It formed a group which promised more increases in aid if India would move towards more free market export oriented policies. (Korten, 1995:162) The World Bank pressured the leadership to devalue the currency by 50% in 1966 (Pashupati and Sengupta, 1996). At this time India's major markets were the Eastern Bloc countries, especially the Soviet Union. India maintained this policy of isolationism and economic protectionism behind trade barriers for over two decades and did not play a major role in the internationalisation of the world economy that took place before 1980s. Global trade was avoided and the entry of foreign companies was not encouraged. In 1973 Indira Gandhi placed restrictions on foreign investment, and in 1976 the Foreign Exchange Regulation Act reduced participation of foreign enterprises in Indian subsidiaries to 40% and taxes were raised on the rich and luxury goods. The consumer price index went up 400% from 1960-1980 and two thirds of household income was being spent on food (Pashupati and Sengupta, 1996). Some multinationals like Coca Cola (1950-1978) and IBM (1951-1979) left India because of policies that restricted their activities. (Mattelart, 1991:43).

India suffered balance of payment problems due to oil price increases after the late 1970s and borrowed from the IMF and other sources such as the World Bank and foreign governments. (ADB, 2004) After 1985, in an effort to revive the stagnant economy, some measures towards economic liberalization were introduced and there was growth in the economy. The 'Green Revolution' created a food surplus though this didn't always reach the poor. In the early 1990s the Gulf War caused rising oil prices and had a major impact on the Indian economy, and reduced workers' allowances from the Gulf which had played an important economic role. The collapse of the Russian economy in 1991 also meant the loss of markets for Indian goods and of subsidised imports. Other Eastern Bloc markets also contracted at this time. In the 1990s the liberalization of the economy continued. In 1991 there was a balance of payment crisis and the IMF restructuring package enforced a stabilization programme which devalued the rupee by 20% and opened up the economy to the market. Taxes were lowered, loans were more available and foreign investment was encouraged. Changes did not address rural poverty. Investment expanded from 1994-1995 but it was often undisciplined. Industry expanded as well though there were also many casualties. Manufactured goods became cheaper relative to farm goods and previously scarce consumer goods

were more readily available. (Economist, 2001, May 31). Advances in the service sector were more than in the industrial sector of the economy.

Globalization and Consumption:

Liberalization along with globalization brought in new changes in every sphere of the society - be it economic, social, political or cultural. The rapid economic growth, coupled with an expansion of the middle class, with the spread of the global culture has led to the development of a rise in the culture of consumption. While talking about consumption, it must be taken into account that there resulted in an expansion in its definition. Thus consumption ceased to remain a mere act of appropriation of goods and services and was seen as consumption of signs and symbols (Featherstone, 1991). Consumerism in India developed in the latter part of the twentieth century, especially after the era of liberalization and the opening up of the market to Western products. With the opening up of the economy from 1990s onwards, there was not only an inflow of western products, but also an infiltration of a new culture which was based on the values of the western society. By opening up its door to the global forces, India too, became a part of the 'global village' or the 'world system'. Indian economy witnessed new changes which were brought along with the spread of the market economy, established by the multinational companies. There was a rise and spread of a new culture, which was based on consumption of a common standardized image that was created by the advertisers. It would not be wrong to point out that the barriers of the global, national, and local forces are the lowest in the consumer goods market. The Indian society has witnessed a sea change in the recent decades. Since 1990s, India has observed a period of high growth in its economy; a growth that is urban-centric in nature. The process of liberalization which resulted in the opening up of the market to the multinational companies has brought in fierce competition within and between the domestic companies. This new 'emerging market' (Rajagopal, 1999) brought with itself the promise of a new future, where the dominance of consumerism was on the rise.

Globalization and the Rise of New Middle Class:

The sector which received the maximum impact from this emerging market was the urban, upwardly mobile middle class⁸ which comprised those individuals who are involved in high professional, white-collar jobs. With the rise of consumerism, the society witnessed a behavioral change in the nature of this middle class, as these affluent consumers exercised their choices through consumption. Contrary to this view, the critics of liberalization pointed out the negative social and cultural effects of consumerism, which the middle class was said to have adapted in its lifestyle. Ignoring the oppositional viewpoint between their ideologies, a common aspect which was seen in both the discourses was that both of them acknowledged the middle class as the site of commodity consumption and recipient of the effects of liberalization. Now, whether these effects are negative or positive, are again a matter of ideological contention. The prevalent public discourse on India reflects the positive effect of economic reforms on the middle class. One of the positive effects is providing the consumers with more choices. This is effectively felt in the urban metropolitan India. The print media, coupled with television, advertisements and public discourses validate the rise of the culture of consumption through data, which proclaim the rise of the wage levels of the managerial staff in the multinational companies. Thus the urban individual's rise in income in a quantitative aspect brought several ramifications that were reflected in the socio-cultural aspects. As fallout, there was a consequent expansion of the market of consumer products like cell phones, cars, washing machines, colour televisions, and there was also a gradual rise in the credit card system.⁹ All these emphasized an image of the rise of consumerism among the new middle class in the post-liberalized India.

⁸ As per the NCAER definition, middle class includes anyone whose family income is between INR 200,000 and INR 1,000,000 p.a., 2001-02.

⁹ For further read, refer to Cavalier (2006) where he talks about the strong credit growth rate in India which is in accordance with India's higher potential growth.

The Middle Class in World Society

Before conducting further discussions on the emerging relationship between consumerism and the middle class, a clarification of the concept of middle class becomes a pre-requisite. In order to understand the concept, it is important to situate the same in the larger framework of class economy where there exists an uneven distribution of power and prestige. Middle class can be seen as a constantly negotiating cultural space - a space of amalgamation of ideas, values, goods, practices and embodied behaviour. Although the concept of the middle class has had been an area of study by the Classical thinkers like Marx and Weber, the present study draws mainly from the Weberian concept of the same. Weber had based his work on the critique of the Marxian 'materialistic' concept of the middle class, which had failed to adequately understand its social dynamics. However, it is true that the Weberian theory had also certain flaws in the understanding of the middle class. For example, his theory failed to understand the inner political dynamics of interclass conflict. Nevertheless, one of the major contributions of the Weberian theory in this issue was its factual observation that the middle class relates to economic processes, more in the form of consumer of goods in the market, rather than the seller of labour or owner of capital. This can be interpreted to say that the position of the middle class is determined less directly by its relation to the 'means of production' (selling labour or owning capital) and more by its relation to the market or the ability to consume. Contrary to the expectations and futuristic predictions of the earlier thinkers, the middle class multiplied at an increasing rate, thereby negating all the predictions of their disappearances. For Mills (1956 reprinted in 1969), the new class was the result of the demise of entrepreneurial capitalism, coupled with the rise of corporate capitalism with its army of managers, technocrats, marketers and financiers. According to Mills, the classic formulation of a definition of middle class in the United States involved all those who were the white-collar professionals having a distinct lifestyle of their own. To quote his views on the issue:

The white-collar slipped quietly into modern society. Whatever history they have had is a history without events; whatever common interest they have do not lead to unity; whatever future they have will not be of their own making ... Internally they are split, fragmented; externally they are dependent on larger forces, ... As a group they do not threaten anyone; as individuals, they do not practice an independent way of life....By their rise to numerical importance, the white collars have upset the nineteenth-century expectation that society would be divided between entrepreneurs and wage workers. (Mills 1956 reprinted in 1969, pp.: ix)

Middle class is a complex heterogeneous division which is based on socioeconomic and cultural stratifications. This indicates the existence of the internal sociocultural dynamics (of competing lifestyles and consumption practices) within the middle class, which leads to vibrant and forceful evolvments in the cultural nature of the class. Consumption is thus seen as one of the key dynamics of middle class life. Theories have been recurrent in relating class formation to goods; similarly, goods have always been infused with social meanings. So it would definitely need a deeper reading of the treaties on consumption, in order to understand the complex relationship that exists between the class and its consumption.

As mentioned earlier, the middle class consumers are seen as the primary beneficiaries of the culture of consumerism; however, it must be pointed out that the effect is not unidimensional, as middle class is composed of various categories. So to understand this effect, it is important to classify the middle class. Broadly speaking, the middle class can be categorized into three parts:

- a) the 'new rich',¹⁰ who have benefited from the new employment opportunities and rising salaries in the multinational companies (especially they who are engaged in high paying jobs in the service sector¹¹ like the Information Technology firms.)

¹⁰ This categorisation was developed by Robinson and Goodman, 1996 in *The New Rich in Asia: Mobile Phones, McDonalds and Middle Class Revolution*, New York, Routledge, cited in Fernandes, (2000).

¹¹ For further reference see, Rohit Saran article on "Growth Engine", *India Today*, February 2001, where he explains: "The service sector dominates the Indian economy today, contributing more than half of our national income. It's the fastest growing sector, with an average annual growth rate of 8 per cent in the 1990s.... An INDIA TODAY -ORG-MARG poll shows that the majority of middle class families want their children to work in service sector".

- b) The marginalized, such as traditional public sector employees in industries like banking and insurance which are in a continuous process of retrenchment and restructuring and
- c) The third section includes those of the middle class who are in a constant process of adapting and acquiring various strategies and resources for obtaining skills leading to employment (these include those who are engaged in several call centre jobs as in Business Process Out modeling/ Outsourcing etc).

The specific conditions of contemporary globalization distinguished the process of the invention of the new Indian middle class in significant ways. The distinctiveness of this new middle class lies largely in its discursive construction, as a sign of the potential promise of India's integration with the global economy. In contrast to Mill's classic formulation of the concept of the middle class in the United States, it takes a new meaning in the Indian context. Hence in India, the new middle class becomes a sign of the promise of a new national model of development, having a global outlook that adheres to the larger processes of economic globalization. Possibly the growth of this class and its aspirations can be related to the changing self-perception of India's political economy.

With the growth of industrialization and urbanity, this class also grew in size. But then, because of a broadly self-reliant economy under the shadow of certain kind of socialistic experiments, the social aspirations of the middle class were primarily nationalistic, which was aimed at creating and building the new nation and leading it along the path of progress. In a way, there was continuity with how Desai (1998) described these middle class, as those nationalist bourgeoisies who grew in the colonial era out of new education and were engaged in the struggle for India's independence. (Dutta unpublished dissertation, 2003: 45). However with the demise of the Nehruvian era and the grand consensus, one witnessed materializing of a changing perception of the politico-economic condition. The mid 1980s witnessed a paradigm shift from the Nehruvian socialism to a liberalized economy. India thus welcomed the global market and capitalism. With the steady entry of multinationals, transnational corporations, new information, and technologies a new social milieu was created that began to alter the aspirations of the fast growing middle class. As Kulkarni described: "Whether by design or default, a series of government economic policies has helped to give birth to [a] generation of Indian who have money to spend" (Kulkarni cited in Dutta unpublished dissertation, 2003: 45). Public discourse in India through their reports produced an image, which depicted the urban middle classes getting opportunities due to the new economic reforms. The rise of this new middle class brings along with it, the consumerist culture. Thus the policies of economic liberalization initiated in 1990s produced a debate which centred on the role of the urban middle classes in the culture of consumption. The availability of a varied range of products, ranging from cell phones to other consumerist products, has led to the creation of a particular social standard which this middle class always aspires to reach. In this process, the new (urban) Indian middle class becomes the central agent for the re-visioning of Indian nation in the background of globalization.

While talking about the rise of the middle class in India, one comes across the contradictory viewpoints that exist among the various theorists regarding the centrality of the concept. On one hand, there are those theorists for whom the middle class in India has gained a central focus in the development of the Indian society (Mankekar 1999; Fernandes 2000); while on the other hand, there are others who regard the middle class as the uncooperative class in the development of the nation (Kothari 1991; Varma 1998). However, both these theorists agree on the issue that consumption plays a significant role in shaping the middle-class structure and identity. Leela Fernandes (2000) in her article 'Restructuring the New Middle Class in Liberalizing India' points out that the policies of economic liberalization commenced in the 1990s have produced a major debate on the role of the urban middle class in contemporary India. This debate was centered on the role of the urban middle class in the context of a culture of consumption which developed as newer commodities became available with the onset of liberalization.

Advertising and media images have contributed to the creation of an image of a 'new' Indian middle class, one that has left behind its dependence on austerity and state protection and has embraced an open India that is at ease with broader processes of globalization. In this image, the newness of the middle class rests on its embrace of social practices of taste and commodity

The Middle Class in World Society

consumption that mark a new cultural standard that is specifically associated with liberalization and the opening of the Indian market to the global economy. (Fernandes, 2000:89)

According to the *Economic Survey 2000-01* published by the Ministry of Finance, Government of India, the 'shift' in the image of Indian woman in the representation of media is also a result of an encouragement of private investment in industry and infrastructure, inducing sustained high growth in the service sector. In 2001, the *National Human Development Report* stated that between 1990 and 1999 there has been a substantial increase in the number of women employed in the public sector. In 1990, 22.50 lakh women were employed in the public sector which increased to 28.11 lakh in 1999. There was a significant increase in the participation of women in private sector as well. The *National Human Development Report* also suggests that the number of women employed in the private sector rose from 13.94 lakh in 1990 to 20.18 lakh in 1999. As more women stepped out of the 'private space' of the family and joined the workforce (public and private), there emerged a new image of the middle-class women and started dominating the cultural milieu of consumer capitalism.

Now to talk about the terms 'construction' and 'gender', let me convey the sense in which I would like to use the term 'construction'. Merriam Webster Dictionary defines 'construction' as "the way something is built or made" or "a way of understanding something". There are other meanings of the term as well but in my study I will follow the meaning of 'construction' as mentioned above.

Now to talk about the term 'gender', Shefali Moitra in her essay "The Sex/gender System" (2002:104) points out that sex is something biological which is pre-given and natural whereas gender is socially constructed, culturally specific and historically produced. But gender is a cultural category where a specific culture fixes certain norms and roles which are thrust upon male and female and attributed as 'masculine' and 'feminine'. In most cultures ideally men are expected to be rational, assertive and brave and women are expected to be emotional, receptive and compassionate. This gender division is prevalent in all cultures. Feminists have pointed out that the attributes associated with male-gender roles have always been valorized. But women-traits are seen as something derogatory. To validate, I'm quoting from Shefali Moitra:

Gender is a Cultural construct. Each culture imposes certain norms on the behaviour of men and women. These are prescriptions for appropriate behaviour. Like in most cultures ideally men are expected to be aggressive, assertive and brave among many other things and women are expected to be passive, receptive and caring. (Moitra, 2002: 106)

Advertisement-Gender –Globalization Nexus

Before I step into the argument of my paper, I would like to begin with the basic notion of advertisements propagated by different sociologists. As researchers attempt to study and explain how mass communication affects our society, advertisements become a popular field for study. Although its messages may be short, they are often powerful, persuasive, and influential in shaping the attitude and the behaviour of the society at large. In *Ogilvy on Advertising*, where David Ogilvy (1985) writes about some major aspects of advertisements, he states that, advertisements are more of a medium of information rather than being just a source of mere entertainment or creativity. Advertising attempts to put forth an image of ideals to be obtained by society. The ideals they portray do not necessarily reflect society but may influence people's beliefs about the world outside of their immediate environment. It is not surprising that advertising has a key role in the ideological construction and also transformation of the public discourse. In Goffman's (1979) terms, advertising serves to define, or frame reality and thus the social impact of advertising cannot be overlooked. Advertising can also be defined as something paid for mass media communication, and a means of managing and controlling the consumer markets at the least cost (Brierley, 1995). It is clear that advertisers seem quite willing to manipulate these fantasies and exploit our gender identities to sell products.

Maitrayee Chaudhuri in her article 'Gender and Advertisement: The Rhetoric of Globalization' asserts that the shift in the Indian state's economic policy in favour of globalization has also generated a transformation as witnessed in the media, especially print media. The relationship between media and advertisement gets more complicated in a developing country such as India as the issue here is not just being profit driven but driven by "international capitalist interest" (Reeves, 1993). The liberalisation of the economy meant new ideas, new work avenues and even newer ways of life. Consumerism fuelled by the economic growth of urban middle class through the 90s made it possible for women to venture out and explore new career paths, such as working in media or call centres or in the medical transcription industry. Malini Bhattacharya in her essay 'Culture' has stated that the advertisements in the nineties highlight a remarkable increase in the "consumption oriented spending and a gradual but significant change towards targeting women as consumers to a large extent." (Bhattacharya, 2005: 104) There has been a shift in the stereotyping of the image of woman as represented in advertisements on television, in newspaper and so on. The form of 'femininity' as portrayed in advertisements underwent considerable changes with the emergence of globalization and open market. Prior to 1990s, women were represented in advertisements either as daughter/housewife/mother or as the seductress. The image of the woman as a seductress remained unchanged with the advent of globalization. However, there were significant changes in the image of the woman as daughter/housewife/mother. The represented image of the Indian woman no longer remained explicitly traditional though it does not mean that the codes and notions of Indian tradition had become inactive. The new avatar of women catered to the requirements of the global market while simultaneously retaining their traditional features. Though mother/daughter/wife is in her stereotypical role, her appearance and the language of the text in which she appears is liberated from the typical stereotyping of the docile domesticity of the Indian society. This is very much evident in the image of 'Whirlpool Lady' who performs all the 'tasks' smoothly—from washing clothes to preparing 'ice-magic' item (washing machine ad: "*Mummy Ka Magic Chalega Kya?*"). In this advertisement the woman is an active housewife performing all her duties to fulfill the needs of the family members. But here we see her comfortable in jeans and short hair. To be a good housewife/ mother she does not need to put on *saree* or wear a *bindi*. But again question remains regarding the notion of 'liberty'—is the notion measured simply in terms of use of attire by a woman? There were also significant shifts in the gender roles performed by men as revealed in the print and audio-visual advertisement. The Horlicks health drink has built up its ad-narrative centering on a caring husband who is worried about his wife's health a central figure of the advertisement. It seems that the husband is not only the bread earner of the family but also a care giver. Traditionally we see woman in this particular role but here the gender role reverses. From gender perspective again it can be said that there is an underlying gender politics behind this advertisement, flagging the idea that the woman of the household should be kept in good health so that her household activities are not disrupted. Here I would like to refer to the observation of Iris Mayne:

Women were usually shown in television advertising using cosmetics and personal hygiene products or products that are designed to clean the house or cooking for the family. The implications from this are that women need to improve their looks and that their natural setting is the home. (Mayne, 2006: 58)

Though Mayne's observation is based on a study on television advertisements and women's magazines in US and UK during 1990s, the observation seems valid and true in the Indian Context as well. The above mentioned advertisement of Horlicks only reiterates Mayne's finding.

Area of Study

The title of my paper indicates that this paper proposes to concentrate on the advertisements published in Bengali newspapers from 1991 to 2010. I have selected two mostly circulated Bengali newspapers of each year as per reports of the Audit Bureau of Circulation (ABC) which ranks newspapers published in different languages every year. For this particular research paper, I will concentrate on the product advertisements of the above mentioned period. According to David Stokes and Wendy Lomax (2008: 217) products can be classified according to their tangibility,

The Middle Class in World Society

durability and also end use. According to tangibility, products can be divided into two categories- tangible products and intangible products or service products. Tangible products are further sub-divided based on their durability- Non-durable product or Fast Moving Consumer Goods (FMCG) and Durable products. Non-durable products are consumed relatively rapidly and usually re-ordered regularly. Durable products survive many uses and are replaced infrequently if at all. Therefore we can see that product advertisement covers a vast area which includes FMCG or Fast Moving Consumer Goods/Non-Durable Goods (for example, Beauty Products, Food and Beverage, Toiletry, Health related Products and so on), Durable Goods (for example, Furniture, Dressing Products, Electrical and Electronic Goods and so on) and also Service Products (Hospitality Products, Financial Products which include Insurance, Credit/Debit Cards, Loans and so on). Though there are other categories of consumer product I will be majorly working on the above mentioned three categories.

Methodology

My study employs a descriptive qualitative content analysis. In one of its enunciations, Qualitative content analysis differs from quantitative because it employs inductive, subjective, theory generating processes while quantitative research deals with processes that are deductive, objective, and theory testing (McNabb, 2002). According to Babbie & Rubin (2005), qualitative analysis predates quantitative analysis and employs “methods for examining social research data without converting them to numerical format” (p. 527). The aim of qualitative content analysis is to be structured and systematic, but still be analytic by looking at the depth and breadth of the data being analyzed. Krippendorff (2004) also identifies four primary advantages of content analysis: It is unobtrusive; It is context sensitive and therefore allows the researcher to process data that is significant, meaningful, informative, and representational of others; It can cope with large volumes of data; And most importantly, it is unstructured which preserves the conceptions of the data’s sources. Content analysis, both quantitative and qualitative, has been critiqued for its limitations. The findings for a particular content are limited to the framework of the categories and the definitions employed in that analysis (Wimmer & Dominick, 2005). In order to minimize this limitation, quantitative content analysis requires that categories should be defined precisely so that other researchers can apply the same tools to the same data and achieve the same results (Wimmer & Dominick, 2005). Content analysis is also limited, in that there is a lack of messages relevant to the research; It can be time consuming and expensive, because analyzing and classifying large volumes of content is both labor intensive and tedious (p. 154).

Sampling

For the purposes of my study, a random sampling technique was used. I have collected 135 advertisements from *Ananda Bazaar Patrika* and *Bartaman* published between 2000 and 2005. Out of these, 55 advertisements have been repetitively published on different dates of above mentioned period and 20 advertisements did not significantly portray gender trait/s. Thus these sets of advertisements were not considered for the purpose of analysis. 60 advertisements displayed different gender roles performed by men and women among which 5 advertisements have been selected to be analysed thoroughly for the presentation.

Information on Tables

After a meticulous study, different categories were created and the contents of the advertisements were placed in different categories. The following tables try to capture different aspects of the advertisements

- Table 1: Deals with the sector-wise distribution of all products
- Table 2: Deals with the products exclusively for female
- Table 3: Deals with the products exclusively for men.
- Table 4: }
- Table 5: } Deals with the break-up of different character roles performed
- Table 6: } by male/female/mixed sex group portrayed in the advertisement

Content analysis: Let us now go to the content analysis of five advertisements from gender perspective.

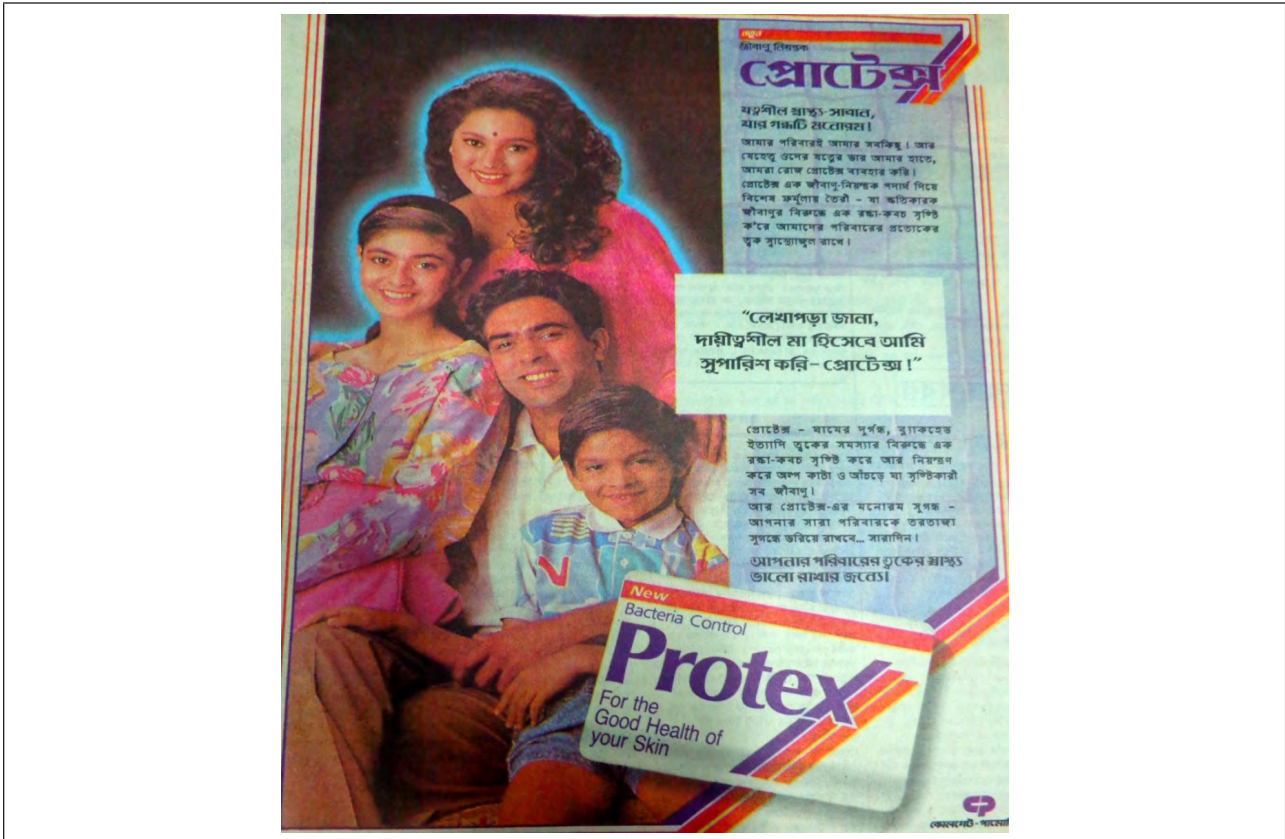
Advertisement 1:



Manufacturer / Brand	Keo Karpin Body Oil		
Type of product	FMCG / Non –Durable		
Sub category	Skin care		
Domain	Private		
Year	2004		
Paper	Bartaman		
Gender	Character Role	Representation of Character	Occupation
Female	Seductress / Object of desire	Female celebrity	Celebrity- Actress

Comments/ Analysis: Keokarpin Body Oil is an FMCG product meant for female consumers. We can visualize the presence of the celebrity – actress Sridevi for the promotion of the product. She appears to us as an object of desire in this advertisement. While a celebrity endorsing a product is and was very commonplace, some of the common character roles played by female celebrities include either getting benefits out of the product, or as an advisory/ recommending role, or both. The above advertisement does not clearly indicate whether the celebrity is herself using the product. The presence of the celebrity in a domestic / private space also lends support to the fact that the advertisers are informing the female fraternity to use their product, so that they too can become such objects of desire as the classic reclining passive nude of the Western painting genre. The caption further adds to the overall message intended – an user will have her beauty glow by using the product.

Advertisement 2



Manufacturer / Brand	Protex
Type of product	FMCG / Non-Durable
Sub category	Skin care
Domain	Private
Year	2002
Paper	Anandabazaar Patrika

Gender	Character Role	Representation of Character	Occupation
Female	Decision maker in household matters	A member of the family	Occupation not identifiable

Comments/ Analysis: Protex is a skin care product which keeps the family protected from dust and bacteria. The most significant thing about this ad is that the female figure/ mother figure is solely responsible for the healthcare issue of the entire family. Here, she appears as a decision maker recommending the use of Protex. Hygiene is related to the better reproduction of family ideals and values and pivots on the chaste clean and hygienic figure of the woman.

Advertisement 3

এ ছবিতে উদ্বিগ্নবীমার এজেন্ট কে? - তা বলুন



**আমরা নিশ্চিত উদ্বিগ্ন আপনিত পারবেন না
কেননা তিনি পরিবারেরই একজন**

হী। একজন পেশাদার জীবন বীমার এজেন্ট, বলতে গেলে, তাঁর পরিচিত পরিবারের সদস্যদের পরিবারেরই একজন। কেননা, জীবন বীমার এজেন্ট জীবন বীমা করার, জীবন বীমা প্রাপ্ত থেকে আনান্বিত কর লক্ষ্যে বেরাই শাবার এবং পত্রকে বাড়িয়ে তুলতে আনান্বিত সুযোগসুবিধের বিষয়ে আঁকড় পরামর্শ দেন। এককথায়, যে কোন পরিবারের মুখ্য আননান্ত্রার বিষয়েই আলোকপাত করেন।

এবার যখন আপনীর এজেন্ট, তিনি আপনীর পরিবারেরই একজন বহু, আপনীর সঙ্গে দেখা করবেন, তখন তাঁর সঙ্গে আপনীর আলোচনা করে দেখবেন - কি ভাবে জীবন বীমা থেকে আপনীর পরিবারের উপকার হয় এবং কি ভাবে জীবন বীমা আপনীর ছেলেমেয়েদের লেখাপড়া, কর্মকীর্তনে প্রস্তুত, নিয়ে ইত্যাদির ক্ষেত্রে যেটাকে অথবা আপনীর নিজের অবসর গ্রহণের পর আর্থিক সমস্যার ক্ষেত্রে সাহায্য করতে পারে। তাছাড়া কি ভাবে আপনীর স্ত্রীস্বামীকে মারিত ও খরচের সঙ্গে তাল রেখে জীবন বীমার সুবিধা করা যেতে পারে, সে বিষয়েও আলোচনা করবেন।

আজই আপনীর এজেন্টের সঙ্গে যোগাযোগ করুন। তিনি বাস্তবিকই আপনীর প্রয়োজনে আপনীরই বন্ধু।

 **লাইফ ইন্সিওরেন্স কর্পোরেশন অফ ইণ্ডিয়া**

Manufacturer / Brand		LIC	
Type of product		Service	
Sub category		Insurance products	
Domain		Private	
Year		2003	
Paper		Anandabazaar Patrika	
Gender	Character Role	Representation of Character	Occupation
Group - Mixed Sex	Getting benefits out of the product	All Family members	Mixed profession - group

Comments/ Analysis: This particular advertisement talks about a family where each of the members is the policy holder although it not identifiable who is the investor. Perhaps this particular advertisement connotes that it is the male member of the family who has to take care of the financial security of the family.

Advertisement 4

জী বনে এই কোমল অনুভূতির পরশ কোন বিলাসিতা নয়।

D.D. গেঞ্জি, জাকিয়া, ও প্যান্ট

- অনবদ্য স্টাইল
- নিখুঁত সেলাই
- শারীরিক সুরক্ষা ও স্বাচ্ছন্দ্য।

জিপসী প্যান্ট

একক্লান্ত জাকিয়া মানেই D.D.র জিপসী প্যান্ট যা কস্টিউম টাইপ ফিটিংস। যাতে আছে সুদীর্ঘ পকেট ও কালার ম্যাচিং ইমপোর্টেড ইলাস্টিক

D.D. গেঞ্জি, জাকিয়া, প্যান্ট ও স্লিপস।

প্রস্তুতকারক :- ডি.ডি. হোসিয়ারী প্রাঃ লিঃ
১, হরচন্দ্র মল্লিক পল্লী, কলিকাতা-৫ ফোন :- ৫৪-৩৭৩২

প্রতিনিধি বিহীন এলাকায় অভিজ্ঞ আর্থিক সঙ্গতি সম্পন্ন এজেন্ট চাই।

Manufacturer / Brand	D.D. Hosiery		
Type of product	Durable goods		
Sub category	Inner garments		
Domain	Not identifiable		
Year	2002		
Paper	Anandabazaar Patrika		
Gender	Character Role	Representation of Character	Occupation
Male	Getting benefits out of the product	Not identifiable	Occupation not identifiable

Comments/ Analysis: D.D. Hosiery ad seems to project the male character as endeavoring to impress the lady present in the advertisement. The message of this ad is clear - Not only by wearing D.D. Hosiery inner garments gives one comfort (*as understood from the taglines*), but one will be admired / desired by members of the opposite gender, here the female (*as understood from the woman in picture*).

Advertisement 5

HELENE CURTIS

“বিয়ের ৭ বছর পরে
স্বামীর সামনে উপস্থিত করলাম এক নতুন নারীকে।”

“আমিঃ
গত রাতে উনি ঘুমিয়ে পড়ার পর আমি চুপিসাড়ে উঠে গিয়ে টু-টোন ব্রাশ ডাই দিয়ে চুলটা
ডাই করে ফেললাম।
আর তারপর নিজের নতুন রূপ দেখে নিজেই বিমোহিত। বললো কি, পরদিন সকালে আমাকে
দেখে উনি অবাক। ছিঃ ছিঃ কি লজ্জা, সারাদিন আমায় ছেড়ে ঘরের বাইরে পা-ই বাড়ালেন না।”
হ্যাঁ, টু-টোন হেয়ার ডাই লাগিয়ে দেখুন। ভারতের সবচেয়ে নির্ভরযোগ্য হেয়ার ডাই।
টু-টোন ব্রাশ বা ব্রাউন দিয়ে ডাই করলে কোনরূপ নোংরা দাগ লাগে না বা খেবড়ে যায় না।
চুলের গভীরে পর্যন্ত চমৎকার ছড়িয়ে পড়ে বলে, এটি ভারতের
যেকোনো হেয়ার ডাইয়ের তুলনায় অধিককাল অপ্রলন থাকে।

করে
পড়ে না

টু-টোন হেয়ার ডাই
ভারতের সবচেয়ে নির্ভরযোগ্য হেয়ার ডাই

TRU-TONE Wash Hair Conditioner
TRU-TONE Wash Hair Conditioner

Manufacturer / Brand	Tru-tone		
Type of product	FMCG / Non-Durable		
Sub category	Hair care		
Domain	Private (sub domain not identifiable)		
Year	2001		
Paper	Anandabazaar Patrika		
Gender	Character Role	Representation of Character	Occupation
Female (Central Character)/ Male	Getting benefit out of the product	A member of the family	Occupation not identifiable

Comments/ Analysis: Tru-tone is a hair care product which makes a woman look much younger which is evident in the tagline of the advertisement. The most significant thing about this ad is that the female figure is completely preoccupied with the notion of convincing her husband with her beauty. Here, she appears as a consumer of the product who even makes her husband bunk his office by her exquisitely beautiful hair.

The Middle Class in World Society

Table I: Sector-wise distribution of all products				
Product Brand / Sector	Durable Goods	FMCG / Non-Durable	Services	Grand Total
Samsung	2			2
LIC			2	2
Airtel Magic			2	2
Allahabad Bank			1	1
Avon Classic	1			1
B.C Sen	1			1
DUTA		1		1
Espirit	1			1
Gini Emporium	1			1
Health		1		1
Kingston		1		1
Maruti Suzuki	1			1
Parle Biscuits		1		1
Pepsi		1		1
Pillsbury		1		1
Rupayan Jewellers	1			1
Sreeleathers		1		1
Tortoise Power		1		1
Climax Spray		1		1
Thirty Plus (Ajanta Pharma Limited)		1		1
Baidyanath Vita Ex- Gold		1		1
Chandrani Pearls	1			1
Hannyman's Naboful Tel		1		1
Beauty Improver Capsule		1		1
Aquaguard	1			1
LIC Bima Plus			1	1
LUX		1		1
Fortune		1		1
Motorola	1			1
Bajaj Legend NXT 2	1			1
FUJI FILM	1			1
BSNL			1	1
Hyundai	1			1
Om Kotak Mahindra			1	1
Bajaj Allianz			1	1
Whirlpool	1			1

Table I: Sector-wise distribution of all products				
Product Brand / Sector	Durable Goods	FMCG / Non-Durable	Services	Grand Total
ECROZ		1		1
Guinea Emporium	1			1
Titanic K 2		1		1
SBI Life			1	1
Bagpiper		1		1
Euroclean	1			1
McDowell's		1		1
SBI			1	1
Kohinoor Extra Time		1		1
Kenster	1			1
LAKME		1		1
Parle Krack Jack		1		1
Wills Classic		1		1
Burnpur Cement	1			1
Relaxwell Mattress	1			1
INDUSIND BANK			1	1
Parryware	1			1
REGENT		1		1
Sony Erricson	1			1
Grand Total	23	25	12	60

Table 2: Products Exclusively for Female				
Product Brand / Sector	Durable Goods	FMCG / Non-Durable	Services	Grand Total
Allahabad Bank			1	1
Avon Classic	1			1
B.C Sen	1			1
Gini Emporium	1			1
Rupayan Jewellers	1			1
Chandrani Pearls	1			1
Hannyman's Naboful Tel		1		1
LUX		1		1
ECROZ		1		1
Guinea Emporium	1			1
LAKME		1		1
Grand Total	6	4	1	11

Table 3: Products Exclusively for Male			
Product Brand / Sector	Durable Goods	FMCG / Non-Durable	Grand Total
Climax Spray		1	1
Baidyanath Vita Ex- Gold		1	1
Bajaj Legend NXT 2	1		1
Titanic K 2		1	1
Kohinoor Extra Time		1	1
Grand Total	1	4	5

Table 4: All roles performed by Central Character I – Sector-wise distribution.				
Adding glamour quotient - standalone basis	8	2		10
Not applicable	4	5		9
Advisory / Counsellor / Recommending	2	4	2	8
Fun goer (s) - using the product	1	5	1	7
Getting benefits out of the product	2	3	2	7
Responsible in household matters	2	3		5
Decision maker in financial matters	1		2	3
Responsible in financial matters			3	3
A happy & responsible family		1	1	2
Seducer / seductress / Object of desire	1	1		2
Decision maker in both public / private domain		1		1
Informative	1			1
Responsible in both public/ private domain			1	1
Responsible parenting	1			1
Adding glamour quotient - standalone basis	8	2		10
Grand Total	23	25	12	60

Table 5 : Central Character - I Gender : Female & Female Group				
Central Character - I : Role	Durable Goods	FMCG / Non-Durable	Services	Grand Total
Adding glamour quotient - standalone basis	8	2		10
Advisory / Counsellor / Recommending	1	4	1	6
Responsible in household matters	2	2		4
Getting benefits out of the product	1		1	2
Seducer / seductress / Object of desire	1	1		2
Decision maker in financial matters			1	1
Fun goer (s) - using the product			1	1
Responsible in both public/ private domain			1	1
Responsible in financial matters			1	1
Responsible parenting	1			1
Grand Total	14	9	6	29

Table 6 : Central Character - I Gender : Male & Male Group

Central Character - I : Role	Durable Goods	FMCG / Non-Durable	Services	Grand Total
Fun goer (s) - using the product		4		4
Advisory / Counsellor / Recommending	1		1	2
Decision maker in financial matters	1		1	2
Getting benefits out of the product		2		2
A happy & responsible family		1		1
Decision maker in both public / private domain		1		1
Informative	1			1
Responsible in financial matters			1	1
Responsible in household matters		1		1
Grand Total	3	9	3	15

From Table 1, we find that among 60 advertisements 23 advertisements are on durable products, 25 ads are on FMCGs and 12 advertisements are on service products. Table 2 shows products exclusively used by women. Among 11 ads 6 ads are on durable products, 4ads are on are on FMCGs and only 1 ad is on service product. Most significantly among 6 durable products 4 products exclusively for women is jewelry. Among the 4 FMCGs 3 products are beauty products for women and 1 product is for women's reproductive health. Table 3 reveals the products exclusively used by men. Among 5 ads 1 ad is on durable product and 4 ads are on FMCGs. 4 FMCGs exclusively used by men are related to reproductive health. Table 5 and Table 6 respectively deal with the role played by women and men in the advertisements of different products.

Conclusion

We find women taking more responsibility in household matters. But men are taking decision more in financial matters. Finally, it can be concluded that though we find women playing different roles in advertisements there is still a trend of managing both private and public space in case of women. At times, this makes woman not just a 'woman' but a 'super woman'. This kind of portrayal of women is quite threatening to our society. On the other hand, we do not find it compulsory for man to work at home after working in public space; rather he receives the cordial service of his wife/mother/ sister/ maid once he comes back home from office. I would like to mention Berger's (1972) perceptions here. Berger points out that traditionally, men and women have different types of social presence. Men are measured by the degree of power they offer. The power may be in any number of forms, for example moral, physical, economic etc. A man's presence suggests what he may or may not be able to do to or for you. In contrast to this, a woman's presence indicates what can or cannot be done to her. Everything she does contribute to her presence. She is born into the keeping of men, and from childhood is taught to survey herself, with the result that her being is split into two, the surveyed and the surveyor. Her own sense of being is replaced by a sense of being appreciated by others – ultimately men. He acts, she appears, and she watches herself being looked at. 'The surveyor of woman in herself is male: the surveyed female. Thus she turns herself into an object – and most particularly an object of vision: a sight.' (p. 47).

References

1. Allan, S. *News Gender Power*. London: Routledge, 1998.
2. Bagchi, Jasodhara and Dutta Gupta, Sarmistha. *The Changing Status of Women in West Bengal, 1970-2000: the Challenge Ahead*. New Delhi: Sage Publications India Pvt Ltd, 2005.
3. Bhasin, Kamala. *Understanding Gender*. New Delhi: Zubaan, 2000.
4. Chaudhuri, Maitrayee. "Gender and advertisement: The Rhetoric of Globalization." in *Women's Studies International Forum, Vol-24*, USA: 2001.
5. Chanda, Ipshita. *Packaging Freedom: Feminism and Popular Culture*. Kolkata: Stree, 2003.
6. Freud, Sigmund. "Femininity." in *The standard Edition of the Complete Psychological works Of Sigmund Freud, xxii, Vintage*. London: The Hogarth Press and the Institute of Psycho- Analysis, 2001, 112-135.
7. Geetha, V. *Gender*. Kolkata: Stree, 2002.
8. Grosz, Elizabeth. "Sexual Difference and the Problem of Essentialism." in *Bodies, Beings and Gender: From the Margins*, 2, No.1 (February, 2002), pp. 86-97.
9. Kaptan, Sanjay and Subramanian, V.P. *Women in Advertising*. Jaipur: Books Enclave, 2007.
10. M. Byerly, Carolyn and Ross, Karen. *Women & Media: A Critical Introduction*. United Kingdom: Blackwell Publishing Ltd, 2006.
11. Moitra, Shefali. "The Sex/Gender System." in *Feminist Thought: Androcentricism, Communication and Objectivity*. New Delhi: Munshiram Manoharlal Publisher, 2002, pp. 6-29.
12. Ogilvy, David. *Ogilvy on Advertising*. USA: Vintage Books, 1985.
13. Pashupati, K. and Sengupta, S. *Advertising in India: the Winds of Change*: Iowa State University Press, 1996.
14. Radhakrishnan, Radha. *Appropriately Indian: Gender and Culture in New Transnational Class*, New Delhi: Orient Blackswan, 2012.
15. Roy, Abhik. *Selling Stereotypes*. New Delhi: New Concept Information System Pvt. Ltd.:1998.
16. Salih, Sara. *Routledge Critical Thinkers: Judith Butler*. New York: Routledge, 2002.
17. Seiter, Ellen. "Stereotypes and the Media: A Re-evaluation", *Journal of Communication*, 2 (Spring), 1986, pp. 14-26.
18. Thurschwell, Pamela. *Routledge Critical Thinkers: Sigmund Freud*. New York: Routledge, 2000.
19. Tidd, Ursula. *Routledge Critical Thinkers: Simone de Beauvoir*. New York: Routledge, 2000.
20. Williams, Raymond. *Keywords: A vocabulary of culture and society*. London: Fontana Press, 1976.



The Middle Class in World Society

Institute for Social and Economic Change, Bangalore/India

December 16-17, 2016

INVITED PANEL DISCUSSION – II

LIVING A MIDDLE CLASS LIFE



Growing pains of Chinese Middle Class

Li Chunling

The Chinese middle class has been growing with a certain degree of insecurity and anxiety, which has further intensified and spread in recent years. The reasons for this phenomenon are not only related to the external socioeconomic environment but also associated with some inherent characteristics of the Chinese middle class. Rapid economic growth, dramatic social change, pluralistic cultural values and the unclear direction of political reform make this rapidly growing social group feel the pressures, confusions and contradictions in many fields while they are enjoying the rapid improvement of material living standard. In recent years, the slowdown of economic growth, a sharp intensification of market competition, the continuous rising of living cost, the sharp fluctuations in stock and housing markets and the social and economic risks are prominent day by day, thus further enhance the sense of insecurity and anxiety of the middle class.

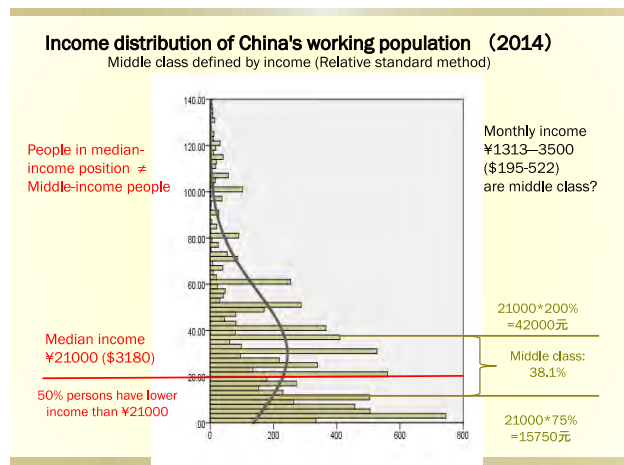


Rising Middle Class in China

- 2015 Global Wealth Report by Credit Suisse in October 13, 2015**
 - China now has the largest middle class with 109 million members, surpassing the USA with 92 million, one-sixth of the world's total of 664 million middle class
 - From 2000 onwards, China added 38.5 million new member of middle class, the middle class wealth experienced a six-fold increase
- Alibaba CEO Jack Ma (马云) in October 17, 2015 in London**
 - China has 217 million of middle class, about 21.4% among adult population
 - predict that China will have 500 million middle class in the next 10-20 years
- 2015 China Family Financial Report by SUFE in Nov 27, 2015**
 - The size and wealth of China's middle class ranks first in the world
- Many controversies about the number but no doubt that China has a large-sized and rapid-growing middle class**

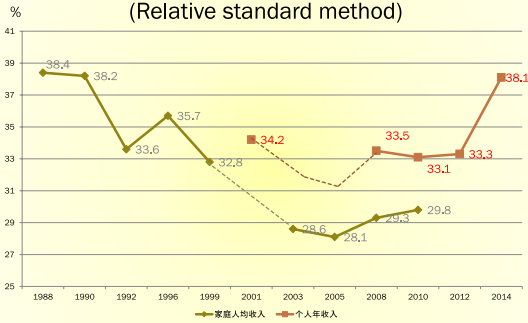
Social development goal of "expanding the middle income group"

- At the same time, the Chinese government put forward "expanding the middle income group" as a key indicator of building a well-off society in an all-round way in 2020
- In the well-off society, middle-income people should be the majority of society. "Increasing the proportion of middle-income persons is included in the 13th Five-Year government plan"
- "Expanding the middle income group" will also stimulate consumption demand growth, which will be the driving force of economic growth and promote the transformation of China's economic.
- The government tries to make policies to expand the middle income group.



The Middle Class in World Society

Middle class defined by income (1988-2014)
(Relative standard method)

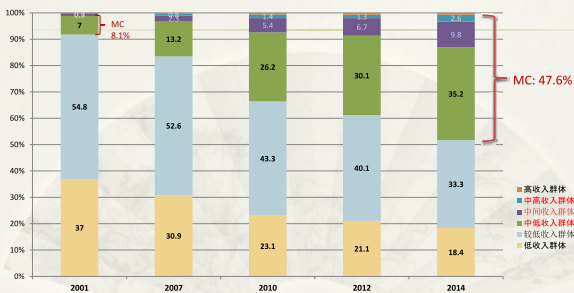


家庭人均收入为“中国健康营养调查数据库 (CHNS)”
个人年收入为“中国社科院中国社会状况调查数据 (CSS)”

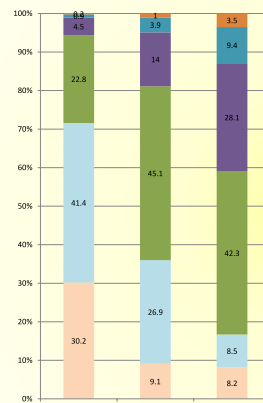
Middle class defined by income
(Absolute standard method)

	World Bank (per capita /day)	2014 (annual income)	2012 (annual income)	2010 (annual income)	2007 (annual income)	2001 (annual income)
Poverty	Lower than \$2	0-4600	0-4395	0-4065	0-3742	0-3313
Low income	\$2 - 9.9	4601-23999	4396-22932	4066-21206	3743-19521	3314-17318
Lower middle Income	\$10 - 49	24000 - 59999	22933 - 57332	21207 - 53016	19522 - 48805	17319 - 43297
Mid-middle Income		60000-1 19999	57333 - 114665	53017 - 108033	48806 - 97611	43298 - 95254
Higher middle Income	\$50 - 100	120000-240000	114666-229331	106034-212068	97612-195223	95255-190509
High Income	Higher than \$100	240000以上	229331以上	212068以上	195223以上	190509以上

Middle class defined by income (Absolute standard method)



2001-2014的14年期间，中国中等收入群体比重从8.1%上升到47.6%，平均每年增长接近3个百分点，而且越往后增长越快。2012-2014年3年期间，中等收入比重增加了9.5个百分点。
不过，在中等收入群体比重快速增长的同时，中等收入群体内部的层级形成形态极不合理，绝大多数中等收入者都集中于中低收入水平，升入中间收入群体和中高收入群体的人很少，而且其比例增长缓慢。
中等收入群体内部层级形态是一个典型的倒丁字型，四分之三的中等收入者都处于倒丁字的底部，只有5%的中等收入者站在顶部位置，20%处于中间位置。



Difference in the proportions of MIG between different areas

不同地区社大中等收入群体的政策目标重点：

在农村地区，中等收入群体比重较低，绝大多数人口（71.6%）还处于低收入和较低收入群体，因此“扩中”是首要任务，要让更多的人脱贫致富。

在城镇地区，中等收入群体比重超过50%，但是绝大多数中等收入者（72%）处于中低收入群体，因此“扩中”和调结构应该并举，既要提升中等收入群体比重，还要让更多的中等收入者进入中间收入群体和中高收入群体；

在超大城市，绝大多数人口已进入中等收入群体，但多数处于中等收入的低水平，因此“调结构”是工作重点，要让步入中等收入群体的人进一步提高收入，真正过上小康生活。

Sources of Insecurity and Anxiety: materialism

- a strong desire for material comforts: large house, luxury car, travel abroad, luxury goods
- the pursuit of higher social status
- work hard for higher income and rich
- a big difference between the Chinese middle class and the middle class in the developed countries.
- China's middle class has more vitality than the European and American middle class, but at the same time, stronger materialism and the pursuit of higher status make Chinese middle class discontent with current condition, and feel more pressure and anxiety

Sources of Insecurity and Anxiety: insecurity of the social life

- Rapid economic growth and urbanization have brought a series of social security problems and environmental degradation problems, these problems seriously affect the quality of life of the middle class.
- At present, food safety, personal privacy and environmental pollution are the major problems the middle class are suffering.
 - 72.8% of the middle class say that food safety is not guaranteed
 - 54.6% say no security of personal information and privacy
 - 48.3% say the lack of ecological and environmental security (National Survey of CSS 2015)

Growing up with Insecurity and Anxiety

- * The insecurity and anxiety of China's middle class, to a certain extent is a kind of growing pains.
- * That is because middle class is eager to reach the better well-being but failed to achieve at present and feel anxiety.
- * However, most members of the middle class believe they will eventually realize their dream. They feel confidence in the future, although the slowdown of economic growth in the recent years has reduced their confidence.

Insecurity and Anxiety of middle class

- * The emerging Chinese middle class has been accompanied by some degree of insecurity and anxiety, these feels of insecurity and anxiety have further increased in recent years.
- * The cause of this phenomenon is not only result of the external social and economic environment, but also related to the inherent characteristics of China's middle class.
- * The rapid economic growth, dramatic social changes, confused moral value, uncertain direction of political reform, all have resulted stress, confusion and contradiction among the middle class.
- * In recent two years, the economic slowdown, intensifying market competition, soaring housing prices, rising cost of living, sharp fluctuations in the stock market, and other economic and social risks have enhanced the insecurity and anxiety of middle class.

“New Economic Normal” need “New mentality Normal ”

- * It is understandable that insecurity and anxiety of China's middle class are rising under the economic uncertainty in recent years
- * However, compared with those in most other countries of the world, the anti-risk ability of the Chinese middle class is relatively strong.
 - Higher rate of household savings
 - higher rate of private property ownership
 - more investment in real estate and children's education
- * But why they have so strong feeling of insecurity and anxiety?
- * high-speed growth results a high expectation for the future

“well-off society mentality”

- * The 13th Five-year Plan of the Chinese Government is to “construct a well-off society in all-round”.
- * The middle class should develop a kind of “well-off society mentality” characterized with peace, contentment, happiness and healthiness.
- * Money and material comforts are no longer the most important goals in life, instead, the spiritual pursuit, better morality and social responsibility are the more important embodiment of personal values.

Thanks for your attention !

An Absent Asset-Based Black American Middle Class: The Iterative Role of Hard Work, Education, and Intergenerational Poverty

Darrick Hamilton

Midway through his 2013 commencement address at the elite and selective historically black college and university (HBCU), Morehouse College, President Barack Obama invoked the black American legacy of triumphant leaders who, *without excuses*, were able to overcome tremendous structural barriers and achieve great things:

“You now hail from a lineage and legacy of immeasurably strong men -- men who bore tremendous burdens and still laid the stones for the path on which we now walk. You wear the mantle of Frederick Douglass and Booker T. Washington, and Ralph Bunche and Langston Hughes, and George Washington Carver and Ralph Abernathy and Thurgood Marshall, and, yes, Dr. Martin Luther King, Jr. These men were many things to many people. And they knew full well the role that racism played in their lives. But when it came to their own accomplishments and sense of purpose, they had no time for excuses.”

The president continues his inspirational speech to this graduating class of this elite historically black college and university (HBCU) by stating that;

“...(e)very one of you have a grandma or an uncle or a parent who’s told you that at some point in life, as an African American, you have to work twice as hard as anyone else if you want to get by.”¹

Can black Americans as a group overcome subpar economic circumstance by “studying hard” or “working hard,” and, at what cost? Will there be unintended negative consequences associated with above normal effort for these highly educated black middle class college graduates in the context of a racially stratified America, particularly in the area of asset ownership?

Defining the Middle Class

Much of contemporary research and public discourse presumes that middle class black families have “made it,” possessing either the income, professional status, or education to put them on par with white Americans, so that race is no longer a defining feature of their life, e.g. that they are “post-racial” (Chiteji and Hamilton, 2002; Chiteji and Hamilton, 2005; Hamilton and Darity, 2010; and Jackson et al., 2015). These characteristics seemingly would enable black households to subsequently accumulate economic resources at the same rate as their white peers. Additionally, these represent families who presumably have surplus resources, above what is needed to meet basic needs, which potentially can be transferred to others, and iteratively generate wealth for generations to come. Moreover, eliminating low and high socioeconomic families allows us to focus on what might be a more “typical” experience rid of extreme observations and circumstances.

¹ <https://www.whitehouse.gov/the-press-office/2013/05/19/remarks-president-morehouse-college-commencement-ceremony>

Middle “class” is often categorized in three ways: (1) belonging to some central distribution of household income, e.g. the middle 60th percentile, (2) attaining a certain level of education such as a college degree, and (3) working in a certain occupational category such as a professional or managerial position. Social science has had a long tradition of debating and applying all three measures, dating at least as far back to Marx and Weber. Weber argued that Marx’s emphasis on ownership of the means of production as a way of classifying societal members was insufficient because it failed to recognize the unique position of laborers who did not own any capital, but who nonetheless possessed some degree of power, control, or choice over their working conditions, and a greater amount of prestige or status than other workers (Landry, 1987; Chiteji and Hamilton, 2005).

These typical indicators of middle class status (income, education, and occupation) underestimate the scope of financial insecurity especially when considering racial difference in economic circumstance. The fragility of the black middle class is evident in educational attainment and employment, but a great deal more vivid when we examine assets and debt – wealth. Hence, Marx’s emphasis on “ownership” is more determinant and iterative as it relates to economic circumstance than employment or “labor.”

Wealth refers to the total stock of savings that an individual or family possesses at any given moment. It is most commonly measured by net worth: the value of total assets minus debts. Simply put, income is a flow of payments that comes to an individual or family periodically, usually based on the individual’s participation in the labor market, while wealth is the net value of the stock of assets that an individual or family can access (whether or not income is being earned). Assets are what you “own” (Hamilton and Chiteji, 2013); debts are what you “owe.” Thus, net worth or wealth is the different between what you own and what you owe.

Wealth is important because it represents a pool of resources, beyond income, that individuals or families can use to sustain themselves and to provide support for their offspring. It can be used to cushion against financial shocks that a family experiences. For example, when a family has a disruption to its normal income flow due to a family member suddenly becoming unemployed, the family can use its savings.

Similarly, if a family faces an unexpected and unavoidable rise in its expenditures, often due to someone needing major medical attention, the family can dip into its savings. Anirudh Krishna’s *One Illness Away* (2010), a study that examines movements into and out of poverty across the globe, finds that the expenses associated with health related problems are the most significant contributor to descent into poverty.

Wealth serves as a primary indicator of economic security. Wealthier families are better positioned to finance elite independent school and college educations, access capital to start a business, finance expensive medical procedures, reside in higher amenity neighborhoods, exert political influence through campaign financing; purchase better counsel if confronted with an expensive legal system, leave a bequest, and/or withstand financial hardship resulting from any number of emergencies (Hamilton and Darity, 2009). Wealth provides financial agency over one’s life. Simply put, wealth gives individuals and families *choice*; it provides economic security to take risks and shield against financial loss. It is analogous to what the Nobel Laureate economist, Amartya Sen (2010) has referred to as a *Human Capability* approach to development. Finally, wealth is iterative, it provides people with the necessary initial capital to purchase an appreciating asset, which in turn generates more and more wealth, and can be passed from one generation to the next.

The popularity of Thomas Piketty’s book *Capital in the 21st Century* (2013) has brought global attention to the role of wealth in determining life chances and the growing problem of structural inequality that is locked in at birth as a result of laws, policies, institutions and economic arrangement. In the U.S. context, data from the Federal Reserve’s Survey of Consumer Finance indicates that in 1989 the top ten percent of households held about two-thirds of the nation’s private wealth, and by 2013 this disparity accelerated with the top ten percent now holding about three-quarters of the nation’s private wealth (Bricker et al., 2014). Moreover, the bottom half of all households owns only about one percent – this provides a novel way of thinking about the one percent.

The Middle Class in World Society

Yet in still, race is a stronger predictor of wealth than class itself. For instance, blacks and Latinos collectively make up about 30 percent of the U.S. population, but collectively own about seven percent of the nation's private wealth (Bruenig, 2013). America's racial disparities in wealth are enormous. The white-to-black disparity in median net worth – the value of what a family owns over and above what it owes – has been estimated to be as large as 19 to 1 (Hamilton et al., 2015).

Table 1. Sample Statistics for the 3 definitions of Middle Class	PSID		Middle Decile		White Collar		College Educated	
	Black	White	Black	White	Black	White	Black	White
Sample Statistics								
Sample N	3113	6483	1434	2737	252	1499	264	1432
Race Composition	14.0	84.1	13.1	86.9	6.1	92.0	5.8	92.3
Mean Age	43.8	48.2 *	42.2	46.8 *	41.5	43.5	42.8	45.2
Family								
Married	25.3	55.5 *	31.0	53.4 *	32.7	67.2 *	29.5	63.0 *
Sep/Div/Wid	39.1	28.0 *	35.2	27.4 *	36.2	15.1 *	37.0	15.4 *
Never Married	35.7	16.4 *	33.8	19.2 *	31.1	17.7 *	33.4	21.6 *
Single Mothers	29.4	7.1 *	24.9	7.3 *	21.4	4.9 *	16.4	3.7 *
Mean Family Size	2.4	2.4	2.4	2.3	2.3	2.7 *	2.1	2.5 *
Measures of Middle Class Status								
Mean Family Income	\$24,066	\$49,359 *	\$30,640	\$35,040 *	\$44,511	\$81,748 *	\$39,461	\$79,352 *
% College Graduate	10.7	27.5 *	15.3	22.4 *	38.3	58.3 *	-	-
% White Collar	12.5	30.4 *	17.0	24.2 *	-	-	53.3	67.3 *
Measures of Wealth								
Business (\$)	\$1,077	\$25,275 *	\$1,348	\$12,148 *	\$3,486	\$53,600 *	\$734	\$43,281 *
% Transaction Accounts	41.3	83.1 *	54.7	85.7 *	78.7	92.1 *	78.7	94.4 *
Transaction Accounts (\$)	\$4,548	\$22,164 *	\$6,258	\$18,934 *	\$8,598	\$29,006 *	\$16,356	\$31,336
% Stock	10.7	37.8 *	13.1	34.6 *	27.5	57.3 *	20.6	59.8 *
Stock (\$)	\$2,867	\$34,341 *	\$2,221	\$18,473 *	\$5,293	\$69,930 *	\$12,039	\$81,545 *
Wheels (\$)	\$5,090	\$11,082 *	\$6,212	\$10,178 *	\$7,400	\$13,824 *	\$8,354	\$13,149 *
Other Sav/Assets (\$)	\$4,742	\$9,341 *	\$6,348	\$6,662	\$12,244	\$16,244	\$5,373	\$16,783 *
<i>Portfolio Composition:</i>								
Financial Wealth Share	24.8	32.2 *	25.9	31.0 *	38.1	38.1	30.4	41.9 *
Consumable Wealth Share	74.7	63.0 *	73.8	65.0 *	59.5	55.5	69.1	53.3 *
Net Worth	\$34,540	\$173,892 *	\$36,000	\$124,514 *	\$55,354	\$292,782 *	\$75,685	\$305,766 *
*p<0.10		*		*		*		*

Table 1, based on (Chiteji and Hamilton, 2005) and data from the 1994 wave of the Panel Study of Income Dynamics (PSID), allows us to observe and compare racial difference based on various definitions of middle class. The PSID is a nationally representative panel survey of U.S. households beginning in the 1960s. The first set

of column statistics illustrate racial comparisons across all black and white PSID households in 1994, while the next three set of results provide racial comparisons based on income, education and occupational definitions of middle class status. The second and third columns indicate that white families had more than double the income as black families (\$49,359 versus \$23,066), were nearly 3 times as likely to have a head or spouse with a college degree (27.5 versus 10.7), were more than twice as likely to have a head or spouse in a white collar managerial or professional occupation (30.4 versus 12.5), but had almost five times the amount of wealth as white families in the PSID (\$173,892 versus \$34,540).

The racial wealth gap is even larger when examining post-recession data. According to the 2013 SIPP data, the typical black family holds about \$7,113 in net worth – a mere 6 cents for every dollar of wealth held by the typical white family, whose median net worth exceeds \$100,000 (Tippet et al., 2014). When it comes to liquid assets – financial assets that can be readily converted into cash – blacks are nearly penniless. Based on the 2011, Survey of Income and Program Participation (SIPP), black families have about \$200 in median liquid assets, which is over 1000 times less than white families with \$23,000 in median liquid assets (Tippet et al., 2014). Moreover, if retirement savings are removed from our estimates of liquid assets, then the typical white or Asian family has only \$3,000 in liquid assets. That is dramatically larger than the \$25 “financial cushions” for black families to deal with any expected or unexpected expenses or budgetary shortfalls. To put this in context, twenty-five dollars would not be enough to feed a black family of four for a single day (Tippet et al., 2014).

Debt, College Debt, and Income Volatility

The conventional wisdom often presumes a wide racial variance in debt as indicative of black and Latino financial irresponsibility – however, such a presumption is not empirically valid. Tippet et al. (2014) finds that 47 percent of white families reported having some unsecured debt, which is slightly more than the estimates of 45, 44, and 42 percent for blacks, Latinos and Asian families. Moreover, after controlling for basic socioeconomic and demographic characteristics, we find no significant difference between black and white unsecured debt holdings, while both Asian and Latino families had significantly less unsecured debt than their white family counterparts.

The SIPP data identifies three categories of unsecured debt: (1) store bills and credit card debt; (2) loans from a bank or credit union; and, (3) “other” types of debts, including student loans and medical bills. It is the “other” category where we find significant differences by race – 21.5 percent for blacks, 19 percent for whites, 15 percent for Latinos, and 14 percent for Asians. It is important to note that this debt represents borrowing for school and other critical needs including medical attention (Tippet et al., 2014).

Among the relatively well-off students who are able to attend college, black students are 25 percent more likely to accumulate student debt, and are on average borrowing over 10 percent more than their white student counterpart (Paul et al., 2016). To compound the liability of debt, black students are one-third less likely to complete their degrees, often because of the greater financial burden that precipitated student loan borrowing in the first place – 29 percent of black students and 35 percent of Latino students who leave college after their first year do so for financial reasons (Paul et al., 2014).

We know that not all debt is the same. In fact, some debt is indicative of good financial health. For instance, housing debt and student loan debt traditionally have provided Americans with access to finance to purchase the economic security of an appreciating asset of a house or a job in the professional or managerial sector; whereas credit card debt and other unsecuritized debt have traditionally been associated with the liability of an exhaustible consumption good or some other depreciating asset.

The Middle Class in World Society

However, what we traditionally conceive of as good and bad debt has different implications once we consider race, and the prevailing framework of targeting unprivileged racial groups with inferior housing and educational products, predatory finance, as well as ongoing housing and labor market discrimination that limits the choice set and rate of returns to home ownership and a college degree based on race and ethnicity.²

For instance, a 2014 report from the Wisconsin HOPE lab, which studies higher education and student loan trends, finds that “(n)ot only have black students always borrowed more than white students, for as long as the federal government has tracked these things, but the growth in take-up rates of federal student loans between 1995-96 and 2011-12 was also greater for black students than white students” (Goldrick-Rab et al., 2014) The differences are especially acute for the most risky student loans, such as parent loans and other unsubsidized loans. These loans come with higher interest rates, fewer safeguards for managing long-term repayment, and higher rates of default (Hamilton et al., 2015).

There is also evidence that for-profit colleges and universities, which often issue misleading claims about graduation and job placement rates, disproportionately enroll and target black students (See Huelsman, 2015).³Huelsman (2015) describes for-profit college experiences as often resulting in a “low-value debt bomb,” where the average student debt is close to \$40,000, about \$15,000 more than comparable graduates at public four-year colleges, and over \$6,000 more than graduates at historically black colleges and universities (HBCUs).

An even larger problem – particularly relevant for black and Latino students – is accruing college debt without ultimately attaining a degree. The table below illustrates the college completion rates within six years of enrollment beginning in 2007 by college and university type and by race and ethnicity. Asians have the highest completion rates across all school types while blacks have the lowest. For-profit colleges and universities have the lowest graduation rates across all racial and ethnic groups with completion rates more than 20 percentage points less than public school enrollment for all groups. Nearly 80 percent of black students who enroll in a for-profit four-year college will dropout within six years. Students enrolled at public colleges typically are faced with tens of thousands of dollars less in debt in comparison to for-profit schools. When queried if they had to do it over again, would they, black and Latino borrowers indicated substantially more regret for taking out student loans than their white counterparts (Pew Charitable Trusts, 2015).

² A report by the Pew Charitable Trusts (2015) entitled “The Complex Story of American Debt: Liabilities in family balance sheets” cites research as suggesting: “...that white families have better access to mortgages, and credit generally, than black and Hispanic families. Even if mortgages are secured, black and Hispanic homeowners experience higher rates of foreclosure and housing distress than white families, in part because they receive riskier loans. Further, home equity for black homeowners has not increased at the same rate as it has for white homeowners largely because home values in minority neighborhoods have been slow to recover since the housing crisis, and so have generated lower returns on mortgage debt. Other research suggests that inheritance and other intergenerational wealth transfers often benefit white families more than black families...”

As a result of the higher finance costs and lower appreciation, Dorothy Brown (2012), a professor of tax law at Emory University urges caution for those promoting homeownership as a mechanism to bridge the racial wealth gap. Brown asserts that “(p)ut simply, the market penalizes integration: The higher the percentage of blacks in the neighborhood, the less the home is worth, even when researchers control for age, social class, household structure, and geography.”

³ Huelsman (2015) states that “(t)he University of Phoenix, for example, was spending as much as \$400,000 a day on advertising. Ads for these colleges were ubiquitous in communities of color, on commercials for daytime television programs, at bus stops and subways, and in other places where black and brown people congregated. They enlisted leaders in the black community to advertise on their behalf, as comedian and television host Steve Harvey has for Strayer University, or as Al Sharpton did when devoting glowing television coverage to the University of Phoenix in a special that was sponsored by the for-profit behemoth.”

Four Year College/University Graduation Rates within Six Years from Enrollment in 2007				
College/University Type	Student Race/Ethnicity			
	White	Black	Latino	Asian
Public	60.7	40.3	50.7	68.0
Non-Profit (Private)	68.3	44.7	60.9	77.0
For-Profit (Private)	39.9	22.4	35.0	43.1

* Based on National Center for Education Statistics (NCES) https://nces.ed.gov/programs/digest/d14/tables/dt14_326.10.asp

Further, the growing context of income volatility in U.S. labor markets, where Americans increasingly have less control of when and for how long they work is even more pronounced based on race and class (Lambert et al., 2013; Hardy and Ziliak, 2014; and Hardy, 2016). This makes access to short-term credit even more essential. Thus, there is greater pressure for more Americans to turn to credit cards to meet, short and long-term, budgetary shortfalls.

This is despite an attitudinal disdain for credit card debt based on surveys measuring consumer attitudes towards various financial products (Pew Charitable Trust, 2015). Worse than credit card debt, given their greater vulnerability to income volatility and having little to no liquid assets, to a greater extent, black and Latino families have greater need for unconventional predatory lending products like payday loans *as a last resort*, to deal with any number of financial exigencies or budgetary shortfalls.

Payday loans are marketed as short-term holdover loans until the borrowers next payday, but the big problem with these exorbitantly high interest rate products is that they often lead to debt traps that absorb more and more of the borrower’s income in interest and fees until, ultimately, the borrower defaults on the original principle (Wolff, 2015). Evidence from the U.S. Financial Diaries (USFD) project indicates that these predatory products are often truly utilized as a last resort finance options, after having exhausted all other forms of finance including borrowing from their better off friends and relatives (Morduch and Schneider, 2013).

Yet in still, the Pew Charitable Trusts (2015) report on American debt concludes that the racial wealth gap has more to do with a lack of assets for black and Latino families than racial variation in debt or an abundance of debt on the part of blacks and Latinos – instead, the report cites other research as suggesting that inheritance and other intergenerational wealth transfers as benefiting whites to a much larger extent.

Discourse: The Politics of Personal Responsibility, Education and Austerity

There are three mainstreamconventional explanations that have been put forth to explain the racial wealth gap. The first is the notion that in search of immediate gratification blacks are less frugal when it comes to savings. But it has not historically been the case, nor is it now the case, that blacks are more profligate than whites. Economists ranging from Milton Friedman to Marjorie Galenson to the recently deceased founder of the Caucus of Black Economists, Marcus Alexis, found that, after accounting for household income, blacks have a slightly higher savings rate than whites. More recently, Gittleman and Wolff (2004) also found blacks have a slight savings rate edge over whites, again after adjusting for household income. Furthermore, the mild black savings rate advantage at most income levels is actually indicative of even greater black frugality because blacks who attain higher incomes typically have a greater array of kin and family obligations in assisting low-income relatives than whites, further reducing their resources to save (Chiteji and Hamilton, 2002; and Heflin and Patillo, 2000).

The second explanation that supports the post-racial narrative is the claim that inferior black asset management has resulted in lower portfolio returns. However, the Gittleman and Wolff (2004) study based on data before the subprime and mortgage market crisis, finds no significant racial differences in asset appreciation rates for families with positive assets. This is illustrative of additional evidence of the post-racial mythology.

The Middle Class in World Society

In addition to being more profligate and possessing low financial acumen, popular discourse also attributes the racial wealth gap to a deficient entrepreneurial spirit on the part of blacks. In 2002, blacks made up about 12 percent of the population, less than five percent of non-publicly traded firms were black owned and these firms collectively received less than one percent of total business receipts. The discourse tends to focus on successful entrepreneurial immigrants as examples of “model minorities” that blacks should emulate.

Although, it is the case that Asian immigrants in general have substantially more business assets than blacks, careful examination by, Tim Bates, Vicki Bogan and William Darity, Tamara Nopper, and Masao Suzuki (Tim Bates (1997), William Darity (2007; 2009), Vicki Bogan and William Darity (2008), and Masao Suzuki) attribute this advantage to higher levels in initial financial capital, and selectivity associated with immigration, rather than some group based “model minority” entrepreneurial behavioral.

Migration is not a random occurrence, and leads to advantages resulting from selection. These selectivity advantages are exhibited by three comparisons. First, entrepreneurially successful immigrant groups enjoy initial financial and human capital advantages over their non-migrating countrymen. Second, these selective immigrants are also more likely to engage in entrepreneurial activity than their U.S. born ancestral linked peers, who presumably have similar cultural orientations. Finally, there are varying degrees of success amongst Asian immigrant groups, and this success is correlated with group level financial and human capital upon U.S. entry (Hamilton and Darity, 2009).

So, what explains the racial wealth gap?

Careful economic studies actually demonstrate that inheritances, bequests and intra-family transfers account for more of the racial wealth gap than any other demographic and socioeconomic indicators including education, income and household structure (see for example, Blau and Graham, 1990; Menchik and Jianakoplos, 1997; Glittleman and Wolff, 2004). These intra-familial transfers, the primary source of wealth for most Americans with positive net worth, are transfers of blatant non-merit resources. Why do blacks have vastly less resources to transfer to the next generation (Hamilton and Darity, 2009)?

Apart from the national failure to endow black ex-slaves with the promised forty acres and a mule after the Civil War, blacks were deprived systematically of property, especially land, accumulated between 1880 and 1910 by government complicity, fraud, and seizures by white terrorists. During the first three decades of the twentieth century prosperous black communities and the associated property literally was destroyed by white rioters in communities ranging from Wilmington, North Carolina to Tulsa, Oklahoma (Darity and Frank 2003, Darity 2008). The historical use of restrictive covenants, redlining, and general housing and lending discrimination were also factors that inhibited blacks from accumulating wealth (Oliver and Shapiro, 2006; and Katznelson, 2005). Furthermore, Oliver and Shapiro and Katznelson in separate studies document exclusion of blacks from post-depression and World War II public policy which are largely responsible for the asset development of an American middle class.

The biased treatment of blacks in asset markets is not limited to the past. For example, a recent report (February 2009) on mortgage lending and race conducted by the Institute on Race and Poverty at the University of Minnesota finds that black Twin City residents in the highest earning categories (above \$150,000) were twice as likely to be denied a home loan than whites in the lowest earning category (below \$40,000). It is also the case that among those fortunate (or unfortunate) enough to actually get a loan, high earning blacks were more than three times as likely to be offered a subprime loan than low earning whites.

Ultimately, by defining the central problem facing the black community, as not the deep-seated structures that perpetuate racism and inequality, but rather, deficiencies internal to blacks themselves, the focus of policy becomes the *rehabilitation* of the black family. Herein lies much of the rationale for *austerity* policies; if behavioral

modification particularly with regards to personal and human capital investment is the central issue, why fund government agencies and programs, which, at best, *misallocate* resources to *irresponsible* individuals and, at worst, create dependencies that further fuel irresponsible behavior? As a result, *laissez-faire*, austerity, and intervention policies like the president's "My Brother's Keeper" initiative – which, ignores the plight of black women altogether, and attempt to incentivize so-called "defective" black males to be more "employable," rather than addressing the labor market conditions that they face – are all consistent with the economic orthodoxy of market primacy, and a focus on the individual in allocations and distributions (Aja et al., 2014).

Persistent Disparity Even for “Hard Working” and Educated Blacks

Yet, over the past forty years, regardless of education, the black unemployment rate has remained roughly twice as high as the white rate. There has been only one year, 1999, in which the black unemployment rate has been below 8.0 percent. In contrast, there have only been four years in which the white rate has reached 8.0 percent. If 8.0 percent is the demarcation of calamity—as Republican pundits declared during the 2012 election cycle—then black Americans are in a *perpetual* state of employment crisis (Hamilton, 2016).

In spite of these enormous disparities in employment, discourse has focused primarily on education as the driver of upward mobility. The presumption is that if blacks were more responsible, made better financial decisions and were more focused on education, they could get a good job and pursue a pathway of economic security. Yet, at every level of education, the black unemployment rate is about twice as high as the white rate. Furthermore, census data reveals that white high school dropouts have lower unemployment rates than blacks that have completed some college or earned an associate's degree.

Education is far from a cure-all. A report by Janelle Jones and John Schmit (2014) entitled “A College Degree is no Guarantee” indicates that the unemployment rate for black recent college graduates exceeds 12 percent, and is as high as ten percent for black recent grads with science, technology, engineering, or math related (STEM) majors.

Our recent research brief entitled, “Umbrellas Don't make it Rain: Why Studying and Working Hard Isn't Enough for Black Americans,” critiques the preponderance of research and public policy that asserts that education and hard work are the *drivers* of upward mobility, especially as it relates to racial and ethnic disparity (Hamilton et al., 2014). The title is meant to highlight that simply observing higher levels of education amongst wealthier individuals does not necessarily mean that educational attainment leads to wealth. In fact, it seems quite reasonable that having high levels of wealth predisposes individuals and families to have greater access to higher levels of education.

The report highlights that the median wealth for black families whose head earned a college degree is only about two-thirds of the median wealth of white families whose head dropped out of high school – it amounts to a difference of more than \$10,000 (\$34,700 v. \$23,400). A college degree is positively associated with wealth within race, but it does little to address the massive wealth gap across race. It is noteworthy that a “good” job is not the great equalizer either. Income poor white families have more wealth than middle-income black families (\$15,000 v. \$13,800). And the typical white family whose head is unemployed has nearly twice the wealth as the typical black family whose head is employed full-time – about \$23,000 versus \$12,000. While the typical black family whose head is unemployed has zero wealth to tell with their financial calamity (Hamilton et al., 2014).

In essence, education is not the *antidote* for the enormous racial gaps in wealth and employment. None of this is intended to diminish the *value* of Education. There is a clear *intrinsic* value to education, along with a public responsibility to expose everyone with a high quality education that teaches them to synthesize and fuse information into big ideas with encouraging teachers trained to deliver curriculum from grade school through college (Hamilton, 2014).

The Middle Class in World Society

Another one of our recent reports entitled “Bootstraps are for Black Kids” with Yunju Nam as the lead author address the trope that the black communities devalues education (Nam et al., 2015). We document using the Panel Study of Income Dynamics (PSID) that black parents with more limited resources display a greater inclination to provide financial support for their adult children’s education than their white counterparts – the PSID queried respondents as to whether they received financial support from their parents for their education as an adult. We find that the median wealth of black parents who *did* provide financial support for their child’s adult education is \$25,000, and substantially less than the \$74,000 value for white parents who *did not* provide financial support. And, it is only about 15 percent of the \$168,000 median value of the wealth of white parents *who did* provide financial support for their adult children’s higher education.

Receipt of financial support has important implication with regards to educational attainment and racial disparities in educational attainment. For the white respondents, who *did not* receive parental support, about 25 percent attained a college degree and eight percent a graduate degree. This is significantly higher than the eleven percent of black college graduates and two percent of black graduate school graduates who *did not* receive parental support. In contrast, irrespective of the transfer amount, there is no significant difference in educational attainment between black and white respondents who both received parental financial for higher education – about two-thirds of each group attained a college degree and a little more than a quarter attained a graduate school degree. Receipt of parental financial support for higher education is essentially associated with closing the racial higher education attainment gap.

Evidence from social science research confirms that black students and their families are doing more with less when it comes to educational attainment. Research by economist Patrick Mason (1997) and sociologists Dalton Conley (1999), and William Mangino (2010) demonstrates that blacks attain more years of schooling and credentials than whites from families with comparable resources.

Clearly, it has been a myth that black families do not value education, but also problematic is the societal overemphasis on the *economic returns to education* as the panacea to address socially established structural barriers of racial economic inclusion. Middle class status as defined by education and work, does not ensure economic security for blacks.

As described earlier, the relatively low black net worth is not due to a black propensity for profligacy. After accounting for income, the best available evidence indicates that there is little difference in black and white savings rates – and in some income categories the black savings rate is slightly higher. Moreover, research by Steinberg and Wilhelm (2005) finds that “If anything, black families are slightly more generous [than white families] (\$1,363 per family versus \$1,325).” Also, the work by Chiteji and Hamilton (2002) demonstrates that if we expand our notion of charitable giving to include relatives and friends in need, black families have even less resources to give as a result of having substantially more kin in need than their white middle-income counterparts. Accordingly, this suggests that social ties to the less fortunate uncovered for some middle class families in the U.S. population (Pattillo-McCoy, 1999 and Pattillo-McCoy and Heflin, 1999?) may create a basis for economic ties within families that inhibit the non-poor family members’ ability to engage in “traditional” or “expected” middle class activities such as wealth accumulation.

Concluding Remarks

It is evident that when the middle class is defined by assets and not education, employment or income, the black middle class becomes largely absent. If middle class status is intended to indicate the economic security and stability then wealth is a far better proxy than education and occupation. This was demonstrated empirically by one of our respondents from our qualitative study regarding the financial circumstance of middle class blacks residing in Boston (Jackson et al., 2015). Even among respondents with professional occupations or high household incomes,

many report that they are “living paycheck to paycheck.” For instance, Nathalie is a 50-year old, native of Haiti who, as an elementary school principal, earns a high salary and has a graduate degree, but she says:

“Everything I have is because I work. We’re not well enough [sic] that if something were to happen to me, we could survive for more than six months tops. It’s all dependent on me waking up and going to work and getting paid every other week. *There’s no investments. There’s no businesses.* It’s just me getting up everyday ... People might look at my salary and think I’m doing very well, but it’s all contingent on me going to work.” (Nathalie, 50-year old Caribbean black. Emphasis added.)

Nathalie’s income, professional occupation and level of education did not translate into wealth, or an appreciating assets, instead her job served to provide her with necessities to make ends meet or survive economically. The subsistence of work, not the opportunity and economic security of wealth become the norms for the black middle class.

Family also plays a central role in the narrative of the black middle class. Not only is racial disparity related to the iterative role of wealth and that white families are better positioned to make intergenerational transfer which leads to generational disparity, but that the precarious economic situation of kin impacts middle class families’ ability to accumulate wealth. It suggests that the differences that currently are observed between black and white families do not fully reflect differences in preferences for immediate consumption or lack of thrift. Instead, a disproportionate share of black families’ ability to accumulate wealth is affected by constraints that experienced because of the desperate circumstances of their relatives, whereas a disproportionate share of white families are born into economically better off families equipped to make positive economic transfers. Because character is often at issue in public debates about race, it is interesting that familial economic circumstances at birth and the admirable character traits of generosity and compassion are explanatory in the “adverse” outcomes experienced by some middle class black families, especially when considering non-asset based definitions of the middle class.

Related, the implications of an austerity society that guts anti-poverty programs, extend beyond the poor and have adverse effects on the middle class as well. There are important connections among family members--fates of family members as well as legacies of exploitations are intertwined.

Despite the social and political emphasis on education as a means of social mobility, the evidence is clear that when family background is controlled blacks acquire greater educational credentials than their white peers, yet, they reap less economic returns from the same credentials. This paper demonstrates that we need to move beyond the empirically unsubstantiated “individual effort leads to economic success” with regards to effort in school and workparadigm that is supposed to lead black Americans to a “post-racial” middle-class that puts them on par with white Americans. I illustrate that neither educational attainment, employment, or income can explain the enormous racial differences in wealth, which is the paramount indicator of economic success. Finally, below outlines solutions to address the unequal and unjust distribution of wealth that is rooted in the source of the economic disparity in the first place.

Racial wealth differences cannot be explained by education, employment, or income. Economists estimate that, by far, the largest factors explaining these differences are gifts and inheritances from older generations: a down payment on a first home, a debt-free college education, or a bequest from a parent. Insofar as we are truly interested in living up to the American promise of economic mobility for all, we need to acknowledge and address the role of intergenerational resource transfers, non-merit based attributes related to circumstance at birth. Given the roles of intergenerational wealth transfer, and past and present barriers that have kept black families from building wealth, private action and market forces alone cannot be expected to address wide-scale racial wealth inequality. Public sector intervention is needed.

The Middle Class in World Society

One route toward this goal would be to implement substantial **Child Trust Accounts** (Baby Bonds). These accounts could provide an opportunity for asset development for all newborns regardless of the financial position into which they are born. We envision endowing American newborns with an average account of \$20,000 that gradationally rises to \$60,000 for babies born into the lowest wealth families. The accounts would be federally managed and grow at a federally guaranteed annual interest rate of 1.5–2 percent. They could be accessed when the child becomes an adult and used for asset-enhancing endeavors, such as purchasing a home or starting a new business. With approximately 4 million infants born each year, and an average endowment of around \$20,000, we estimate the cost of the program to be \$80 billion. In relative proportional costs, this would constitute only 2.2 percent of 2012 federal expenditures (Aja et al., 2014).

The post-racial and “neoliberal paternalism” troupes discourage public responsibility for the subordinate conditions of the poor and racially stigmatized groups, and, instead, encourage punitive measures for poor and racially stigmatized groups. The irony of these paradigms, which emphasize “no excuses,” “personal responsibility,” and “hard work,” is that they exacerbate social stigma and incentives for over-exertion for members of the subaltern groups, particularly those that pose a competitive threat to the preferred positions of the socially dominant group. Finally, to address the dramatic racial disparities in economic vulnerability particularly at higher levels of SES, we need to focus on the business of eliminating iterative social structures where individuals from socially stigmatized groups have to, in the president’s words, “work twice as hard to get by,” and instead focus on solutions like Baby Bonds that provide everyone with seed capital to purchase the economic security from an asset that will appreciate over their life-course.

References

1. Aja, Alan, Bustillo, Daniel, Darity Jr., William, and Hamilton, Darrick. (Summer, 2014). “From a Tangle of Pathology to a Race-Fair America”. *Dissent*.
2. Blau, F., and J. Graham. 1990. “Black White Differences in Wealth and Asset Composition.” *Quarterly Journal of Economics* 105(2):321–339;
3. Chiteji, Ngina, and Darrick Hamilton. 2005. “Kin Networks and Asset Accumulation” in Michael Sherraden (ed.), *Inclusion in the American Dream: Assets, Poverty, and Public Policy*. *Oxford University Press*
4. Chiteji, Ngina, and Darrick Hamilton. 2002. “Family Connections and the Black-White Wealth Gap among the Middle Class” *Review of Black Political Economy*, 30(1):9-27. (Lead Article)
5. Darity, Jr., William, Darrick Hamilton, and James Stewart. 2015. “A Tour de Force in Understanding Intergroup Inequality: An Introduction to Stratification Economics” *Review of Black Political Economy*, 42(1-2):1-6 (lead article)
6. Hamilton, Darrick. November 7, 2015. “The Federal Job Guarantee: A Step Towards Racial Justice” *Dissent Magazine*
7. Hamilton, Darrick, and Ngina Chiteji. 2013. “Wealth” in Patrick Mason (ed.), *International Encyclopedia of Race and Racism*, 2e. *Macmillan Reference, USA*
8. Hamilton, Darrick, Tressie McMillian Cottom, William Darity, Jr., Alan A. Aja, and Carolyn Ash. Fall 2015. “Still we Rise: The Continuing Case for America’s Historically Black Colleges and Universities” *The American Prospect*, 25(4)
9. Hamilton, Darrick and William Darity, Jr. 2016. “The Political Economy of Education, Financial Literacy, and the Racial Wealth Gap” Paper prepared for *Federal Reserve Bank of St. Louis’ Center for Household Financial Stability Research Symposium*
10. Hamilton, Darrick, and William Darity, Jr. 2010. “Can ‘Baby Bonds’ Eliminate the Racial Wealth Gap in Putative Post-Racial America?” *Review of Black Political Economy*, 37(3,4):207-216
11. Hamilton, Darrick, and William Darity, Jr. September/October 2009. “Race, Wealth, and Intergenerational Poverty: There will never be a post-racial America if the wealth gap persists” *The American Prospect*

12. Hamilton, Darrick, William Darity, Jr., Anne E. Price, Vishnu Shridharan, and Rebecca Tippet. April 2015. "Umbrellas Don't Make it Rain: Why Studying and Working Hard is Not Enough for Black Americans" Report Produced by *The New School*, *The Duke University Center for Social Equity* and *Insight Center for Community Economic Development*
13. Jackson, Regine O., Darrick Hamilton, William Darity, Jr. 2015. "Low Wealth and Economic Insecurity among Middle-Class Blacks in Boston" *The Federal Reserve Bank of Boston, Community Development Issue Brief*, Number 3
14. Gittleman, M, and E. Wolff. 2004. "Racial Differences in Patterns of Wealth Accumulation," *The Journal of Human Resources* 39(1):193-227
15. Nam, Yunju, Darrick Hamilton, William Darity, Jr., Anne E. Price. September 2015. "Bootstraps are for Black Kids: Race, Wealth, and the Impact of Intergenerational Transfers on Adult Outcomes" Report Produced by *Insight Center for Community Economic Development*
16. Tippet, Rebecca, Avis Jones-DeWeever, Maya Rockeymoore, Darrick Hamilton, and William Darity, Jr. 2014. "Beyond Broke: Why Closing the Racial Wealth Gap is a Priority for National Economic Security" Report prepared by *Center for Global Policy Solutions* and *The Research Network on Ethnic and Racial Inequality at Duke University* with funds provided by the Ford Foundation

Managing Public Sector Contraction in Detroit: The Experiences of Working Class and Middle Class African Americans

Jessica S. Welburn

Malik is a 40-year old case worker. He lives on Detroit's east side with his wife and six kids. He lives in a small, brick, two-level pre-war house style house on a tree lined street filled with similar homes. These homes are common in Detroit and were built to house the city's growing population of auto workers during the early twentieth century. He grew up in Detroit, and returned in the late 1990s after leaving after high school to join the military and attend college. He now works to help veterans and homeless people in the city find jobs. At first glance, Malik appears to be living the American Dream. However, a few minutes into the interview he begins to describe the difficult reality of living in the United States' largest bankrupt city. He jokes that Detroit looks like a "bomb dropped." In fact his block stands out in an area that is largely filled with abandoned homes and vacant lots and he reminds us to make sure we finish our interview before nightfall so we can leave the area. He laughs a bit as he says

"...hopefully for you guys, you get out of here fast enough because the street lights are gonna be... My street lights are gonna be on, but the surrounding neighborhoods outside of [my block], no street lights, running water, all that kind of stuff. It's bad. It's bad."

He is frustrated by high crime rates and points outside to his car in the driveway and that someone tried to steal a couple of days ago, explaining "you see the ignition is gone." He is also frustrated by Detroit's crumbling infrastructure which includes limited police coverage and other public services. He tells us,

"If you got to call 911 right now because of a car-jacking or whatever, you can't go to a police station because it's not open. There's no physical building that you can go into. You gotta stand outside and you gotta wait until it is open. That's ridiculous. [...] Our garbage sat out here for like two days, nobody came to pick it up. I think it's gonna get worse. The water is gonna get worse, the police protection, fire safety is gonna get worse..."

Malik goes on to explain that he believes the city's circumstances are going to get worse "Because criminals are gonna know that, okay, you guys are bankrupt. You can't afford to pay anybody. They're not doing any patrols."

It is nearing the beginning of the school year and Malik is also having trouble finding what he considers to be good public schools for his children to attend. He and his wife have still not decided on schools they feel will be safe and provide quality education, particularly for his high school aged children. He has little trust in the local government charged with bettering circumstances for Detroiters, explaining "The job the local government is doing in Detroit, I think its piss poor." We ask Malik why he remains in Detroit, and he explains "To be honest with you, if I could afford to go somewhere, I would probably." He and his wife are trying to save money to move to a neighboring community.

Malik has developed a number of strategies for navigating Detroit's crumbling infrastructure. For example, he has a close relationship with one of his neighbors and they work together to try to look out for criminal activity in the neighborhood. He is also searching for a school for his children to attend outside of the city of Detroit so that they do not have to attend their local neighborhood school.

His experiences reveal the impact that Detroit's decline has on the daily lives of Detroit residents, and also how they must create strategies to navigate a collapsed city infrastructure. Public services ranging from policing to public schooling to city works have all been significantly compromised in the midst of Detroit's decline. While the city is moving toward rebuilding since its 2013 bankruptcy filing, much of the development efforts are occurring in the city's downtown and midtown areas. Therefore, for the residents of the city's other neighborhoods—who are mostly African American—daily life remains challenging. Their daily routines, life circumstances, and broader ideas about social mobility are shaped by limited access to public services that were once assumed to be guaranteed to residents of a municipality.

This paper explores how working class and middle class African Americans living in Detroit, MI navigate the city's decline and limited public resources. Drawing upon 60 in-depth interviews, I show that the city's residents must develop a repertoire of strategies to fill in the gaps left by a shrinking public infrastructure.

Background

African Americans in Detroit

African Americans moved to Detroit in large numbers during the first and second waves of the great migration. They left the southern U.S. to escape Jim Crow laws and high levels of racial violence. In addition, like many cities in the midwest and northeast at the time, Detroit offered opportunities for relatively well paying blue collar jobs (Sugrue 2005). However, by the mid-1960s, Detroit began to experience a significant shift. Long-standing racial tensions in the city came to a climax during the 1968 Detroit riots. White flight followed, and between 1950 and 1980 the city transformed from a majority white to majority black city⁴. 1980 the city transformed from a majority white to majority black city. 1980 the city transformed from a majority white to majority black city.

Because of its multitude of challenges, Detroit has become a symbol of post-industrial decline (Galster 2012). In 2013, the city became the largest in U.S. history to file for municipal bankruptcy. While the long-term impact is yet to be seen, early analyses (e.g. Farley 2015) suggest that the bankruptcy filing positively impacted the city in a number of ways. For example, it allowed for Detroit to shed an estimated \$18 billion in debt by settling with creditors. However, the bankruptcy also paved the way for cost-saving measures that may negatively impact some city residents, including the leasing of city property and the reduction in benefits for current and retired city employees.

A plethora of existing research shows how decline in cities like Detroit can impact city residents. Urban decline can lead to reduced employment opportunities, high crime rates, family instability and the outmigration of middle class populations (Edin and Kefalas 2005; Massey and Denton 1993; Pattillo-McCoy 1999; Sharkey 2013; Wilson 1987, 1996; Wilson and Taub 2006; Young 2004). For example, William Julius Wilson (1987) famously shows that mid-twentieth century deindustrialization has had a negative impact on economically disadvantaged African Americans living in many northern and midwestern cities. Specifically, deindustrialization has contributed to high rates of joblessness, persistent poverty, crime and declining marriage rates. Wilson also argues that as middle class residents leave for suburbs, economically disadvantaged residents of cities are more isolated. In addition, urban decline can also have a negative impact on social mobility prospects for those who remain in disadvantaged neighborhoods (Chetty et al. 2014; Sharkey 2013). Research on neighborhood inequality has also shown that urban decline can also reduce levels of trust between community members (Morenoff and Sampson 1997).

While low-income African Americans are more likely to be disadvantaged by urban decline than economically advantaged African Americans, Pattillo-McCoy (1999) demonstrates that socioeconomic status does not protect

⁴ In 1950 Detroit was 16.2% black. By 1980 the city was 63.1% black (U.S. Census).

The Middle Class in World Society

middle-income African Americans from the negative impact of economic decline. Although the Post-Civil Rights Era provided middle-income African Americans with increased opportunities, many still live in neighborhoods that are on the outskirts of major cities or in inner-ring suburbs (Charles 2003, Pattillo 2005, Pattillo-McCoy 1999). This means that middle-income blacks are more likely than their white counterparts to live in close proximity to economic decline.

However, there is limited research that focuses specifically on how African Americans manage the contraction of the public sector in declining cities. Detroit often stands out in discussions of urban inequality because of the severity of its circumstances and its bankruptcy filing. Yet, Dewar et al. (2015) argue that it is important to think of Detroit as a case of severe urban decline. It is in fact one of many cities around the country facing significant challenges, and thus serves as an important case study on how city residents manage public sector contraction. In addition, Detroit remains a unique city for African Americans. African Americans make up 84% of the population—the largest proportion of African Americans in any major city in the U.S. (U.S. Census Bureau 2012: State and County Quick Facts). Many are from families that have lived in Detroit for several generations and have witnessed many phases of the city's history. While poverty in Detroit is extreme, the city remains home to a sizeable population of working class and middle class African Americans. For example, approximately 26% of African American households have an annual income over \$50,000 (American Community Survey 2012). Over 50% of African Americans in Detroit own homes (American Community Survey 2012) and 64% of the city's businesses are owned by African Americans (U.S. Census 2007). Thus, Detroit provides an important opportunity to explore how African Americans in particular navigate public sector contraction.

Public Sector Contraction

Cities across the country are facing significant financial crises. In addition to Detroit, well-known cities that are struggling financially include Chicago, Newark and Cleveland. In addition, 28 cities filed for bankruptcy between 2007 and 2013 (Anderson 2014). Fiscal challenges—even when they do not result in municipal bankruptcy—can cause cities to make significant cuts to city services (Anderson 2014; Davidson and Ward 2013; Owen and Smith 2011; Peck 2013; White et al. 2014). This may include cuts to policing, public schools, recreational services and public libraries. For example, cities facing fiscal problems may reduce the size of their police force, and pay officers less than in surrounding communities. On average, Detroit spends approximately \$50,000 less per police officer than Ann Arbor, which is just 45 minutes away (Anderson 2014). In another case, Stockton, CA reduced the size of its police force over 20% after its 2012 bankruptcy filing (Anderson 2014). We have also witnessed significant changes to public school systems. Specifically, in some cases school systems facing shrinking budgets have opted to close schools, reducing the number of publicly funded educational institutions available in some communities. In some cases, these schools are replaced by privately funded charter schools. African Americans are disproportionately affected by these school closings. For example, Chicago has closed a number of public schools, many of which are in predominantly African American communities (Seamster and Henricks 2015). Communities experiencing financial distress have also cut other services, including recreational programs, public libraries and programs for the elderly (Anderson 2014).

Anderson (2014) finds that cities facing financial difficulties may also sell public property as an austerity measure. For example, Anderson explains that “In Newark, New Jersey, Mayor Cory Booker sold sixteen city buildings in active public use, including the city's historic police and fire headquarters and Newark Symphony Hall, in a deal that plugged most of an \$80 million deficit in the 2010 budget but will ultimately cost the city \$125 million to lease back the buildings over the next twenty years.” Benton Harbor, MI sold a large public park, which was turned into a private golf course. While this generated funds for the financially troubled city, it also reduced recreational space for residents (Anderson 2014). Detroit has sold and leased a number of public properties to generate funds for the city, including its famous Belle Isle Park, a popular recreational area that now charges an entrance fee.

Cities must also navigate fiscal challenges as neoliberal ideology has become dominant. Neoliberalism privileges laissez-faire capitalism, emphasizing the importance of the market in determining outcomes. Lamont and Hall (2013) argue that neoliberal ideology began to have a significant impact on policies in many western countries beginning in the 1960s and 1970s as they began to witness slowed economic growth. The impact has been the slow retrenchment of the welfare state. While the specific impact varies across national context, in the U.S. it has become increasingly less popular to consider growing the welfare state. Instead, policies often preference lower taxes and social programs and emphasize the importance of individual responsibility. An important example is President Bill Clinton's 1996 Personal Responsibility and Work Opportunity Act, which most notably place a limit on how many years individuals are able to receive welfare during their lives. For cities, neoliberalism means less access to state and federal funding that may help to strengthen the public sector (Tabb 2015).

Thus, shrinking budgets in urban areas and the rise of neoliberal ideology have led to cuts in services once considered to be standard for residents of a municipality. Anderson (2014) argues that cities facing these circumstances can be described as "new minimal cities" because of the extreme reduction of basic city services. While wealthier communities may shrink the size of government in exchange for the privatization of services, Anderson argues that in Detroit and other similar cities with high poverty rates and high unemployment rates, the retraction of the public sector has significantly different consequences.

"When public revenues in a poor city shrink far enough, the necessary trade-offs are not primarily related to public versus private provision, but rather to provision versus non-provision of a service. Other than some level of public education and some level of police and fire protection, and some level of private charitable efforts by churches and non-profits, low-income households must muddle through without shared means of educating and occupying their children and youth, caring for their elderly, and improving neighborhood conditions" (p. 1184).

Seamster and Henricks (2015) also argue that this cuts are most likely to impact minority communities, who have fewer financial resources. Yet, more research is needed on the lived experiences of residents in these cities. Specifically, how do they navigate severe decline and the contraction of the public sector?

Methods

This paper draws upon 60 in-depth interviews with African Americans conducted between 2013 and 2016. Respondents were sampled in two primary ways. Interviewees were working class and middle class men and women residing in the city of Detroit. Working class respondents are individuals who finished high school and who were employed full time in service or blue collar occupations or as entrepreneurs. Examples include factory workers, fast food servers and barber shop owners. Middle class respondents are individuals who attended college and are primarily employed in white collar occupations or as entrepreneurs. Examples include teachers, lawyers and social workers.

First, I used a survey research company to identify African Americans who lived in Detroit that might fit the criteria of the study. These respondents were sent postcards inviting them to participate. In addition, when phone numbers were available respondents received follow-up phone calls to encourage participation. Second, I recruited respondents using snowball sampling. I asked initial respondents for referrals. I also received referrals from community contacts.

Once respondents agreed to participate I met them at a location of their choosing. A subset (10) were conducted by myself and a research assistant. Interviews lasted on average approximately two hours. The interview schedule included questions about respondents' employment experiences, neighborhood experiences, and perceptions of life in Detroit. Example questions include:

The Middle Class in World Society

1. Tell me about what it's like to live in Detroit. Do you enjoy living here? Are there things you dislike?
2. Are there obstacles Detroit is facing right now? What are they?
 - a. How would you solve some of these problems?
 - b. How optimistic are you that these problems can be solved?
3. How do you think other people who don't live in Detroit would describe the city? Do you agree with that description?
4. Now let's talk a little bit more about your current neighborhood. Describe your neighborhood. What is it like to live there?
 - a. What is the racial composition of your neighborhood?
 - b. What types of jobs do people in your neighborhood have?
 - c. How often do you talk with your neighbors?
 - d. How comfortable are you hanging out in your neighborhood?

Interviews were recorded, transcribed, and coded according to relevant themes.

Preliminary Findings

Overview

In the following section, I explore how respondents manage high crime rates, failing public schools, and neighborhood blight. Swidler (1986) argues that individuals have a “toolkit” of strategies that shape their beliefs and actions. She argues that this “toolkit” may shift or transform during times of significant change. I find that because of limited public resources, respondents have developed a repertoire of strategies to navigate daily life. These strategies, developed as a response to the contraction of Detroit's public sector, serve to protect them from the negative impact of crime and blight and to seek opportunities for themselves and their families.

Crime

Rios (2011) argues that predominantly minority neighborhoods often face an over-policing/underpolicing paradox. This means that while minorities—particularly blacks and Latinos—may face disproportionately high arrest and incarceration rates, they also often report feeling that police do not do enough to protect their communities from everyday crime. For example, Gau and Brunson interview residents of a neighborhood in East St. Louis and find that their respondents often express concern about slow police response times and limited police effectiveness.

My findings support these previous findings. Detroit has some of the highest violent and property crimes in the U.S.⁵ As a result, respondents often cite crime as one of their biggest concerns about living in the city. For example, Tony, a custodian for his family's cleaning business, lives on Detroit's east side. He lives in an apartment complex that resembles an old motel, not far from where he grew up. When I arrive at our interview he is waiting for me, explaining that he saw drive up. Tony often finds himself looking out the window, keeping an eye on what is going on in the neighborhood. When I ask him whether or not there are things he does not like about living in the city, he immediately mentions crime, saying

“You always gotta look over your shoulder on everything. Um, I think that's what it is. Basically would be just the, just the crime and fear of not knowing.” He has watched crime rates in the city increase over the years and explains, “[Crime] could happen to you or your family. Every day we go out here, you know, it's crazy out here.”

⁵ In 2013 Detroit's violent crime rate was 1,047.8 per 100,000 people and the property crime rate was 3,828.7 per 100,000 people (FBI 2013). This is compared to a national rate of 367.9 violent crimes per 100,000 people and a property crime rate of 2,730.7 per 100,000 people (FBI 2013).

Approximately 90% of respondents have been the victim of at least one property or violent crime. Most can recount an experience with violent or property crime. Yet, respondents often express concerns about police responsiveness. As a result, they develop their own strategies to protect themselves and their family members from crime and violence. For example, Giselle, an office manager, recounts a shootout that happened at the house next door to her. She explains that the incident occurred at the home of a family that used to live on her block that she believes created trouble in the neighborhood, saying

“Well, there’s this one group of people that lived on the block. Her kids were really bad and a couple of years ago, they actually came and shot up her house, but they shot it up with machine guns or something that was so powerful that I thought it was in my house.”

Giselle goes on to explain that because she thought the shooting might be directed at her home she sought cover.

“...I was on the floor in the basement and I saw lights ‘cause I had block windows. So I saw car lights and I said, “Hey, what in the world?” And then I saw them back up and then I heard some more shots.”

Giselle is particularly upset about how 911 responded when she called for help.

“And then, I called 911. And then the operator was like, “Oh, ma’am, we already got a call.” I’m like, “Well, what do you want me to do?” She’s like, “Well, ma’am, you need to get on the floor,” and I’m like, “I’m already on the floor.”

She recalls that police did not arrive for 45 minutes—after the shooting had already ended. For Charlene, not only crime, but lack of police responsiveness contribute to her ongoing concerns about the safety of her family in Detroit.

Cherese, a custodian, recalls when her daughter was the victim of a robbery while walking home from school.

“She was walking home from school and a man, a grown man robbed her. But the, and the main thing was she remembered she got away from him. She took her coat off, and it was on her for twenty bucks. It was sad. She found the money. And I guess he must’ve been watching her and saw. He was watching her. But he could’ve hurt her. He could’ve raped her, he coulda ---. Her first thing was to get away from him, and ---. He took her book bag and threw it in the trash ‘cause he was lookin for more money.”

Cherese met her daughter as she arrived home, and remembers running after the robbers. She explains,

“But I was able to catch one of the guys, got one of the guys. The other guy get away. There was two guys...I got her stuff back. I didn’t get the money back, but the other guy ran off with the money, but the one guy I caught in the alley. They were dumpin her stuff in the thing.”

Cherese did call the police, but they did not respond until later that night. She said both of the robbers could have been caught and arrested had they come sooner. She explains, “They took [until] 12:00 at night. This happened, 3, 4:00. And she was scared to death. She didn’t even wanna walk to school after that, so I had to take her to school after that. It was awhile before she started walking again.”

When asked about the responsiveness of city police Karla, a nutritionist, says “I mean I don’t know. It’s just kind of the luck of the draw. You know, hopefully I’ll get somebody good on the right day. (short laugh) You know, I mean I really don’t know.”

The Middle Class in World Society

Tiana, the human resource officer who had her car's GPS system stolen while grocery shopping, says of the police "...they don't come out, they don't come out. They just, they just say oh, file a report. She laughs at the idea of filing a report, saying "They're not, they don't have time and that's why I think the crime is heavy in Detroit because they know they won't come out."

As a result of experiences with crime and slow police response, respondents have strategies for protecting themselves. These strategies include avoiding areas perceived to be unsafe altogether, developing safety routines, and carrying weapons. For example, when I ask Laura, the caseworker, whether or not she feels safe in her neighborhood, she explains that she does not know how safe she is, and as a result she tries to avoid walking around the neighborhood by herself.

"I will say well, I don't know if I'm really safe in my neighborhood 'cause I can't see myself walking to the store. I can honestly say since I've been living over there since 2010, I've never walked to the store or the gas station or anything. So maybe that's a sign of not being safe. You know, so it's I mean I'm not to the point where I can't sleep at night and do I feel comfortable just walking through the neighborhoods no, not really."

Will, a dog groomer, explains that he does feel safe in his neighborhood, but because he keeps an eye on what is going on in the neighborhood and takes steps to secure his home. He explains,

"I got bars everywhere; all on my windows. They can't get...this is like a fortress. They can't get...I mean what you gonna do? Come through here? And what you gonna take? A TV? A couch? Somebody gonna see you you know taking a couch out of a damn window, you know. So I feel very comfortable, yeah."

Will also notes,

"...I make sure I turn my light on if I'm home or not. Make sure all my doors are locked. Just watch my surroundings. If I see people just lingering around, because people mostly don't linger around here. But if you see somebody lingering around or somebody pacing back and forth or... then you know something's wrong, you know. Somebody...a odd car parked in front of your house. Yeah, you know something's wrong then."

I estimate that about 50% of respondents also own guns. While not all were willing to disclose that they owned a weapon, many discussed the importance of obtaining a permit to carry a gun to combat Detroit's crime problems. Blake, a lawyer, explains that he owns a gun primarily because he believes it will protect his wife and children. He tells me, "I worry about my wife and my kids every time they step out the door. You know what I mean? Sometimes when my wife come home and I'm near, I got my gun with me just in case somebody think they saw an opportunity." I go on to ask him whether or not he feels he has to have a gun in Detroit, and he explains,

"Not necessarily but it's certain situations and that's what I tell my kids. It's certain situations where I would rather have a gun than not have a gun. Because you know young people that are living for today, they willing to go further than somebody that's not. You know they willing to kill. And I believe in defending my family; I believe in defending my home and defending myself. And you don't go to a gunfight with a conversation. You know what I'm saying? It's just being honest about the situation."

In Wayne County, where Detroit is located, approximately 8,000 residents have permits to carry guns (Detroit Free Press). However, this data does not include residents that carry guns without a legal permit. News reports suggest that that on the whole, Detroiters are becoming much more likely to carry weapons for self-protection. Thus, respondents in this study may be part of a larger trend.

In summary, respondents believe that crime is one of the biggest challenges facing Detroit, and the majority have had experiences with violent or property crime. Yet, because of slow police response times respondents often report having to develop their own strategies to deal with crime which include developing safety routines and carrying weapons.

Blight

In addition to dealing with crime, respondents discuss high levels of blight and disarray in their neighborhoods and in the city more generally. Blight can make people feel less attached to their neighborhoods, lower morale, and contribute to high crime rates. For example, Elizabeth was born and raised in Detroit and she currently works as a home healthcare aid. She lives on Detroit's east side in a neighborhood that has experienced significant decline. Her street is a mixed of well-maintained and abandoned homes. Her block contains a number of overgrown lots and orange ones block of an area around the corner where so much of the road is missing that it is unsafe to drive on. When I ask her about things she likes and dislikes she explains. "What I don't like, like hate, it's all these abandoned houses." She also discusses the poor condition of the city's streets.

"Potholes are getting bigger. It's like sinkholes. I don't even call them potholes anymore, they sinkholes it's like, you don't know, you gonna just come up, walk over it and the other side cave. I walked down the street one day, it's about, it's on the next block right here in the middle of the street, they got a orange cone. It's a hole, but as I'm walking on the side of it, that part is shaking. Wait a minute this hole look, this hole I swear is gonna cave in, they need to get this together. Then [the police] wonder why and they want to pull you over as soon as you swerve and try to, you trying to avoid a pothole you hear a errrr. Okay well sorry, this big old hole was just back here I'm tiring to get around it, I'm not drunk, you know. The city, the streets, these houses, and these buildings, need to come down, they need to come down.

DeShawn, a barbershop owner, also believes that the city's physical condition is one of its biggest problems. He also grew up in Detroit and has witnessed the city decline over time. When I ask him about some of the things he likes and dislikes about living in Detroit, he immediately brings up its blight problem.

"Like the street lights ain't working, (laughter) trash everywhere. There's like more and more abandoned buildings coming everywhere every day."

When I ask him what he would like to see changed in Detroit, he explains that he would like the city to be cleaned up so that it has more aesthetic appeal. In addition, he believes that some of the abandoned homes could be fixed up to house families in need.

"I would like to see like all this...like everything cleaned up. Like you know all these buildings, do somethin with 'em or at least let somebody do something with 'em to make them look, look like somethin...'cause you know you got so many houses out here, I'm talking about so many, so many families who need a crib. You know I'm sure some type of program they could have to help a family get up in there and fix it up you know. And that'll be...that'll be helping them in the long run and then if they have a productive environment, feel better about their self, get a job. You know what I'm saying and try to keep something 'cause a lot of people just lost hope. You know what I'm saying? And then a lot of people got a raw deal. You know what I'm saying? So yeah, I'd just like to see everything a little bit neater. You know what I'm saying? A little bit easier on the eyes."

Due to limited city response, respondents either work on blight cleanup themselves or rely on the help of private companies or nonprofit organizations. For example, Nancy works in housekeeping for a local company. Her

The Middle Class in World Society

neighborhood, composed of primarily retirees, is filled with blight and abandoned homes. While the neighborhood's problems have received limited attention from the city, she explains that someone from a local church volunteered to help clean-up some of the blight. The man visited the neighborhood to distribute fliers for his church's summer vacation bible school realized that children in the neighborhood had limited recreational space. He responded by gathering some other volunteers from his church to clean-up the local park. Nancy recalls,

“...you know what happened, this Caucasian man from a church or something in Hamtramck, he came by he gave out some little fliers, he said they have vacation bible school, in which, which really surprised us because we used to always go to that. [...] So he cleaned up the park, and yes it was a park, it's like a park around the corner, and the grass was tall as me, but you wouldn't know it was swings and all the things that you seen when this grass was gone. I mean he had his little group, he cleaned up the whole park and plus he gave out hot dogs or whatever like the next day, and he come by and check on the park. And I think that's real nice because the kids been going all up there, you know, and that's something they need.”

Nancy explains that she is going to try to touch base with the man and his fellow volunteers to see if they may be able to help with more neighborhood cleanup because she does not believe she can count on the city to help.

“And I said I was gone try to talk to him and ask him about you know boarding up the houses because you can't wait for the city, the government, they don't care because they not living there, see. They on the outside looking in.”

In summary, these section demonstrates that respondents must also combat high levels of blight in their city. Blight can lower morale in the city because as DeShawn points out, people may feel less attached to their surroundings when they are in poor condition. In addition, blight can be connected to crime, therefore adding to the city's troubles with violent and property crime. As a result, respondents also discuss strategies for dealing with blight, including seeking out the help of private companies or working on the situation themselves.

Schools

Failing public schools are another aspect of Detroit's breakdown in public services. Approximately 75% of the respondents in this study have children. As a result, the state of the public school system is another significant concern. For example, Marcy is a social services manager who grew up in Detroit. She attended public schools when she was growing up and recalls that Detroit had a strong school system that prepared her for college. However, she explains that the public school system has changed considerably. She tells me, “I just need to have better educational options for my children, I have to; not just from an academic standpoint but from a behavioral and social.” She explains that circumstances in Detroit Public Schools can decline quickly, saying, “You can get a kid in school and they be okay and then they get in [Detroit Public Schools] and it's just mass chaos.” Problems with the schools include school closings, limited resources, and over-extended teachers.

For example, DeShawn, a barber shop owner, grew up on Detroit's east side, and he explains that the city is “a little rougher” than when he was younger. When I ask him why feels this way, he brings up the local school system. He explains,

“...like you know how they...when they first started cutting...closing the schools down and stuff... you just seen like a drastic change in all of this. Like, even though you had some kids who was really getting in school; now they closing schools in the neighborhood and they forced to go out.”

DeShawn is concerned that the school closings have hit a particularly vulnerable population.

“Like some of [the kid’s] parents just got a car barely to take them to work; now they got to go and do all this... You know what I’m saying? So you see firsthand like more kids hanging around with nothing to do, because they can’t make it to school. You know what I’m saying? Then they don’t got like them two parents like I was telling you. They ain’t got that two-parent home where they making them do what they got to do, you know what I’m saying? They don’t got that. So it’s easy for them to fall off into this and that. And then you got the gang situations that it’s just... it’s a lot going on.”

He goes on to explain that it becomes easy for these kids to “fall off” and join local gangs because they do not have anything else to do. DeShawn has two teenage sons, and neither attend school in Detroit. One son lives with his mother about an hour in a way, in a city where DeShawn believes the schools are better. His other son lives with his mother in a suburb on the outskirts of Detroit, where DeShawn also believes the schools are better.

In addition to school closings, financial problems have led to limited resources and anxiety among teachers, who face challenging working conditions. For example, in May 2016 teachers held a sickout when the school system ran out of money to pay them. In addition, in 2015 public school teachers began documenting school buildings’ severe infrastructure problems on social media. Their campaign, which included photos of rodents in classrooms, leaking roofs and mold on building walls garnered significant coverage from local and national media. The school district has had state appointed emergency financial managers since 2009, but to date these emergency managers have been unable to solve the district’s budget woes.⁶

Respondents whose children attend DPS express concerns about the schools that range from issues with teachers to fighting between students to problems with building conditions.

Isabel’s nine year old daughter just finished the school year. She remembers that during the school year there were constant problems at her elementary school ranging from strained relationships between teachers and students to problems with the building’s physical condition. As a result, Isabel says she has had to make many trips to the school to meet with teachers and administrators. She remembers the most difficult situation was when the school became infested with bed bugs. She felt administrators were never able to offer a satisfactory resolution, and the situation only added to the list of the school’s problems.

Isabel: And then I had to go back up [to the school], my daughter talkin’ ‘bout they got bed bugs.

Interviewer: Oh wow.

Isabel: So I’m going nuts, like really, you seeing bed bugs ---? Then they send me a letter. I said, --- ya’ll got...so if I get beg bugs, --- is ya’ll gonna come pay for the exterminator?

Interviewer: Right. Right.

Isabel: You know what I’m saying?

Interviewer: Right.

Isabel: Because shut that, shut [the school] down. How ya’ll going to say, well we keep their clothes in bags now and this and that, woot, woot, woot. I’m like, this is terrible. I ain’t never heard no shit like that before in my life. [My daughter] said she done seen mice, she never eat [the school’s] food.

Isabel explains that she would not even allow her daughter to eat the school lunch, and she struggled to keep her daughter in the school until the end of the year so that she did not have to switch schools mid-year.

⁶ http://www.nytimes.com/2016/01/21/us/crumbling-destitute-schools-threaten-detroits-recovery.html?_r=0

The Middle Class in World Society

“... I’m just like just ‘I don’t want to take you out of school Ashley, you know, it’s almost over with.’ But yeah I had to go up there about they infestation and shit...”

The school—whose troubles have been so severe that they have been featured on the local news—is one that is slated to close, and Isabel hopes that DPS does not consider re-opening it because of its poor conditions. She is considering sending her daughter to a private school close to their home.

Sheila, a caseworker for the Department of Human Services, also decided to send her daughter to a charter school. Like Charity, she became concerned about the quality of education her daughter was receiving while attending DPS. Even though her daughter attended a public school for high achieving students that requires an entrance exam, she describes high teacher turnover, instability and limited opportunities for her daughter.

“Well [my daughter] went to a DPS school and there’s a lot of changes and she went to one of the, what do you call it, one of the top three... You have to test in to get to the, in this school. [...] So but still because of the school board situation, it was teachers leaving. It was just so much turn over that I think she lost out on opportunities because, you know, it was so much turn around and teachers leaving and going and they were getting pink slips in June and had to reapply. I mean it was just too much.”

Sheila also describes “oversized classrooms”—classes with what she felt were too many students. She emphasizes that she simply “did not like the way DPS was being ran.” Sheila explains that she believes that charter school has been better for daughter.

“So she goes to [insert name of charter school], so I’m fine with her, you know, with her school. She learns pretty much like two years ahead of herself, ahead of her grade level I should say.”

For example, [name] is a nutritionist. Her son just finished the school year at a charter school, and after attending the school for several years he will transition to a private school in the fall. She was initially excited about the school because of consistently high rankings, the condition of the building and small class sizes.

“[My son] is actually in a charter school, you know, and that was my, you know, personal choice. He did charter school K through eight basically, it’s was one of the better charter schools, they had been awarded, you know, one of the top awards for the state that a charter school had ever received. So I did my research, you know, I liked the student teacher ratio. I like the fact that, you know, it was clean, they had the amenities, it was air conditioned...”

However, she became increasingly dissatisfied with high teacher turnover. She believes frequent staff changes are designed to cut costs, but can have a long-term negative impact on her son’s educational outcomes.

“... I just didn’t like it until after years it was high turnover for teachers. And that’s geared to keep your cost down. Because you can hire newer teachers at a, at a lesser rate then you would a tenured teacher. You know, so I had to look at the dynamics of that later. But did it affect the quality of it? I think long term it did. You know, short term it was okay when you like K through three, K through, but when you get into your core subjects and the bulk of, you know, hey this is going to take me for the, you know, stuff you learn sixth, seventh grade sometimes is, you know, is the basis for, you know, the rest of your education. And so I started seeing the difference like, why is he on his fourth teacher and we just in May? You really going to hire somebody else for a month and a half? [...] And I let them know I wasn’t happy with the quality of education that my child was receiving and someone should be held accountable.”

Scientist’s children attended a local charter school for a year, but returned to public school because he was concerned about the school’s teaching and curriculum

“my kids, they went to a charter school for one year and it was the biggest mistake ever because the teaching techniques were so different. We showed them how to do the stuff right and they got the right answer but it wasn’t the way they wanted them to do it. You know I know you understand old school teaching and new school teaching. Now some of the new teaching techniques I do like. I like new things but when it’s just totally different...I mean you can’t really change math. Math is math. English and Science, there’s always something different you can do different right there. But math is math and I just don’t get some of the new techniques.”

In summary, data reveal that respondents with children—who comprise most of the sample—most combat a failing public school system. Dealing with failing public schools often means close monitoring of their children’s education—from constant communication with teachers and school administrators to seeking alternative educational options. One of the most readily available alternatives is charter schooling, but as some respondents point out these schools may also face challenges. Thus, limited public resources create severely limited educational options for Detroit residents.

Discussion and Conclusion

These preliminary findings show that the contraction of the public sector in Detroit has left a number of gaps in services for city residents. Respondents discuss problems with high crime rates, blight, and failing public schools. All of these demonstrate that taken-for-granted public services can be limited in Detroit. As a result, respondents must develop their own strategies for dealing with limited city services. They include protecting themselves from crime, relying on private companies or non-profits to cleanup blight, and seeking out educational alternatives for their children.

Findings add to existing research on urban inequality by demonstrating the impact that public sector contraction can have on city residents. While previous work has explore problems that have accompanied urban decline such as high unemployment and crime (e.g. Anderson 1999; Wilson 1987), there has been less focus specifically on how residents navigate limited public services. I show that when cities experience what Dewar et al. (2015) describe as extreme urban decline, they may have to in some ways serve as their own city government. Unable to rely on the local government for the provision of the most basic services, residents may be left to their own means. It is also important to note that this research includes both working class and middle class African Americans, suggesting that socioeconomic status does not necessarily shield residents from the impact of the contraction of the public sector.

Seamster and Henricks (2015) argue that cutbacks on public services are occurring in cities where African Americans moved in large numbers during the first and second waves of the great migration. Just as African Americans began to settle in cities like Detroit, Chicago, Cleveland and Newark and pursue opportunities for social mobility, deindustrialization and white flight greatly changed the country’s urban landscape. Cities began to lose population, jobs and necessary financial resources. The result has been a gradual cutback in city services. While Detroit represents an extreme case, cities across the U.S. may face similar struggles (Anderson 2014; Dewar et al. 2015; Peck 2013). Racial minorities are often the first to feel the impact of these challenges, forced to navigate life without many of the public services that are guaranteed in wealthier, suburban communities. More research on how African Americans navigate these challenges is needed because of the long-term impact the contraction of the public sector may have on quality of life and opportunities for social mobility.

References

1. American Community Survey. 2007-2012. *U.S. Census Bureau*.
2. Anderson, Elijah. 2000. *Code of the Street: Decency, Violence, and the Moral Life of the Inner City*. Reprint edition. W. W. Norton & Company.

The Middle Class in World Society

3. Anderson, Michelle Wilde. 2014. "The New Minimal Cities." *The Yale Law School Journal*. 123(5): 1118-1625. Accessed August 10, 2015. <http://www.yalelawjournal.org/article/the-new-minimal-cities>.
4. Chetty, Raj, Nathaniel Hendren, Patrick Kline, and Emmanuel Saez. 2014. "Where Is the Land of Opportunity: The Geography of Intergenerational Mobility in the United States." *Quarterly Journal of Economics* 129, no. 4: 1553–1623.
5. Darden, Joe T., and Richard W. Thomas. 2013. *Detroit: Race Riots, Racial Conflicts, and Efforts to Bridge the Racial Divide*. 1 edition. East Lansing: Michigan State University Press.
6. Davidson, Mark, and Kevin Ward. 2013 "Picking up the Pieces': Austerity Urbanism, California and Fiscal Crisis." *Cambridge Journal of Regions, Economy and Society*, doi:10.1093/cjres/rst030.
7. Dewar, Margaret, Matthew Weber, Eric Seymour, Megan Elliott and Patrick Cooper-McCann. 2016. "Learning from Detroit: How Research on a Declining City Enriches Urban Studies," in *Reinventing Detroit: The Politics of Possibility*, Peter Smith and L. Owen Kirkpatrick, editors. New Brunswick, NJ: Transaction Publishers.
8. Farley, Reynolds. 2015. "Detroit in Bankruptcy," in *Reinventing Detroit: The Politics of Possibility*, Peter Smith and L. Owen Kirkpatrick, editors. New Brunswick, NJ: Transaction Publishers.
9. Farley, Reynolds, Sheldon Danziger, and Harry J. Holzer. 2002. *Detroit Divided*. New York: Russell Sage Foundation.
10. Federal Bureau of Investigation. 2013. Crime in the United States.
11. Galster, George C. *Driving Detroit the Quest for Respect in Motown*. 2012. Philadelphia: University of Pennsylvania Press. <http://site.ebrary.com/id/10642663>.
12. Kirkpatrick, L. Owen, and Michael Peter Smith. 2011. "The Infrastructural Limits to Growth: Rethinking the Urban Growth Machine in Times of Fiscal Crisis." *International Journal of Urban and Regional Research* 35, no. 3: 477–503. doi:10.1111/j.1468-2427.2011.01058.x.
13. Lamont, Michèle and Peter A. Hall. 2013. *Social Resilience in the Neoliberal Era*. Cambridge: Cambridge University Press.
14. McConnell, Michael W. and Randal C. Picker. 1993. "When Cities Go Broke: A Conceptual Introduction to Municipal Bankruptcy." *University of Chicago Law Review* 60: 425.
15. Morenoff, Jeffrey D., and Robert J. Sampson. 1997. "Violent Crime and The Spatial Dynamics of Neighborhood Transition: Chicago, 1970–1990." *Social Forces* 76, no. 1: 31–64. doi:10.1093/sf/76.1.31.
16. Pattillo-McCoy, Mary E. 1999. *Black Picket Fences: Privilege and Peril among the Black Middle Class*. Chicago: University of Chicago Press.
17. Peck, Jamie. 2013. "Pushing Austerity: State Failure, Municipal Bankruptcy and the Crises of Fiscal Federalism in the USA." *Cambridge Journal of Regions, Economy and Society*, doi:10.1093/cjres/rst018.
18. Sampson, Robert J., Stephen W. Raudenbush, and Felton Earls. 1997 "Neighborhoods and Violent Crime: A Multilevel Study of Collective Efficacy." *Science* 277, no. 5328: 918–24. doi:10.1126/science.277.5328.918.
19. Seamster, Louise and Kasey Henricks. 2015. "A Second Redemption? Racism, Backlash Politics and Public Education." *Humanity and Society*. 39(4): 363-375.
20. Sharkey, Patrick. 2013. *Stuck in Place: Urban Neighborhoods and the End of Progress toward Racial Equality*. 1 edition. Chicago: University Of Chicago Press.
21. Sugrue, Thomas J. 2005. *The Origins of the Urban Crisis: Race and Inequality in Postwar Detroit*. Princeton, NJ: Princeton Univ. Press.
22. Swidler, Ann. "Culture in Action: Symbols and Strategies." 1986. *American Sociological Review* 51, no. 2: 273. doi:10.2307/2095521.
23. Venkatesh, Sudhir. 2008. *Gang Leader for a Day: A Rogue Sociologist Takes to the Streets*. Penguin.
24. White, Brent T., Simone M. Sepe and Saura Masconale. 2014. "Urban Decay, Austerity, and the Rule of Law." *Emory Law Journal*. 64(1): 1-54. <http://law.emory.edu/elj/content/volume-64/issue-1/articles/urban-decay-rule-of-law.html>.
25. Wilson, William J. 1987. *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy*. Chicago: University of Chicago Press.

Dalit Middle Class : A Discussion on Activism

Prof. P. G. Jogdand

Dalits in India constitute a significant proportion of the Indian population (16.2 percent, census 2011), they have been subjected to discrimination in all spheres of life – social, political, economic education and culture. However, with reservation policy, urbanization and education there has been some changes that the Dalits have experienced in their socio-economic conditions.

Middle class has been an important historical and sociological category in modern India. Over the last two decades, the Indian middle class has been celebrated for its economic achievements in the new global economy. It has also been expanding in size, providing critical market base to the process of economic growth and stability to democratic politics.

All of a sudden, the middle class in India is everywhere in all spheres, whether it is the mass media, academics, corporate sector, industries etc. It is being said that the Indian economy is doing so well despite the political impediments to growth because of the young and huge middle class, which shot into prominence with the economic reforms ushered in the 1990s. That is the first time that the size of the middle class was debated, as the MNCs saw their major market in this middle class.

Although there is no clearly accepted definition of the middle class, some estimates the Indian middle class at 300-350 million, while conservative estimates put it at about 200 million.

It is accepted that the middle class enjoys power disproportionate to its size. It had always been politically powerful and, from the time of independence, has set the agenda for the nation. It has always dominated the institutions of the judiciary, the bureaucracy and the polity. This class has become even more powerful today with the spectacular growth of two institutions they dominate-mass media and large corporations.

There are two popular ways in which we understand the concept of the ‘middle’. It can be understood as the intermediate part between two other parts in relation to which it defines itself. Some define middle class in terms of the median income, considering of those who are actually better off than the majority. In fact, middle class has always been a fuzzy category. It is because there is much diversity within this class. We need the intervening middle classes between the rich and the poor.

The middle class is seen as the most desirable social location. The middle class in India came into being with the felt need by the Colonial masters to create native elite for the Colonial administration of the country.

Thus, the emergence of middle class in India is generally attributed to the British who created a section of educated from among the natives to be employed in middle level bureaucracy to run the administration. In that process, the literate ‘upper castes’ were recruited into these ‘new’ occupations during the initial stages itself and thereby they continued to hold their dominance.

Over the years with reservation policy, introduction of education, urbanization and industrialization there has been some changes in the caste system. These changes in turn have critical implications for the Dalit social mobility. The very emergence of Dalit middle class is attributed to these changes. The Dalits could not enter the middle class until the enabling social environment was created by policies of the government in post-independence period.

The Middle Class in World Society

However, the Dalits have experienced a relative change in their socio-economic conditions. Though, this change has not been uniform for all, but a very significant development in the contemporary times has been the emergence of the educated Dalits who have entered into modern occupations associated with middle class. Rather, these Dalits have been seen as the 'new entrants' to the middle class and have been called the 'Dalit middle class'.

There have been several studies carried out by Indian as well as foreign scholars in this area of research. The major finding of these studies is that there is a 'mobile class' 'elite class' and the 'creamy layer' that has emerged among the beneficiaries of reservation policy over the years. The Studies further suggest that the emergence of a 'new middle class' consisting of the salaried persons among the Dalits.

It is maintained that this class is neither alienated fully from its roots nor accepted by the upper castes/class.

A study conducted by us demonstrates that there is a small proportion has been able to enter the middle class domain through education and jobs. This study specifically intends at understanding the 'pay back tendency' among the mobile men in the state of Maharashtra (Data collected from Mumbai, Pune, Aurangabad, Nashik and Nagpur).

Community activities that the respondents have been involved into for bringing about desired group mobility include a big list of programmes and activities. For ex. Job. Oriented guidance, helping poor and needy students, capacity building at grassroots, visits to villages for spreading awareness, providing guidance for educational achievement, giving donation to libraries and Buddha viharas, health care for women, counselling, community meetings, cultural programmes, promoting inter caste marriages and assertion on all fronts.

The study negates the commonly placed notion that the beneficiaries of reservation policy i.e. Dalit middle class do not look back or payback to their community or society at large. What is seen from this data is clearly enough to refute such notions and assumptions. It was seen among the respondents (100) that they had the will and commitment to help their community members in all spheres and all the occasions.

In short, we had the opportunity to study (and observe) the 'paying back tendency' among the Dalit middle class. This class is emerged as important sector in Dalit assertion and movement whose contribution could be of meaningful benefit to the poor and needy Dalit masses.

This class is articulating 'Dalit self'(sense of self-worth), Dalit interests in all spheres and felt strongly committed to their community and to many this was a 'way of paying back to them'.



The Middle Class in World Society

Institute for Social and Economic Change, Bangalore/India

December 16-17, 2016

WORKSHOP SESSION – III

MIDDLE CLASS DIVERSITY AND HETEROGENEITY



The Simplified Assumptions of the Global Middle Class Narrative: Global Middle Income Groups in Kenya

Dieter Neubert

Introduction

The narrative of the global middle class presented by economic journals, marketing organisations or optimistic economists depicts the middle class as “the” driver of change with regard to development and democratization. According to this “narrative” (Neubert/Stoll in print) the middle class is “more likely to have values aligned with greater market competition and better governance, greater gender equality, more investment in higher education, science and technology” (AfDB 2010, 5). Wiemann (2015) sees the middle class as potential advocates for “just and sustainable economy”, Birdsall (2015, 225) claims that the “middle class is good for good governance,” and Easterly sees the middle class as a kind of backbone for economic development (Easterly 2001). In a more general way Göran Therborn (2012: 15) sees in new social protests all over the world in the young 21st century possibilities for political action, alliances and class formations. The relation between middle class, economic development and democracy seems to be taken for granted. This understanding of middle class is not new at all. Barrington Moore (1967) or Lipset¹ (1959) saw the middle class as carriers of democracy. The democratization debate in 1990s again referred to the importance of the middle class (for Africa e.g. Hayden and Bratton 1992).

At first glance, it seems evident that there is support for democratic change. In all African countries that provide basic freedoms, there are active civil society organisations that are based in the middle class, or are chiefly represented by members of the middle class (Neubert 2015a). The data provided by Afrobarometer shows that 70% of African citizens from the 19 countries studied support democracy (Gyimah-Boadi and Armah Attah 2009: 1). However, Gyimah-Boadi and Armah Attah argue that this overwhelming support is based on an understanding of democracy that lacks basic elements such as accountability and is open to a paternalistic understanding of rule. This more differentiated empirical evidence points the question whether the equation middle class supports democracy may be too simple.

The “middle class as drivers for change and democracy-statement” has a number of implications that needs to be revealed and critically discussed. Firstly, the term “middle class” itself refers directly to sociological class theory as presented by Marx and Weber. Secondly, the narrative of “the middle class” implies a general homogeneity and stability of the middle class. For a proper analysis the first section will shortly re-visit sociological concepts of class and in a second section the much wider concepts used in the “middle class debate”. Against this backdrop the third section will try to answer the question whether the class defined as a particular income stratum is a proper class in the sociological sense with reference to the example of Kenya. This shows the limitations of the class to concept to describe the growing social diversity in Africa. One of the aspects that are usually overlooked is the socio-cultural diversity in the middle income stratum. This will be analysed in section four applying the German based “milieu concept” to Kenya. The final section analyses the position of the Kenyan middle stratum with regard to the global their global counterparts.

¹ However, Lipset warned not to overstress corresponding correlation (1959, 72).

1. The “class concept”

When we follow the “middle class debate”, either in Africa or in the Global South in general, we are confronted with data on income or consumption that is used for the definition of the middle class. From a sociological perspective this purely descriptive approach is puzzling and leaves important elements of class theory aside. For a better understanding we have to re-visit the origins of the notion of class. The classical sociological understanding of class is based on the social structure of the analysed society. According to Karl Marx (1884/1974: 892f.; Marx/Engels 1906) and his followers social positions are defined via control of the means of production and/or the control of the produced surplus or via expropriation.

An elaborated concept was presented by Max Weber who introduced the term “middle class” (1978, 302). He characterizes a class as a group with “...the typical probability of 1. provision with goods, 2. gaining a position in life and 3. finding inner satisfactions”. Membership of a particular class depends on property, the possibility of realising assets in the market and the possibility of downward and upward individual or intergenerational mobility. He differentiates between an upper, asset-holding class, a lower class without assets and a middle class (sic!) in between. In contrast to Marx, Max Weber (1978, 305) refers to important differences inside the classes according to “status and status group (stand)” (referring to socio-professional positions).

Especially Marx/Engels and to a lesser extend Weber are still the central reference point for the further development sociological class concepts applied to the Global South. One important extension has to be mentioned for Africa – and Global South in general: Against the backdrop of this general debate, since the 1960s a number of attempts have been made to analyse the structure of the Global South and Africa in particular.

For Kenya and other countries of the Global South, the means of production are capital, labour, or land (which is already an extension of the original concept). Linked to the particular means of production the concept has been extended to include the large peasant population by a peasant class (in cases of large land-holdings the land owners are a special group of bourgeoisie). Based on the dependency theory the national bourgeoisie, the owner of medium sized enterprises, were seen as dependent from the international capital and acted more or less as auxiliary agents. This has been conceptualized as “auxiliary bourgeoisie” or “comprador bourgeoisie”. With regard to Africa Kenya was one of the intensively discussed cases (Beckmann 1980; Leys 1975; Schatzberg 1987). In these settings the state was and often still is not only the primary political actor, but also the carrier of economic development - as provider of infrastructure, as entrepreneur (state and para-statal enterprises), as trustee and main beneficiary of natural resources, and as recipient of development aid. The state also controlled the private sector via licensing, price controls, and export and import regulations. Those in control of the state had not only access to state resources but also at the same time they controlled the capital and its surplus. This led to the introduction of the concept of “state class” or “state bourgeoisie”, which included political elites and higher- and mid-level administrative staff who profited from and controlled state resources (Amin 1976; Elsenhans 1977; Saul 1979).

Current sociological class concepts are still linked to Marx or Weber and they share their basic assumptions. Socio-economic positions are seen largely as stable and are (mostly) reproduced from generation to generation, though Weber at least considers the possibility of upward and downward mobility. In the class concepts the control over the means of production and/or professional positions is the main factor that leads to similar income. Similar positions create similar interests and the members of a class share basic orientations (values) concerning what is a “good society” and a “good life”. This implies within a particular class a socio-cultural homogeneity linked to a shared political interest and shared political orientation, offering potential for political action. Therefore, classes are important and potentially political actors that can influence the political processes of a particular country. If these assumptions apply, then the class concept is appropriate to describe that particular society. In this sense Bourdieu’s (1984) seminar work “Distinction: a social critique of the judgement of taste” is based on a class concept and states that socio-economic position and cultural distinction are closely linked which each other.

2. Definitions of middle class in the current debate

Let us now review the definitions of “class” applied in the current debate on global or regional middle class. A first approach defines “middle” relative to the income of the researched social entity, usually a country. This is done in two ways. One way divides the population into quintiles (or centiles) according to their per capita income. The lowest quintile represents the poorest 20 % the upper quintile to wealthiest 20 %. The three middle quintiles represent the “middle” (Easterly 2001, 10)². The other way of a relative definition starts from the median income of the society. Here, “middle” is defined as the share of the population that has 75 % to 125 % of the median per capita income (Birdsall/Graham/Pettinato 2000, 3). The size of that “middle” varies according to the pattern of income distribution. When these schematic definitions are applied the people in the middle may be very wealthy in international comparison or they may be very poor, specifically, in a country where the majority lives below the 2 US \$ per capita and day – a poverty line frequently used by international organisations. This relative approach is interesting when we want to compare the structure of inequality and the income distribution of two or more countries. The median based definition points at the size of the middle compared to the upper and lower income group and the median income. The quintile-approach highlights the income differences between the income quintiles.

The second and very well-known approach defines middle class based on rates of absolute daily per capita income calculated as PPP US \$. The authors use different more or less arbitrarily chosen thresholds (Ravallion 2010, 446). Studies that compare middle class on the global level choose relatively high thresholds, for instance, Kharas sets the lower threshold for the middle class on 10 US \$ and the upper threshold 100 US \$ per day and capita (Kharas 2010, 9, 12). Those who focus on the Global South or on Africa often use the 2 US \$ poverty line as lower threshold. However, the upper threshold for the middle class in the Global South varies between 10 US \$ (Banerjee/Dufflo 2008, 4), 13 US \$ (Ravallion 2010), 448) and 20 US \$ (AfDB 2011, 2). The African Development Bank provides the most differentiated categories: poor < 2 US, \$ floating class 2-4 US \$, lower middle class 4-10 US \$, upper middle class 10-20 US \$ and upper class > 20 US \$ per capita and day (PPP).³

It is obvious that these socio-demographic concepts of “class” are purely descriptive and define a middle-income stratum in the society, not a “class” in the strict sense of the classical sociological term based on control over means of production or via a socio-professional position. The socio-demographic concepts point with reference to the middle class only at similar income. But the simple fact, that people who have a similar income hardly justifies similar interests, values and norms. A wealthy farmer and a wealthy business man may have different political interests concerning subsidies for agriculture or taxes on imported food products. At least the definition of classes according to income is not sufficient to assume a common consciousness. Whether there is a middle class consciousness or a middle class consensus is then an empirical question and cannot be derived from the socio-economic position defined via income.

Another descriptive definition is provided by Thurlow/Resnick/Ubogu (2015, 589). They define middle class in terms of specific kinds of dwelling, secondary education and secure skilled non-farm employment. This definition refers to some common elements that go beyond a similar income and refer to a specific livelihood. Whether this is sufficient to develop a common class consciousness or at least similar interest, values and norms is still not proven. As we will see, at least for Kenya this definition does not work well. In addition, this definition does not consider the possibility of a rural middle class.

In the debate on middle class we should consider the different notions of class. In the German debate on social inequality and social structure only concepts that follow Marx and Weber use the term “class”. The descriptive concepts based on socio-demographic data, mostly income, use the more neutral term “stratum” (Schicht) instead

² In a similar way a division in centiles may be applied.

³ Milinkovic/Yitzhaki (2002) present a comparative analysis of the size of the global “middle class” with a calculation based on mean income and the Gini index.

The Middle Class in World Society

of class. Stratum is descriptive and is not linked to far-reaching analytical and theoretical assumptions like the class concept. For a precise argument it is necessary to consider the difference between descriptive and theoretical analytical class concepts. To avoid confusion it would be much clearer to use the term “stratum” when the definition of the group is based on a descriptive concept.

This does not mean the descriptive concepts are not helpful. In the contrary, different income levels are important and depict social inequalities. With regard to the middle stratum they show the possibilities for consumption and also the chances for savings and investment including the possibility for social security provision such as pension schemes or health insurance. But at the same time we have to be aware that the thresholds to define different strata are just a means for statistical measurement of the size of the strata. They cannot be understood as a strict dividing line between clearly distinct groups or even classes in strict sociological sense. When we are interested in the livelihood of people there is no clear difference between people with 2.10 US \$ per capita/day and 1.90 US \$ per capita/day, just like there is no clear difference between 21 US \$ per capita/day and 19 US \$ per capita/day.

3. Middle class in Kenya?⁴

The existence of a middle class in Kenya, in the sense of a middle-income stratum, is not a new phenomenon. In colonial Kenya, as in other African countries south of the Sahara, Africans who had access to education acquired white collar jobs in the formal sector, for instance as clerks, teachers or small entrepreneurs, and formed a new social group. Some Africans even had the chance to acquire university education and became qualified lawyers or took up other professions. They were referred to as the African “elite”, which meant in fact a kind of middle stratum because the top ranks in politics, the administration and the economy were reserved for the privileged white population.⁵ These few African social climbers joined in Kenya the small “Asian” population in middle-income positions. Nevertheless, members of this small group of educated Africans established itself in Kenyan politics through newly founded civil society associations and political parties, and in the economy either through small urban enterprises or investment in commercial agriculture. After independence, more Africans joined the Kenyan middle class. On the basis of Kenyan statistical data, Berg-Schlosser (1979, 321) describes the growth of the middle stratum in Kenya from 10.1% in 1950 to 19.3% in 1970. Similar results are presented by Ghai et al. (Ghai/Godfrey/Lisk 1979, 43). The data is not comparable with the current ones of the AfDB or the World Bank, but it shows that there was a considerable African middle-income stratum in Kenya already in the 1970s. In addition, due to the activities of the White settlers and the Asian population, Kenya had a comparatively well-developed civil society at the beginning of independence (Neubert 1997, 102-122). Combined with an orientation towards a free market economy, the stage was set for the further development of the middle income stratum.

The comparative data of the AfDB identifies a considerable Kenyan middle stratum. If we include the so-called “floating class”, Kenya has one of the largest middle strata in Africa south of the Sahara, representing 44.9% of the whole population (AfDB 2011, 5, chart 4). In only five countries (Gabon, Botswana, Namibia, Ghana, Cap Verde) is this percentage larger, while even in South Africa it is with 41.1% slightly lower. According to the AfDB data, this is due to the comparatively large percentage of the population with an income above the 20 US\$ a day line (13.4 %). But have to consider that this data has some weaknesses the results of World Bank Data (www.povcal.net, accessed 7.8.2015) and Thurlow/Resnick/Ubogu (2015, 597) show less people living above the 10 respectively 20 US \$ (per capita and day) line. However, the consumer analysis data suggests the existence of a considerable middle class in Kenya (Euromonitor International 2010). The Kenya economic report 2013 by the Kenya Institute for Public Policy Research and Analysis (2011, 19) counts the percentage of poor people according to a multi-dimensional poverty index for the years 2006-2012 between 46.1% and 50.8%.

⁴ The analysis is based on the ongoing research project “middle class on the rise” that is part of the research program “Future Africa” conducted Bayreuth Academy and funded by the German Ministry of Education and Science. The project team members are: Erdmute Alber, Lena Kroeker, Dieter Neubert, Florian Stoll and Maike Voigt.

⁵ The debate on “African Elites” is discussed by Carola Lentz (2015).

Combined modes of production

For an analysis of class positions and particular class interests, the socio-professional structure and modes of production in Kenyan society are of special importance. According to Marxian class concepts, expropriation and control of the means of production or of the surplus product are the main indicators of class position, while Weber points to the ownership of assets and opportunities for marketing these assets combined with a special interest in values according to the socio-professional status group position (the German Stand). The application of these criteria in Kenya faces clear limits. The most striking feature is the permanence of rural-urban linkages. Many blue- or white-collar workers or urban entrepreneurs still invest at the same time in a farm and/or livestock in their home village (Collier/Lal 1984; Mukras/Oucho/ Bamberger 1985; Oucho 1996; Ross/Weisner 1977).⁶ The work in the rural setting is done by family members in the case of small farms, or by hired employees on large estates. Sometimes the farm is run by a paid employee. In addition, the combination of a salaried job and a small personal or family business is very common. This combination of income sources has been reinforced by a growing number of educated women in employment (Euromonitor International 2010, 7). Socio-professional positions were changed during life-course and were combined in different ways (Kitching 1980). Our interview data confirms that this pattern is still very common. The data Githinji (2000, 157-163) proves the combination of farm and off-farm income (wage labour, business) and the involvement of family and hired labour. He nevertheless proposes “disaggregated” Marxian class analysis (ibid. 163ff).

With regard to different parts of the Global South in the 1980s, this phenomenon has been analysed as combined modes of production (Elwert/Evers/Wilkens 1983). At that time the focus was mainly on more or less poor groups fighting for survival. But the above-mentioned studies relating to Kenya show that this can be a general pattern across different income strata. People from the Kenyan upper income strata often combine a top administrative position with running a business and a large farm. This has serious consequences for a class analysis. Linking a certain socio-professional position or ownership of assets with a particular class position is not possible. Especially in the middle stratum the criteria of expropriation cannot be applied without contradictions. Wage earners who run a commercial farm with hired labour would be members of two different classes at the same time. Assignment to a certain class works better in the upper strata, where people own extensive rural and urban property and business, all run by hired labour. In addition, top politicians either are already part of this asset holding “upper class” or more often than not they use(d) their political functions to acquire assets and become a member of the upper class.

This is not just a theoretical problem of class terminology. This combination of modes of production and socio-professional positions has consequences for the definition of interests in the sense of class-specific interests. When urban white- and blue-collar workers or their close family members are entrepreneurs and farmers at the same time, they cannot be positioned clearly in any specific socio-professional class. They cannot be categorised neatly as peasants, wage earners or entrepreneurs with corresponding political interests. The expression “peasants in the city” (Mangin 1970) still applies in Kenya and highlights this virtual link to the rural home. This feeling of belonging to a rural home is part of the regional-ethnic identity that is ubiquitous in daily life. In many situations Kenyans are identified by their ethnic belonging, which is usually linked to a particular district.

Uncertainty and instability of socio-economic position

Even the socio-economic position, based on the data on income is less clear than the statistics imply at the first sight. The data on income does hardly consider the obligation of wealthier family members for their poorer relatives. They are under pressure to support the education of children, provide support in case of sickness or unemployment. These transfer payments may add up to a considerable share of the income. At the same time these family relations

⁶ It is remarkable that these urban-rural linkages were hardly recognized in the so-called “Kenyan debate”. For a critical summary with bibliographical references, see Beckmann (1980).

The Middle Class in World Society

may provide a certain social security in cases of hardships. Even formal sector employees or small and medium entrepreneurs face manifold situations of risk⁷. Without social welfare benefits, unemployment is a serious social risk for the whole family. If other family members or relatives are earning or if there are savings, people may cope with this kind of threats for a limited time, but without such assets it will inevitably lead to downward mobility. The health insurance schemes in the formal sector for employees or self-employed small and medium entrepreneurs do not provide support during a long period of sickness. The insurance often does not even cover all costs for treatment nor is there a compensation for lost salary or income. For those who run a small business of their own, the whole enterprise may be threatened in case of serious sickness.

Aside from the classical social security risk of unemployment or sickness, running a small or medium-sized business in Kenya is bound up with the risk of failure. And commercial farming is also full of risks, due to weather conditions, pests, plant diseases and fluctuating prices for agricultural products. In addition to individual challenges and problems, the overall economic situation directly influences the situation of the middle stratum.

This situation of uncertainty with a high risk of downward mobility contradicts basic notions of middle class. The class concept implies according to Marx a relatively stable position during the life cycle of a person or family and over generations. Weber sees the possibility of moving, usually between sub-classes of the same class. The so called “middle class” does not only fall outside the typical categories as labourer, peasant or entrepreneur but the socio-economic position is fluid even when they earn enough to be classified as middle or upper middle stratum. The vulnerability that is linked to the called “floating class” stratum in the concepts of the African Development Bank or the poor stratum applies for a large part of the middle income stratum, too.

Finally, the presumed relative stability of class position, as suggested by Marx or Weber, implies that children belong to the same class as their parents. But under the condition of a growing middle income stratum and common up- and downward mobility children and their parents, or adult siblings within the same family, may have different “class positions”. In Kenya, where the extended family is still of considerable importance, it is quite usual for family members to be spread across different income strata. These cross strata relations exist not only between the middle stratum and the poor stratum but also include members of the upper stratum. The better-off parts of an extended family often support poorer members’ education or help in cases of sickness.

Political voting patterns and class consciousness

According to class analysis being part of a particular class includes the potential for a common political consciousness that either is the background for class conflicts or at least linked to preferences in voting. Voting patterns in Europe have been for long time in the 20th century interpreted as an expression of class differences. Voting patterns in Kenya follow a radically different pattern. They represent a regional-ethnic structure. Politicians are identified as leaders of particular ethnic groups (Barkan/Okumu 1978; Berg-Schlosser 1985). Because of the historical pattern of more or less ethnically segregated settlement, the Kenyan rural areas are still seen as linked to a particular ethnic group. This pattern has been opened up especially in the Rift Valley or at the Kenyan coast via in and out migration and in the Rift Valley as a result of the land expropriation by White settlers in colonial times. Despite the changing settlement patterns ethnic groups still claim their “ancestral land”. Voting patterns follow still this regional-ethnic structure and the parties have their regional-ethnic strongholds. This overlaps partly with religion, the Coast region has a large Muslim population made of the Swahili speaking group and a smaller group of Kenyans with historical Arab origin. Race is no real issue in election because the so called “Asians” (Kenyans with Indian origin) or the “White” minority are too small to form a distinct political party.

⁷ Lena Kroeker a member of the Bayreuth “middle class project” is working on an in-depth study on uncertainty and social security of members of the middle class in Kenya.

The programmes of the different parties do not really differ and are of minor importance in election campaigns. And we neither find a “middle class” nor a “working class” nor a “peasant” party⁸. The hot political issues are the question of ethnic representation and the amount of central state power versus the districts. In election campaigns topics were the position of the president versus that of the prime minister, or the balance of power between central government and local government. This pattern has been extraordinarily stable for decades. In elections, coalitions of regional-ethnic blocs compete with each other. The coalitions may change but the basic regional-ethnic blocs remain stable (Haugerud 1995; Hulterström 2007; Ogude 2002). The highly disputed 2007 election showed that the majority of middle class and civil society organisations were integrated into the regional-ethnic political blocs (Kagwanja 2009; Lafargue 2009). It was only when the violence escalated and nearly led to civil war that the quest for peace became a joint aim of the middle class civil society organisations, as well as of the majority of Kenyans (Daniel/Neubert 2014). It can thus be concluded that the socio-economic middle stratum does not constitute a politically conscious or active class (see also Cheeseman 2015, 602 for a similar argument). The Kenyan middle stratum lacks the important feature of particular class interests in the sense of Marx or Weber.

4. Socio-cultural differences: Kenyan middle-class milieus

Based on these limitations there is no indicator to apply the class concept in its strict sociological sense at the Kenyan middle income stratum. This group is not marked by specific means of production, for a large part the socio-economic position is still insecure and this stratum lacks a common consciousness. In the contrary political dividing lines cut across the middle income stratum. Nevertheless, there is this middle income stratum that has at least for time being escaped poverty and parts of it live in a situation of moderate prosperity (Darbon/Toulabour 2011, 7). They share an important feature: they have the ability to consume above and beyond the fulfilment of their basic needs. This makes them an interesting market for consumer goods. This is the message of the McKinsey report on the African Lions (McKinsey Global Institute 2010) and the Consumer Lifestyle in Kenya report (Euromonitor International 2010). The Consumer Lifestyle report covers a large range of fields of consumption including education, health, toys, leisure activities, electronic goods, drinks, food, fashion and transport. It underlines the similarities in patterns of consumption and marks differences only according to age groups. Household consumer goods such as TV sets or refrigerators, clothing, and electronic products like mobile phones or smartphones are widespread. Middle class families use their moderate prosperity to invest in education and health and spend considerable amounts of money on transport, either public transport or private motorbikes or a car.

This Consumer Lifestyle report is typical of the general debate. It implies that consumption patterns are mainly affected by the level of income and (to some degree) by age. But this ignores obvious differences. The report notes the growth of expenditure on alcoholic drinks and cigarettes. It describes the places where people meet for drinking (e.g. pubs and bars) and where they buy alcohol and cigarettes. However, there are no figures showing the percentage of adults who drink alcohol or smoke compared to those who do not. Yet, an abstinent life style is quite common for a considerable part of the middle class and is clearly visible in Kenyan everyday life. We also find clear differences in relation to fashion. As in many African countries, decency is an important aspect of clothing styles, though younger people differ in their clothing habits. In 2014 this led to the so-called “mini-skirt debate”: after a group of conservative Kenyans publicly stripped and beat young women wearing mini-skirts some women’s and human rights groups and their supporters organised a protest march to demand that women should have the right to wear what they like (some women’s and human rights groups and their supporters organised a protest march to demand that women should have the right to wear what they like (some women’s and human rights groups and their supporters organised a protest march to demand that women should have the right to wear what they like (BBC, 14.11.2014).

⁸ In 1995 a party called SAFINA (Swahili for “Noah’s ark”) was founded with a non-ethnic, social-democratic (not especially middle class) party program. In the 2013 election SAFINA formed an alliance with other smaller parties which gained five seats in parliament.

The Middle Class in World Society

These examples show that the ability to consume includes opportunities for choice. People may consume according to their own tastes and preferences. This goes beyond the question of the length of a skirt or whether one drinks alcohol or smokes. Once the basic needs are met, fundamental decisions can be made. How much of the money will be spent on education and training (for children and adults)? How much will be spend on housing? Will the housing be rented or owned? If building a house is possible, will it be in town or in the home village or at both places? Will parts of the money be invested in a new business or in a farm or livestock? Will money be spent for social security in a health care or a pension scheme? Or do the family networks provide greater security so that money had to be used on helping the extended family as an obligation and an investment in family security? Is the money used to improve the family's standard of living by going on holiday, buying better food, dining out, purchasing consumer goods, a motorbike or a car or even a second car? How will these things be paid for, out of current income or out of savings, or through a loan from the bank?

These are not either-or decisions; numerous combinations are possible. But it makes a difference whether more importance is attached to daily consumption, consumer goods or to investment. It makes a difference whether preference is given to investment in education, social security or in a business or a farm. Apart from the question of what to spend money on, there are more decisions to make. Once the family income is enough to support a decently comfortable life, people can decide whether this is enough. Will they strive for more income by working harder or will they choose to spend more time with the family or friends, or on leisure activities like sports, or going to pubs or nightclubs.

This leads to different combinations. The level of income has an influence because some consumer goods need more money than others. The purchase of a car or an expensive urban home needs a certain amount of income. Those with more money may make several expensive investments at the same time. They may have a preference for certain types of investment or consumption. But the decisions of people with similar income do not systematically follow their socio-professional position. On the basis of our interview data, we have come to the conclusion that such decisions are influenced by people's basic value orientation and preference for certain lifestyles and different visions of their and their families' future. We observe different socio-cultural orientations that do not depend on belonging to a certain ethnic group but are an expression of individual choices. Therefore the middle income stratum covers different socio-cultural orientations.

How may we capture socio-cultural differentiation in a society where the socio-economic position no longer determines values and visions of a "good life"? In (West)German sociology the concepts of lifestyle and milieu have been developed since the 1980s and point at the societal result of different choices concerning consumption and investment (Hradil 1987; Müller 1992; Schulze 1990). Flaig/Meyer/Ueltzhöffer (1993) present an elaborated approach with much success in marketing research the so-called "Sinus milieus"⁹ (Sociovision 2009)¹⁰. They identify different socio-culturally defined groups or milieus: "We find ...sub-cultural entities inside of a society that capture people with a similar view of life and way of life" (Flaig/Meyer/Ueltzhöffer 1993, 55; own translation). They point out that there are different milieus within the same socio-economic stratum and some of the milieus reach across different socio-economic strata. The identification of the milieus is based on a set of empirical building blocks that cover basic values and norms, individual orientations in respect of the future, preferences in leisure and communication and everyday life aesthetics. These include demography/social conditions, aim in life, employment/ performance, concept of society, family, partnership, gender roles, leisure, communication, everyday life aesthetics, ideals/role and models (Flaig/Meyer/ Ueltzhöffer 1993, 71). The concept assumes that a society can be described as a particular set of distinctive milieus, which may overlap slightly but describe distinctive social groups. Similar approaches

⁹ In the international debate the concepts of "milieu" is often related to Bourdieu. As already mentioned Bourdieu links cultural peculiarities with class.

¹⁰ For a general application to the so-called emerging markets of the South, see: http://www.sinus-institut.de/uploads/tx_mpdownloadcenter/informationen_2009_01.pdf (Accessed on: 02. April 2015)

prefer the term lifestyles that highlight performance and practice, whereas milieus combine practices with basis value orientations and concepts of “good life” (Geißler 2014, 110-118; Müller 1992; Schulze 1990).

We have to be aware of the shortcomings of this concept. It is mainly descriptive and uses very general indicators to assign people to a certain milieu ignoring individual differences. In addition it is questionable whether all people can be seen as part of the milieus (Isenböck 2014; Otte 2005; Rössel/Otte 2011). Nevertheless, this approach enables us to describe a basic structure of socio-cultural differences. For an application to Kenya the concepts has to be adapted (Neubert/Stoll 2015). For example we added a category “space and places”. This refers to questions such as what is home, assigned place of burial, on the importance of rural urban linkages and places of leisure. Also important is the language used at home and with friends and the ethnic homogeneity or heterogeneity of social networks. Concerning the values it is important to indicate sources of trust (family, ethnic group, state institutions, the constitution etc.). Based on interview data and participant observation we constructed a set of seven tentative milieus of the Kenyan urban middle stratum¹¹. We focussed on the urban setting because there the socio-cultural differentiation is easier to detect. And considerable parts of the middle class live in urban centres because there are the job and business opportunities. These milieus presented here should be understood as ideal types and points of reference.

Social climbers are found in lower and middle range positions. Their social network focusses the nuclear family. This may be supplemented by less important often multi-ethnic professional networks. Social climbers have a moderate urban orientation because they see the economic opportunities of the city. They are hard-working and pursue consequently upward mobility also in cases of difficulties and challenges. This includes emphasis on saving and investment in business and education or in a farm (but not always in the rural home area). They have moderate liberal values and they are not involved in political action nor are they political outspoken. Aside from the limited benefits of standard health and pension schemes they rely on the nuclear family and especially self-employed invest privately in (additional) health or pension schemes. They have clear desire for social advancement of the nuclear family.

The *stability oriented pragmatics* are associated mainly with lower and middle range positions (we may find also members in upper positions). Their social network is often focused on the family and relatives of the same ethnic group and they have strong links to their home village. The members of this milieu do not have a distinct career orientation. Moderate consumption is more important than investment either in business or education. However, investment in a home, house or flat, is preferable if they have the financial means. They have conservative values and they are not involved in political action nor are they publicly politically outspoken. The extended family is mostly responsible to supplement the limited benefits of standard health and pension schemes of employees. The plans for the future concern the extended family. All in the entire main goal is to stabilize their (often precarious) social position. (See also: Kliemt in preparation).

Christian religious milieu(s) range from lower to upper positions. Their social network is focussed on the particular church community (mono-ethnic or multi-ethnic depending on the type of church) with links to the rural home. The members of the Christian milieus are career-oriented, believe in saving, and invest in education and business, and sometimes in a farm. They consume in a decent way¹² and they represent conservative values, including traditional gender roles. Alcohol and clubbing are strictly disapproved. In general they are mostly politically invisible. However, with regard to moral issues (such as abortion or homosexuality) they enter the political arena. Depending on the social position social security is pursued by different combinations of standard social security schemes (not available for poorer groups without formal employment), the nuclear family, sometimes including the

¹¹ The milieu analysis as applied in Europe tries to cover the whole society and it is not restricted to a particular subgroup.

¹² Decency has to be understood in relation to the income. Depending on their income they may acquire valuable consumer goods, quality housing and a car.

The Middle Class in World Society

extended family; those with more financial means may add privately paid health insurance and pensions schemes. However, for all members of Christian milieus the church community plays an important role for the provision of social security. The plans for the future are individual, include the nuclear family and the church community. The main goal is social advancement. (See also: Niechoj 2016)

Muslim religious milieu(s) are situated mostly in middle and upper range positions (at the coast also lower range). Their networks are inside the religious community and are usually mono-ethnic with a strong urban orientation and family networks play an important role, too. They have a moderate career-orientation, moderate consumption (assessed according to their financial means). Alcohol is strictly disapproved clubbing is refused at least by the conservative parts. The Muslim religious milieu(s) are oriented towards saving and investment in education and business. They are conservative with an emphasis on traditional gender roles and they are mostly not involved in political action or political defensive except for small politically outspoken groups. Social security is based on economic investment and the extended family network supplemented by Muslim networks and Muslim welfare institutions (waqf, zakat). Future orientations are concerned with the extended family and include the Muslim community. Social advancement is important.

The *neo-traditional milieu* ranges from lower to upper positions. They have mono-ethnic networks with strong links to the home village and they underline the importance of their local language. There is no dominant career orientation but an emphasis on rural investment in the home area. The consumption patterns are not very distinct but they usually have no problem with alcohol and partying. They have conservative values linked to ethnic customs with traditional gender roles. They can be mobilised for ethnic politics and there is a potential for micro-nationalism. Investment in the rural home and in land is an important means for social security combined with the extended family and supplemented by ethnic networks. Standard security schemes and private security schemes may be added. In all there is a moderate desire for social advancement.

The *liberal cosmopolitan milieu* is situated in middle and upper range positions. There exists a core of staff, members and constituencies of NGOs and community based organisations. But the milieu reaches beyond this NGO sphere and includes further often well educated people in different socio-professional positions. Their networks are usually multi-ethnic, often with strong professional and/or private links overseas. Most members have an urban orientation but some may still underline the importance of relations to the rural home. Liberal cosmopolitans are career-oriented are keen to invest in education and consume moderately. They pursue liberal cosmopolitan values and they are politically committed related to topics such as human rights, democracy, gender equality, ecology or development. Social security is mainly provided by the combination of standard and privately financed security schemes supplemented by nuclear and extended family. They have a distinct desire for social advancement.

Young professionals (already described by Spronk 2012) are found in upper range positions and quite small. The majority are young adults. They are very well educated, highly individualized and often singles or if married still childless. Their networks are based on professional relations and are multi-ethnic. They have a distinct urban orientation. They are career-oriented, hard-working and invest in education and business. At the same time they have the means for hedonistic consumption including partying and clubbing. Their values are individualist, liberal, with an urban orientation and they support gender equality. They are not politically active nor publicly politically outspoken. They invest in social security in addition to standard health and pension schemes. Their plans for the future are individualistic or include the spouse. Economic advancement is the ultimate goals. However, it seems that members of this milieu start a family with children and move to other milieus.¹³ This milieu is comparable to the “black diamonds” in South Africa (Oliver 2007).

¹³ Because of the small number of young professional we would need biographical data to know in which milieus they move that is not available.

This first overview shows not only the socio-cultural diversity, but points at the fact that only a few milieus are politically committed or even involved in political action. The politically interested milieus represent different and even conflicting political positions, attitudes and values. This finding relates to the absence of a general middle-class consciousness. Without quantitative data, nothing can be said about the size and the detailed socio-economic positioning of these groups in Kenyan society. Therefore this tentative analysis gives only a first impression of the socio-cultural diversity of the Kenyan middle-income stratum.

We have strong hints that most of the milieus may be found also in rural settings. Exceptions are the young professionals and the Muslim religious milieu. Muslims live historically towns and the young professionals and the young professionals constitute definite urban milieu that needs bars and clubs as place of their consumptive performance and of course the business opportunities. Social climbers may usually pursue their strife for social advancement in towns or urban centres but some may live at the country-side as well. The socio-cultural difference is also relevant in the lower and upper income strata in Kenya. However, some milieus need a certain income to enjoy a particular way of life (young professionals) and therefore cannot be found in the lower strata. But we have to be aware that a considerable part of the currently existing middle class successfully climbed up the social ladder from lower strata. There are reasons to assume that socio-cultural differences exist also in the upper strata. Some leaders of the human rights movement belong to the upper stratum also as leader of ethnic movements and church communities. They might be members of the equivalent milieus (liberal cosmopolitan, neo-traditional, Christian, Muslim). However there might be also a kind of upper class elite milieu meeting in distinguished social clubs (Connan 2014).

Our analysis of the Kenyan middle stratum milieus differs in two very basic features from the original Sinus concept. Firstly the Sinus concept claims to classify nearly the whole population in milieus that overlap only slightly. Based on our qualitative data we can identify a certain number of people who seem to represent these milieus. Many more live a life that is close to these ideal types without fitting completely into such a rigid frame. Therefore we describe “milieus cores” that give an orientation for the patterns of socio-cultural diversity without constructing rigid boxes of distinct milieus.

Secondly the Sinus milieus are structured in a two-dimensional system. One dimension orders the basic values according to a scale between tradition, modernisation/ individualisation and reorientation. The other dimension displays simply the income structured into lower, middle and higher income. According to our data, income plays a role in Kenya, especially for “young urban professionals”, and we can identify differences according to the tradition, modernisation/individualisation and reorientation scale. However, these two criteria are not sufficient to define the differences between the milieu cores. There are milieus that rely on tradition, religious milieus and the neo-traditional milieu. But they differ in respect of important characteristics. Ethnic identity and a political commitment to strengthening the home region are typical of the neo-traditionalist milieu, but these features do not have the same importance in the religious milieus where communities are often multi-ethnic. The neo-traditionalist milieu shares with the religious milieus a conservative understanding of gender roles, but they differ radically in their attitude towards alcohol and leisure activities such as partying or clubbing. Therefore it is hardly possible to qualify one of the milieus as “more traditional” or “more modern” as the other. They refer to different conservative or “traditional” values. Young urban professionals have the same liberal attitude towards gender roles and the same cosmopolitan outlook as large parts of the liberal cosmopolitan milieu but they differ significantly in their political commitment. A simple depiction of the Kenyan milieus in a two-dimensional figure that presents these socio-cultural differences on one axis and socio-economic differences on the other is not possible. Nevertheless, the milieu cores can help to structure the socio-cultural diversity of the Kenyan middle income stratum.

The World Value Survey combines two scales to capture socio-cultural diversity: one shows values ranging from traditional to secular-rational, and the ranges from survival to well-being to self-expression (Inglehart/Welzel 2010). This might be more adequate but still there are doubts whether it is feasible to restrict the Kenyan diversity to these two scales.

5. A glocal middle income stratum?

We should not overstretch the milieu analysis. It remains descriptive and simply depicts the socio-cultural diversity in a society, in this case the Kenyan middle income stratum. The milieu concept neither provides a theory why and how this diversity came into being (Neubert/Stoll 2015) nor does it reflect still existing power differences. In the context of this paper these questions are left aside¹⁴. The final section of the paper focuses on the relation of the Kenyan middle income stratum with the global middle income stratum. The discussion of a global “middle class” implies a certain homogeneity of “the” middle class. Even when we consider the diversity of the Kenyan middle stratum the members might still have important attitudes and norms in common with “middle class” members around the world. The question is therefore how Kenyan and/or African is the Kenyan middle income stratum?

At a first sight, all these milieus share a certain “westernisation” or “globalisation” of consumption patterns. This is hardly surprising. Most consumer goods are produced and sold on a world market and there is no striking reason why Kenyans might not be interested in having a refrigerator, a TV-set, a mobile phone, a motor-bike or a car. In the 21st century we face a global clothing style and widely standardized grocery and cosmetic products. In addition many members of the middle income stratum have been in the Global North either as part of their job, for education and training, visiting relatives or friends or they have been working abroad. Numerous TV programmes and movies represent a vision of everyday life outside Kenya, mostly from the USA but also telenovelas from Brazil or Bollywood movies from India. Facebook friends from other countries communicate their concept of “good life”. The Kenyan middle income stratum is therefore part and parcel of the globalised world. Probably they even take more intensively part in the globalised communication than the majority of people in the Global North who often are not interested in other countries especially in countries of the Global South.

As already demonstrated these milieus are marked by remarkable differences. Some milieus like the liberal cosmopolitans and the young professionals share global ideas of political or individual liberalism and equal gender rights. They might preferably or at least often talk in English and no longer their local language. Often they invest in an urban home and limit their rural connections. They are linked to global professional networks and they are in touch with the expatriate community in Nairobi albeit with different parts: the liberal cosmopolitans with the international NGO world and the young professional with international business people. At the other side the neo-traditionalists emphasise their local origin and their right to ancestral land, cultivate their local language and invest in their farm or livestock. However, this cannot be taken as a proof for the simplified contradiction between “local” and “global” according to the simple formula “Jihad versus McWorld (Barber 1996). However, a deeper look shows a much more blurred picture. Night clubs preferred by the young professionals in Nairobi play not only American RnB but also African pop music that is hardly heard in London, Berlin or New York, and local fashion designers present Kenyan or African “Couture” for Kenyan Yuppies. The women’s movement is international well-connected but pursues not a feminist but a feminine concept and tries to link it to “African values” (Daniel 2016). Human rights organisations support small farmers to claim their local land rights against national and international investors. Neo-traditionalists that seem to present a typical local mind-set have strong company at the global level, such as the indigenous movements in Latin America and use face-book as means of communication. Conservative Christian and Muslim groups are often globally well-connected and refer to global conservative discourses. This is obvious in the case of large international churches such as the Catholic Church, Anglicans, Presbyterian or Lutherans. Especially Pentecost churches have strong support from their counterparts in the USA. Muslim groups from Saudi-Arabia or Pakistan (e.g. Agha Khan Foundation) are important partners for the Muslim communities in Kenya. But again this is only one side of the coin. Kenya has a long history of so called “African independent churches” that

¹⁴ There are some hints that inside the middle class and across the milieus social inequality may increase. The main difference is not marked by the current income but by the economic strength of kinship and professional networks. The better-off the members of the networks are the less support they will need and the more support in cases of need are available. In the long run this might create a cleavage inside the middle class between income secure and income volatile groups (Neubert in print).

are often community based and without any support from outside. Inside the Muslim community there are tensions between the international donors and those Muslim communities that pursue their own understanding of Muslim faith (Loimeier 2002). Social climbers and pragmatics with their focus on the nuclear family or the extended family may not be part of professional or religious networks but they may have their own diaspora experience or relatives living abroad.

The growing global middle income stratum is at first hand a socio-economic phenomenon that points at the fact that more people have escaped poverty and have acquired the possibility for choice. Some choose in a way that they represent the global middle class narrative. However, many decide to opt for other ways of life. To believe that socio-economic advancement determines a specific set of attitudes and a specific political and economic system is much too simple to describe the current global processes of change in Africa as well at the global level. More often than not, we see processes of “glocalisation” (Robertson 1995) in which global and local elements overlap and are combined. But “glocalisation” points only at the fact that global and local elements are combined but this is not a generalised hybrid of “the” global and “the” local but each milieu and sometimes each individual combines different global and local elements. Economic means, education and social networks extend the possibilities of choice. Therefore people belonging to middle income stratum have more choices than the poor. They simply can afford better education and therefore have jobs that give access to international links, may offer the chance to travel abroad and simply they can afford global consumer goods. This possibility of choice marks the main global communality of the middle stratum, and of course of the upper stratum, too. But again, how they choose is neither determined by the socio-economic position nor is there an automatism that the potential exposure to global influences results in interest in the same global debates, goods or ideas or in the global at all.

As we have seen in the Arab Spring the political choices include different positions such as liberal democratic ideas, conservative Islam combined with democracy, authoritarian political attitudes (with or without religious foundation), tribalist micro-nationalisms or radical jihadist ideologies. The middle class narrative and its political, societal and economic expectations towards democracy and civil society is just one option for choice for members of the growing middle class of the Global South (Neubert 2015b). There is no automatism towards democracy and political and economic freedom as stated by classical modernisation theory. Modernity is unfortunately open for very different political and economic systems including a large variety of socialisms, radical nationalisms, Islamic state or fascism. The middle class, as all other parts of societies may and do choose between the different ideologies.

References

1. AfDB (African Development Bank), 2011. The middle of the pyramid: dynamics of the middle class in Africa. Market Brief April 20, 2011: African Development Bank (AfDB).
2. Amin, Samir, 1976. Unequal development: an essay on the social formations of peripheral capitalism. New York: Monthly Review Press.
3. Banerjee, Abhijit V./Dufflo, Esther, 2008. What is middle class about, the middle classes around the world? *Journal of Economic Perspectives* 22 (2), 3-28.
4. Barber, Benjamin 1996: Jihad vs. McWorld. New York: Ballantine
5. Barkan, Joel D./Okumu, John, 1978. Semi-competitive elections, clientelism, and political recruitment in a no-party state. The Kenyan experience. In: G. Hermet/R. Rose/A. Rouqié (Hg.), *Elections without*, London, New York: Macmillan, 88-106.
6. Beckmann, Björn, 1980. Materialism and capitalist transformation. Critique of a Kenyan debate. *Review of African Political Economy* 19, 48-62.
7. Berg-Schlosser, Dirk, 1979. Soziale Differenzierung und Klassenbildung in Kenya - Entwicklungen und Perspektiven. *Politische Vierteljahresschrift* 20, 312-329.

The Middle Class in World Society

8. Berg-Schlosser, Dirk, 1985. Elements of consociational democracy in Kenya. *European Journal of Political Research* 13, 95-109.
9. Birdsall, Nancy, 2015. Does the Rise of the Middle Class Lock in Good Government in the Developing World? *European Journal of Development Research* 27, 217-229.
10. Birdsall, Nancy/Graham, Carol/Pettinato, Stefano. 2000. "Stuck in the Tunnel: Is Globalization Muddling the Middle Class?" Center on Social and Economic Dynamics Working Paper,
11. Bourdieu, Pierre, 1984. *Distinction : a social critique of the judgement of taste*. Cambridge, Mass.: Harvard University Press.
12. Cheeseman, Nic, 2015. "No bourgeoisie, no democracy"? The political attitudes of the Kenyan middle class *Journal of International Development* 27 (5), 647–664.
13. Collier, Paul/Lal, Deepak, 1984. Why poor people get rich: Kenya 1960-1979. *World Development* 12, 1007-1018
14. Connan, Dominique, 2014. The decolonization of private members clubs. Socialization, respectability and elite formation in modern Kenya. Cambridge: Dissertation submitted for the 2015 Junior Research Fellowship Competition Christ's College.
15. Daniel, Antje, 2016. *Organisation – Vernetzung – Bewegung. Frauenbewegungen in Brasilien und Kenia*. Berlin, Münster: Lit.
16. Daniel, Antje/Neubert, Dieter, 2014. Middle classes and political instability in Kenya: Civil society organizations during the post-election violence of 2007/8. In: Dominique Darbon/Comi Toulabor (Hg.), *L'invention des classes moyennes africaines. Enjeu politique d'un catégorie incertaine*, Paris: Édition Karthala, 155-184.
17. Darbon, Dominique/Toulabor, Comi. 2011. "Quelle(s) Classe(s) Moyenne(s) en Afrique? Une Revue de Littérature." Document de Travail. Agence Francaise de Développement,
18. Easterly, William, 2001. The Middle Class Consensus and Economic Development. *Journal of Economic Growth* 6, 317–335.
19. Elsenhans, H., 1977. Die Staatsklasse Staatsbourgeoisie in den unterentwickelten Ländern zwischen Privilegierung und Legitimationszwang. *Verfassung und Recht in Übersee* 10, 29-42.
20. Elwert, Georg/Evers, Hans-Dieter/Wilkens, Werner, 1983. Die Suche nach Sicherheit: Kombinierte Produktionsformen im sogenannten Informellen Sektor. *Zeitschrift für Soziologie* 12, 281-296.
21. Euromonitor International, 2010. *Consumer lifestyles - Kenya*. o.O.: Euromonitor International.
22. Flaig, Berthold Bodo/Meyer, Thomas /Ueltzhöffer, Jörg 1993. *Alltagsästhetik und politische Kultur: zur ästhetischen Dimension politischer Bildung und politischer Kommunikation*. Bonn: Dietz.
23. Geißler, Rainer, 2014. *Die Sozialstruktur Deutschlands*, 7 ed. Wiesbaden: Springer-VS.
24. Ghai, Dharam/Godfrey, Martin/Lisk, Franklyn, 1979. *Planning for basic needs in Kenya - performance, policies and prospects*. Geneva: International Labour Office.
25. Gifford, Paul, 2009. *Christianity, politics, and public life in Kenya* New York: Columbia Univ. Press
26. Githinji, Mwangi wa, 2000. *Ten millionaires and ten million beggars. A study of income distribution and development in Kenya*. Aldershot: Ashgate.
27. Gyimah-Boadi, E. /Armah Attoh, Daniel 2009. *A democratic citizens emerging in Africa? Evidence from the afrobarometer*. Afrobarometer Briefing Paper No. 70. o.O.: Afrobarometer.
28. Haugerud, Angélique, 1995. *The culture of politics in modern Kenya*. Cambridge: Cambridge University Press.
29. Hradil, Stefan, 1987. *Sozialstrukturanalyse in einer fortgeschrittenen Gesellschaft*. Opladen: Leske + Budrich.
30. Hulterström, Karolina, 2007. The logic of ethnic politics - elite perceptions about the role of ethnicity in Kenyan and Zambian party politics. In: Karolina Hulterström/Amin Y. Kamete/Henning Melber (Hg.), *Political opposition in African countries*, Uppsala: The Nordic Africa Institute.
31. Hyden, Goran/Bratton, Michael (Hg.), 1992. *Governance and politics in Africa*. Boulder: Lynne Rienner.

32. Inglehart, Ronald/Welzel, Christian, 2010. Changing mass priorities: The link between modernization and democracy. *Perspectives on Politics* 8 (2), 551-567.
33. Isenböck, P., 2014. Die Form des Milieus. Zum Verhältnis von gesellschaftlicher Differenzierung und Formen der Vergemeinschaftung. (*Zeitschrift für theoretische Soziologie / Sonderband*, 1). Weinheim: Beltz.
34. Kagwanja, Peter, 2009. Courting genocide: Populism, ethnonationalism and the informalisation of violence in Kenya's 2008 post-election crisis. *Journal of Contemporary African Studies* 27 (3), 365-387.
35. Kharas, Homi, 2010. The Emerging Middle Class in Developing Countries. OECD Development Centre 285.
36. Kitching, G., 1980. Class and economic change in Kenya. The making of an African petite bourgeoisie. 1905-1970. London: Yale University Press.
37. Kliemt, Stephanie, in preparation. Lebensbedingungen und Lebenspraxis am unteren Rand der Mittelschicht. Das häusliche Milieu in Kisumu, Kenia. Master Thesis. Culture in Society in Africa. Bayreuth.
38. Lafargue, Jerome (Hg.), 2009. The general elections in Kenya, 2007. Dar es Salaam: Mkuki na Nyota Publishers.
39. Lentz, Carola, 2015. Elites or middle classes? Lessons from transnational research for the study of social stratification in Africa. *Arbeitspapiere des Instituts für Ethnologie und Afrikastudien* 161. Mainz: Institut für Ethnologie und Afrikastudien.
40. Leys, Colin, 1975. Underdevelopment in Kenya. The political economy of neo-colonialism 1964-1971. London, Ibadan, Nairobi, Lusaka: Heinemann.
41. Lipset, Seymour Martin, 1959. Some social requisites of democracy: Economic development and political legitimacy. *American Political Science Review* 53, 69-105.
42. Loimeier, Roman, 2002. Gibt es einen afrikanischen Islam? Die Muslime in Afrika zwischen lokalen Lehrtraditionen und translokalen Rechtleitungsansprüchen. *Afrika Spectrum - Zeitschrift für gegenwartsbezogene Afrikaforschung* 37 (2), 175-189.
43. Mangin, William (Hg.), 1970. Peasants in cities: readings in the anthropology of urbanization. Boston,; Houghton Mifflin.
44. Marx, Karl, 1974 (1884) . Capital: A critique of political economy. The process of capitalist production as a whole. London: London, Lawrence & Wishart.
45. Marx, Karl/Engels, Friedrich, 1906 [1843]. Manifesto of thr communist party. Chicago: Charles H. Kerr & Company.
46. McKinsey Global Institute, 2010. Lions on the move: The progress and potential of African economies. Seoul; San Francisco, London, Washington D.C.: McKinsey & Company.
47. Milanovic, Branko/Yitzhaki, Shlomo, 2002. Decomposing world income distribution: does the world have a middle class? *Review of Income and Wealth* 48 (2), 155-78.
48. Moore, Barington, 1967. Social origins of dictatorship and democracy. Lord and peasant in the making of the modern world. Boston: Beacon Press
49. Mukras, M. S./Oucho, J. O./Bamberger, M., 1985. Resource mobilization and the household economy in Kenya. *Canadian Journal of African Studies* 19, 409-421.
50. Müller, Hans-Peter, 1992. Sozialstruktur und Lebensstile. Frankfurt.
51. Neubert, Dieter, 1997. Entwicklungspolitische Hoffnungen und gesellschaftliche Wirklichkeit. Eine vergleichende Länderfallstudie von Nicht-Regierungsorganisationen in Kenia und Ruanda. Frankfurt/Main, New York: Campus.
52. Neubert, Dieter, 2014. What is "middle class"? In search of an appropriate concept. *Middle East - Topics & Arguments* 2, 23-35.
53. Neubert, Dieter, 2015a. Civil societies in Africa? Forms of social self-organization between the poles of globalization and local socio-political order. Bayreuth African Studies Working Papers No. 12. Bayreuth: Institute for African Studies.

The Middle Class in World Society

54. Neubert, Dieter, 2015b. Die Fallen der „Rumsfeld Utopie“. Das widersprüchliche Verhältnis zwischen Mittelschichten, Zivilgesellschaft und Demokratie. In: Gerhard Hauck/Ilse Lenz/Hanns Wienold (Hg.), *Entwicklung, Gewalt, Gedächtnis*, Münster: Westfälisches Dampfboot, 128-141.
55. Neubert, Dieter, in print. Kenya's unconscious middle class? Between regional-ethnic political mobilisation and middle class lifestyles. In: Henning Melber (Hg.), *The rise of Africa's middle class: Challenging the neo-liberal economy*, London: Zed Books.
56. Neubert, Dieter/Stoll, Florian, 2015. Socio-cultural diversity of the African middle class. The case of urban Kenya. Bayreuth Working Papers Online No. 14. Bayreuth: Institute of African Studies.
57. Neubert, Dieter/Stoll, Florian, in print. The “narrative of the African middle class” and its conceptual limitations. In: Lena Kroeker, David O’Kane & Tabea Scharrer (Hg.). *Middle classes in Africa - Critiques and realities*. Palgrave.
58. Niechoj, Katharina, 2016. Das christlich engagierte Milieu in Eldoret. Master Thesis. *Culture in Society in Africa*. Bayreuth.
59. Ogude, James, 2002. Ethnicity, nationalism and the making of democracy in Kenya: An introduction. *African Studies* 61, 2, 205-207.
60. Oliver, Deon, 2007. South Africa poised to become a loyalty marketing gem. *Journal of Consumer Marketing* 24 (3.), 180 - 181.
61. Otte, Gunnar, 2005. Hat die Lebensstilforschung eine Zukunft? Eine Auseinandersetzung mit aktuellen Bilanzierungsversuchen. *Kölner Zeitschrift für Soziologie und Sozialpsychologie* 57 (1), 1-31.
62. Oucho, John O., 1996. *Urban migrants and rural development in Kenya*. Nairobi: Nairobi University Press.
63. Ravallion, Martin, 2010. The developing world's bulging (but vulnerable) “Middle Class”. *World Development* 38 (4), 445–454.
64. Robertson, Roland, 1995. Glocalization: time-space and homogeneity-heterogeneity. In: Mike Featherstone/Scott Lash/Roland Robertson (Hg.), *Global modernities*, London, Thousand Oaks, New Dheli: Sage, 25-44.
65. Ross, M. H./Weisner, T. S., 1977. The rural urban migrant network in Kenya: some general implications. *American Ethnologist* 4, 359-375.
66. Rössel, Jörg /Otte, Gunnar (Hg.), 2011. *Lebensstilforschung*, Sonderheft 51/2011 der Kölner Zeitschrift für Soziologie und Sozialpsychologie. Wiesbaden: VS-Verlag für Sozialwissenschaften.
67. Saul, John, 1979. *The state and revolution in Eastern Africa*. New York: Monthly Review Press.
68. Schulze, Gerhard, 1990. Die Transformation sozialer Milieus in der Bundesrepublik Deutschland. In: Peter A. Berger/Stefan Hradil (Hg.), *Lebenlagen, Lebensläufe, Lebensstile*. Soziale Welt Sonderband 7 Göttingen: Schwarz & Co.
69. Schatzberg, Michael G. (Hg.), 1987. *The political economy of Kenya*. New York, Westport (Conn.), London: Praeger.
70. Sociovision, Sinus, 2009. *Informationen zu den Sinus-Milieus Heidelberg: Sinus Sociovision*.
71. Spronk, Rachel. 2012. *Ambiguous pleasures sexuality and middle class self-perceptions in Nairobi*. Berghahn Books.
72. Therborn, Göran, 2012: *Class in the 21st century*. In: *New Left Review* (78), 5-29.
73. Thurlow, James/Resnick, Danielle/Ubogu, Dumebi 2015. Matching concepts with measurement: Who belongs to Africa's middle class? *Journal of International Development* 27 (5), 588–608.
74. Weber, Max, 1978. *Economy and society*. ed. by Guenther Roth and Claus Wittich. Berkley, Los Angeles: University of California Press.
75. Wiemann, Jürgen, 2015. The New Middle Classes: Advocates for Good Governance, Inclusive Growth and Sustainable Development? *European Journal of Development Research* 27, 195-201.

In Defence of Sustho Sanskriti (Healthy Culture): Understanding Bengali Middle Class-ness in Neo-liberal India

Shaoni Shabnam

I

Although a relatively neglected category in the Indian scholarly discourse, the ‘middle class’ in India seems to have attracted some attention over the recent years. Claims of an expanding middle class in many developing countries, and specially India in the post-liberalization phase, marked the emergence of the ‘middle class’ as one of the key figures in the contemporary public discourses. These discussions have primarily hinged upon a concern for the possible consequences of the expanding and upwardly mobile middle class on the economy and, in turn, its implications for placing India on the global map and altering global power relations. Of course, the centre of attraction for all these deliberations has been what is labelled as the “new middle class”, often identified as an upwardly mobile segment, primarily employed in the growing private service sectors, such as the IT, for example, supposedly, representative of the changing lifestyles and consumption patterns of the Indian middle class, often juxtaposed against a predominantly public sector-employed “old middle class”¹⁵. Interestingly, there has been a simultaneous emergence of a range of scholarly engagement with this same category that has sought to complicate any neat equation between the new middle class, their upward mobility, rise of consumerism and their altered lifestyles and values in context of neoliberal India and has tried to understand the complexity of these relations through more nuanced analyses (Fernandes, 2006; Fuller & Narasimhan, 2007; Derne, 2008; Baviskar & Ray, 2011; Donner & De Neve, 2011). Yet any quick overview of the range of works focussing on the Indian middle class today leads one to realize that the ‘new middle class’ is in fact the chief protagonist of these contemporary scholarly discourses (Toor, 2000; Mawdsley, 2004; Fuller & Narasimhan, 2007; Radhakrishnan, 2008; Upadhya, 2009; Mathur, 2010; Savaala, 2010; Brosius, 2010; Murphy, 2011).

This paper, on the other hand, is an attempt towards moving away from some of these dominant trends in the contemporary scholarly discourse on Indian middle class, by taking up an ethnographic enquiry into a social group having a close relationship with the state, located in a particular region of India, that is, West Bengal. The respondents for my study are predominantly public sector employees, and academics, often described as the “old middle class” or the “Nehruvian middle class” in the post-colonial context, wherein state-led ‘development’ was imagined as based on a specific symbiotic relation between the state and the middle class. At a particular juncture when claims about a changing Indian middle class is much in vogue, both in the public and scholarly discourses that choose to focus on the new middle class, it might be interesting to cast a glance on a social group that is still closely attached to the state by way of employment even after the passing of the developmental phase of the Nehruvian era of post-independent India.

The paper approaches the ‘middle class’ not as a predefined category with fixed boundaries, but rather it seeks to understand how middle classness is constructed as an ongoing process, through upholding of certain values and

¹⁵ Mazzarella (2005), for example, makes a distinction between the ‘old middle class’ and the ‘new middle class’ through a description of the change in the ‘Indian middle class’ “from an older, relatively coherent understanding of what middle class connoted – classically, a Nehruvian civil service-oriented salariat, short on money but long on institutional perks – to a bewildering (and, to some, distasteful) array of new, often markedly entrepreneurial pretenders to the title” (Mazzarella, 2005: 1)

The Middle Class in World Society

ideal imaginations¹⁶. It tries to capture how an ideal sense of Bengali middle classness emerges through various registers of constructing ‘class’ by my respondents. The broad question that the paper seeks to address is: how is the dominant¹⁷ construction of the contemporary Bengali middle class happening in relation to a changing socio-economic context? And how do we place these findings against the existing claims of a changing Indian middle class in relation to liberalization? Some of the studies, by focussing on the “dominant fraction” of the middle class and/or the “new middle class”, have argued that there has been a continuity in the politics of hegemony-building as played out by the Indian middle class from the phases of “development” to that of “liberalization” and that the this group has been prompt in making a “smooth transition” from one phase to the other (Deshpande, 2003; Fernandes & Heller, 2006)¹⁸.

Based on an analysis of an ethnographic inquiry into this specific group¹⁹ located in the cities of Kolkata, which is a metropolitan city and the capital of the state and Durgapur, an industrial town in the Bardhaman district of West Bengal, the paper will seek to argue that it is through forging continuity from the past, through the register of *sanskriti* (culture)²⁰, that they are engaged in the construction of Bengali middle class-ness. The respondents, in case of my study, etch out their class-ness fundamentally on the register of the non-material markers of ‘culture’ and ‘education’

¹⁶ In terms of their method, the existing studies on Indian middle class can be divided into two broad groupings: first, those which define it on the basis of indicators of income/occupation, deal with secondary data to make a quantitative analysis, reaching at large trends about the category (e.g. Sridharan, 2004; Nijman, 2006) and second, ethnographic studies that focus on ways of being and becoming ‘middle-class’, making a detailed observation and analysis of the various ways in which middle class practices as well as identities get to be shaped as an ongoing process. (see, for instance, Van Wessel, 2004; Fuller and Narasimhan, 2007; Jaffrelot & Van der Veer, 2008; Radhakrishnan, 2008; Ganguly-Scrase and Scrase, 2009; Upadhyaya, 2009; Savaala, 2010; Brosius, 2010; Baviskar & Ray, 2011; Dickey, 2012) These studies by addressing the limitations of taking middle class simply on the basis of income/occupation, are more attentive to the process of making of middle class-ness.

¹⁷ I use the word ‘dominant’ here to mean that a majority of my respondents occupy the normative subject position of upper-caste Hindu Bengalis and in that sense represent the dominant voices, though I have a few respondents of other identities: SC/ST and Muslim respondents. Historically, in the context of Bengal, the upper-caste, Hindus were the dominant groups largely shaping the dominant forms of political and cultural life in the region, especially in the post-independence period (Chatterjee, 1997).

¹⁸ For a detailed discussion of this claim see Deshpande (2003), his introductory essay on Indian middle class and Fernandes and Heller (2006). In the post-liberalization context, according to Deshpande, it is the “upper (managerial-professional) segment” of the middle class which has benefitted from globalization. He says: “Having consolidated its social, economic and political standing on the basis of the developmental state, this group is now ready to kick away the ladder it no longer needs. This class segment has experienced no discontinuity between development and globalization—it has made the transition smoothly. Accompanying this transition is a change in its social stance vis-à-vis other groups within the nation. From its position as a ‘proxy’ for the nation, this class has now graduated to thinking of itself as a ‘portrait’ of the nation.” (Deshpande, 2003: 150). Fernandes and Heller (2006) draws up very similar arguments to argue that there is a historical continuity in the relationship of the Indian middle class with a politics of hegemony-building, by taking up the case of the ‘new middle class’.

¹⁹ Sixty in-depth interviews were conducted (with families as well as with individuals living alone) in two phases in Kolkata starting with my own acquaintances and eventually following a snowballing method, with most of these respondents being public sector employees and academics. A questionnaire was also distributed to the primary respondent, which included questions on demography (age, income, education, occupational trajectory, caste, religion) as well as family background, and educational and employment profile of previous two generations. The questionnaire also queried their self-perception as a class. The respondents have the following commonalities: Most respondents were public sector employees/ academics (except a few students); associated with voluntary extra-professional associational spaces broadly falling into three kinds: those associated with formal political parties, civil society organizations and cultural organizations; urban (either born and/or live in Kolkata or Durgapur by virtue of current employment); Bengalis (speak Bengali as well as think of themselves as ‘Bengalis’); upwardly mobile in terms of income (as pointed out by them); belong to the age-group of 35 to 60, with the exception of five respondents who were in their early twenties.

²⁰ Used in the sense of high culture and often seen as invariably linked up with *shiksha* (education)

as opposed to material markers of wealth/income/money and the display of the same. This disposition to shape the markers of class-ness, as an opposition between economic vs. cultural capital, in this particular fashion, in fact needs to be understood in relation to a longstanding history of the lineage of the *bhadralok*²¹ since the colonial times, traceable as far back as the latter half of the 19th century to the making of the *bhadralok* as an “aristocracy of culture” as opposed to an “aristocracy of wealth”²². In relation to the current socio-economic context, there is an articulate discomfort expressed in many of the narratives against what they see the expansion of “consumerism”, with a focus on material accumulation and show-off, often linked to economic liberalization and the opening up of the market. These narratives are also interspersed with a dominant theme of crisis that describes a changing ideology of the other “middle class”, the people who are around them, allegedly succumbing to the fast growing impact of “consumerism”. Thus, the paper argues that while the respondents in my study represent a social group, that has been historically dominant, and have experienced upward mobility in relation to economic liberalization, it is not simply a story of “smooth transition” for them from the phases of ‘development’ to that of ‘liberalization’. It is through a rhetoric of resistance against a moment of perceived transition that they are engaged in a project of self-making.

II

In the narratives, across the diverse voices of religion, caste, and spatial location, we see an admiration and allegiance to a notion of *sanskriti* as high culture, with strikingly homogenous symbols to mark this. In case of cultural production, a common opposition is set up between ‘art’ and ‘business’ as separate domains, often with an hierarchization of the former over the latter. In case of cultural consumption the question of taste points towards a common thread of an opposition set up between ‘art for arts’ sake’ and ‘entertainment’, with the latter often seen as commercially driven. Thus, both the spheres of production and consumption reflect the shaping of class-markers in a specific way, privileging the non-material over material. Interestingly, the primary “other”, against whom they continuously seem to distinguish themselves, is a more “mainstream” variety of the middle class which, some explicitly indicate in their narratives—an “ordinary middle class” as opposed to those having intellect and a cultural bent of mind. An analysis of the narratives of the Muslim and the SC/ST respondents, however, reveals that to qualify as being a ‘cultured *bhadralok*’, remains a perennial struggle for them, because they have to constantly prove to those, who represent the normative figure of the Bengali middle class, that they may be the other, yet they are ‘cultured’.

The Cultural Producers

Adhir Shome lives in North Calcutta in an old house which was built by his father. Situated in one of the narrow alleys in a Hindu middle class locality of North Kolkata, it is a two-storied big house full of books, magazines, newspapers and other printed material spread all over, with little inclination towards decoration or organization.

²¹ The term is usually used as synonymous to “educated middle class” in Bengal emerging in the 19th century colonial context to refer to the Bengali ‘babus’ or those involved in service occupations as distinguished from those involved in manual labour, implies respectability. Although in most studies on Bengal, the terms ‘*bhadralok*’ and ‘Bengali middle class’ are used interchangeably, these are distinct but overlapping categories, which cannot be reduced to each other. My respondents, however, represent a status group in the case of whom the categories/labels of ‘*bhadralok*’ and ‘middle class’ converge. According to the common usage, they are described as ‘middle class *bhadralok*’ (*madhyabitto bhadralok*).

²² Joya Chatterji (1994) and Tithi Bhattacharya (2005), for example, mark the latter part of the 19th century as witnessing a transition in the self-making of the *bhadralok* from an “aristocracy of wealth” to an “aristocracy of culture”, as related to the structural changes brought in the colonial set up, more specifically the opening up of new opportunities in the education system introduced by the British. According to Bhattacharya (2005), this was the first moment when the *bhadralok*, refurbished its identity, by valuing the possession of education over wealth. She also argues how this reshaping of identity occurred through a rhetorical delinking of the two, while wealth, in fact remained an important basis for exposure to Western education. Thus, her work is relevant to understand the constitutive moment in the making of one of the important markers of Bengali middle class-ness in terms of education and culture.

The Middle Class in World Society

Shome mentions that he comes from an illustrious family, specially his mother's side. His maternal side is related to the Ray family, Satyajit Ray being his mother's second cousin. Apart from that he also mentions that one of his maternal uncles was a remarkable name in the field of sports, and held positions in the Cricket board and had pioneering contributions towards developing the sport of cricket in West Bengal.

His entire being seems to be totally immersed in an iconization of the Ray family. Almost everything he talks about, be it his inherited artistic sensibilities or his idea of distinction as belonging to a particular class, seems to go back to the example set up by Satyajit Ray or Lila Majumdar²³. He takes pride in the fact that the influence of Ray family is so strong in him. He claims that his artistic sensibilities are overpoweringly influenced by Ray. But not only does he acknowledge his influence, he goes one step further to claim that his work is an "extension" of Ray's work. Notably, he also mentions how he idealizes the Ray family's lack of intent for any kind of 'display':

I have a maternal uncle...he is very rich...when I used to go to his house...I used to hesitate to sit anywhere!...such expensive sofa...such expensive bed!...I had a friend...he is a big businessman...my classmate...when I go to his place..he talks very nicely...but I can hear a background music from somewhere...the sound of money...*zhom zhom...zhom zhom*

But as opposed to that...at Satyajit Ray's place... from childhood till today...if you go..what I feel...there is no sound of money anywhere!...I had once taken one of my friends to Sandip Ray's place...he came back and told me 'I am totally surprised...people usually make the drawing room very dazzling!...in Sandip Ray's place I saw some books lying here..some cinema CDs'...means there is no stamp of how much I earn...means how much taste I have..how much educated I am..I don't have to let the whole world know about it..I don't have any pressures.

Shome speaks in details about his work with a leading director, mainly known for making experimental movies, on the making of a Bengali film which was recently released, an experimental political film on the contemporary socio-political context in Bengal, through which we get a glimpse of his idea of doing 'art', the distinctions between art vs. business, and the significance of the space of art to have a political engagement.

What we find in his descriptions is a neat opposition set up between 'art' and 'business'. He believes that as an artist his first and foremost task is to create something according to his sensibilities, according to what appeals to him. It is not important to think of the commercial aspect when the process of creation is in place. The commercial aspect is the next step in the sequence, that is, when the product is ready for sale. He also notes that it is not his responsibility to think of the selling aspect because once the product is made the businessman should step in to make it commercially viable. He also says that the product can never be made keeping in mind the demand of the audience/reader because he believes that the demand can be shaped by what one produces. Thus he creates a hierarchy between the producer/creator and the receiver who, to his mind, does not really have a pre-formulated demand, because they do not have that kind of a mind which the creator has. Therefore, if the creator is convinced of the worth of his/her product s/he would be eventually successful because the audience will accept it. He gives the example of his own decision to come up with a special issue on the Satyajit Ray's popular detective character called 'Feluda' while he was the editor of 'Sandesh', a children's magazine (used to be edited by Satyajit Ray) which was not accepted by his friends and yet eventually was a great success in terms of its massive sale.

When I was the editor of 'Sandesh' I knew that I have to sell the magazine and the higher the sale I can raise the rate of advertisement proportionately. But when I was thinking about the editorial of the magazine and having meeting with Sandip Ray, then it was a pure 'art' form for me. That means, what children would like was not important for me. But rather what one should give them. I mean, a group of people make cinema based on 'what people want'. But there is nothing like

²³ Aunt of Satyajit Ray, who is a well-known writer of children's literature in Bengali

people want this. People don't want anything. If people have so much sense and sensibilities (*bodh-buddhi*), they are usually on this side of the creation. People who are just audience, just readers-- their mind doesn't work so much usually.

The point he tries to drive home, a theme he brings in again and again, is a distinction between 'art' and a 'commercial enterprise'. For him, the creation of an artist has to remain as a commitment to art and the commercial aspect should not be the priority. He justifies this stand by saying that any creation is not demand-driven and the audience will learn to accept it if it is worthwhile. Later, on the other hand, he points out how the film in which he worked as an assistant director, could never be appreciated by certain kinds of audience since they lack the necessary acumen to be able to appreciate it. He, however, justifies it in terms of having the merit of being ranked in the international order, and, therefore, meant for a niche audience having penchant for such kind of films.

While talking about his days of growing up, he describes how he would miss classes to go and watch movies in the theatre halls. He emphasizes that right from that time he had an exposure to "international" films. Also, remarkable is the way he mentions the names of Ray, Ghatak along with other international names in the area of world cinema, indicating he places them at the same level. He says:

...from class VIII onwards I used to watch international films routinely. It started with Satyajit Ray, Ritwik Ghatak..I used to study in Scottish Church Collegiate School. I think we had around 22 cinema halls around that area. In *Mitra*²⁴ they used to show Bengali movies in the noon shows.. Ray in one week..Ghatak in the next...all good movies...Tapan Sinha in the next...we used to bunk school on Friday and watch those movies...and in *Sree*²⁵ they used to show latest Hollywood. So right from class VIII I developed a relation with international films. I remember ..if someone would create disturbance in the hall...people would shout back... 'Please stop it...this is an intellectual movie!'

For him, cinema is first and foremost a space for art. Throughout the interview he mentions all the major stalwarts of world cinema from different countries around the world along with his favourites at home who are invariably Ray and Ghatak.

For me, cinema is first of all and all the way a space for art but it is funny...apart from cinema, all other art forms have been first an art and then turned into business. Cinema is the only medium ..the grandeur the aura, the romance...so it became a commodity for business...for running shows ...be it for 2 minutes or two hours. Thereafter as a result of the hardwork, thoughts, merit and creativity of some people cinema became an art.

Subhro Chakraborty (21, Hindu, Brahmin), is a final year masters student in a reputed college in Kolkata and the lyricist of a Bengali music band, now comprising of eight members, formed around three years back. They have a page on Facebook, created in October, 2013 which already has a fan following crossing 2000. Describing the idea behind the naming of their band as 'Sohortoli' (roughly translated as suburban) he communicates his sense of nostalgia around his days of growing up in the suburban town of Barasat and contrasts it with the consumerist culture of a metropolis:

Our childhood was never spent in a lot of opulence. That's why I think we are very lucky. We did not have video games during our times. Since we are not from proper Kolkata, we are mostly from districts, may be video game was there...but it was not within my reach. We got cable line in our house when I was in class VIII or so. Before that we had a black and white TV

²⁴ A well-known cinema hall of yesteryears that is now in a decadent state

²⁵ Another old cinema hall in Kolkata

The Middle Class in World Society

playing Doordarshan and Prashar Bharati and DD [Doordarshan] metro. Our childhood days were strange..sometimes we discuss amongst ourselves...I mean we are very lucky that we did not have TV..we did not grow up watching songs...songs are meant to be heard..not watched. We had the scope for imagination while listening to the songs. We had a limitless scope for imagination. We could imagine a lot: we could imagine the matchbox as a car, we could imagine a plate as a steering wheel of a ship, there was no problem....TV or video game never came as an obstacle to our imagination. May be our parents could not offer us very good life..means, during my childhood I never ate a burger, I did not know what 'cheese' is. After coming here, I got to know what is KFC like...but don't miss KFC as much as I miss load-shedding ..in the cities we don't have load-shedding. In our childhood load-shedding was a very funny thing. Load-shedding meant now it's a break.

Chakraborty is very passionate about Bengali music and dreams big about the future of their band. Interestingly, very similar opposition, differentiating 'art' from 'commercial enterprises', come up in the narratives of Chakraborty-- between the creative and the artistic, one that makes one think, as opposed to the commercial, simply meant for popularity and business. He mentions how they are a very popular group within the four walls of the college campus, yet they are yet to be invited for public performances outside college. The chief problem that they face to perform for the general public, according to them, is that people do not want to listen to new songs; they want to listen to "cover" i.e. super hit and popular songs already sung by other bands/singers. Also, they point out another reason--the fact that their music is more about the conveying of deep, intricate feelings through meaningful lyrics, rather than foot-tapping, dance-inducing music. They point out how the young generation mostly demand and like that kind of music today. However, they are very sure about what they would like to offer and say that they are ready to wait patiently for a moment when someday people will start liking their kind of music. He says:

I personally believe...what you are thinking today...if you are honest about it...then it will reach someday...may be it will take time...in fact I have a lot of debate with my band mate (who is the lead singer concerning this)...I had asked him 'Do you want to be *Chennai Express*²⁶ or *Dahan*²⁷?' that film [*Chennai Express*] has nothing...but it did good business. But no one will remember that film after 5/6 years. But we still remember *Dahan*. No point being very popular for 5 days, being less popular yet for 50 years... that's important for me. Who is discussing *Chennai Express* today?

The opposition drawn up through a comparison of two films here is interesting—one representing Hindi commercial blockbuster movie supposedly meant for entertainment as opposed to the other, seen as representing the Bengali genre of alternative movie with social relevance. While they acknowledge that the form may be Western, it is through the content of their music they show an allegiance to a notion of authentic Bengaliness—which is artistic and meaningful.

Nibedita Sanyal²⁸ (57), Hindu, Brahmin, is a Kathak dance teacher and runs her own music school and her brother Sushovan Sanyal (60) has a small business in Durgapur. The Sanyals run an old-age home, which is quite well-known in Durgapur. They have also been in the field of music for quite some time, Ms Sanyal running her music school for quite some time. What is interesting is that a similar kind of opposition between commercial and meaningful comes up in their descriptions of an authentic Indian culture vs. a more contemporary media-generated corrupt form, mediated by the Western influence. While talking of music, an opposition is set up in their

²⁶ *Chennai Express* is a Bollywood commercial blockbuster released in 2013.

²⁷ *Dahan* is a Bengali film directed by Rituparno Ghosh released in 1997, one of the early films which brought him to the limelight and marked his journey towards becoming one of the most critically acclaimed film-makers in Bengal of the post-Ray period.

²⁸ The interview was conducted on 31st July, 2013

narratives between a previously existing classical and Bengali cultural traditions and an emerging influence of a commercialized media entertainment. There is clearly a negative perception of the latter, which is seen as having a bad impact on the maintenance of a “healthy” culture.

Sanyal says:

In Durgapur the cultural part was very good. But now if you take the total cultural world, only 2 or 2.5% would study *Rabindra Sangeet*, *Nazrul Geeti* or classical music. The rest is what you call *Boogie Woogie*²⁹ etc. The Western import that has happened now...the indigenous tradition (*nijoswo parampara*) is disappearing. But see this is what is creating upheavals in the entire world!

His sister adds:

Our culture is acclaimed everywhere in the world, but only in our country it is not!..it will come back...now they don't teach the art, but the tactics (*ekhon kala noy kaushal shekhay*)!...we can teach our students the way we learned. But since we were associated with healthy culture (*sustho sanskriti*), we can't move away from it..And places where say people are jumping (*lafalafi hocche*) they can't accommodate people there is so much of crowd...You see one Amjad Ali Khan, one Ajay Chakraborty will be there. But the average culture that was supposed to be spread across society that is shrinking. In that place, this kind of ...what to say...I don't want to use the word *apa-sanskriti*...I will be beaten up...but this culture is spreading...Today there is no artist...all performers...one Shreya Ghosal and that's it...but children are so talented...they are not getting proper training.

The opposition is seen as more of a generational difference—the perishing older cultural traditions, perceived as more authentic and preferable vs. the emerging ones, seen as popular and commercial. They label them as healthy culture (*sustho sanskriti*) and degenerated culture (*apa-sanskriti*) respectively. The perception of the influence of the West as having a corrupt influence is important. Their approach towards a specific model for globalization of culture is evident here—they seem to be appreciative of a one-way flow. While an imitation of the Western culture, as perceived by them, is not desirable, yet they proudly point out how Indian culture is getting global recognition. Thus, while the hierarchy between good and bad culture is articulated very differently in their case, in terms of a rigid India vs. West dichotomy, the common thread nevertheless seems to lie in the differentiation of a meaningful/authentic genre as compared to the commercial ones.

The Case of Cultural Consumption: An Aversion for the ‘Mainstream’

Nibedita Nandy³⁰ (Hindu, Kayastha) is an under-graduate government college teacher in her 30s, unmarried and staying alone in a flat in North Kolkata. She had spent a large portion of her life, her growing up years out of Bengal, since her father had a transferable job. She speaks about herself and describes how she has never been and could never be a typical Bengali being born and brought up outside West Bengal and how she would be ostracized by her classmates in the high school when her family shifted to Bengal because she had a slightly Hindi accent while speaking her mother tongue and did not have a very good grip over the language. While speaking about her taste for movies and the kind of movies she prefers, she says how she likes “off-beat movies”. She says that she liked *Kahaani* and describes why she thought it was off-beat.

We [referring to her colleagues] usually go on the week end or on week days after college hours for those films which have good feedback, good movies, read reviews, then we go. The last film

²⁹ *Boogie Woogie* is a dance competition television series of the Sony Entertainment Television, launched in 1996

³⁰ The interview was conducted on 17th May, 2012

The Middle Class in World Society

we watched was *Kahaani*. What I liked in the movie the most is that it is a women centric movie, which we get to see very rarely in case of Hindi movies. Secondly, usually in movies we see the songs are good, picturization is good. But here they have done the shooting in the crowded and dirty roads of Calcutta, no foreign locations, star casting very normal, there is no song as such. Not like a blockbuster. What appealed me most is that it is very thought provoking. After the movie I was thinking for the next 10/15 mins about what happened. I like Bengali movies too---good Bengali offbeat movies. The last movie I watched in the hall is *Iti Mrinalini*. All these movies have social messages, not just entertainment. Now those movies are gaining more popularity—real-based [sic] movies, with which you, me we can relate to....

According to her, there are certain markers that make the movie off-beat, in spite of the fact that it is a Hindi movie. These are: that it is realistic and thought-provoking. The fact that she explicitly mentions that it is a Hindi movie, yet not like a typical Hindi movie is important because we see a constant intent to mark the differences from the typical Hindi one, imagined as meant for commercial success, and only entertainment.

Shireen Khan³¹ is in her late 40s and works in an NGO for women empowerment. She stays in an apartment in the congested Picnic Garden area of Kolkata with her husband and their adopted daughter who studies in Class XII in a nearby Bengali medium school. Her husband is a businessman (into export business). They are a Bengali Muslim family, who have been living in Kolkata since last two generations, originally migrating from South 24 Parganas district of West Bengal. The father and the grandfather of the husband were educated professionals, both lawyers. Her husband did MSc from Calcutta University and has a LLB degree too. She has a BSc and B. Ed.

The issues of middle class morality, taste inculcation, comes out in significant ways in the parents' concern and anxiety for their adopted daughter, who comes from a Muslim family with a lower class rural background. Her husband says:

You know there is a role of blood (genes) about performance...but sometimes you get exceptions too...but most of her (daughter's) cousins are not bad in studies...some of them are studying in 'Al-Amin Mission'...it's not easy to get chance there...we shall support her till she wants..lets see..

Shireen Khan adds:

We have told her...don't do something because of which we can't introduce you to people. She goes to places with us...I take her along with me to 'Ahalya' (the NGO she works with) ...now because of TV it is difficult you see!...we would watch ...why not?...say, I watch this serial called *Balika Badhu*, which is very nice...when they watch TV, they get very attracted..It's nothing but to draw people towards consumerism. You can't completely not allow her to watch, she needs entertainment too! I watch films sometimes...like, I liked *Autograph*...watched it in DVD...I like films which are a little different. I have almost watched all the films of Ray and then Ritwik Ghatak. I bring CDs for her too. I try... so that she develops a good taste.

There is a sense of moral policing here precisely related to the anxiety concerning the class background of the girl. She should not end up doing something that may harm their image. Also, she is conscious enough to try and develop a good taste for her adopted daughter, which, according to her, is to appreciate good films, for example. Here, the iconic invocation of Ray and Ghatak comes up to give sense of her idea of 'good' films.

Subhashish Sengupta³², a Hindu, Baidya, is in his mid-50s, works as a government official and stays in a big house in South Kolkata, built by his father, with his family. His wife is working in a bank and their son is doing

³¹ The interview was conducted on 2nd June, 2012

³² The first round of interview was conducted on 5th October, 2013

his post-doctoral studies in Paris. He is one of the organizing members of a group called 'Ekushe Shangsad'³³ which was started around 1990 basically springing from his 'love for the Bengali language and culture'. His organization does not run anymore and somehow there is a sense of lament about changing times and a changing "value-system" that his organization could not survive. Subhashish Sengupta identifies the root-cause for this changing value system as the expansion of "market economy" and the related rise of consumerism. It is a strong critique of the market economy and how it alters the world-view of the people and enters the realm of their personal lives:

Today we have advertisements saying...you will become taller if you eat this. Actually you won't become taller...it's impossible...another ad says if you apply this cream you will become fairer. That means, if you are not tall or fair your life is worthless. For a person to survive, height is not that important. Merit is not dependent on one's height. But because of the magic of the advertisement, the product is getting sold. Where has this market economy reached? Today in our Anandabazar newspaper, you will see 'indulge in bold relations' ..this is, in some ways, an advertisement for call girls in public...all this is happening...in fact this is increasing...the state is not opposing it...it means somewhere we are accepting all this...today I have to have a house, a car, an AC...today in a developing country like ours, amidst all poverty, look at the rate of increase of AC machines....and then the habit of changing old models!..it has no relation with aesthetics. Earlier the tendency was if I have this, my work will be done. Today it's not like that. S/he has it, I don't...

Sengupta keeps on emphasizing throughout his narrative that his sense of Bengaliness is not simply an attachment to the Bengali language. He compares the Bengali movies of the commercial genre of today and the yesteryears, of the 1950s and the 1960s, when the pair of Uttam-Suchitra had created a star-culture in the history of Bengali cinema as a super-hit onscreen couple. For him, while the former does not qualify as Bengali since it is a bad imitation of the Hindi movies, the latter does, since they had emerged from Bengali middle class lives i.e. they mirrored the reality of these people—their emotions, conflicts, pain etc.

For example, earlier Bengalis used to love the films of Uttam-Suchitra: there was story, there were emotions, tears. Now those have been replaced by light dancing. *Toke hebby lagchhe*³⁴ is a song..I saw it the other day on TV. It is as funny as is Uttam-Suchitra's love. But the latter emerged from life...this did not emerge from life. That is the difference. The middle class-ness from which Uttam-Suchitra was born ...we are moving away from our roots. We cannot forget our roots. You can...then just shove away the Bengali culture. You would go to *Bijoya Dashami*³⁵ wearing a red-bordered white sari and would also jump on the steps singing *Hebby lagchhe* ...both can't happen simultaneously isn't it?

...Suchitra would give strange expressions through her eyes to Uttam...and people would love it...It was extremely silly...but it represented the Bengali culture. But this girl is jumping on the stairs wearing jeans...and a boy is following her saying: *hebby lagchhe*...this was not in the Bengali culture. Where has this come from? It has come from...say, from the bad movies of Hollywood...Hindi films are a copy of that...and Bengali films are copy of those bad Bollywood movies.

³³ Named keeping in mind the historical importance of February 21 (*Ekushe February*) as the *Antarjatik Matribhasha Dibosh* (the international Mother Language Day)

³⁴ Roughly translated as 'You are looking ravishing'. Pronounced in a distorted way the word 'hebby' is a Bengali colloquial version of the word 'heavy' in English. Here 'heavy' would roughly mean 'praise-worthy'.

³⁵ Marking the tenth day and final day of Durga puja celebrations

The Middle Class in World Society

But the interesting point to note here is that while an attachment to Bengaliness is very important to him, yet he overtly distances himself from this sense of Bengaliness. His notion of Bengaliness is more specific:

I would never go into *hebby lagchhe* culture, and would not want the tears of Uttam-Suchitra either. We would like to have a more intellectual standing. People want light entertainment. Art is not only for entertainment. It is of course for entertainment, but there is something more to it. There should be some food for thought. Where is that?

The same dichotomy of the art (which is qualified as having ‘food for thought’) vs. commercial comes up in his personal choice.

My favourite film directors are Ritwick Ghatak, Mrinal Sen, Satyajit Ray. Among the contemporaries like the work of Gautam Ghosh. There is another director now Kaushik Ganguly... who made a film called ‘Shabdo’ (Sound)...I was mesmerized by the movie. But Haranath’s³⁶ movies are attracting people more than that of Kaushik³⁷!

Similar oppositions between serious art and those meant just for entertainment came up in many other narratives, the common element in all these narratives being an aversion for the ‘mainstream’, which is often juxtaposed with the attributes of being commercial and meant only for entertainment.

Thus, across the diversities of voices along the differences of caste, religion etc what we see is a broad continuum in terms of etching out of classness in primarily in terms of certain non-material markers as opposed to purely material ones. What gets highlighted in most of these narratives is an aversion for money-mindedness and display of wealth; an appreciation for ‘high culture’ and the need for cultivating a ‘good’ taste through the cultural realm.

In such a process of etching out classness, who is the other? It is definitely the lower class or the rich upper class, but interestingly a more nearer other: an other that goes by the ‘mainstream’. Some identify it as those ‘middle class’ people who succumb to the changes brought in by moments or processes called ‘liberalization’: the *sadharon madhyabitto* (the ordinary middle class), lacking thinking capacity or any intellectual bent of mind; lacking the capacity to appreciate the real ‘art’ and preserving a ‘healthy culture’.

However, while the markers of classness remain surprisingly uniform, an in-depth analysis of the narratives of those occupying the non-normative ‘middle class’ positions, i.e. the non upper-caste/non-Hindu Bengalis reveals the dilemmas of having contradictory identities of belonging to the ‘hegemonic middle class’ along with the ‘marginal other’. Here I take up the case of a Bengali Muslim gentleman.

Being a Cultured Bhadrakok: An Unfinished Project for the Other?

Md. Shafiq³⁸, (79 years, Muslim) is a retired Professor of Arabic at the Calcutta University, who lives in an apartment of an old building in the Muslim dominated area of Park Circus in central Kolkata with his wife and youngest daughter. He has five daughters all of whom have studied till at least masters and two are working. His wife retired as the headmistress of a school and has a MA degree. He has worked extensively on the history of Arabic literature, an engagement he persists with to this day. He has a 13 volume work on this area. He is associated with a number of literary/cultural institutions like *Humaun Kabir Institute* (as President), *Bishwokosh Parishad*

³⁶ Haranath Chakraborty makes commercial blockbuster movies, which have usually been super hit in the recent times.

³⁷ Kaushik Ganguly directs Bengali movies which are characterized as ‘art-film’ category.

³⁸ The interview was conducted on 18th September, 2013

and a host of others, mostly literary. He is also a member of the Madrasah Board and the Haj Committee of West Bengal. He was the principal of the Calcutta Madrasah for 14 years. He was a researcher at the Asiatic Society for four years. He also used to bring out a magazine called 'Shaha-marmi'. He is still into writing books and articles in little magazines like 'Notun Gati' and 'Kalam', which are both run by Muslims. Literature, theology, religion are his areas of interest. But he writes mostly in Bengali. He is deeply religious and says that his forebears were very religious too. His grandparents were Hafiz (i.e they used to teach the Quran to others). He got religious education at home. He went to Madrasah for schooling and left for Bangladesh after the 10th standard. He returned to India, because he could not gel well with the 'Bangals'³⁹.

His is a very interesting narrative that demonstrates his constant struggle to negotiate between his Bengali and Muslim identities. He narrates several instances when he is not considered as a Bengali because of his identity as a Muslim—how for the Bengali Hindus there is no conception of a 'Bengali Muslim'. Always dressed in his *Punjabi-Pajama*⁴⁰ and skull-cap and having a beard according to the Islamic tradition, his identity is confusing for the majority Bengali Hindus. He narrates how time and again he has been told by the Hindus in a surprising tone that he speaks Bengali very well.

She⁴¹ said: "Shafiq saheb⁴² you are speaking so well in Bengali, you are a Muslim isn't it?" I said: "So what? If I am a Muslim I have to speak in Urdu?" She is a professor...and this is the condition. This is the idea. I said: "I am a Bengali...a fish-rice loving Bengali!"

For them...that a Muslim can be a 100% Bengali this conception is not there. For this, we too have to be blamed. The people from our society cannot mix with the mainstream very well due to their lack of Bengali language. They mix Bengali with Urdu-Farsi. ..There are a few exceptions though. When I go to their [refers to those exceptional cases] houses... they will give me a warm hug...*dhuti-punjabi* clad..I am wearing *pajama-punjabi*...but very few!...There were lots of Muslim dominated areas here. They sold off their properties and went to Bangladesh and the refugees came in...There was a vacuum created here. I got an offer too from the Rajshahi University [in present Bangladesh]... I was like...how can that be possible? I have my house here...parents, relatives...will leave everything and go there? I did not go...

Describing a particular incident in a book-shop in College Street, which is the area known for book-stalls (*boi-para*) in Kolkata he says:

Once I went to College Street to buy a brass utensil...a small glass for my daughter. After the buying was over the owner of the shop asked me: 'What do you do? Cultivation?' I felt a little bad. I said 'Next to this big building there is an other...the Calcutta University...I teach there!...'It is like how can a Muslim be a professor? A Muslim means he must be doing agriculture. Just look at the conception! After this incident whenever he would see me he would greet me: '*Mastermoshai Namaskar* (Greetings Teacher)'. How many Bengali Muslims are there? In the cultural society...whatever you call 'culture'..in the sphere of literature...there is hardly any. Kaji Abdul Odud was there. After that now there is none. This is also a problem.

³⁹ According to the common parlance, the original residents of East Bengal, before the Partition of Bengal in 1947, are referred to as 'bangal' as opposed to 'ghoti', i.e. those who are originally from the part demarcated as West Bengal now

⁴⁰ This is the traditional dress the Bengali Muslims would wear as opposed to the traditional dress of *Dhuti-punjabi* in case of the Bengali Hindus. Here the word 'punjabi' in Bengali refers the top attire of a *Kurta*

⁴¹ Refers to a Bengali Hindu lady he knew

⁴² It is important to note that it is a convention usually not to use 'babu' as the way of addressing a non-Hindu. For Muslims, it is invariably in most cases 'saheb'.

The Middle Class in World Society

His entire narrative is a description of how he balances his identities of being a Muslim and a Bengali at the same time. Throughout we see this tension—a tension between being a liberal, cultured Bengali as well as a faithful religious Muslim. His religious faith won't allow him to encourage his daughters to go for movies or watch television at his house, for example, but at the same time, he is concerned that the Bengali Hindus will look down upon him as a conservative if they know about these issues. He says: "If the people outside know about this... that they are so conservative...his wife does not allow her daughters to watch TV ...and he is a professor of a university..." For him, to be cultured may not mean an emphasis on appreciation of good music, but it definitely implies a fascination for education.

III

Through the register of *sanskriti* I have tried to show how a historically dominant social group is engaged in a project of self-making through a claim of continuity from the past and keeps alive a narrative of crisis regarding a moment of perceived transition. The continuity, I argue, lies in the etching out of classness primarily in terms of the non-material markers of 'culture and education' as opposed to purely material markers. While being a *cultured bhadralok* remains a sought-after project by all the respondents and 'culture' is etched out in rather narrow terms by all the diverse voices, there are, nevertheless, negotiations within the idea of 'culture'. In case of the non-dominant voices, however, to be a *cultured bhadralok* remains a perennial struggle. What remains common to most of these narratives, across the diverse voices, is also a story of 'crisis'. In a context, when there is much celebration of the moment of liberalization and its implications for the emergence of a globalized Indian middle class, what does such a crisis narrative against "neo-liberalism/liberalization" by this social group imply? Why is this moment of transition painted in such a dull colour by them, even when they have in fact experienced considerable economic mobility and its related advantages? At the least, it points towards the complexity of the "Indian middle class" by showing that it is not simply a story of "smooth transition" from the phases of 'development' to that of 'globalization', even for those occupying historically hegemonic status and now reaping the advantages of the opportunity structures opened up by liberalization. The crisis narrative and the attempt to define middle class-ness through a claim of continuity from the past bear testimony to the fact it is through the projection of certain anxieties and dilemmas, and a language of resistance that this social group is engaged in a project of self-making in relation to a moment of perceived profound transition.

References:

1. Baviskar, A. & Ray, R. (Ed.) (2011). *Elite and Everyman: The Cultural Politics of the Indian Middle Classes*, New Delhi: Routledge
2. Bhattacharya, T. (2005). *The Sentinels of Culture: Class, Education and the Colonial Intellectual in Bengal (1848—85)*. New Delhi: OUP
3. Brosius, C. (2010). *India's Middle Class: New Forms of Urban Leisure, Consumption and Prosperity*. New Delhi: Routledge.
4. Chatterjee, P. (1997). *The Present History of West Bengal: Essays in Political Criticism*. New Delhi: OUP.
5. Chatterji, J. (1994). *Bengal Divided: Hindu Communalism and Partition, 1932-1947*, Cambridge: Cambridge University Press.
6. Deshpande, S. (2003). The Centrality of the Middle Class in *Contemporary India: A Sociological View*, Penguin.
7. Dickey, S. (2012). The Pleasures and Anxieties of Being in the Middle: Emerging Middle-Class Identities in Urban South India in *Modern Asian Studies*, 46 (3), 559-599
8. Donner, H. & De Neve, G. (2011). Introduction. In *Being Middle-class in India: A Way of Life*, (Ed.) Henrike Donner. London: Routledge.
9. Fernandes, L. & Heller P. (2006). Hegemonic Aspirations: New Middle Class Politics and India's Democracy in Comparative Perspective. *Critical Asian Studies*, 38 (4), 495–522.

10. Fernandes, L. (2006). *India's New Middle Class: Democratic Politics in an Era of Economic Reform*. Minneapolis: University of Minnesota Press.
11. Fuller C. J. & Narasimhan H. (2007). Information Technology Professionals and the New-Rich Middle Class in Chennai (Madras) *Modern Asian Studies*, 41(1), 121–150.
12. Ganguly-Scrase, R., and T. Scrase (2009). *Globalisation and the Middle Classes in India: The Social and Cultural Impact of Neoliberal Reforms*. London: Routledge.
13. Jaffrelot, C. and Van Der Veer, P. (Ed.) (2008). *Patterns of Middle Class Consumption in India and China*. New Delhi: Sage Publications.
14. Mathur, N. (2010). Shopping Malls, Credit Cards and Global Brands: Consumer Culture and Lifestyle of India's New Middle Class. *South Asia Research*, 30 (3), 211—231.
15. Mawdsley, E. (2004). India's Middle Classes and the Environment. *Development and Change*, 35(1), 79–103.
16. Mazzarella, W. (2005). "Middle Class", available at, <http://www.soas.ac.uk/csasfiles/keywords/Mazzarella-middleclass.pdf>> Last Accessed on 11th June, 2012
17. Murphy, J. (2011). Indian call centre workers: vanguard of a global middle class?. *Work Employment and Society*, 25 (3), 417-433.
18. Radhakrishnan, S. (2008). Examining the 'Global' Indian Middle Class: Gender and Culture in the Silicon Valley/ Bangalore Circuit. *Journal of Intercultural Studies*. 29 (1), 7-20.
19. Saavala, M. (2010). *Middle-Class Moralities: Everyday Struggle over Belonging and Prestige in India*. New Delhi: Orient Black Swan
20. Toor, S. (2000). Indo-chic: The Cultural Politics of Consumption in Post-Liberalization India. *SOAS Literary Review*, 2 (July), 1–33.
21. Upadhy, C. (2009). India's 'New Middle Class' and the Globalising City: Software Professionals in Bangalore, India. In *The New Middle Classes: Globalizing Lifestyles, Consumerism and Environmental Concern*. (Eds.) L. Meier and H. Lange. Netherlands: Springer.
22. Van Wessel, M. (2004). Talking about consumption: How an Indian middle class dissociates from middle-class life. *Cultural Dynamics* 16 (1), 93—116.

Competing Narratives of Modernity and Muslim Middle Class in Lucknow

Stefanie Strulik

Since the beginning of economic liberalization in 1993 the number of middle class households in India has grown approximately six fold from 25 Million to 153 million households (Shukla 2010:101). The McKinsey Institutes projects an even more optimistic picture. According to them, the Indian middle class comprised already 250 Mio households in 2007 and will be larger than the entire US population by the year 2025 (Ablett et al. 2007). Despite non-uniform criteria of middleclass membership the general trend is undisputed. The ‘phenomenal rise’ of the middle class and India’s role as the ‘new bird of gold’ (ibid.) primarily is perceived as due to economic liberalization since the 1990s. While it is celebrated as proof for the trickle down success of neoliberal policies on one hand, within India the rise of the middle class is tied to a wave of a Hindu centred economic nationalism (Gupta 2009) on which Narendra Modi and the Hindunationalist Bharatiya Janata Party (BJP) successfully sailed through the last election.

With the entering of multinationals into the Indian market since the 1990s and the simultaneous process of a rapidly growing transnational media, a globalized consumption culture with new economies of desire has developed. Not only the western perspective on India - but also the self-image has changed. Boundaries between ‘traditional India’ - seen in the self-orientalist image as economically poor but spiritually rich and the ‘modern West’ as economically superior but morally corrupted, have been broken down and a new national self-image as a modern global player is proudly promoted. New aspirations have emerged, as have public identities and spaces that allow for being simultaneously Indian and modern while at the same time the hegemony of western modernity is challenged. Increasing consumer choices mean more nuanced possibilities for symbolic markers of middle class membership. While postcolonial middle classes often are accused of cultural inauthenticity and mimicry of western elites (Heiman 2012:5), Indian public discourses celebrate the new middle class as the ‘giant economy’ of world class (Gupta 2009:68/69) and the virtual epitome of modern India.

Not only national politics and the international media but also social sciences rediscovered the Indian middle class during the late 1990s. While early studies are preoccupied with size and definition of membership criteria and corresponding consumption pattern (Bardhan 1989, Dubey 1992) or are interested in the effects of liberalization and people’s attitudes towards everyday consequences of the reforms (Varma 1998, Lakha 1999, Corbridge 2002, Fernandes 2006), later studies focus on lifestyles and consumption patterns (Scrase 2008, Ganguly-Scrase and Scrase 2009, Lukose 2009, Sridhan 2011, Brosius 2010). A more recent focus turns away from consumption and educational strategies and puts everyday practices (Donner and De Neve 2011:7) or middle class values and moralities at the centre (Savaala 2010). Interestingly, none of the above studies takes Muslim middle class families into account. The few studies that deal with Muslim middle class realities are interested in the colonial Muslim middle class or refer to the period just after Independence (Joshi 2001, 2010, Daechsel 2006, Pernau 2013).

The singular focus on a Hindu modern India reflects the (Indian) dominant discourse which presents Muslims as a ‘problem’ and ‘backward’ (Amin 2005) or even as ‘frozen in the past’ (Hasnain 2009). This is not an India exclusive perspective but reflects the dominant Western public discourses that Islam and thus Muslims are per se anti-modern. A perspective that recognizes a ‘clash between Islam and modernity’ (Bernhard 2003) and consequently considers action that is framed and legitimized by religion as traditional or backward (Calhoun 2003:542).

If Indian Muslims are not represented as ‘left behind in modernization’ (Engineer 2001), they are praised for their achievements – albeit usually in the past. Par excellence in cities like Lucknow for their contributions to

literature, architecture, music, food and other cultural achievements. The ordinary Muslim who is neither a Nawab, nor fundamentalist, nor a victim of structural or communal violence, tends to get overlooked as if he or she does not exist.

Feeling uneasy with this absence of Muslim narratives of middleclassness, this article questions the tacit equation of Hindu India and modernity. It starts with an overview of 8 trajectories of becoming middle class for Muslims in Lucknow. Subsequently it explores the entangled processes of performing middleclassness and negotiating competing narratives of Indian, Islamic and Western modernities and belonging by looking at Lucknow's Muslim middle class.

The article is based on 18 months of ethnographic fieldwork⁴³ in Lucknow between 2009 to 2016 that is part of a Swiss National Fond (SNF) project on Competing Narratives of Modernity and Muslim Middle Class. The ethnographic project examines the transformations in education and employment, family and gender dynamics, consumption and lifestyles due to economic liberalization, cultural globalization and labour migration to the Middle East. It analyses the cultural flows feeding Muslim middle-class self-fashioning and transnational narratives of modernity. This includes a particular interest in how Muslim middle class accesses and interprets through different transnational social spaces aspirations, values and biography orientations and how these ultimately matter in everyday practice.⁴⁴ Embedded in this general framework, this article focus on middleclassness in Lucknow. It will show that 'middle class' is a popular category of self-identification among Lucknow's Muslims, because it allows to celebrate Muslim heritage, offers a counter hegemonic narrative of modernity and simultaneously the possibility to feel part of the 'modern India' project without having necessarily to endorse the Hindu national agenda.

The article will start with some methodological reflections on the conceptual issues of "middle class" which is followed by looking at who all wants to be considered Muslim middle class in Lucknow. For this eight typical trajectories of becoming middle class will be looked at.

Subsequently with the help of some empirical material it will be shown how people talk and associate with narratives of modernity and middleclassness in everyday practice.

⁴³ In form of a "multi-sited ethnography" (Marcus 1998) that follows the social actors, goods and narratives the empirical material in this article is based above all on participant observation in different sites of cultural production like family life, education, profession and consumption. Since the major vehicle for social-economic upward mobility is education and migration, these two domains featured centrally in the research design. The other strong focus had been on family, friendship and neighbourhood as site of socialization and performance and negotiation processes over discourses, everyday practices and contradicting expectations. The aim had not been the exhaustive investigation of one of the aforementioned sites, but to learn more about the interrelatedness of negotiations shaping (inter-)action in different sites simultaneously and thus to discover translocal social spaces in which (Muslim) middleclassness is negotiated. Other examples for sites that were considered next to residential homes and educational institutions (including schools, school application processes, colleges, university campus, IAS coaching centres, Study abroad coaching centres etc.) were for instance call centres and other work places, gaming halls, shopping malls, cafes, parks, religious processions, gyms, beauty parlours, clinics, bazaars, marriages, dating practices etc.). In addition to participant observation, 97 narrative and 30 biographical interviews were conducted. The latter are considered a particularly apt approach to better understand the interpretations and rationalizations of social change. They take into account the past as well as processes of individual and collective social positioning. The data collection took place over a total period of 18 months between 2008-2016 in Lucknow.

⁴⁴ The larger project is moreover particularly interested in the various narratives and imaginaries as deployed in order to negotiate national belonging and self-representations as being part of an "Indian" modernity while retaining Muslim identifications of various kinds. It investigates the entanglements and co-evalness of competing imaginaries of modernity and thus aims at contributing to debates on the pluralisation of modernity.

Being in The Middle

Middle class in the following is conceptualized not in terms of class analysis nor as an objective political or economical category, which could be measured or described by fixed markers of e.g. income, job-profile, political representation or consumption indicators. Middle class thus is not a descriptive socio-structural category of analysis, but the object of research itself. No fixed socio-economic definition of who is part of the Muslim middle class was applied. (Self-) ascription was considered sufficient to take peoples' narrative and different perspectives on middleclassness and Indian modernity into account. Thus, Following Heiman, Freeman and Liechty (2012), middle class is above all considered a cultural product and a politicized social construct that. Middle class thus is culturally specific, but fragmented category of aspiration and imagination with contested boundaries of membership. It consists of a specific set of subjectivities that are articulated with regard to gender, national belonging, religion, modernity, the West and others. Class therefore is conceived as being simultaneously 'lived experience', a 'process over time' and a 'fundamentally relational and interproductive phenomenon' (ibid:13). Moreover it is assumed that middle class subjectivities explicitly need the opposition by other middle class subjects. Comparisons with 'the other' - e.g. a supposedly global middle class or different middle class milieus within India is part and parcel of 'being in the middle'. Middle class consequently is neither a fixed category, nor has an inherent unified logic nor is a homogeneous social actor but is always contested and draws from different imaginaries and different embodied practices.

Lucknow's Muslim Middle Class

Lucknow ranks with a little less than 5 Million people the 8th largest city in India (2011 Govt. Census). While not considered a 'metro' yet, the city is the capital of the largest Indian federal state Uttar Pradesh and is growing day by day. Lucknow used to be the capital of the erstwhile princely state Awadh and still is considered the epicentre of Muslim cultural heritage in North India. Its Muslim population today comprises about 20% of the inhabitants (ibid).

The first Muslim middle class in Lucknow emerged from the decaying feudal order during colonial times (Joshi 2001). Many of these middle class families participated in the emerging public sphere, in the Independence movement or were engaged in social reform. With Partition and migration to Pakistan, those who stayed behind had difficulties to keep up public assertion and to compete successfully for public and private employment (Mujeeb 1969). Even up to date, people feel victim of partial hiring and governmental neglect and stories of the Muslim Rikshaw-wala with a BA degree are abundant.

Asked about their family backgrounds, interviewees usually have a narrative at hand when and where their families "became middle class". The most common definitions for the entry point from the lower economic background are referring to consumption and investment opportunities: "*that you will have something left to spend, save or invest at the end of the day*", "*If you have more than hand to mouth, that is when you become middle class*" or "*that suddenly you have choices, which bike you should buy or if you even rather go for a car*", "*That you buy the shampoo in a bottle*" (and not in single minipacks). A second marker for middle class in emic concepts is the level of education "*a middle class person will at least 12th class pass*" and the aspirations going together with the investment in quality education for one's children. Less strong featured definitions by profession. A white collar job is not necessarily perceived as a criterion for inclusion by everybody. A mechanic of a motorbike garage, a driver even an auto-wallah may see himself as part of the middle class. Eventually feeling middle class and negotiating the boundaries of inclusion is above all a comparative category "*how well do we do today, in comparison with our parents' generation, what are we able to afford compared to other middle class families / in comparison to the West or the "super rich"*". Those who have already moved socio-economically upward are more strict in boundary management vis a vis more recent aspirers.

Based on biographic interviews, 8 types of different trajectories of becoming middle class in Lucknow could be constructed.

(1) “Early Birds” / Niche Entrepreneurs

With Independence a considerable part of the colonial Muslim middle class migrated to Pakistan (Joshi 2001). While both poor Sunni families as well as wealthy Shia families generally preferred to stay back. Similarly families that still owned considerable land within or outside the city bounds mostly decided against migration. The elder generation all know stories of these early years and how it was difficult to get a white collar or even governmental job for a Muslim despite good education. A majority of Hindu employers were of the opinion that now that Muslims had fought for a different state, they should also go there and should not compete unnecessarily for jobs.

Since finding employment in salaried jobs proved difficult, people often decided start up their own business instead. Early socially upward mobile families were for instance the *Ansarsis* and *Qureshi* families who managed by education and investment into artisanery (carpet / clothes manufacture and trading) as well as through business activities in impure economic niches (leather, shoes, dry cleaning, butchery, meat trading) to climb economically up (Damodaran 2008:304). With reinvestment into real estate and gradually expanding their business, some of these families have become very wealthy and influential over the last 60 years and have expanded in different fields of trading and investment by now.

(2) Oil Boomers

However it was not before the oil boom in the Middle East that the socio-economic composition started to change substantially. Whoever could afford started to send at least one family member to Saudi Arabia or other countries of the middle East. A trend that still continues up to date. With the influx of remittances and reinvestments in local business activities and education of the next generations, many families started to move up economically. With the money, also ideas about lifestyle, consumption and of course religious practice travelled back with the migrants. This ‘new’ Muslim middle class at times expressed its pursuit for upward social mobility in the form of a new religiosity and conservative understanding of Islam as acquired during labour migration to the Gulf or Saudi Arabia. With claims of practising the real Islam as taught in the land of the prophet they tried to reposition themselves as religiously and morally superior vis a vis other middle class families that follow a less rigid Islam.

(3) Shia Aristocracy

Descendents of the former Shia aristocracy often lost property and influence with Independence. By economic definitions these families would nowadays fall under the middle class category. Mostly very well educated in convent institutions decedents today, if they still live in Lucknow, mostly run their own businesses, are in salaried service sector employment and often consider themselves part of the local intellectual avantgarde.

(4) Rural Ties

Similarly the former landed gentry and great landowners whose property was seized under the zamindari abolition act or who (partly) sold their land for other reasons lost most of their ruling class status. By investment in education particularly in urban convent education these families gradually extended their economic activities into the service and small business sector in the city or came into money by real estate speculations. At the same time, most of these families retain strong ties to the countryside and continue to feed in earnings from their landholdings into their family economies (e.g. the Mango growing Pathans of Maliabad).

(5) Textbook Middle Class

The textbook middle class who work as civil servants, state employees, lawyers, teachers, journalists, academics etc. Some few Muslim families count themselves to this group since generations (mostly high caste Shia families) while others, especially OBC Muslims have gained access due to reservations. But also some of the children of early oil boomers have had access to state employment, IAS and academic positions by now.

(6) New Post Liberalization Middle Class

Many young Muslims benefitted from the sudden rise in employment opportunities post liberalization, particularly in the boom sectors as for instance IT, call centres, management, banking and insurances. *“For the first time the demand in educated, skilled people was so high due to the economic growth that employers could not afford to discriminate any longer on the basis of religion. Hiring became more merit and skillbased than it used to be before.”*

These young professionals often consider themselves the avant-garde of their own community and identity most strongly with narratives of modern India.

(7) Aspirers

Then there are those families, who by self-description would call themselves middle class, but might not be included by stricter socio-economic definitions nor by many better off middle class families as legitimate members. During fieldwork initially I used to be surprised that mechanics, small entrepreneurs of different kinds (e.g. beauty parlour owner, the dhobi, small shops owners) would see themselves as part of the middle class and kept striving – particularly through educative strategies for their children to climb up further.

(8) Outsider

Finally, people from neighbouring districts as well as from Eastern UP who shifted to Lucknow over the last decades, attracted by the educational and professional opportunities of the state capital could be singled out. Even if professionally or economically they would fall under one of the previous mentioned categories, they need to be highlighted here, because established families need them to construct their image of ‘the other’, the wrong middle class. By intra class and community processes of distinction, these (mostly Sunni) families are blamed for the decline of ‘tehzeeb’, increased competition and the breaking down of ‘traditional ties’.

“I Miss the Royalty and Respect”

Interesting, particularly in comparison with the mainstream middle class of Lucknow, is that the number of those Muslim families that have become middle class in Lucknow due to economic and social relegation is rather high. *I miss the Royalty and Respect. There is Nothing Left of this Today. No Tehzeeb, no Royalty*⁴⁵ Talking particularly to young Muslims in Lucknow narratives of victimhood are strikingly common. People feel unrightfully accused of being a terrorist, antinational and backward – and can talk for ages on these topics. Despite the lamenting the governmental neglect, public and private sector discrimination the majority of Muslim youth are rather apolitical. Instead of political activism, the majority has resigned and searches for distraction elsewhere – be it consumption,

⁴⁵ Arif Khan, BA, 26 years, unemployed / odd jobs, son of a family with big landholdings in rural Lucknow.

social media or hanging out with friends. The internet and social media constituting a space where clips and posts are forwarded on the national and international wrong representation of Muslims and injustice done to Muslims in India and elsewhere. Challenging the supposed ‘clash between Islam and modernity’ is a common endeavour. It tends to strip western “modernization” of some of its values (like individual freedom), reinterpreting others (for instance equality) while supporting a pro-consumerist and pro-technology and science attitude. The modernity of Islam is asserted by referring Islam’s instructions on a healthy diet, physical fitness, appreciation of science and education and so on. Youtubeclips by Tele-evangelists like Zakir Naik and other Peace TV speakers, proverbs and catchy messages are forwarded by whatsapp among friends to reconfirm the modernity and scientifically proven correctness of Islamic verdicts.

Since the Muslim League succeeded in the partition of colonial India and the foundation of Muslim state Pakistan, Muslims have been accused of being antinational. Communal hatred and fears are incited time after time in programs and riots until today – in which Muslims have been disproportionately victims. Slogans like “*Musalmanon ka ek sthan, Pakistan ya Kabristan*” (There is only one place for Muslims to be: Pakistan or the cemetery) are common.⁴⁶ Muslims’ rightful national belonging and their citizenship rights have been repeatedly questioned. The current political climate, with a Hindu national party heading the government, is perceived by many young middle class Muslims as calling for a defensive stance with public displays of ‘Indianness’ – dropping hints about their national pro-India attitude or by demonstratively supporting the Indian cricket team or posting “national heroes” – be it army or sportspeople on their facebook timelines. While some try to blend in, other young people chose the opposite way and started to grow beards and wear hijab just to make it a point. As a 25 year old employee of a call centre explained who sells burger in a drive-in in Virginia from Lucknow:

“The Pathans ruled the country side. In the city you had the Nawabs. Culturally, politically Muslims were at the top! These days you have to always underscore how national you feel about your country or you may run in danger to be disfranchised one day. (...) Being a Khan is already considered a crime these days. I am so fed up of this! I am a very moderate Muslim. I am not at all a textbook Muslim – leave alone an extremist or criminal! I have a girlfriend, I do parties and all, but I decided to grow a beard just to show that I am Muslim and that people understand that you can be visibly Muslim and be modern.”⁴⁷

However, there are also those trying to be “visibly Muslim” who do not combine visible Muslim markers with liberal lifestyles. Intense relations via migration to Saudi Arabia and the middle East in the face of an perceived anti-Islam attitude, have fuelled the politicization of essentialized Muslim identities. Mundane activities like home decoration, eating, drinking water, how to put on shoes the way the prophet did and so on have been increasingly ritualized. Competing discourses on appropriate gender relations and correct religious practice constitute the contested ideological terrain for negotiating religious authenticity and authority. Young Muslims having worked in Saudi Arabia use their ritual knowledge to re-negotiate family hierarchies, as in doing the otherwise impossible criticizing and challenging their elders on ritual grounds. However, it may also happen that at the same time other siblings of the same family do not endorse their brothers claims and enjoy and advocate a more liberal lifestyle, making open or cautiously fun of their Saudi influenced brothers – and at times blackmail them into silence on their own mischief with the discovery of porn on their brother’s laptops. Thus rendering interpretations of proper Muslimness, what it means to be modern and middle class a contested terrain even *within* families.

In addition to bemoaning the loss in respects for Muslims in the subcontinent, people also were aware that the growing middle class is to blame for social relegation *within* the Muslim community. “*Other communities went ahead of us. Some went ahead due to education and some went ahead due to government policies, be it reservations for OBC Muslims. Like this they came into money. We used to have money from our landholdings, we used to be rich. We used to be the ruling class. Nowadays, those who used to be our neighbours, they came into money and went*

⁴⁶ As for instance during the Muzaffarnagar Riots 2014 (Anand 2013).

⁴⁷ Maqsood Khan, 25yrs, Call Centre employee

The Middle Class in World Society

*above us. Even those who were once our servants, even they went economically ahead of us! Obviously people will try very hard to move up. (...) Because they only look into increasing their money, values have come down. Paise they got, but with the incoming paise, the family integration, attachment and love came to an end.”*⁴⁸

What is regretted -- apart from the decline of *tehzeeb*, manners and “royalty” --is the breaking down of kinship ties over “*the competition necessitated by the modern times*”, i.e. the challenges to established social hierarchies (i.e. those based on caste or clan/family).

While the middle class generally is described in the literature as looking forward (Varma 1998) and by their aspirations (Donner and De Neve 2011), a considerable part of the Muslim middle class families in Lucknow thus can be characterized by rather looking back and romanticizing the past. Despite comparative prospering they yearn for the times prior to modernization and individualization. Yet, mourning the glory of the past does not need to mean to be “frozen in the past” (Hasnain 2009). At least science, technical achievements and consumer goods are equally cherished as they are by the mainstream. It rather refers to the way, how pride and (be-) longing is based on a historically rather short period in the past, the reference point being the glory of bygone times and not the future. This lamenting is part of stressing the cultural achievements if not superiority of Muslims in relation to competing discourses on Indian or Western modernity.

Established families strive to legitimate their own authority and standing by stressing *tehzeeb* and what they call ‘royalty’ -- that is by associating with Muslim cultural and intellectual achievements in the past. The ‘new climbers’, often with Gulf or Saudi migrational ties, turn the tables and claim authority and primacy of an orthodox, Saudi influenced Islam and consequently their own lifestyles. Competing discourses on appropriate gender relations and correct religious practice thereby constitute the contested ideological terrain for negotiating religious authenticity and authority as well as “belonging to the modern”. This leads to new compulsions for religious commitment and to a certain ritualisation of religious practice - often by drawing on discourses and teachings from outside Lucknow or even outside India, imported through middle east migration or as proposed by the popular Peace TV and readily available DVDs. Processes of closure occur in a context in which Lucknavi culture historically has been characterized and idealized by its cultural permeability, tolerance and everyday interaction crosscutting religious groups. While interaction and interdependences are still there in everyday life, prejudices against ‘the other’ are probably on the rise. In fact, it seemed to be a marker of middleclassness, to be able to afford reduced contact with the other community. Muslim youngsters admitted to refer to the guys of the other community as ‘gandu’ (asshole / gay / effimate) while Hindu students I was teaching in research methods at the Lucknow University considered it outrageous to be asked to interview Muslims. But also the elder generations nurture prejudices against the other community and more self-critical voices from both communities warn of ‘the rising wall in the minds of people’. Small daily fights over public space were very common (destroying small Hindu idols put on ever increasing small roadside encroachments or provoking Muslim neighbours with giant speakers and several days and nights long bhajan sessions). Only parts of the former aristocracy seem to be oblivious of these developments and pretend harmonious co-existence and mutual respect – ‘as it has always been in Lucknow’ – and thus appeared in unworldly denial.

“Modernization Means Pepsodent, Colgate, Closeup”

However, in many aspects -- particularly when it comes to consumption and the need to prove middle class membership -- differences between Muslim or Hindu middle class are less than the number of commonalities. Competition over climbing up, becoming part of the middle class and eventually being obsessed with distinction was expressed as even stronger within one’s own community -if not own family - than with the other community. “*If somebody is going [economically] up, they will grab his leg and will try to pull him down again*” as Zakira Khan

⁴⁸ Musa Khan, 43yrs, business man.

pointed out within regard to her own relatives. Or as Shariq Lodhi, a 42yrs old businessman, explained: *“There is so much competition (pratiyogta) these days. (...) If somebody has come into money, he will show it. Even if he does not have so much, he will cover that up. To the outside he will show off and will get all pumped up. It is like that with regard to money and cars or even his body. Okay, in order to have a good body he will exercise so that he can show others, he tries to look like from the movies. It is not about being fit. It is about how it looks. And sometimes he will overdo it, only to show off. This all creates an atmosphere that was not there before. (...) Look, if somebody did a nice wedding, the next person will want to do an even nicer, more lavish wedding. (...) This is important if you want to be part of the middle class. Like this we are dragging each other to spend more and more. (...) This is the atmosphere amongst middle class Muslims in Lucknow these days.”*

The competition, however, is felt not just with regard to who will faster climb up the socioeconomic ladder, but also about what actually constitutes a good ladder, that is what professional, lifestyle and consumption choices people should make, where to abstain, in which fields to stick to the old ways and where to embrace western modernity. People stressed that they are not ‘frozen in the past’, but “part of the modern and yet are Muslims but not necessarily corrupted by the West”. The accusation of being “left behind in modernization” (Engineer 2001) is countered by striving for the ‘modern’ epitomized by ‘a decent middle class income’ and certain goods and lifestyles. New narratives are forged by stressing consumption and technological progress as essence of modernity. But also Islam’s pro education and science stance as well as Islamic understandings of equality and solidarity were quoted to show *“that we are modern too”* or Mansoor Khan, a business men dealing with medical supply, would even argue ‘more modern than others’:

“Forgetting your culture, forgetting your clothing, forgetting what your parents are having is not modernization. Be modern with your thoughts. The traditional way was to think good, talk good and all with good manners. In Islam, everybody is equal, there is no caste discrimination. That is Muslim culture. In the West you have competition and capitalism, only money counts. In modern Muslim culture, as you find with the middle class, we would combine this Muslim heritage with the good things of modernization which are education and knowledge, technology and development.”

Obviously such representations are discursive forms and not necessarily supported by actual practice. However, they illustrate how categories being modern, middleclassness, and Muslimness are used in processes of distinction, for negotiating contested social hierarchies as well as to voice claims in different contexts.

Grey Muslims?

Even if Muslim middle class is singled out here based on its neglect in public discourses, it has to be stressed that Lucknow’s middle class Muslims are not a unified, distinct collective actor only because they are Muslim. Even if often perceived as such and stereotyped from within and outside as the distinctive other, there are no uniform shared preferences, practices or claims. The similarities – apart from religious practice -between Hindu and Muslim middle class families are often much bigger than both the communities would like to acknowledge.

For both communities, the variety of competing narratives of modernity, lifestyles, contextually shifting subjectivities, moralities and consumption patterns has increased and consequently have the possibilities to make choices and to position oneself. Previous lifestyles are not just replaced with new ones, but continue concurrently, and serve to both construct new imaginaries as well as reconfirm old boundaries (Appadurai 1996). Despite the euphoria on consumption possibilities, particularly the older generation retains to ideals of modesty – at least towards the outside and decries “Westoxification” (Gupta 2000:11). Thus the complexity of everyday middle class life in Lucknow has increased ever since. New options of consumption and possibilities of self-fashioning do not mean that poverty has become less. Rather the disparity of incomes has increased and socio-economic relegation is as immanent, as is the hope for climbing up further. Consequently the pressure to feel

The Middle Class in World Society

responsible for one's own biography, the pressure to perform, to achieve and to make pro-active decisions on what to do with one's life has amplified. Individualized responsibilities to achieve are a common marker of middleclassness across the communities. Many interviewees, particularly of the younger generation complained about the conflicting expectations by peers, their elders, religious leaders, and the competitive requirements of the modern employment sector. One student of the Lucknow University, recognizing the changes and magnitude of imaginaries of good life brought by globalization and the promise of prosperity, summed up his struggles by pointing out that he "*sometimes feels lost in transition*"⁴⁹. Others felt unsettled if not threatened by metropolitan or rather globalizing youth cultures: "*Globalization has reached Lucknow. People are trying to copy people in Delhi. They are forgetting their roots and the culture of Lucknow. They think globalization is copying others. (...) Look at the girls. They copy the West. With the coming of the malls you see people trying to be westernized. They will wear jeans, t-shirts, tops, they will show off their figures. Before it was not like that. They were wearing salwar kameez. And that was good. They are now trying to be like them [westerners]. We do not want to lose our culture. Would you like your culture to be stolen by someone?*"⁵⁰ Others felt overwhelmed by the sheer quantity of available lifestyle options and career choices. "*You studied and then you took over your father's business or you joined whatever line he thought you should join. People got married early and they neither had to make all these decisions we have to make these days. Today it's all about making the right choice. Then you will be judged by your choice – be it the sneakers you wore, or the profession you chose. (...) Everywhere is competition. Nowadays, average results in college do not get you any job, nor do you get a girlfriend if you have no cool clothes, no bike and no cash.*"⁵¹ Or as Zain Khan puts it: "*During my father's time the young people did not have to think too much. After their graduation they did not need to worry so much about finding a job. They just joined their father's trade or business. But today young people are under tremendous pressure. (...) Parents think about you, they may force you to do something they think is good for you. In whatever decision you make today you have to take your parents, your family, your religion into consideration – and very often they all want something different. On top of that you worry about your own dreams and what your friends will think of you. Then having a girlfriend is a must these days! (...) For whatever you do or choose, earning money is a must, everything else comes second. Without money you are nobody. You cannot be part of society. Nobody takes you serious. No chance with girls either. (...) A cool dude has cash, car, bike and a girl. (...) Young guys these days are tense because of all that.*"⁵²

However most young middle class Muslims in Lucknow had a rather playful approach towards the many new opportunities and possibilities and overcame the trade-offs of transition for instance by considering themselves "*grey Muslims*". With this they meant, that at times "*white and pure*" as in regularly going to the mosque, being obedient sons and daughters and at least discursively endorsing orthodox norms, at other times "*trying out a bit of the dark, haraam side*" with hanging out at the shopping malls, having girl/boyfriends or even drinking alcohol. Most of the times, however, they would be "*grey as in invisible, like everybody else*", juggling between parents' and peer groups' expectation without being particularly concerned about the actually rather colourful simultaneity of politicization of religious identities, the media based commercialization of religion, an increasing ritualization of religious practice and the new compulsions of consumption and youth culture. Thus the very same person may sport a beard, complain about his culture being stolen, buy his clothes at Zara, but wears Kurta Pyjama on Fridays, goes on tinder dates and drink alcohol, but insists to hold the glass like the prophet did, forwards both religious clips and porn in whatsapp groups, but plans to marry eventually a namazee girl of his mother's choice without feeling much stressed about the contextual fractures in his everyday life.

⁴⁹ Alvi Rizvi, 19yrs, student at the University of Lucknow.

⁵⁰ Zishan Khan, 25yrs, Sunni, BA in Economics. Interestingly, despite his negative portrayal of Western influx on Muslim youth culture in Lucknow, he wears Western clothes himself (other than on Fridays) and he has a Hindu girlfriend who occasionally wears jeans too.

⁵¹ Arshad Rizvi, 24yrs, Commerce Student.

⁵² Zain Khan, 23yrs, BA student, Integreal College.

Conclusions

Intense transnational relations with the Middle East, recent communal confrontations in Uttar Pradesh, economic nationalism as an avatar of revived Hindu nationalism and a tangible global anti-Islam attitude have fuelled the politicization of essentialised Muslim identities. Mobilization of difference and own moral superiority in the face of hegemonial representations of modernity and national belonging is one way of giving meaning to one's own subject position. But only one.

Not to be 'left behind in development' is another recurrent theme. Often it entails a development discourse that strips western 'modernization' of some of its values, while it adheres to a pro science, pro technology and pro-consumerist attitude. Both, Hindus and Muslims draw on what they perceive as Western modernity to discredit the other community ('Muslims are backward', 'Hindus westernized') but also to legitimize change and individual choices within their own community or even towards family members. How 'modern' thereby is deployed is highly contradictory and depending on context.

Even if Indian middleclassness is increasingly shaped by a globalized culture of consumption (Heiman et al. 2012), fieldwork this year showed that there are equally important other nodes in people's frameworks for the politics of positioning. Middle class subjectivities explicitly need the opposition by other middle class subjects - be they competitors within their own community or representing 'the wrong middle class' or 'the West'. In addition to that, Muslim middle class families refer to the Hindu mainstream middle class to shape their subjectivities. Similarly, they draw on knowledge produced in translocal spaces connecting India and the Middle East and in the virtual space of the internet (reposted 'news', poems and pictures in social media or viral youtube clips) to inform and legitimate their everyday practices.

The multipolar references in knowledge production and the transnational character of these processes points to the extremely contested and politicized character of middleclassness in India. Moreover, it highlights how middle class is a cultural, if not political project that is crosscut by imaginaries of modern India. Precisely this intricate connectedness of discourses on middle class and modern India is the reason why middle class is such an aspirational category for Muslims in Lucknow. While middle class Muslims seem not to exist in Indian public discourses, among Muslims themselves middle class is a dominant category of self-description and association. The attractiveness of 'middle class' is based on the possibility to identify with modernity, that is to counter the stereotype of the backward Muslim, while simultaneously allowing for being part of India shining without having to endorse the Hindu nationalist discourse.

References

1. Ablett, Jonathan et al. (2007) The 'Bird of Gold': The Rise of India's Consumer Market. McKinsey Report, http://www.mckinsey.com/insights/asia-pacific/the_bird_of_gold.
2. Amin, Shahid (2005) 'Representing the Musalman: Then and Now, Now and Then', in Shail Mayaram, M.S.S. Pandian and Ajai Skaria (eds.) Muslims, Dalits and the Fabrications of History. Subaltern Studies XII. New Delhi: Permanent Black, pp. 1-35.
3. Appadurai, Arjun (1996) *Modernity at Large: Cultural Dimensions in Globalization*. Minnesota: University of Minnesota Press.
4. Bardhan, P. (1989) 'The Third Dominant Class', in *Economic and Political Weekly*, 24:155/56.
5. Bourdieu, Pierre (2013) [1987] *Distinction: A Social Critique of the Judgement of Taste*. London: Routledge.
6. Brosius, Christiane (2010) *India's Middle Class: New Forms of Urban Leisure. Consumption and Prosperity*. London: Routledge.
7. Calhoun, Craig (2003) 'Belonging' in the Cosmopolitan Imaginary', in *Ethnicities*, 34: 531-68.

The Middle Class in World Society

8. Cinar, Alev (2005) *Modernity, Islam and Secularism in Turkey: Bodies, Places and Time*. Cambridge: Cambridge University Press.
9. Corbridge, Stuart and John Harriss (2000) *Reinventing India*. Cambridge: Blackwell Polity Press.
10. ___ (2002) 'The Shock of Reform: The Political Economy of Liberalization in India', in Robert Bradnock and Glyn Williams (eds.) *South Asia in a Globalized World: A Reconstructed Regional Geography*. Harlow: Prentice Hall, pp. 103-121.
11. Daechsel, Markus (2006) *The Politics of Self-Expression: The Urdu Middle-Class Milieu of Early 20th Century India and Pakistan*. London: Routledge
12. Damodaran, Harish (2008) *India's New Capitalists: Caste, Business, and Industry in a Modern Nation*. Ranikhet: Permanent Black.
13. Donner, Henrike (2011) 'Gendered Bodies, Domestic Work and Perfect Families: New Regimes of Gender and Food in Bengali Middle-Class Lifestyles', in *ibid.*, and Geert de Neve, (eds.) *Being Middle Class in India*. London: Routledge, pp. 47-72.
14. ___ and Geert De Neve (2011) 'Introduction', in *ibids.*, (eds.) 2011. *Being Middle Class in India*. London: Routledge, pp. 1-22.
15. Dubey, Suman (1992) 'The Middle Class', in Philip Oldenberg, (ed.) *India Briefing*. Boulder: Westview Press, pp. 137-164.
16. Elias, Norbert and John L. Scotson (1993) [1965] *Etablierte und Aussenseiter*. Frankfurt a.M.: Suhrkamp.
17. Engineer, Ashgar Ali (2001) 'Muslim Middle Class and its Role', in *Secular Perspective*, May 16- 31, 2001, pp. 1-2.
18. Fernandes, Leela (2006) *India's New Middle Class: Democratic Politics in an Era of Economic Reform*. Minneapolis: University of Minnesota Press.
19. Froystad, Kathinka (2006) *Blended Boundaries: Caste, Class and Shifting Faces of Hinduism in a North Indian City*. New Delhi: Oxford University Press.
20. Ganguly-Scrase, Ruchira and Timothy J. Scrase (2009) *Globalisation and the Middle Class in India. The Social and Cultural Impact of Neoliberal Reforms*. London: Routledge.
21. Government of India (2006) *Social, Economic and Educational Status of the Muslim Community of India*. New Delhi: Government of India.
22. Gupta, Dipankar (2000) *Mistaken Modernity: India Between the Worlds*. New Delhi: Harper Collins.
23. ___ (2009) *The Caged Phoenix. Can India Fly?* Stanford: Stanford University Press.
24. Harriss, John (2008) 'Middle Class Activism and Politics of the Informal Working Class: A Perspective on Civil Society and Class Relations in Indian Cities', in Rina Agarwala and Ronald J. Herring (eds.) *Whatever Happened to Class? Reflections from South Asia*. Lanham: Lexington, pp. 109-26.
25. Hasan, Mushirul (1997) *Legacy Of A Divided Nation: India's Muslims From Independence to Ayodhya*. Boulder: Westview Press.
26. ___ (2008) *Moderate or Militant: Images of India's Muslims*. New Delhi: Oxford University Press.
27. Hasnain, Syed Iqbal (2009) *Muslims in India: Frozen in the Past*. New Delhi: Har-Anand.
28. Heiman, Rachel, Carla Freeman and Mark Liechty (2012) 'Charting an Anthropology of the Middle Classes', in *ibds.*, (eds.) *The Global Middle Class: Theorizing Through Ethnography*. SantaFe: Sarpress, pp. 3-30.
29. Joshi, Sanjay (2001) *Fractured Modernity: Making of a Middle Class in Colonial North India*. New Delhi: Oxford University Press.
30. ___ (2010) *The Middle Class in Colonial India*. Oxford: Oxford University Press.
31. Lukose, Ritty (2009) *Liberalization's Children: Gender, Youth, and Consumer Citizenship in Globalizing India*. Durham: Duke University Press.
32. Misra, Amalendu (2004) *Identity and Religion: Foundations of Anti-Islamism in India*. New Delhi: Sage
33. Mujeeb, M. (1969) *The Indian Muslims*. London: Akken & Unwin.
34. Nilekani, Nandan (2010) *Imagining India: Ideas for the New Century*. London: Penguin.
35. Talwar-Oldenburg, Veena (1999) 'Lifestyle as Resistance: The Case of the Courtesans of Lucknow', in Violette Graf, (ed.) *Lucknow: Memories of a City*. New Delhi: Oxford, pp. 136-54.

36. __ (2001) [1984] *The Making of Colonial Lucknow: 1856-77*, in *The Lucknow Omnibus*. New Delhi: Oxford University Press.
37. Parekh, Bhikhu (2010) 'Imagining India', in Ashis Nandy, ed. *Imagining India*. New Delhi: Orient Black Swan, pp. 141-157.
38. Pernau, Margit (2013) *Ashraf into Muslim Middle Classes: Muslims in Nineteenth-Century Delhi*. Oxford: Oxford University Press.
39. Saavala, Minna (2010) *Middle Class Moralities: Everyday Struggle over Belonging and Prestige in India*. New Delhi: Orient Black Swan.
40. Scrase, J. Timothy and Ruchira Ganguly-Scrase (2011) 'Globalization, Neoliberalism and Middle-Class Cultural Politics in Kolkata', in Henrike Donner (ed.), *Being Middle Class in India*. London: Routledge, pp. 117-38.
41. Shukla, Rajesh (2010) *How India Earns, Spends and Saves – Unmasking the Real India*. SAGE and NCAERCMCR: New Delhi.
42. Sircar, Ajanta (2010) *Framing the Nation: Languages of 'Modernity' in India*. London: Seagull.
43. Sivaramakrishnan, K. and Arun Agarwal (2003) 'Regional Modernities in Stories and Practices of Development', in *ibid.*, (eds.) *Regional Modernities: The Cultural Politics of Development in India*. Oxford: Oxford University Press, pp. 1-61.
44. Sridhan, E. (2011) 'The Growth and Sectoral Composition of India's Middle Classes: Their Impact on the Politics of Economic Liberalization', in Amita Baviskar and Raka Ray, (eds.) *Elite and Everyman: The Cultural Politics of the Indian Middle Class*. New Delhi: Routledge, pp. 27
45. Tahseen, Rana (1993) *Education and Modernization of Muslims in India*. New Delhi: Varma, Pavan K. (1998) *The Great Indian Middle Class*. New Delhi: Viking.

Middle Class Dalits in India: Their Issues and Challenges

Kalidas S Khobragade

Recent economic changes in India have coincided with a dramatic change in the concept of a “middle class” in the Indian society. Whereas previous sets of class identities were overwhelmingly dichotomous (for example, the rich and the poor, or the “big people” and “those who have nothing”), the middle class has now become a highly elaborated component of local class structures and identities. The middle class is working class of the India where all caste and religious group are include. The role of the middle class society is improved by their job and status. But Dalits as community engaged here in middle class of society improved their status by their job and skill economically but marginalization and practices of caste of dalit community is not eradicated from the life of down trodden.

The middle class of the society is servicing class of the society. The theory of structural and functional theory by the Herbert Spencer situated that all section and all part of the society is very important for the smooth functioning of the society. The Weberian conceptual theory of bureaucracy the structure of the hierarchical functioning from lower to higher position in bureaucracy is necessary for development. Class theory and Conflict theory of Marx contending that the group of the peoples are exploited by the capitalist. The unequal situation of society in social, political and economical makes conflict and class in society where capitalist utilized the people as commodity. In Indian context the caste structure of society is based on the occupation. Where the peoples are divided based on caste and their by occupation by the Dr. Ambedkar. M N Srinivasan talked about the sanskritization where the lower caste of the peoples are adopting the cultural and other habits of the higher caste of the peoples. The dalit community of the Indian society is one of the oppressed and depressed class of the society get brought changes after the Indian independence of the society. Now middle class of dalit community is one of the emerging class in society but they are suffered same issues of the caste practices in rural and urban India.

The spread of education, introduction of policy of reservations in government jobs and educational institutions and other Affirmative Action policies of the State have led to the emergence of a middle class from within the Dalit community referred to as the “Dalit Middle Class” (Ram, 1995; Savaala, 2001; Pandey, 2011; Jodhka, 2012; 2015). This group constitutes the educated Dalits who have entered into modern occupations associated with the middle class. While these Dalits have undoubtedly secured occupational and economic mobility and have witnessed an improvement in class position, as literature highlights, their caste identity as “Dalits” still continues to mediate their daily life experiences of “being the middle class” and stigmatise their identity unlike the “mainstream middle class”. This renders the understanding of their social mobility as complex. It is the case of this Dalit Middle Class and their social mobility which the present paper takes up for discussion. Such observations suggest that the middle is a much more widely recognized class category than it was in the early 1990s, and that more people identify with it than in the past. In short, “middle classness” has become socially more significant, and culturally more elaborated, over the past two decades in India. Few, if any, objective features of income, occupation, education, consumer goods, housing, or leisure practices, however, can be used to define the middle class in India. Indeed, because of my focus on self-ascribed identity, this “middle class” is even more heterogeneous than the Indian “middle class” that others have described as fragmented and divided. The only features that unite middle-class people in India are their claim to the identity, the types of indicators they use to substantiate that identity, and the striking behavioural and attitudinal ramifications that attend it. Through a review of literature, this paper argues that given that the considerations of caste are still at work as far as the relations and interaction between the Dalits and the larger

society is concerned, an improvement in class position for these educated middle class Dalits may not necessarily lead to an improvement in their social status. Despite gaining an entry into the middle class fractions, many of them still face discrimination as well as resistance to their assimilation in the mainstream middle class. As the paper will show even if their class position improves, their caste identity intervenes in their relationships with others from the middle class and higher classes. Estimates of the size of India's dalit middle class (or middle classes) vary from 5 millions to 50 millions (roughly 5 per cent of dalit population), though there is growing agreement that the higher figures are greatly exaggerated. Size and composition depend on how the dalit middle class is defined and which data are used to measure it. The wide variety of characteristics used by analysts to identify an dalits Indian middle class include income, durable property and assets, occupation, structural position (typically, relation to the means of production), consumption ability and/or expenditure, cultural and social capital, and attitudes.

The objective of this paper is to find out the social and economical status of middle class dalit in India. Second objective of this paper is to study middle class dalits in India their issues and challenges. This paper will use explorative research method based on the secondary data. Secondary data includes the census reports, Schedule caste commission report, Social justice and welfare department of report, Human rights reports.

Along with this, the paper also emphasizes that to understand the complexity of the social mobility processes and experiences for groups like Dalits that have been marginalised, it is important that research on social mobility not only entails quantitatively studying the intergenerational shifts in occupation, education, income etc., but also qualitatively studying the processes, strategies and experiences of social mobility in terms of their interactions with others from their class and other classes. The latter specifically implies understanding social mobility in terms of the degree of social and ritual distance between the Dalit middle class and other non-Dalit middle class members as well as those from other classes.

Key words: Dalits, Middle class dalits, issues of dalits, challenges for dalits.

“Our fighting not for the wealth and power but our fight is for dignity and rights by Dr. Ambedkar”.

Introduction

Dalits in India constitute a significant proportion of the Indian population (16.2 %, Census, 2011), but as it is well documented, they have been one of the most socially discriminated group in India that has also been politically marginalized and economically vulnerable.

Under the caste structure still they are suffered and bear the mall practices of the caste system. Dalits identity which is based on the occupation which is get from the caste system of India. After Independent and industrialization However with urbanization, introduction of education and positive action policies, there has been a failing of the caste-occupation link and considerations of transparency and pollution, the available opportunity and constitutional framework provides wherein the Dalits have experienced a relative change in their socio-economic conditions. But dalits still aggrieved and exploited under the caste era and custom Though, this change has not been uniform for all, but a very major development in the modern times has been the coming out of the educated Dalits who have entered into modern occupations associated with the middle class. This middle class dalits brought changes in their social and economical sphere. So they similarly working in the society like other caste and community. The concept of the sanskritization also brought several changes in living and other changes, these Dalits have been seen as the “new entrants” to the middle class and have been called the “Dalit middle class” (Ram, 1995; Savaala, 2001; Pandey, 2011; Jodhka, 2012). When looked through the conventional approach of tracing social mobility, wherein mobility is examined by comparing social origins of an individual was suffered the caste practices and discrimination based

The Middle Class in World Society

on the caste – such experiences examined in relation to his/her father’s social class, occupational status, income, or education – with his/her own attainments expressed in similar terms (Krishna, 2013), This treatment in the society again humiliating to the dalits, still they degrading and disgracing by their caste. These Dalits in any case will be regarded as upwardly mobile, as the new members of the middle class. This newly middle dalits caste had agitating against the caste discrimination for the dignity and rights.

The caste based society which is dalits identified on the their occupation, also affecting to dalits middle class. The dalits identity came in their new job and occupation in society. The caste identity for the dalits stigmatised in their daily life, this experience insulting and humiliating (Jodhka and Sirari, 2012). Thus there emerges affecting between their class position and status in caste based society (Weber, 1946). The social and economical hierarchy under the society has again restraining to dalits for social and economical mobility. Existence of two kind of the hierarchy in society in Indian context such as caste and class has again more difficult to social mobility and economically development (Naudet, 2008).

Dalit assertion in India

The caste system is viewed as one of the oldest forms of stratification that has thrived in the Indian society for centuries. The society divided into the thousand of the caste which wa arranged in society hierarchical manner according to the old custom of caste system. The every caste has gives traditional occupation under the customary practices of the society. The caste based occupation have the status of purity and pollution among the higher and lower caste. the purity and pollution associated with their occupation which was based on the caste under the hereditary. The nature of the work and occupation was dicide their social and economical status (Chakravarti, 2006). It is this opposition between the “high” and “low” that in turn accounts for the respective prescriptions and proscriptions pertaining to the social intercourse between castes. Thus in ritual terms, the status and the nature of social intercourse of castes in the traditional caste system come to be derived and defined by the relative purity of the castes.

The status and hierarchy between the caste marked feature of the caste in their status higher and lower (Srinivas, 1987 cited in Guha, 2009), the position of each caste is not always clear and fixed. The status of the shudra and ati-shudra was also divided into the lower caste of the community (Srinivas, 1962; Ghurye, 1969).

The hierarchy between the lower caste was also complicated to understand the social and economically, The shudra was also higher status in society among the lower caste group. (Srinivas, 1962). While the “Brahmins” have more or less occupied the highest position in the caste hierarchy, the bottom has been occupied by the Dalits – the “(ex) untouchables” who have been considered to be the most impure by birth and are traditionally assigned occupations like skinning of animal carcasses, tanning leather, removal of human waste; attendance at cremation grounds to name a few, considered to be the most polluting of all the occupations. The caste based occupation makes them untouchable in the society, the traditional occupation regarded them as most polluted caste, even simple touch also make impure and polluted to the other caste of the people. The caste system and status was not only based on the pure and pollution but also based on the domination, exploitation, subordination, oppression on unequal access of the all kind of the sources for economically and socially development. (Chakravarti, 2006, p. 21). In this sense caste system is a system of material inequality and entails an unequal and hierarchical entitlement of economic and social rights as well as privileges that are predetermined and ascribed by birth for each caste (Thorat and Newman, 2010).

Caste system which was based on the unequal and hierarchical in society which dicied the status of the people. The caste system promoted the unequal social and economical rights to the lower caste of the peoples, includes the dalit were more exploited for the social and economical rights in caste society. The unequal rights more affected to the dalits in their daily social and economically life in society (Thorat and Newman, 2010, p. 7). Thus hierarchy of the caste practices dalits are more deprived and suffered socially and economically.

After the independence, constitutionally the promotion of urbanization, introduction of education and affirmative action policies there have been some changes in the caste system in terms of the weakening and dalits are freely enter into the dignified jobs and services, it gives some relief in social and economical status (Beteille, 2002; Shah, 2010).

This changes was affected for the dalit economical and social mobility. The several social movements denied the social stratification based on caste and their occupation. These movements are bring changes in society for social and economical equality for the dalits. The status of the dalits still low but some where they economically developed by the social revolution.

The educational disparities by the caste are persistent and Dalits still lag behind the non-Dalits both in terms of literacy and educational attainment (Deshpande, 2011). Uneven spread of education to some extent explain the fact that despite a weakening of the caste –occupation link for them, many Dalits are working in lowest rungs: manual scavengers, casual labour, agricultural labour and unemployed due to the lack of the education (ibid, p. 74). Under the informal sector poorly paid, low wages works, daily working system, contract working system such employment further adds to their economic deprivation. This paper which is basically on middle class dalits in India suggest that the dalits development are mere fiction image in the society because of the most dalits are engaged in traditional and agriculture work which is most unsecure works in the world under the informal economy of the India. (Jodhka, 2015, p. 222).

Apart of the dalits other community such as non-dalits are possessing more dignified and salaried jobs , consisting of executives, professionals, white collar employees and class IV employees, farming and business sectors. But at the same time, only some Dalits have managed to reach the salariat. Majumdar (2012). The national election data shows that the most of the dalits are engaging the manual kind of the work in rural india and here the dalits having 100% engagement in manual work. The upper caste are not found in such kind of the occupation (Kumar 2011). In his analysis of educational and occupational attainments of the various social groups states, that the educational and occupational attainments is more among the “advanced castes”. His analysis suggests that the movement of the “excluded castes” (including the Scheduled Castes, Scheduled Tribes and OBCs) in various occupational groups like the white collar, pink collar, blue collar is minimal as compared to the advanced castes (upper castes). So as he suggests upward mobility is more evident for the “Advanced castes rather than the “Excluded castes”. Works like these and others (for instance Vaid and Heath, 2010; Thorat and Newman, 2010, Deshpande, 2011 etc.) largely seem to suggest that the Dalits are still concentrated in lower status occupations (manual work) in the occupational hierarchy, though with time they have shown some movement into other occupations.

Researchers have also traced the patterns of intergenerational mobility across caste groups. For instance, Deshpande and Palishkar (2008) study the intergenerational mobility among 4 generations of different caste groups in Pune city. In the analysis of their mobility across generations for respective occupational categories, they find that over four generations, Dalits are still not into higher occupations in large numbers. But at the same time a sharp decline across the four generations in the category of very low occupations is noted. In the case of upper middle occupations also, while the first three generations of the Dalits show a steady rise, there was a decline in the fourth generation. Similarly, while the second generation of Dalits experienced upward mobility in the case of middle occupations, the mobility rates were low for the third , which were now increasing for the fourth generation now. All these patterns suggest how while there has been a decline in the proportion of Dalits engaged in the lowest occupations, there has also been a corresponding rise in the numbers of those engaged in lower and lower middle occupations. Thus upward mobility of the Dalits remains limited given that it is found largely within the low range occupations as compared to the other caste groups. Kumar et al (2002) report of a continuity of class positions of fathers and sons and conclude that the “dominant picture is one of continuity rather than change.” (Kumar et.al, 2002, p. 4096). Thus, caste indeed works to block those located at the lower end of caste hierarchy” (Kumar et al, 2002, Thorat and Attewell, 2007; Thorat and Newman, 2010; Vaid and Heath, 2010 cited in Judge, 2015, p.222)

The Middle Class in World Society

So as far as the inter-generational mobility of Dalits is concerned, while for a large proportion there is no stark upward shift in “higher status occupations” for them across generations, but at the same time there has been shift away from the lowest occupations for some. So as it emerges from the preceding discussion, only a very small proportion has been able to enter the middle and higher end occupations in the occupational hierarchy. It is in this context that the discussion of the Dalit middle class comes up. The small, but a significant proportion of educated Dalits entering occupations associated with the middle class have been seen as recent entrants to the middle class⁴ and are referred to as the Dalit Middle Class (Ram, 1995; Savaala, 2001; Pandey, 2011; Jodhka, 2012; 2015). As mentioned earlier also, the rise of the Dalit middle class is associated with the spread of education and most importantly the reservation in government jobs and institutions of higher education.

In 1972, Roy Burman considered the “New Middle Class” as “a section of people belonging to the scheduled casts who avail of the reservation facilities and belong to the families of marginal farmers” (Roy-Burman, 1972, p.3 stated in Ram, 1988). Nandu Ram in 1988 used this term for “salaried persons of the Scheduled Castes who have adopted a life style and achieved a socio-economic status and thereby a class position different from the earlier ones” (Ram, 1988: 119). While these scholars include only the members of the Scheduled Castes, some like Saavala (2001) and Pandey (2011) make this category inclusive of other groups as well. As Savaala (2001) defines it “the middle class people who originate from lower caste backgrounds and whose relative economic security is of recent origin” (Saavala, 2001, p.295).

“Another phrase used for these Dalits is the “subaltern middle class” as Pandey (2011) refers to it. As he puts it, the subaltern middle class refers to the “middle class groups that emerge from and remain in various ways tied to long stigmatised lower class and under class populations” (Pandey, 2011, p. 15). In his work he includes both the upwardly mobile Dalits and African-Americans while discussing the category. An important observation about the Dalit middle class has been that given that the middle class comprises of different fractions, the Dalits have entered the lower middle class in significant numbers, while few have managed to reach the upper fractions (Hunt, 2014). Further, it is only some members from some caste groups like Chamars, Jatavs, Mahars and few others who have cornered most benefits accruing from reservations and other provisions (Nambissan and Sedwal, 2002), that have come to comprise this new middle class.

The middle class of the society is servicing class of the society. The theory of structural and functional theory by the Herbert Spencer situated that all section and all part of the society is very important for the smooth functioning of the society. The Weberian conceptual theory of bureaucracy the structure of the hierarchical functioning from lower to higher position in bureaucracy is necessary for development. Class theory and Conflict theory of Marx contending that the group of the peoples are exploited by the capitalist. The unequal situation of society in social, political and economical makes conflict and class in society where capitalist utilized the people as commodity. In Indian context the caste structure of society is based on the occupation. Where the peoples are divided based on caste and their by occupation by the Dr. Ambedkar. M N Srinivasan talked about the sanskritization where the lower caste of the peoples are adopting the cultural and other habits of the higher caste of the peoples. The dalit community of the Indian society is one of the oppressed and depressed class of the society get brought changes after the Indian independence of the society. Now middle class of dalit community is one of the emerging class in society but they are suffered same issues of the caste practices in rural and urban India.

What makes these Dalits, “new” or different from the old middle class is their distinct recent origins. These Dalits are the new entrants to the already existing middle class, though they may be found in the lower fractions of the class. These new entrants to the middle class need to be differentiated from the “new middle class” that is seen to have emerged in the times of liberalization in the 1990’s. This new middle class is “not new in terms of newness of its social base”. Rather it comprises of the “upper echelons of that class, and its “newness” is constituted through its identification with a new economic sector – the private sector” (Fernandes, 2000 cited in Deuchar, 2014). Thus what makes these new entrants (Dalit middle class) different from India’s otherwise new middle class is that it has a broader social base than the other.

Status of dalits in India

Our constitution has accepted the ideals of equality and justice both in the social and political field. Accordingly, it abolishes any discrimination to any class of persons on the ground of religion, race or place of birth. Articles 330-342 of Indian Constitution make special provisions for safeguarding the interest of Scheduled Castes and Scheduled Tribes, Anglo-Indians and Backward Classes.

The Scheduled Castes are historically-disadvantaged people recognised in the Constitution of India. During the period of British rule in the Indian subcontinent, they were known as the oppressed class. After independence, the Constituent Assembly continued the prevailing definition of Scheduled Castes and Tribes, giving (via articles 341 and 342) the president of India and governors of the states a mandate to compile a full listing of castes and tribes. The list of notified Scheduled Castes in Madhya Pradesh for the purpose of conducting Census 2011 contains 48 castes along with sub caste nomenclature. "Sargara" has been added in the notified list of Scheduled Castes.

Schedule caste population in India

Census 1971 recorded 79,092,841 Scheduled Castes population which increased to 201,378,372 in 2011 in India. The share of rural Scheduled Castes population was 88 percent in 1971 which reduced to 76.4 percent in 2011, consequently the Scheduled Caste urban population in India arose from 12 percent to 23.6 percent in the same period.

Scheduled caste people in India

	1971	1981	1981	2001	2011
Total	79,092,841	104,754,623	138,223,277	166,635,700	201,378,372
Rural	69,620,416	87,996,992	112,343,797	133,010,878	153,850,848
Urban	9,472,425	16,757,631	25,879,480	33,624,822	47,527,524

Total Scheduled Castes population of India in terms of percentage indicates increasing trend in 1971 to 2011 except in 2001. The total, rural and urban Scheduled Castes population observe declining trend between 1991 and 2001. The percentage of Scheduled Castes population in rural area is higher than the percentage of total Scheduled Caste population. But overall higher growth rate is observed in urban Scheduled Castes population.

Dalit population are extended year by year census from 1971 to 2011. The population in 1971 was 14% and it was increase to in 2011 was 16.6 in India. The rural and urban also increases randomly every census report.

Percentage of scheduled caste in India

Scheduled caste people percentage in India					
	1971	1981	1981	2001	2011
Total	14.8	15.7	16.5	16.2	16.6
Rural	16.4	17.3	18.0	17.9	18.5
Urban	8.8	10.6	12.0	11.8	12.6

Top most dalit population in Indian states by census 2011

The percentage distribution of scheduled castes population to total population in India in 2011 explains that Punjab, Himachal Pradesh, West Bengal, Uttar Pradesh and Haryana are among the top five states in India. The range of Scheduled Castes total population is 20 -32 percent in these states. The bottom five states/UTs by percentage of Scheduled Castes population are Mizoram, Meghalaya, Goa, Dadra & Nagar Haveli and Daman & Diu. The highest percentage of Scheduled Castes population is found in Punjab state (31.9%), where nearly one third of total population belongs to Scheduled Castes communities and the lowest is in Mizoram (0.1%).

State	Total population	Schedule caste population	Percentage of SC
	Top		
Punjab	27,743,338	8,860,179	31.9
Himachal Pradesh	6,864,602	1,729,252	25.2
West Bengal	91,276,115	21,463,270	23.5
Uttar Pradesh	199,812,341	41,357,608	20.7
Haryana	25,351,462	5,113,615	20.2
	Bottom		
Mizoram	1,097,206	1,218	0.1
Meghalaya	2,966,889	17,355	0.6
Goa	1,458,545	25,449	1.7
Dadra & Nagar Haveli	343,709	6,186	1.8
Daman & Diu	243,247	6,124	2.5

Distribution of Scheduled Castes rural population in India shows some variation over total Scheduled Castes population. Punjab, Puducherry, West Bengal, Himachal Pradesh and Tamil Nadu are among the five top ranking states in India. The lowest percentage of Scheduled Castes rural population is in Mizoram preceded by Meghalaya, Dadra & Nagar Haveli, Goa and Manipur in 2011. The highest percentage of rural Scheduled Castes population (37.5%) is again found in Punjab and the lowest in Mizoram (0.1%).

Literacy rate of schedule caste in India

Literacy rate is an important indicator of human development of any region. The comparative analysis of literacy rate of Scheduled Castes for total, rural and urban slightly changes in caste few decades. The literacy rate of the scheduled caste population in india was in 2001 54.4% so it was improved up to 66.1% in 2011. The education level is good in scheduled caste people but due to the competition in job market they rarely get the qualified job. In the comparative of the urban and rural literacy rate the urban scheduled caste are more. The urban scheduled caste literacy rate was 68.1% in 2001 and it increases in decades up to 76%. The rural literacy rate was level of the national literacy rate of the scheduled caste. The rural literacy rate in 2001 was 51% and it increases to 62.8% in 2011. The urban education is now open for the all section of the society in all school but in rural area of the India the education is more discriminative so it affecting to the dalits students in school. The education facility and the teaching by the upper caste did not accepting to the dalit students. however the student from the dalit community in rural area of India faces so many issues like poverty, discrimination, marginalization, early ages of the marriages, social status are responsible for the high drop out from the school. It causes the low level of the literacy rate in rural dalits.

	Number of literate		Literacy rate	
	India			
	2001	2011	2001	2011
Total	75,318,285	113,760,500	54.7	66.1
Rural	55,806,266	82,020,824	51.2	62.8
Urban	19512019	31,739,676	68.1	76.2

Top literacy rate in Indian state

The analysis of literacy rate of Scheduled Castes of top and bottom five States/ Union Territories of India explains that Daman & Diu, Mizoram, Tripura, Dadra & Nagar Haveli and Kerala keep top five positions for total, rural and urban literacy rate in 2011. In comparison, Bihar, Jharkhand, Rajasthan and Uttar Pradesh are among the bottom five states in total, rural and urban Scheduled Castes literacy rate in 2011. Andhra Pradesh occupies the fifth place in total and fourth place in rural among bottom five Scheduled Castes literacy rates whereas Punjab has the fifth place for urban literacy rate. Daman & Diu records the highest total (92.6%) and rural (93.2%) literacy rate and Mizoram the highest urban literacy rate (95.6%). In comparison, Bihar has the lowest literacy rate in all areas total, rural and urban with percentage of 48.6, 47.7 and 60.6 respectively.

Workers and workers participation of scheduled caste in India

The workers participation of the scheduled caste from the total population in 2001 was about 40.4% and it was in 2011 about 40.9%. The job ratio in scheduled caste peoples are rarely increases in the decades. The low education and lack of the proper traings the scheduled caste peoples are did not get good job. The dalit from the India occupy the low graded job in every sector. Most of the working population from the dalit are engaged in traditional occupations. In all most all state the dalit are engaged in the manual jobs India. The low graded job are the based on the caste and dalits are preffered for the low graded jobin both rural and urban area. In the rural India dalits are engaged in 2001 about 42.5% and it was 42.4% in 2011. The rural job participation of the dalit are basically by their caste. The caste is factor remain attach with dalits every time. The agriculture labours work dalit are the more chief and available labour India. The labours from the dalits community are most in agri occupation. The urban worker participation was 32.1% in 2001 and in 2011 was 35.5%. The comparison of the dalits in urban and rural workers participation, urban dalits are engaged in every kind of the works available as per the educational level and qualification. The urban dalit are more engaged in informal kinds of the occupation. The major issue in the dalit urban and their occupation regarding to the informal sector of the work, their migration for the work, migration for the education are basically engaged in such types of the work. The issue regarding the caste practices also remain in the urban area also. The urban dalits are face same kind of the caste treatment on jobs , discrimination and more ill treatments.

	Scheduled Castes Population		Workers of Scheduled Castes		Work Participation Rate	
	India					
	2001	2011	2001	2011	2001	2011
Total	166,635,700	201,378,372	67,332,884	82,304,753	40.4	40.9
Rural	133,010,878	153,850,848	56,526,950	65,227,696	42.5	42.4
Urban	33,624,822	47,527,524	10,805,934	17,077,057	32.1	35.5

Worker participation by top to bottom state

The analysis of Top and Bottom five States/ Union Territories by work participation rate (Total, Rural and Urban) of Scheduled Castes of India shows that Mizoram, Himachal Pradesh, Andhra Pradesh and Tamil Nadu are among the four highest total and rural worker participation rate states of India whereas Sikkim in total workers and Dadra & Nagar Haveli in rural workers are the other states/UTs among the top five. The urban work participation rate of Census 2011 explains that Mizoram, Manipur, Tamil Nadu, Kerala and Goa states rank among the top five in urban work participation rate in India. The NCT of Delhi, Daman and Diu, Uttar Pradesh and Jammu & Kashmir are the four lowest total and rural work participation rate states/UTs of India whereas Haryana is the fifth in total and Punjab is the fifth in rural Scheduled Castes work participation rate. Jharkhand, Bihar, Uttar Pradesh, Haryana and Uttarakhand are the bottom five states in urban work participation rate of the country as per 2011 Census.

Mizoram is the state with highest figures of total (53.4%), rural (56.4%) and urban (52.4%) work participation rate for Scheduled Castes in India. In comparison, the lowest Scheduled Castes work participation rate is in NCT of Delhi for total (32.1%) and rural (31.3%) and Jharkhand (29.2%) for urban.

Total			Rural			Urban		
State	Number of workers	Worker parti. rate	State	Number of workers	Worker parti. rate	State	Number of workers	Worker parti. rate
Top								
Mizoram	650	53.4	Mizoram	168	56.4	Mizoram	482	52.4
Himachal Pradesh	901,561	52.1	Andhra Pradesh	5,843,353	53.9	Manipur	23,231	47.0
Andhra Pradesh	7,006,817	50.5	Himachal Pradesh	856,327	53.3	Tamil nadu	2,118,823	42.7
Tamil Nadu	7,073,061	49.0	Dadra & Nagar Haveli#	680	52.5	Kerala	509,143	41.7
Sikkim	13,460	47.6	Tamil Nadu	4,954,238	52.3	Goa	6,388	40.0
Bottom								
NCT of Delhi	901,637	32.1	NCT of Delh	25,701	31.3	Jharkhand	242,788	29.2
Daman & Diu#	2,103	34.3	Daman & Diu	715	33.0	Bihar	369,021	30.2
Uttar Pradesh	14,246,352	34.4	Uttar Pradesh	12,466,733	34.9	Uttar Pradesh	1,779,619	31.4
Jammu & Kashmir	320,457	34.6	Jammu & Kashmir	263,002	35.0	Haryana	443,487	31.8
Haryana	1,795,878	35.1	Punjab	2,348,116	36.1	Uttarakhand	126,314	31.9

Conclusion

Dalits are historical disadvantages community suffered from various socio-economic level in society in past and present. The emergence of the dalit in after globalization is taken very important steps in development. The socio-economic status of the middle class dalit are still in the social parlance with contents to signalled in fully

changes in their situation about the social and economical sphere. The object of this paper is to identified the social and economic level and their issue and challenges, dalits are economically developed in certain level but they socially are weaken and dominated by the upper caste. There is also necessary development in their social status as well as economically status. They is major factor are more stigmatised to dalits which is also effecting their social status in middle class society. The current situation of the dalit in Indian society are still questionable and variable. The caste issues are more effecting , such as atrocities , violence, discrimination, and untouchability are remain in social life. The caste experiences in middle class are reduced but caste practices are remain in society. Dalits participation and acceptance in middle class society are variable. The dalit status are not accepted in class of society very easily. The people hiding their caste from saving their social status. Once caste recognised its exclusion remain continued.

References

1. Beteille, A. (2002). *Equality and Universality: Essay in Social and Political Theory*. New Delhi: Oxford University Press.
2. Chakravarti, U. (2006). *Gendering Caste: Through a feminist lens*. Calcutta: Stree.
3. Deshpande, R., and Palshikar, S. (2008). Occupational Mobility: How Much Does Caste Matter. *Economic and Political Weekly*, XLIII (34), 60-70.
4. Deuchar A. (2014). All dressed up nowhere to go: Transitions to (Un) Employment for lower middle class young men. *Economic and Political Weekly*, XLIX(17), 104-111.
5. Deshpande, A. (2011). *The Grammar of Caste: Economic Discrimination in Contemporary India*. New Delhi: Oxford University Press.
6. Fernandes, L. (2000). Restructuring the New Middle Class in Liberalizing India. *Comparative Studies of South Asia, Africa and the Middle East*, 20(1-2), 88-112.
7. Froerer, P., and Portisch, A. (2012). Introduction to the Special Issue: Learning, Livelihoods and Social Mobility. *Anthropology and Education Quarterly*, 43 (4), 332-343.
8. Ghurye, G.S. (1969). Features of the caste system in Dipankar Gupta (eds.) . (2008). *Social Stratification*. New Delhi: Oxford University Press, 35-48.
9. Hunt, S.B. (2014). *Hindi Literature and Politics of Representation*. New Delhi: New Delhi.
10. Isaacs, H. (1964). *India's Ex-Untouchables*. New York: John Day Company.
11. Jadhav, N. (2003). *Outcaste*. New Delhi: Viking Books.
12. Jodhka, S. (2012). *Caste*. New Delhi: Oxford University Press.
13.(2015). *Caste in Contemporary India*. New Delhi: Routledge.
14. Jodhka, S., and Sirari, T. (2012). In the footsteps of Ambedkar: Mobility, Identity and Dalit initiatives for change, 6(1). Delhi. Institute for Dalit Studies.
15. Judge, P. (2012). Between Exclusion and Exclusivity: Dalits in Contemporary India. *Polish Sociological Review* , No. 178 (accessed through <http://polish-sociological-review.eu/> on 15 December, 2014).
16. Krishna, A. (2013). Making It in India: Examining Social Mobility in Three Walks of Life. *Economic and Political Weekly*, XLVIII (49), 38-49.
17. Kamble, B. (2008). *The Prisons We Broke*. New Delhi: Orient Longman.
18. Kamble, R. (2002). Untouchability in the Urban Setting: Everyday Social Experiences of .Ex.- Untouchables in Bombay in Ghanshyam Shah (ed) *Dalits and the State*. New Delhi: Concept publications.
19. Kumar, R. (2010). *Dalit Personal Narratives: Reading Caste, Nation and Identity*. New Delhi: Orient Longman.
20. Kumar, S., Heath, A., and Heath, O. (2002). Determinants of Social Mobility in India. *Economic and Political Weekly*, 37(29), 2983-2987.
21. Majumdar, R. (2010). Intergenerational mobility in Educational and Occupational attainment: A Comparative Study of Social Classes in India. *Journal of Applied Economic Research*, 4(4), 463-494.

The Middle Class in World Society

22. Nambissan, G., and Sedwal, M. (2002) .Education For All: The Situation Of Dalit Children In India in *India Education Report (2000)* .pp.73-86.
23. Nambissan, G. (2010). The Indian Middle Classes and Educational Advantage: family strategies and practices. in M.W. Apple, S.J. Ball, L.A. Gandin (eds.) *The Routledge International Handbook of the Sociology of Education*. London: Routledge & Francis Group, 2010, 285-295.
24. Naudet J.(2008).Paying back to society: Upward social mobility among Dalits. *Contributions to Indian Sociology*, 42 (413), 413-41.
25. Pandey, Gyanendra. (2010). Subaltern citizens and their histories: Investigations from India and the USA. New Delhi: Routledge.
26. Patel, T. (2008). Stigma Goes Backstage: Reservation in Jobs and Education. *Sociological Bulletin*, 57 (1), 97- 114.
27. Ram, N. (1988).The Mobile Scheduled Castes. New Delhi: Hindustan Publishing Corporation.
28.(1995). Beyond Ambedkar: Essays on Dalits in India.New Delhi: Har-Anand Publications.
29. Ram, N.(ed.). (2008). Dalits in Contemporary India; Discrimination and Discontent, Vol.1. New Delhi: Siddhant Publication.
30. Savaala, M. (2001). Low Caste but Middle Class: Some religious strategies for middle-class identification in Hyderabad. *Contributions to Indian Sociology*, 35(7), 293-318.
31. Shah, A.M.(2010). *The Structure of Indian Society; Then and Now*. UK: Routledge.
32. Srinivas, M.N. (1987). The Caste System and its Future, in Ramachandra Guha (ed.). (2009). *The Oxford India: Srinivas* . New Delhi: Oxford University Press, 236-250.
33.(1962). “Varna and Caste”, in Dipankar Gupta (eds.) .2008. *Social Stratification*.pp. New Delhi: Oxford University Press, 28-34.
34. Thorat ,S., and Newman,K. S. (2010). *Economic Discrimination in Modern India: Blocked by Caste*. New Delhi: Oxford University Press.
35. Thorat, S., and Attewell, P.(2007). “The Legacy Of social exclusion: A correspondence study of job discrimination in India’. *Economic and Political Weekly*, 34 (5-6), 4141-4145.
36. Vaid, D.,and Heath,A.(2010). “Unequal Opportunities: Class, Caste and Social Mobility”, in Anthony Heath and Roger Jeffery (ed.). *Diversity and Change in Contemporary India*. Oxford: Oxford University Press,129-164.
37. Valmiki, O. (2003). *Joothan : A Dalit’s life*. Newyork: Columbia University Press.
38. Weber, M. 1946. From Max Weber: Essays in Sociology, H.H. Gerth and C.Wright Mills (eds). Oxford: Oxford University Press.
39. Census 2011 Report, Government of India.

Middle Class Strategies for Addressing Built Environmental Challenges: A Case Study of a Planned Neighbourhood in Delhi

Meenoo Kohli

Introduction

The neoliberal era that was ushered in across the globe from the 1980s has been characterized by the retreat of the government in both the economic and social spheres, by expansion of civil society organizations, and heightened consumerism. This pattern, although it takes a distinctive form is observable in India as well, particularly from the early 1990s onward, in the aftermath of the liberalization reforms (Roy 2011). A notable occurrence during this phase of Indian history is the expansion of the middle class. The middle class formation in India is not a new phenomenon. However, the fact that more and more people are classified and view themselves as middle class is a relatively new occurrence. The middle class in India has grown since the 1990s although estimates of its numbers vary widely, ranging from 30-300 million, based on how the middle class is defined. (Sridharan 2004; Varma 2007; Saxena 2010; Jodhka and Prakash 2011) While there may be debate about the size and composition of the new Indian middle class, there is little doubt that it is both being shaped by and shaping numerous social forces such as globalization, urbanization and the growth of the consumer economy (Roy 2011; Grewal 1999; Brosius 2012). Thus scholars have sought to understand the growing aspirations and changing lifestyles of the middle class in the wake of neoliberal reforms introduced by the Indian Government in the early 1990s (Fernandes 2009; Srivastava 2014). However, even as the recent expansion of the middle class is touted as a cause for celebration within administrative circles (Lakha 1999) it is, more often than not, a source of consternation among academics who study the middle classes. Many of the scholarly works on the Indian urban middle class highlight their hyper consumerist lifestyle. Numerous works have also drawn attention to “bourgeois environmentalism” in urban spaces, which typically take the form of beautification projects and constructing exclusive and exclusionary gated communities, and the “world class” cities (Baviskar 2007; Roy 2011; Falzon 2004). These scholars take a dim view of the middle class consumerist lifestyle, global aspirations, and environmental concerns. In a variant of the elite capture theory, scholars like, Ghertner (2011), Harriss (2007) argue that middle class priorities are circumscribed and limiting, and tend to divert attention from more pressing concerns like growing economic disparity, the precarious livelihoods of the people who serve the middle classes, and the many environmental injustices that are a direct result of the global consumer boom. Both Ghertner (2011) and Harriss (2007) take a critical view of the community based organizations through which the middle class engages with political actors.

There is less attention and acknowledgment by scholars of the challenges that the new middle class face, particularly in terms of access to civic amenities and services (which can be broadly described as the built environment) in the cities where many of them live. For in India, as in other countries of the Global South, the emergence of this new middle class has coincided with the accelerated pace of urbanization. After 1947, even though the newly independent government’s initial focus was on improving rural life, urban growth was stimulated by the removal of the colonial stranglehold over the Indian economy. Although India’s population remained primarily rural and, compared to other Asian nations, the proportion of the population in urban areas is relatively small, over the last three decades an increase in the migration out of the rural areas and the expansion of the services sector has led to the expansion of urban sites. This, in turn, has strained resources like land, water and energy and services like public transport and waste management. This is especially true of the original metropolitan cities in India – Delhi, Mumbai, Chennai, and Kolkatta (Nath and Aggarwal 2007).

The Middle Class in World Society

The middle class has not been immune to the stresses and strains of rapid urbanization in the recent decades. While there is an expanding body of work on the urban environmental issues confronting the marginalized and disadvantaged communities in urban areas of India (Gandy 2008; Anand 2011), the middle class perspective is relatively unexplored. There seems to be an implicit assumption that the middle class does not face issues like limited supplies of water and electricity. As a result, even as scholars have detailed the environmental *concerns* of the urban middle class, the *challenges* such as water shortages, confronting the urban middle class have not received the same attention, as say those experienced by residents in informal settlements. Nonetheless, as I observed during my visits to India over many years, even though the extent and degree of the urban environmental challenges may vary, the middle class neighbourhoods are not immune from problems like inadequate water supply and frequent power outages.

As Mawdsley (2004) also notes scholarly works on the middle class often take a dim view of this social group, and as a consequence, scholars tend to trivialize and/or dismiss the particular environmental challenges of the middle class. There has been some attention to the judicial approach that the middle class has adopted particularly pertaining to air quality (Bell et al. 2004; Rosencranz and Jackson 2002) and more limitedly to social movements (Bywater 2009) but by and large, how the middle class addresses these challenges remains relatively underexplored. The aim of this paper is to fill the lacuna in the strategies used by the middle class to address the challenges pertaining to civic amenities and services in the cities.

The investigation of built environmental challenges and strategies from the perspective of the middle class has significance not just to fill an omission in scholarship but as Lange and Meier (2009) point out because “the new middle classes of the developing countries will be and are still playing a very important role when it comes to deciding upon the trajectories of further industrial, ecological and social development of their countries... and they are people who are seen by many others as role models in terms of consumption patterns, lifestyle and last, but not least, civic behavior. Thus a better understanding of middle class strategies has implications beyond the lives and interests of the middle class since it has the potential to influence other the larger sociopolitical structure.

The question that drives my research is, how does the urban middle class address the built environmental challenges of city life? As noted above studies on middle class strategies to address urban environmental concerns have focused on the judicial approach and more limitedly on movements. At the same time, scholars have directed attention to two notable trends in the Indian sociopolitical landscape over the last two and a half decades. The first of these, as detailed by Harriss (2007), Chakrabarti (2008) and Ghertner (2011) among others, is the rising prominence of community based organizations such as the resident welfare associations. The second as detailed by scholars like Fernandes (2009) and Srivastav (2014) has been the rise in consumerism, especially among the middle class. However, whether and how these trends intersect in addressing built environmental challenges remains relatively unexplored. Thus in my paper I investigate how these two trends play out in the middle class strategies directed at the built environmental challenges.

My research is based on ethnography of a planned neighbourhood in New Delhi. I began preliminary fieldwork in the neighbourhood in September of 2013 and conducted more extensive fieldwork from January to May 2015, and October 2015 to February 2016. My data sources include, participant observation, interviews with residents of the colony and officials of the neighbourhood organizations, documents from the neighbourhood organizations, and media accounts.

To study middle class strategies for addressing built environmental challenges, I chose a planned neighbourhood as my unit of analysis. My reason for choosing a neighbourhood as the unit of analysis is that much of the authorized urban development that has occurred in Delhi post Independence, particularly since the first master plan of 1961, has been in the form of distinct neighbourhoods, and these are the domains of the middle class. Therefore, the neighbourhood is an appropriate level of analysis for understanding middle class strategies pertaining to everyday urban living. While I do not make claims that the case I have selected is representative of other neighbourhoods, my underlying assumption is that the neighbourhood that I am studying is illustrative of environmental challenges that other planned neighbourhoods in Delhi, at sometime in their life cycles, has or may encounter. Based on figures

issued by the Delhi Urban Environment and Infrastructure Improvement Project (DUEIIP) in 2001 the population in the planned neighbourhoods comprises 24 % of the total population of Delhi. These neighbourhoods conform to the planning guidelines and legal framework required by the state, and qualify for the state provision of basic civic amenities such as water pipelines and sewage facilities, and more recently gas pipelines⁵³.

The particular case I have chosen, Vasant Vihar, is a planned residential neighbourhood in the Southwest area of the New Delhi National Capital Territory. The case is of interest because it dramatically illustrates the paradox of life in the planned neighbourhoods of Delhi. On the one hand it ranks among the exclusive neighbourhoods of Delhi, but it is at the same time not immune from the various challenges pertaining to the civic amenities and services, in other words the challenges of the urban built environment. Water is among the most pressing issues, since the neighbourhood had, for almost two decades experienced a severe shortfall in supply. My paper investigates how the middle class residents of Vasant Vihar have addressed this issue. First, I will detail the history and salient characteristics of the neighbourhood, following which I will focus on the water issue.

History of Vasant Vihar

The first Master Plan of Delhi introduced in 1961 envisioned the residential design and growth of Delhi through clusters of neighbourhoods, often referred to as “colonies”. Vasant Vihar is one such neighbourhood. It is situated in the southwest part of Delhi and abuts the South Ridge, which is an extension of the Aravalli Range that lies to the South of Delhi. It came into existence when the Delhi Development Authority, an agency of the Indian Central government, which controls all the public land in the National Capital Region (NCR) sometime in the late 1950s/early 1960s, designated a tract of relatively undeveloped land in the south-western outskirts of Delhi for sale exclusively to employees of the Central Government. The area of approximately 140 hectares was subdivided into 1549 plots varying in size from 250 square yards to 1,000 square yards. The only qualification to buy property was employment in the Central Government. Rank was not a consideration; as Kamla Sethi⁵⁴, one of the original property owners and a longtime Vasant Vihar resident, noted, conceivably, the highest ranking government bureaucrat and the junior most clerical staff could be neighbours (Kapoor Interview 2016).

There are two main community based organizations that operate within the colony. The first is the Government Servants’ House Building Cooperative Society (which, in line with the Vasant Vihar residents’ practice, I will henceforth refer to as the Society). It originated in the 1950s and was formed to manage the sale and allocation of plots. Its functions have since expanded to include the provision of minor repairs services pertaining, for example, to plumbing and electrical work; the certification of the transfer of ownership when properties within the colony are sold; and the management of the Vasant Vihar Club, which was established in 1991. Membership in the Society is fee based and is restricted to owners of property in Vasant Vihar, though the Vasant Vihar Club, also for a fee, accepts members who reside outside the colony. There are two major community based organizations that operate within Vasant Vihar. The second community-based organization is the Vasant Vihar Residents’ Welfare Association (to which I will henceforth refer to, following the residents’ practice, as the Association). This organization was formed in the 1970s to address issues relating to civic services and amenities, such as water supply, streetlights, roads and parks’ maintenance. All owners of property within Vasant Vihar are eligible to become members for a one-time membership fee. The Managing Committee comprises elected officials who hold office for two years. Each of the six blocks is also represented in the Managing Committee. Sita Nath, one of the elected representatives described the role of the Association as “facilitators”(Interview 2015). The Association President in 2008 explains, “The Association has...taken on the job of serving as a facilitator between the residents and the government bodies that residents don’t feel easy to deal with”. The initiatives he enumerates include, “maintain(ing) an ongoing dialogue

⁵³ Source: Categorization of Settlements in Delhi: Document published by Center for Policy Research <http://citiesofdelhi.cprindia.org/wp-content/uploads/2015/09/Categorisation-of-Settlement-in-Delhi.pdf>

⁵⁴ To protect their privacy, the names of all the interviewees are pseudonyms.

The Middle Class in World Society

with the Delhi Police and traffic Police, not to mention chasing the MCD (Municipal Corporation of Delhi) to get things done”. He further notes that the Association “is very much there to help the residents” and cites specific issues like water shortages, broken road divider, poor street lighting as examples for which to enlist the Association’s help (Chopra 2008:A8).

The colony is divided into six residential blocks of varying sizes. There are several commercial zones, comprising banks, shops, and offices, and approximately nineteen schools located within the neighbourhood . There are several parks, a large one and smaller ones within each block. The arterial and internal roads are fairly wide.

The colony is illustrative of the different stages of urban neighbourhood development in Delhi during the period after Independence. Till about the late 1960s, relatively few people lived in, or had even built houses on their property in Vasant Vihar, and for much of that decade there was very limited construction activity. The population during the initial phase was less than 10,000 (Chopra 2008: A7). One of the residents recalled visiting her property during the late 1960s, and described a barren and desolate landscape with a few houses scattered here and there. She remarked that at that time Vasant Vihar, situated in the periphery of the city close to Delhi Airport seemed very remote from Connaught Place, the city’s premier commercial center. Construction began in earnest in Vasant Vihar during the 1970s and many of the houses were built in that decade. By the early 1980s much of the colony was developed and the population had increased significantly. Since the original property owners, were government employees, whose terms of employment included government provided housing during their time in service, the houses that they owned in Vasant Vihar were primarily intended as their residences once they retired. Many of them rented out their houses till they retired. Vasant Vihar became a popular rental area for the diplomatic community because of its relative proximity to the diplomatic enclave, the area of Delhi where many of the embassies and consulates are located. A realtor suggested that this contributed to Vasant Vihar’s cache. Over the years it came to be regarded as one of the more desirable residential addresses of Delhi. Even the Wikipedia entry on Vasant Vihar describes it as “posh”!

The building guidelines were more restrictive in the early phase – houses could not exceed two stories. The guidelines were revised and relaxed over the next decades leading to a construction boom from, approximately, the mid 1990s when property owners in Vasant Vihar started adding additional floors to their existing structures. At present the number of floors cannot exceed four. Furthermore, property owners were allowed to convert their leasehold properties to freehold properties, which enabled them to sell their property. As property values continued to rise, some of the original owners sold their properties and moved to less expensive neighbourhood s. Others entered into collaborative agreements with builders, to whom they sold part of their property to finance reconstruction and expansion of their houses. This allowed them to continue to live in Vasant Vihar while earning rental income. The construction boom continued till about 2014. There has since been a slowdown in the real estate market in Delhi, which has also affected Vasant Vihar. While the pace may have slowed, there is ongoing construction activity with old houses being torn down, and replaced with new expanded buildings with more dwelling units. According to Vikas Varma, one of the current officials at the Cooperative Society, the number of dwelling units now ranges from 2,500 to 4,000 and the population of Vasant Vihar stands at approximately 30,000. (Interview Varma 2016).

Along with the increase in size of housing structures, the greater number of dwelling units, and the attendant growth in population, there has also been a change in ownership patterns. While earlier, each plot of land was owned by a single family, now, there are many instances of individual plots that have been subdivided among different owners. Moreover, ownership of property in Vasant Vihar is no longer restricted to Central Government employees. In fact, since Vasant Vihar now ranks among the more expensive neighbourhood s, only the more affluent, who are more likely to be in the private sector rather than in government, can afford to buy property there. Additionally, many of the new owners have bought their houses in Vasant Vihar as investments and often rent them out. Thus there are several instances of different units in one housing structure being rented out by different owners.

Also, informal settlements have sprung up adjacent to the colony. In casual conversations I heard residents of Vasant Vihar, on occasion, voice their reservations about these settlements – often citing issues of security,

hygiene, and aesthetics -but the residents also implicitly accept these as a part of the current urban landscape. Sita Nath, an official of the Resident Welfare Association when asked to enumerate concerns pertaining to the built environment, noted the encroachment by traders in the commercial areas of the colony as an issue. She also pointed to encroachment by Vasant Vihar residents, such as their extension of illegal structures, like guard houses, onto the sidewalks within the colony (Interview 2015). However, neither she nor any of the other officials mentioned the nearby informal settlements as a specific concern. Moreover, as I observed, and as several residents informed me, many of the domestic workers who are employed in the Vasant Vihar colony as drivers, maids, cooks, security guards etc. live in these nearby informal settlements. This may indeed explain why the Vasant Vihar residents seem unexercised about these informal settlements. The fact that the residents can draw on this pool of domestic labor has had an impact on the newer construction as well, since it has obviated having to construct reasonably sized servants' quarters within the premises. One of the striking contrasts that I noted was in the staff quarters of the older and newer houses. Even the smaller houses that were constructed in the first phase of building activity in the 1970s included relatively spacious accommodation for their hired help, while recently constructed houses, including many of the larger ones, have tiny closet like spaces that serve as staff quarters. There seems to be an implicit assumption now that the domestic help will live in the nearby informal settlements.

However, I also detected a tendency among Vasant Vihar residents to ignore the living conditions in the informal settlements. For instance, when the subject of the nearby informal settlements came up in different conversations, the Vasant Vihar residents often stated that the dwellers of these settlements now lived more comfortable lives, and almost invariably referred to the TV antennas projecting from those dwellings to support their claim. Only one of the residents, Ashok Gaur, who, while canvassing for the Aam Aadmi Party in the 2013 Delhi Assembly elections, had visited some of the nearby informal settlements, expressed concerns about the lack of civic amenities such as piped water and sanitation there.

The growth in the population, the increased affluence of the neighbourhood as well as the consumer boom of the last couple of decades has strained the resources and burdened the civic amenities and services in Vasant Vihar as well. For instance, the increase in average ownership of automobiles per family, and the rise in the number of dwelling units has led to severe parking pressures.

Some of these changes are noted in the telephone directories issued by Association since 1999. These directories are primarily a listing of Vasant Vihar residents who are members of the Association and their contact information, specifically, the telephone numbers and addresses, but also provide additional information. The directories are updated approximately every two years, and each carries a message from the President of the Association at that time. These often detail the challenges and the accomplishments of the Association, the equivalent of a state of the neighbourhood assessment. The contents of the directory include a guide to the neighbourhood and community resources and services; the list of Association officials and their responsibilities; as well as an assortment of exhortations, tips and reminders about civic responsibilities and neighbourliness. Thus the directories, in addition to their primary function of providing contact information, serve as windows into, and historical guides of the neighbourhood and community.

In the 2008 directory, Romesh Chopra the then President of Vasant Vihar Welfare Association describes the changes witnessed in Vasant Vihar as follows:

Over the years the population has skyrocketed and now touches 60,000, including the service staff population, the everyday influx of approximately 12,000 school children, and the innumerable businesses throughout the colony. Multi-storey apartment blocks have replaced the quaint bungalows of old; the 5 markets have expanded tremendously; encroachments flout building laws; and the illegal drawing of basic facilities like water and power are rampant. For each house that has split into upto 10 apartments there has been an increase of 3-4 times the number of residents, drivers, domestic help and cars" (P. A7).

The Middle Class in World Society

Under the heading of “What we are up against” he goes on to enumerate the major issues that the residents of Vasant Vihar neighbourhood have to contend with. The first on the list is “Immense water shortage.” The issue of water continues to have prominent play in the messages by the Presidents in the later directories as well. Additionally, I had personal experience with the issue, having stayed in Vasant Vihar whenever I visited Delhi. Also, I had accompanied Ashok Gaur when he canvassed for the Aam Aadmi Party in the neighbourhood in September 2013, and water shortage was mentioned as an urgent concern by many of the residents. I learned further that several rows of houses did not receive piped water, and got their water supply from tankers as a matter of course.

In the following section I turn to a discussion of the “water woes in Vasant Vihar. I focus on the factors that have created this issue, the strategies that the residents have deployed, and the outcome of these strategies.

Water Woes in Vasant Vihar

Water has been a pressing concern in Vasant Vihar. Although, being an authorized colony, the neighbourhood is supposed to receive piped water from the Delhi government water agency, the supply has not always been reliable and the quality is often suspect. Through interviews with residents, Association officials, and documents from Delhi’s water agency I have sought to determine the reasons for the water crisis in this “posh” planned neighbourhood. Vasant Vihar is located within the Municipal Corporation of Delhi, and consequently receives piped water from the Delhi State Government’s water agency, the Delhi Jal Board (DJB). Delhi does not have its own source of surface water, and thus is compelled to rely on the neighboring states of Haryana and Uttar Pradesh. The bulk of water supply for the State of Delhi comes from three surface water sources the Yamuna River, the Bhakhra Storage, and the Upper Ganga Canal. The surface water supply is supplemented by groundwater drawn from tubewells and ranney wells. In 2004 Delhi Jal Board’s supply of water from all its sources was 650 million gallon tons per day (MGD) while the demand was for 800 MGD (Bansil 2004 96; Delhi Economic Survey 20032004). According to Bansil the shortfall is even greater because of leakages along the pipeline network, through overhead tanks and taps. Thus one of the reasons for water shortages in Vasant Vihar could be attributable to a system wide shortfall in supply. (Delhi Jal Board Report) However, since other similar neighbourhoods have not faced such sustained shortages, this fact alone does not explain the situation Vasant Vihar.

Sita Nath, the Association official, cited topographical and infrastructural factors to explain the water situation in Vasant Vihar. She noted that it was at the tail end of the supply line and the pumping station from which the water was distributed did not produce enough pressure. This aligned with the Delhi Jal Board’s (DJB) diagnosis of the issue as well. Vasant Vihar receives its water from the Palam Reservoir, which is also the source of water supply for the New Delhi Municipal Corporation (NDMC) and Delhi Cantonment Boards (DCB). According to the DJB the “chronic water shortage” in Vasant Vihar is a result of its location at the “end of the transmission network” and “competing demands from the NDMC and the DCB.” The colony also has an Under Ground Reservoir, which is supplied by the Deer Park pumping station and from local tubewells. However, the yields from the latter have declined because of over exploitation. The DJB notes that Vasant Vihar receives 7mld of water as against its demand for 10mld.

The neighbourhood has not always experienced inadequate water supply. Vinod Kapoor, who has lived in Vasant Vihar since 1979, observed that in the early years, water supply was not a concern, and in fact, Vasant Vihar had a water surplus then (Interview 2015). Moreover, in those days the neighbourhood received a 24-hour supply of water. He underscored the point by noting that his first floor tank could be filled directly from the municipal supply without requiring a booster pump. According to Sita Nath (Interview 2015) water became an issue around the mid 1990s, while Vinod Kapoor (Interview 2015) maintained that it became particularly acute during the period the Congress Party controlled the Delhi State Government. During this time the neighbourhood started experiencing a disruption in supply, and some sections stopped receiving water altogether. He noted that the as the water supply to the neighbourhood continued to decline, households starting adding different types of installations to manage the issue. When the municipal supply first diminished, households installed underground storage tanks; when the supply diminished further, they installed “online pumps” to draw in the water from the municipal pipes. Some households

even installed tubewells on their premises to supplement the municipal supply of water. But the groundwater tables started receding and the authorities eventually banned this practice. There came a point when the municipal supply ceased for days at a time and then the households had to turn to the tankers.

He attributed the declining water supply in the neighbourhood to the machinations of a water mafia, which he claimed comprised the junior most DJB engineers and went up the ranks to even include the Chief Minister. The idea that a water mafia had created an artificial shortage for their own ends was recounted by some of the other residents as well. However, I did not receive any evidence to support this claim. None of the interviewees suggested, what to me seemed a plausible explanation that the infrastructure had failed to keep pace with increasing population both within the colony and the city as a whole.

The water situation has improved over the last couple of years so that now the supply is adequate, more reliable, and all sections within the colony get water. The change came about after 2012 when the Delhi Jal Board initiated a pilot project to address the issue. The Association takes credit for this. Sita Nath, (Interview 2015) described it as one the successes of the Association. Deepak Arora, (Interview 2016) who was an Association elected official during the period of acute water shortage recalled how he used to get hundred or more calls from the residents to help secure water. He said that the Association representatives regularly met with and petitioned the Delhi Jal Board, and sought the assistance of their state and city government representatives to address the issue; and all their efforts eventually influenced the water agency to take action. Kailash Vasudev, the Association President in 2010 in the directory that “The Jal Board has appointed Consultants at our behest which has helped in bringing about a marked improvement in the equitable distribution of water. Many homes which received water only through water tankers have started receiving regular supplies” (Vasudev 2010:A-7). In 2013, he noted that the Association “has taken up a number of causes and issues which affect our daily life” and cited one of the results as the DJB’s initiation of a pilot project to improve the water supply in Vasant Vihar (Vasudev 2013:7). Thus the Association representatives attribute the easing of the water problems in the neighbourhood to their engagement with the government agencies and enlisting the cooperation of their representatives from the state and municipal governments.

Analysis

As the above account indicates the middle class residents in the planned neighbourhood of Vasant Vihar took a double-pronged approach in dealing with the water issue. In the first place the Welfare Association took up the issue with the concerned agency and their local government representatives, and they were able to successfully resolve the water shortage issue. Secondly, they also added different installations and thereby created a mini-infrastructure to mitigate the problem. Thus this case would seem to support the arguments made by scholars like Harriss (2007), Chakrabarti (2004) and Ghertner (2011) that the community based organizations of the middle class have significant influence on public agencies which lead to outcomes that favor their interests. Also the fact that the residents expanded upon their existing household material usage suggests that the consumerism that has come to characterize the middle class extends into how they address the built environmental issues. However, a closer analysis reveals a more complex story.

First we need to historicize and contextualize the actions of the Delhi Jal Board. As noted earlier, there is significant discrepancy between supply and demand across Delhi (Bansil 2004). Thus Vasant Vihar was not the only neighbourhood that experience water shortages. In 2011 the DJB proposed three pilot projects in different areas to address the situation. The aim of the projects was to improve the efficiency and cut the losses within the existing infrastructure. It was based on a Public Private Partnership Model. According to DJB’s proposal document “DJB provides the investment and the management contractor provides all services and is paid on performance”. While the DJB maintains that this is not an attempt to privatize water, there seems to be some skepticism about that claim, and the residents the Association representatives I interviewed also regarded the plan as privatization. The DJB may indeed be wary about the privatization label since its earlier attempt to do so in 2002 was met with widespread protests and as a result, the privatization plan was abandoned (Koonan and Sampat 2012). While the Vasant Vihar residents that I interviewed all maintained that the water situation had improved, they at the same time noted that

The Middle Class in World Society

their water bills had also increased markedly. They all referred to the DJB's water project privatization. Thus the acute water shortage may have played into the state's intention of privatizing water.

The above points, along with the fact that the water crisis persisted for almost two decades suggests that even though the state eventually addressed the middle class issue, nonetheless, the state follows its own logic and course. Moreover, the DJB proposal document also states as one of its objectives, improving "customer services both to the general customers and specifically the urban poor customers located in the JJ Clusters in the neighbourhood"(P.1). Thus at least on paper, the needs of the urban poor are not entirely ignored. All of which leads to the conclusion that the middle class is not necessarily calling the shots; which would imply that the claims made by Harriss (2007), Chakrabarti (2004) and Ghertner (2011) about the increased and (undue) influence of the middle class through their increased access to government actors maybe exaggerated, at least in the case of the water issue in Vasant Vihar.

We now turn to the consumerism of the middle class. In addressing the water issue, the residents have had to add installations – underground storage tanks, overhead tanks, assorted pumps, and water filtration systems. But these do not fall in the category of conspicuous consumption.

Rather, to borrow from Shove and Ward (2002), these are a form of inconspicuous consumption. They are devices that recede into the background and yet serve a critical need in a situation that is fraught with uncertainty. These devices then extend the existing infrastructure. Thus this expands our notion of the middle class consumer: he/she is not just a feckless consumer chasing after the latest gadget or the most fashionable brand. Rather, the consumption is directed at creating a more liveable built microenvironment.

Conclusion

In this paper I have investigated the strategies used by the middle class to built environmental challenges. I chose a middle class neighbourhood in Delhi as my case study and focused on the issue of water as the particular environmental challenge. I focused on two aspects of the middle class that the scholarly literature highlights – their community based organizations and their consumerist lifestyles. In my case I found that the middle class uses both to address their built environmental issues, but in complex ways.

References

1. Anand, Nikhil. 2011. "PRESSURE: The PoliTechnics of Water Supply in Mumbai." *Cultural Anthropology* 26(4):542–64.
2. Bansil, P. C. 2004. *Water Management in India*. Concept Publishing Company.
3. Baviskar, A. 2007. "Cows, Cars, and Rickshaws: Bourgeois Environmentalism and the Battle for Delhi's Streets." in *Workshop on the Middle Classes, Institute of Economic Growth, University of Delhi, Delhi, India, March*.
4. Bell, Ruth Greenspan, Kuldeep Mathur, Urvashi Narain, and David Simpson. 2004. "Clearing the Air: How Delhi Broke the Logjam on Air Quality Reforms." *Environment: Science and Policy for Sustainable Development* 46(3):22–39.
5. Brosius, Christiane. 2012. *India's Middle Class: New Forms of Urban Leisure, Consumption and Prosperity*. Routledge.
6. Bywater, Krista Anne. 2009. "Water for Life, Not for Profit: Globalization, Development, and Water Struggles in India." Ph.D., University of California, Santa Barbara, United States --California. Retrieved October 25, 2014 (<http://search.proquest.com.oca.ucsc.edu/dissertations/docview/304853110/abstract/257E0DFB3D074942PQ/2?accountid=14523>).
7. Chopra, Romesh. 2008. "A Changing Vasant Vihar in a Changing Delhi." Vasant Vihar Directory
8. Chakrabarti, Poulomi. 2008. "Inclusion or Exclusion? Emerging Effects of Middle-Class Citizen Participation on Delhi's Urban Poor." *IDS Bulletin* 38(Number 6):96–104.
9. Delhi Economic Survey 2003-2004

10. Delhi Jal Board. N/D. "Improvements to Water Services in Vasant Vihar and Adjoining Areas. Retrieved August 1 2016 (<http://www.delhi.gov.in/wps/wcm/connect/cadace80483b24cb97b5b7ea9e7528b1/Key+Feature+s+of+Vasant+Vihar+project.pdf?MOD=AJPERES&lmod=211895523>)
11. Falzon, Mark-Anthony. 2004. "Paragons of Lifestyle: Gated Communities and the Politics of Space in Bombay." *City & Society* 16(2):145–67.
12. Fernandes, Leela. 2009. "The Political Economy of Lifestyle: Consumption, India's New Middle Class and State-Led Development." Pp. 219–36 in *The New Middle Classes*, edited by L. Meier and H. Lange. Springer Netherlands.
13. Gandy, Matthew. 2008. "Landscapes of Disaster: Water, Modernity, and Urban Fragmentation in Mumbai." *Environment and Planning. A* 40(1):108.
14. Ghertner, D.Asher. 2011. "Gentrifying the State, Gentrifying Participation: Elite Governance Programs in Delhi." *International Journal of Urban and Regional Research* 35(3):504– 32
15. Grewal, Inderpal. 1999. "Traveling Barbie: Indian Transnationality and New Consumer Subjects." *Positions* 7(3):799–827.
16. Harriss, John. 2007. "Antinomies of Empowerment: Observations on Civil Society, Politics and Urban Governance in India." *Economic and Political Weekly* 42(26):2716–24.
17. Jodhka, Surinder S. and Aseem Prakash. 2011. "The Indian Middle Class: Emerging Cultures of Politics and Economics." *KAS International Reports*, Retrieved from Http://www.Kas.de/wf/doc/kas_29624-544-2-30.Pdf.
18. Koonan, Sujith and Preeti Sampat. 2012. "Delhi Water Supply Reforms: Public-Private Partnerships or Privatization?" *Economic and Political Weekly XLVII*(No 17):32–39.
19. Lakha, Salim. 1999. "The State, Globalization, and Indian Middle-Class Identity." *Culture and Privilege in Capitalist Asia* 251–74.
20. Lange, Hellmuth and Lars Meier. 2009. *The New Middle Classes: Globalizing Lifestyles, Consumerism and Environmental Concern*. Springer Science & Business Media.
21. Mawdsley, Emma. 2004. "India's Middle Classes and the Environment." *Development and Change* 35(1):79–103.
22. Nath, Viswambhar and Surinder K. Aggarwal. 2007. *Urbanization, Urban Development, and Metropolitan Cities in India*. Concept Publishing Company.
23. Rosencranz, A. and M. Jackson. 2002. "Clean Air Initiative for Asian Cities." *The Delhi Pollution Case, New Delhi: Indlaw. Com*.
24. Roy, Ananya. 2011. "The Blockade of the World-Class City: Dialectical Images of Indian Urbanism." Pp. 259–78 in *Worlding Cities*, edited by A. Roy and A. Ong. Wiley-Blackwell.
25. Saxena, Rachna. 2010. "The Middle Class in India." *Deutsche Bank Research* 1–8.
26. Shove, Elizabeth and Alan Warde. 2002. "The Sociology of Consumption Lifestyles and Environment." Pp. 230–252 in *Sociological Theory and the Environment: Classical Foundations, Contemporary Insights*, edited by Riley E. Dunlap et.al. Rowman & Littlefield
27. Sridharan, Eswaran. 2004. "The Growth and Sectoral Composition of India's Middle Class: Its Impact on the Politics of Economic Liberalization." *India Review* 3(4):405–428.
28. Srivastava, Sanjay. 2014. *Entangled Urbanism: Slum, Gated Community and Shopping Mall in Delhi and Gurgaon*. Oxford University Press.
29. Varma, Pavan K. 2007. *The Great Indian Middle Class*. Penguin Books India.

Interviews:

1. Deepak Arora on January 15 2016
2. Vinod Kapoor on December 29 2015
3. Sita Nath on December 29 2015
4. Kamla Sethi on January 23 2016
5. Vikas Varma January 15 2016



The Middle Class in World Society

Institute for Social and Economic Change, Bangalore/India

December 16-17, 2016

WORKSHOP SESSION – IV

SOCIAL CAPITAL AND CIVIL SOCIETY



The Kenyan Middle Class and Responses to Social Security

Lena Kroeker

Defining the Kenyan Middle Class¹

Differently from many other African countries, Kenya has a significant middle class – and according to the African Development Bank (2011), it is rising fast. According to their publication, about 40% of the Kenyan population has escaped poverty and finds itself in what the authors call ‘the middle income group’ with advanced economic status. In its definition of the middle class, the bank relies solely on income range, a position contested by social scientists. Still, scientists struggle to find concrete alternative definitions that would flesh out the unique characteristics of the middle class and distinguish it from other classes.

Interestingly, when I asked my interviewees, throughout my anthropological study in the Kenyan city of Kisumu, about their understanding of the concept of the middle class, the answers never consisted of purely economic definitions. My neighbour MaLeon², an economist of the district government and responsible for planning and development, argued for instance that a middle class can actually be defined as those people who will be able to maintain their live in the same accommodation, modes of transport and every day practices for six months, if the income fails to come. A middle class household will have either resources such as savings or other sources of income next to the main source which will help to balance the lack for a period of time. Having resources at hand can help those to maintain their standard of living for a certain period of time when adversity strikes, whereas people with less resources will live in unstable conditions. As we know, contingencies in life such as loss of employment, sickness or death of a family breadwinner, loss of property or falling victim to crime can cause deprivation. Inability to cushion these and other contingencies may lead to social downward mobility and eventually drag people (back) into poverty. Agreeing with my neighbour MaLeon, I hypothesize that the Kenyan middle class manifests its resilience in a higher ability to mitigate uncertainties and to prevent adversity from leading to quick social downward mobility and, thus, impoverishment. I take this as a starting point to look at the social security arrangements of the middle class in Kenya. In contrast to this, the recent debate on middle class has rather focused on social upward mobility and has not been linked with anthropological works on social security, which I would like to propose.

¹ This article draws on material collected through work on the project ‘Middle Classes on the Rise,’ based at the Bayreuth Academy of Advanced African Studies at the University of Bayreuth, Germany. The project, which draws together anthropological and sociological research, studies visions of the future by members of the middle class in Kenya and other African countries. With the improvement of the socio-economic situation for parts of the African population we observe a growth of a “middle class”, aside from the still existing poverty of the larger part of the population. The people of the middle class are in a position to choose how they will use or spend parts of their income beyond basic needs. This opportunity allows them to set priorities concerning their lifestyle according to their plans for the future.

² Names have been changed.

Social Security in Developing Countries

Social security is a human right, enshrined in the Universal Declaration of Human Rights³. The International Social Security Association, which acts under the umbrella of the International Labour Organization (ILO), uses the term social security to refer to any programme that provides cash or in kind for family benefits, assistance for old age, disability and survivors, protection in times of sickness and maternity, or protection against unemployment and work injuries (see: International Social Security Association, www.issa.int). In many cases, these incidents lead to a break or disruption of work life or prevent admission into formal employment. Institutionalised support of this kind was established to prevent life hardships from leading to poverty and to protect those in need. Governments are obliged to provide a minimum standard of such schemes to its needy population.

Aid societies which sprouted in the nineteenth century during the industrialization in Europe laid the foundation to state-based social welfare. These societies covered the risks of workers, who were employed in factories under unsanitized and often hazardous conditions. Social insurance programs were thus established to provide members of the working class with a “modest degree of income protection” (Midgley & Sherraden 1997:4). The law entitled families of (usually male) factory workers to some income and thereby prevented them from sliding into poverty in the likely event of loss of work capacity.

The idea of social security was not new in the 19th century. Payments of alms, tithes or *zakat* have long been common among Christians and Muslims. Similarly, charity is central to Judaism, Buddhism, and Hinduism, as well as many other faith-based communities who draw no distinction between religious obligations, customary law and common practice (Midgley & Sherraden 1997: 3). As early as 1601, legislation transformed the care for the needy from a religious realm of charity into a political topic of poverty reduction, when French municipalities started to register the poor, who had earlier been supported by churches, as part of a poor relief program. Tax payment, still collected by the parishes, was earmarked for social assistance (Midgley & Sherraden 1997: 4). Today, many churches and various community-based religious organisations still provide assistance to fellow believers, thereby complementing statutory welfare systems.

After the Second World War, state-based welfare systems were rolled out in the European colonies, as part of the intention of development into “modern societies” (Midgley 1984: 1; Gethaiga & Williams 1987: 100). Two purposes were underlying the global expansion of state-based social security: While in western countries the main purpose of introducing social welfare was maintenance, in developing countries emphasis was put on development (Midgley & Sherraden 1997: 128). In the heydays of the modernisation theory “the global expansion of social security was accompanied by widespread optimism that the problems of poverty and deprivation would finally be eradicated. Social security programs offered the prospect of providing effective social protection against the risks that reduced, interrupted, or terminated income. In the context of societies where the mass of the population was engaged in wage employment, the contingencies of sickness, old age, death, disability, and unemployment were major causes of poverty” (Midgley and Sherraden 1997: 1).

In Kenya, following the British model, provident funds for old age, invalidity and survivors had been established in 1965. An employment injury payment as a lump sum has been in place already in 1946, which was deducted from an employee’s salary or wage (Mouton 1975: 5). After independence, in 1966, Kenya installed a national hospital insurance fund covering sickness and maternity. Registered family members of the insured person - the employee, one spouse and their children - were entitled to free hospital treatment since 1972.

It needs to be noted, however, that in developing countries the formal employment market was not as developed

³ Art. 22: “Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality”.

as in Europe during the period of industrialisation. In Kenya in the 1950s and 60s, only those on a salaried income contributed towards these funds and were therefore eligible to receive statutory assistance in return. For example, only employees in white collar jobs received a lump sum after retirement of what had been accrued over the work life. Thus, statutory welfare covered predominantly White and Asian employees during the colonial period, as well as civil servants, and only supported very few Africans who had the opportunity to be integrated in this sector. This was due to the fact that during colonial time, only a black elite had access to welfare provided by the state, most of whom had enjoyed western (-style) education, and were, like their White and Asian counterparts, provided with access to housing and medical care in privileged quarters of a segregated society. The larger part of the Kenyan population, however, did not have access to such services and continued to rely on the social responsibility of the extended family and the communal spirit along ethnic lines (Gethaiga & Williams 1987: 105). This divide continues up to the present day, as only a fifth of Kenyans today is formally employed and thus contributes to social welfare (Institute of Economic Affairs 2010: 32). Since self-employed persons, casual workers or family laborers do not pay income tax, they are excluded from state-based pension schemes (Kwena & Turner 2013: 104), health care and other welfare services (ISSA 2015: 122-3). This stands in stark contrast to the earlier idea of social security as a system that serves the poor with the intention of replacing the obligation of kinship networks to care for needy family members (Mouton 1975: 112).

Only recently, in 2010, a commitment to social security was enshrined in Kenya's new constitution. It reads that the right to social security "binds the State to provide appropriate social security to persons who are unable to support themselves and their dependants". However, it remains to be seen how such a statement may translate into practice.

The family-based solidarity system

In 2008, Kenya's leading telecommunication company, Safaricom, introduced a system of credit transfer via the mobile phone (M-Pesa). With the slogan "send money home," Safaricom offered the opportunity to remit money without having to actually travel to far off rural places. The success of Kenya's mobile banking sector shows the great need for private money transfers for the support of dependants. A 2009 TV advert picked up this communal orientation and flow of capital from those who earn cash towards those who do not. In the spot, a clerical worker dressed in suit and tie sits at his office desk when his eyes wander to a photo of his parents in a picture frame. The elderly couple on the photo is no less smartly dressed but with rural insignia such as a wide-brimmed hat on the man's side and a *kanga* clothing and head scarf on the woman's side as they stand in front of a banana plantation. The clerk instantly picks his mobile phone and bank notes fly from his phone into the phone of a woman who ploughs in the banana grove. Then she and an elderly man, most likely the same persons as on the picture, happily walk off from the field⁴. This advert appeals to the responsibility of those who generate income to remit it to those who do not. As scholars show, remittances make a large share of cash flows, connect industrialised centres with the hinterland and contribute to social differentiation in home communities (Walker 1990, Benda-Beckmann et al. 1988, 2000).

As the advert shows, remittances from relatives were, and are still, part of an informal economy that addresses the needs of the poor and needy. Studies on social security systems from the disciplinary background of sociology and development studies have by and large focused on 'formal' and 'modern' institutions such as those mentioned in the previous section (see: ISSA 2015, ISSA 2015a, Midgley 1984, Dixon 1987). Anthropological studies on (in-) security, by contrast, have addressed arrangements which largely fall into the category of 'informal' and 'traditional'⁵.

⁴ M-PESA TV-advertisement 2009 "Send money home", available on <https://www.youtube.com/watch?v=nEZ30K5dBWU>, last retrieved 28/06/2016.

⁵ For a critique of these overly dichotomous notions of 'formal' / 'informal', 'traditional' / 'modern', see Benda-Beckmann et al 1988, Benda-Beckmann et al 2000.

The Middle Class in World Society

These works show that family networks were in the past, and are still today, the most crucial providers of solidarity and care worldwide (Benda-Beckmann et al. 1988; 2000). The advert illustrates how M-Pesa facilitates private money transfers via phone in absence of banking agencies in rural areas, thus allowing to connect the urban with the rural hinterland, as well as the middle class with the poor. In the dearth of banking facilities and a lack of trust in the minimal support provided through governmental welfare institutions, private communal solidarity supports those in need, including the aged, the sick, children and those without sufficient resources. It needs to be noted that in 2008, less than 15% of Kenyans above the statutory pensionable age of 60 years received pensions through the Retirement Benefits Authority (ISSA 2015). Moreover, these pensions were as small as 6% of the pensionable earnings (ISSA 2015a, HelpAge International 2012). Hence, private arrangements are needed even for those in employment in order to keep a reasonable standard of living. To date, it is very common that remittances, for instance from adult children to their aged parents, complement the parents' own resources. In summary, in African countries, neither the introduction of governmental social security systems nor industrialisation and urbanisation resulted in the eradication of kin-based support. Rather, the introduction of social welfare blurred the boundaries between formal and informal welfare systems as well as between traditional and modern modes of support, as all are needed in the weaving together of social security safety nets: kinship-based support, private savings and wealth accumulation, commercial schemes by insurance companies, and help from networks based on professional, spiritual or geographical ties.

Unlike modernization theorists who intended to replace kinship-based solidarity, in Kenya and Tanzania such solidarity was made part of the national policy. Jomo Kenyatta, the first president of the independent Republic of Kenya, made self-reliance ('Harambee'⁶) a national policy, admitting that statutory social welfare cannot cover the social needs of the entire population (Gethaiga & Williams 1987: 101). Likewise, in Tanzania, public administrations argued that a mentality of reliance on the state was undesirable and that the willingness of communal support of households and kinship networks must not be limited by statutory provision (Bossert 1985: 194). Bossert showed that, in Tanzania, migrants who remitted money were also welcome once they returned home for good or when they were in need of care. Those, in contrast, who had to accept care by institutions, who had to beg on the streets, or who lived in dismal conditions were often stigmatised as not having catered for their kin (Bossert 1985: 169). Cash remittances are therefore a give and take, as they secure social embeddedness, long-term relations and care when need arises. Yet, it needs to be added that personal relations along kinship lines must not be seen through a purely functionalist prism of financial support, but as part of a wider context of social relations (Benda-Beckmann et al. 2000). As Roth, for instance, shows, cash transfer is the currency of love and, thus, the sign of belonging (Roth 1994, cf. Häberlein 2016). The English phrase "sharing is caring" has its local parallels in many African contexts.

In the long run, remittances carry values of care which cannot be replaced by institutions providing for beneficiaries. A state may provide cash but not emotions, care and love, which are a crucial part of societal well-being. Any social protection system is, thus, a balance "between kinship and the state" as Benda-Beckmann and colleagues titled in 1988. Social protection is not only a "very important cultural, social, economic, legal and political issue; it is an integral aspect of social and economic life and central to the understanding of social organization and change". Furthermore, "whether or not security is provided depends on actual social and psychological processes" (both quotes: Benda-Beckmann et al. 2000: 8) and not solely on material conditions.

⁶ 'Harambee' literally means 'let's pull together' and was coined by harbour workers at the coastal towns of Kenya. However, after independence, Kenyatta made 'harambee' his social policy. The term is since understood as self-reliance and communal solidarity in a bottom-up approach. Today, a 'harambee' stands for donations of money for private or social issues, e.g. covering school fees or a hospital bill or mobilising the community to build a school, or clearing the bushland (Mbithi & Rasmusson 1977: 13-14).

Socio-Economic Upward and Downward Mobility

I propose to think about the middle class as those members of the society who have some kind of wage income which provides them with more than the basic needs of housing, clothing, and consumables. Moreover, middle class people are usually well embedded into social networks, which can provide some protection against falling into poverty. While I consider a certain degree of social mobility to be part and parcel of any biography, the middle class is expected to be able to make arrangements to hedge against fluctuations. For that, access to a good combination of capital in a Bourdieuan sense (social, economic and cultural capital) is key.

My study on the middle class took biographic interviews as a starting point. In the course of the study, about forty households in the urban settings of Kisumu were interviewed using qualitative methods, including guideline interviews, participant observation and biographical narratives. Special focus was laid on social upward- and downward mobility and the incidence that made individuals or families slide into poverty. Moreover, I was interested in the social security mechanisms that prevented my interlocutors from suffering severe consequences to adverse situations, which are, as a matter of fact, part of every person's life. MaMichelle, 29 years old, married and a mother of two, told me her story:

By the age of 4 years MaMichelle was an orphan. Her uncle took her into his polygamous household where MaMichelle grew up with more than twenty siblings. It was easy to hide because no one took close care, she says. She fell pregnant at an early age but luckily the man proved responsible. They got married and he found a stable and well-paying job. Since then life improved for her and her husband even encouraged her to complete her high school degree and teacher's training so that now, for the first time in her life, she gets a stable salary and can contribute to the family income. Despite having income of her own, she insists that she has to balance it with her expenses to make ends meet. A share of her income is used to support her uncle. Since her extended family is poor, she cannot rely on them in times of shortages but expects assistance from her church community. Hence, paying her monthly tithe to the church is crucial to her.

From her story I conclude that MaMichelle benefited from the assistance that her extended family network provided when she became an orphan at early age. Growing up in a polygynous household with many children kept the family in poverty, with too many mouths to feed and little income. Falling pregnant could have added to this situation, however, getting married turned the tide for her. She succeeded in gaining social ascension and was encouraged by her husband to pursue a career. Her situation is not yet stable (the African Development Bank would classify her as belonging to the 'floating class' with 2-4 US\$ per person and day), but the couple can make ends meet as long as demands from dependants do not drain their income. On the flip side, the couple makes additional arrangements in order not to become dependent on the extended family network. Being dependant on it might mean a slide back into poverty.

Another example of social mobility is provided by the case of Alicia. Despite coming from an affluent family, today she would be labelled as poor by all standards. Her father, she told me, was a manager in the Kenyan Breweries, and her elder brothers and sisters attended the best private schools in Uganda and Kenya. One day, however, a disaster struck and her father, the family's only breadwinner, died. Alicia and her brother were left with nothing and dropped out of high school due to a lack of funds for school fees. She started doing petty jobs to support her mother's little income as a tailor, a job she has never worked in before. Differently from MaMichelle, who managed a social climb from poverty into the floating or the lower middle class, Alicia experienced social downward mobility from the upper middle class into poverty.

Responses to Social Security

Middle class respondents in my study invested a lot in social upward mobility and ways to maintain their standard of living in the wake of life challenges. They were well aware that adverse situations may cause rapid social downward mobility. On the flip side, working hard in school and in one's professional life was mentioned as a cardinal virtue and the secret of success for social upward mobility. In fact, many of those in employment invested in improving their professional prospects, and recounted their intentions of pursuing further training and additional certificates. In recent years, Kenyan part-time study programmes have been in great demand, and university parking lots are packed after working hours, filled with employees who further their education. Several respondents stated that they expect their children to aspire for socio-economic upwards mobility, and even "to be aggressive" in achieving that. In this respect, the term 'aggressive' has had a very positive connotation of being a go-getter. My informant Pamela, a widow in her late forties, caters for three own and two orphaned children of her late brother. Despite the income of a High School Principle her income hardly suffice to pay tuition fees for three in university, secondary school fees for one child. The youngest daughter is still in primary school which is free of charge. Reflecting on her situation as only bread winner Pamela states that her children need to be aggressive to archive a better life than hers:

"Of course, they should live a better life than myself. They should progress. Education is an empowerment. I want them to be aggressive. Then they should have a better car than mine, a better house than mine, and a better job (...) I want them to aggressively grab the opportunities that build up before them (...) they should also have less dependency and each will have a more successful life. (...) Dependency can overburden people. There should be few people depending on my kids in their future life"

I asked whether she would not want her children to assist relatives in need, to which Pamela responded:

"You see, there should not be the need that they support many relatives. That is what I am saying. The will [chip in] in emergencies, but they need to be empowered and should also empower their dependants, because if they are not successfully empowered, they become a problem".

Pamela, thus, summarised two elements that are often seen as crucial for a smooth upward mobile trajectory: firstly, good education, and secondly, empowerment of dependants in order to reduce reliance on those who generate income.

Besides education, a good match was in many cases considered a source of stability, support and emotional well-being, as was in the case of MaMichelle. In my research, marriage was presented as driven by personal choice rather than familial arrangement, and in all cases but two was monogamous and based on affection. To my surprise, polygamy was mentioned as source of poverty since children would not receive individual encouragement according to their interests and needs. It would be easy to hide between many brothers and sisters and go astray. Moreover, in large households, poverty was often presented as stemming from the ratio between a small number of few breadwinners and a larger number of dependant kin.

One of the polygamous interviewees argued, however, in favour of polygamy as it is part of the traditional social security system: Paddy was the manager of a Coca-Cola plant when he lost his wife due to sickness, leaving him with a baby of only one year of age. Family elders convinced him to marry the younger sister of his late wife. Paddy cherished this arrangement since the child accepted her easily as a foster mother. He built a house for his new wife and did not beget children with the new wife. After some years, however, he entered an additional marriage with a woman with whom he has had children.

So called levirate or sororat marriages in which a late spouse is being replaced by a close family member, are common in Western Kenya and elsewhere. Geißler and Prince (2010) assume that in their village of research

in Western Kenya, about 20% of the adult women were widowed - many due to AIDS - and about two thirds of them accepted to be inherited, usually by a brother-in-law. Those who did not enter a levirate marriage, like my informant Pamela, were those able to economically fend for themselves. Women who have no personal income would not have much options but to accept such an arrangement. Alicia's mother in the above-mentioned example may have had access to a descent lifestyle if there would have been a brother of the late husband to marry in his stead as part of traditional social protection and in continuation of kinship ties. In summary, the three stories show how social mobility and familial solidarity is an integral part of life regardless of what social class a person belongs to.

The Social Security Mix of the Middle Class

This takes us back to MaLeon's initial statement: Once income fails, there is only so long that one can maintain the standard of living. In the wake of a loss of regular income, a middle class person may be able to cope for a little while. However, if the crisis persists, the person would eventually fall into poverty and lose access to a variety of resources. As outlined above, pensions based on statutory welfare, registration with the National Health Insurance Fund (NHIF) and the National Social Security Fund (NSSF) are only possible if one has a sufficient cash income and thus, beneficiaries most likely belong to the middle class. If these are no longer accessible, alternative resources need to be accessed, however, these are usually upon private arrangement.

In most Western countries, where citizens can to some extent rely on governmental social welfare, alternative arrangements are less prominent. Kenya, by contrast, spends merely 0.8% of its GDP on Social Security, a figure not only lower than in Western countries but even lower than in most countries in the African continent (Banerji 2014: 58) despite a larger middle class population. Thus, my respondents did not consider statutory welfare as a reliable source of security but merely called the Kenyan welfare system "laughable" or returned my question with "Social welfare system? Do we have one?". Employees in the end relied on private savings, occupational pension schemes and topped up their meagre statutory pensions from their earnings. Besides, middle class respondents invested in private medical policies from insurance companies to achieve extra medical coverage on top of the mandatory National Health Fund. For informally-or self-employed people, the rates of the NHIF may be too high and pooling money for paying a bill is still the better option, especially since health services in rural health centres are fairly affordable. However, those who are able to diversify, looked for additional arrangements with insurances, banks, self-help groups and cooperative saving communities

Notwithstanding, security cannot be defined in solely economic terms but also must take into account emotional well-being and attachment to social networks. Needs of all kinds, such as financial or emotional types of help, care and support are all considered in anthropological works on social security. In many African societies, 'sharing is caring,' and those who are better off are expected to support less fortunate family members. Financial and material assistance to relatives, friends, neighbours, co-believers and colleagues has for long been an additional part of the fail-safe arrangements for investment and support. Hence, it is crucial to extend own arrangements and to diverse access to networks to those of geographical, professional, spiritual, and kinship-based nature. Due to their financial as well as educational, professional, social and cultural abilities, the middle class has a wider range of means through which to access alternative resources and to secure their life.

On a more theoretical note, one may employ Bourdieu's (1983) types of capital. Family networks are part of the social capital, statutory welfare insurances request financial capital for subscription, and cultural capital assures that skills needed are in place for job placements and the like. Unlike the poor, the middle class usually has access to all these kinds of capital and can thus enjoy a combined social security 'package'. For social protection in developing countries, a combination of these three types of capital seem to offer the best protection against socioeconomic downward mobility.

References

1. Banerji, Arup (2014): *The State of Social Safety Nets 2014*. New York: The World Bank.
2. v. Benda-Beckmann, Franz et al (1997) *Indigenous Support and Social Security. Lessons from Kenya*. In: Midgley, James and Michael Sherradon: *Alternatives to social security. An international inquiry*. Westport, Conn. [u.a.]: Auburn House.
3. v. Benda-Beckmann, Franz et al (1988) *Between kinship and the state. Social security and law in developing countries*. Dordrecht [u.a.]: Foris Publ.
4. v. Benda-Beckmann, Franz et al (2000) *Coping with insecurity. An "underall" perspective on social security in the Third World*. Celeban Timur [u.a.]: Pustaka Pelajar [u.a.].
5. Bossert, Albrecht (1985) *Traditionelle und moderne Formen sozialer Sicherung in Tanzania. Eine Untersuchung ihrer Entwicklungsbedingungen*. Berlin: Duncker & Humblot.
6. Bourdieu, Pierre (1983) *Ökonomisches Kapital, kulturelles Kapital, soziales Kapital*. In: Kreckel, Reinhard: *Soziale Ungleichheiten*. Göttingen.
7. Dixon, John (1984) *Social Welfare in Africa*. Croom Helm: London u.a.
8. Geissler, Paul Wenzel and Ruth Jane Prince (2010) *The land is dying. Contingency, creativity and conflict in western Kenya*. New York [u.a.]: Berghahn Books.
9. Gethaiga, Wacira Wa and Lorece P. Williams (1987) *Kenya*. In: Dixon, John. *Social welfare in Africa*, London [u.a.]: Croom Helm.
10. Häberlein, Tabea (2016) *Generationen-Bande*. Münster [u.a.]: LIT-Verlag.
11. Kwena, Rose M. and John A. Turner (2012) *Ausweitung der Deckung von Renten-und Sparplänen auf den informellen Sektor: Der Mbao Pension Plan in Kenia*. *Internationale Revue für Soziale Sicherheit*, 66 (2): 91–114.
12. Mbithi, Philip.M. and Rasmus Rasmusson (1977) *Self reliance in Kenya: The Case of Harambee, The Scandinavian Institute of African Studies*: Uppsala.
13. Midgley, James (1984) *Social security, inequality, and the Third World*, Chichester [u.a.]: Wiley.
14. Midgley, James and Michael Sherradon (1997) *Alternatives to social security. An international inquiry*. Westport, Conn. [u.a.]: Auburn House.
15. Mouton (1975) *Social security in Africa. Trends, problems and prospects*. Geneva: Internat. Labour Office.
16. Roth, Claudia (1994) *Und sie sind stolz. Zur Ökonomie der Liebe; die Geschlechtertrennung bei den Zara in Bobo-Dioulasso, Burkina Faso*. Frankfurt a. M.: Brandes & Apsel.
17. Walker, Cheryl (1990) *Women and gender in Southern Africa to 1945*. Caper Town: Philip [u.a.]:

Online Sources

18. AfDB (2011) *The Middle of the Pyramid: Dynamics of the Middle Class in Africa*. Market Brief April 20, 1011. http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/The%20Middle%20of%20the%20Pyramid_The%20Middle%20of%20the%20Pyramid.pdf
19. HelpAge International (2012) *Social Protection for older Kenyans. Options for Implementing the National Social Protection Policy*. Briefings on social protection in older age. No. 10. London. <http://www.eldis.org/go/home&id=65294&type=Document#.VqouBsceneQ>
20. Institute of Economic Affairs (2010) *The Dynamics and Trends of Employment in Kenya*, IEA Research Paper Series No. 1/2010. <http://www.ku.ac.ke/schools/economics/images/stories/research/the-dynamics-and-trends-of-employment-in-kenya.pdf>.
21. ISSA (2015) *Social Security Country Profile: Kenya*. <https://www.issa.int/country-details?countryId=KE®ionId=AFR&filtered=false>.
22. ISSA (2015a) *Social Security Programs Throughout the World: Africa 2015*. SSA Publication No. 1311802, Social Security Administration: Washington. <https://www.ssa.gov/policy/docs/progdesc/ssptw/2014-2015/africa/ssptw15africa.pdf>
23. Safaricom. M-PESA „Send money home“ URL <https://www.youtube.com/watch?v=nEZ30K5dBWU>.

An Enquiry into Middle Class's Engagement with Social Activism: Understanding Emerging Trends and Challenges

Anindita Tagore

In a neo-liberalized era, the middle class is believed to play an influential role in shaping public responses to globalization and economic liberalization, attesting its presence as an autonomous actor with its own set of interests and political agency. Of late, middle class, and its new forms of social action/citizens activism has come to occupy a center stage in India. From the more recent Anti-Rape protests, to the Anna/Anti-Corruption movement, to “Justice for Jessies Lal/Priyadarshini Mattoo/Nitish Katara – middle class anger has been spilling on the street with increasing frequency for some time now- going ‘viral’ and then fast spreading to other cities, neighborhoods, small towns- weaving together a narrative of anger among disparate groups. These have also been ‘moments’ that have propelled middle class as a relevant player in the country’s political landscape, and emerged as redefining moments of citizen –middle class- state relationship in India - traditionally characterized by an unease, and a misbalance where an omnipotent state has towered over middle class. Inevitably then, have come a number of questions: ‘Who’ is middle class? ‘Who’ does it represent? What is its role in democratic politics, and in the non-state social sphere? What is the legitimacy of middle class, and of the social action it undertakes in a ‘functioning’ representative democracy? Does leaking of political power from parliament and institutions of democracy, to the streets, media rooms and city squares- deepen or weaken democracy?

The paper hence discusses firstly what middle class is, secondly how in India middle class exists and operates finally the paper focus on themes of What is Middle Class Activism, International Events – Middle Class Activism, Middle Class Activism in India, Tools of Middle Class Activism – Social Media. The paper’s primary focus is on Middle Class Activism. The study is qualitative research; theories of various scholars have been used to suffice the basic arguments of the paper through its findings tries to indicate the new questions, showing cracks, and perhaps opening spaces for fresh conversations. First it reflects on new forms of Middle Class Activism/’Meddling’ emerging in India, and its impact on Democratic/Accountability politics, and Justice. Second it tries to open up conversation within ‘developmental civil society’ on these new forms of Middle Class Activism, to build our understanding and various perspectives. Third the paper highlights the new tools and methodologies of mobilization/activisms, and perhaps new solidarities that are emerging- their possibilities and limitations in deepening democratic politics and justice. Finally the paper explores the opportunities and challenge; new spaces/constituencies of “change makers” for progressive social transformation.

Introduction

For the first time in history more than half the world is middle-class — Thanks to rapid growth in emerging countries.-- John Parker (2009,)⁷

Ever since the publication of Varma’s (1999)⁸ diatribe against The Great Indian Middle Class, there has been much academic interest in this loosely defined social category of Middle Class, as it has become a significant

⁷ Parker, John “Special report: Burgeoning bourgeoisie”. *The Economist* (2009-02-13). accessed on 10th May,2013

⁸ Varma, P. (1998) *The Great Indian Middle Class*. New Delhi: Viking.

The Middle Class in World Society

analytical lens for critically understanding contemporary public life in India. Especially in the post-1991 neo-liberalization era, the middle class is believed to play an influential role in shaping public responses to globalization and economic liberalization, attesting its presence as an autonomous actor with its own set of interests and political agency. By subscribing to an elite culture of materialism, individualism and conspicuous consumption, the new middle class is considered to have an important bearing on hegemonic shifts in much of India.

Scholars have therefore focused on the way this new middle class renegotiates its relation with the state and a wide array of non-state actors primarily through the platform of civil society. By occupying a central and normative position, the new middle class is believed to stake claims to the Indian city where their endorsement of bourgeois urbanism has become essential to the state-led pursuit of creating world-class cities. Many have remarked on the way this has been achieved through their appropriation of the discourse of citizenship, forcing a particular understanding that legitimizes their bourgeois codes and practices to a wider moral disposition.

The lively and growing body of literature on the theorization of class and urban governance in India is largely rooted in the work of two eminent authors, who have both theorized the urban political scene in binary terms. Partha Chatterjee (2004)⁹ famously distinguished between ‘civil’ and ‘political’ society in describing the political mobilization strategies of different urban dwellers. While civil society comprises ‘proper’ law-abiding urban citizens (i.e. the elite) exercising rights as enshrined by law and organized around associations, ‘political society’ describes the mass of the urban poor who, living in informality, can only access the state through local politicized arrangements and favors, in which political parties manage the relationship between ‘populations’ (not citizens) and ‘government’. Similarly, John Harris (2007)¹⁰ underlines the difference between the ‘old politics’, rooted in political parties and trade unions, and a ‘new politics’ emerging around community-based civil society organizations and new social movements. Furthermore, based on the Brazilian context, James Holston’s (2007)¹¹ distinction between the ‘insurgent’, fighting for land, housing and tenure, and the ‘entrenched’ in the city bears obvious similarities to both Harris and Chatterjee’s binary conceptualizations of urban everyday politics. His notion of ‘insurgent citizenship’ (an oxymoron in Chatterjee’s terms), as the everyday practices of citizens negotiating with the state and in doing so disrupting the entrenched (i.e. invented participation at its most active), has been widely adopted as a new way to understand and analyze civic activism throughout the world (e.g. Friedmann 2002¹²; Miraftab 2009¹³; Meth 2010¹⁴)

What is Middle Class?

As the size of the middle classes -- variously defined as the professional, managerial or the service classes -- has grown in advanced industrial economies, so has the research on the middle classes, particularly in British sociology. As a review by Myles and Turegun points out, “During the 1970s, the ghost of Marx returned to dominate sociological debate in both Europe and North America. Rare was the student who could pass through graduate school untouched by the renaissance in class analysis” (Myles and Turegun 1994¹⁵). In particular, the growth in the size of workers classified as managerial and administrative has drawn particular attention to the studies of the

⁹ Chatterjee P (2004) “Politics of the governed: reflections on popular politics in most of the world”. Columbia University Press, New York

¹⁰ Harriss J (2007) Antinomies of empowerment: observations on civil society, politics and urban governance *Economic and Political Weekly* 42 2716–24

¹¹ Holston J (2007) *Insurgent citizenship: disjunctions of democracy and modernity in Brazil* Princeton University Press, Princeton NJ

¹² Friedmann J (2002) *The prospect of cities* University of Minnesota Press, Minneapolis MN

¹³ Miraftab F (2009) Insurgent planning: situating radical planning in the global south *Planning Theory* 8 32–50

¹⁴ Meth P (2010) Unsettling insurgency: reflections on women’s insurgent practices in South Africa *Planning Theory and Practice* 11 241–63

¹⁵ Myles, John and Adnan Turegun. 1994. “Comparative Studies in Class Structure.” *Annual Review of Sociology* 20:103-24.

middle classes (Wright 1989¹⁶; Goldthrope 1995¹⁷; Butler and Savage 1995). Class analysis, whether carried out in the “scientific” Marxist tradition or in the Weberian tradition, began with a search for universal laws. But this universalistic project of the 1960s was abandoned in the 1970s with search for multiple trajectories of change and development (Myles and Turegun 1994). So much so that ‘Politics of the middle’ serves as a metaphor for the intersections between older and newer forms of elite political power, as well as the ways that ‘middle-class-ness’ has emerged as an important political category (Ellis, 2011)¹⁸.

The Indian Middle Class: An Amorphous Category

The concept of middle class in India is ambiguous and highly contested: its ‘elasticity’ (Ganguly-Scrase and Scrase 2011, 300)¹⁹ is reflected in the large and ongoing scholarly debate that surrounds its definition. Empirically, the middle classes are usually defined in terms of income (Sridharan 2004)²⁰ and consumption (Banerjee and Duflo 2008²¹; Deshpande 2006²²). Other more contested criteria include type of occupation (manual versus non-manual), education (English medium versus indigenous language), and place of residence (rural versus urban) and caste / religious identity (Hindu upper castes versus others) – indeed Baviskar and Ray underline the ‘empirical imprecision [characterizing] discussions about the middle classes’ (2011, 5). However distinguish works that focus on the upper segment of the middle classes, called ‘new middle classes’ (Fernandes 2006²³) or, less often, ‘arrived’ middle classes (Brosius 2010, 1²⁴), from others centering on the old, more modest ‘fraction’ of the middle classes (Ganguly-Scrase and Scrase 2011, 303). However, the Indian new middle class is not just an empirical reality, but also a notion encompassing a normative vision of Indian’s future society. Indeed, Deshpande (2006) interprets the Indian middle classes as an ideological project, comprising the ‘moral majority’ (rather than a numerical majority) that occupies a hegemonic position insofar as they represent India’s modern aspirations: educated, upwardly mobile, with westernized consumption patterns (but not necessarily westernized values). For Mazarella ‘the category itself has become an important marker of identification, aspiration and critique in contemporary Indian public culture’ (2005, 3)²⁵. This idea of an ideological middle-class identity in the context of India’s contemporary economic liberalization is exemplified in Leela Fernandes’ (2006) ‘consumer-citizens’, actively demanding an Indian city that reflects their consumerist interests. However, while this ‘consumer’ vision is frequently discussed as a marker of middleclass identity, in fact it largely represents the elite (or upper-middle-classes), rather than the demographic mass

¹⁶ Wright, Eric O., Editor. 1989. *The Debate on Classes*. London: Verso

¹⁷ Goldthrope, John H. 1995. “The Service Class Revisited.” *Social Change and the Middle Classes*, Editors Tim Butler and Mike Savage. London: UCL Press.

¹⁸ Ellis, Rowan “The Politics of the Middle: Re-centering class in the postcolonial”. *ACME: An International E-Journal for Critical Geographies*, 2011, 10 (1), 69-81

¹⁹ Ganguly-Scrase R and Scrase T J 2011 Privatization, profit and the public: the consequences of neoliberal reforms on working lives in Baviskar A and Ray R eds *Elite and everyman: the cultural politics of the Indian middle-classes* Routledge, New Delhi 300–23

²⁰ Sridharan E 2004 The growth and sectoral composition of India’s middle-class: its impact on the politics of economic liberalization *India Review* 3405–8

²¹ Banerjee A V and Duflo E 2008 What is middle class about the middle classes around the world? *Journal of Economic Perspectives* 22 3–28

²² Deshpande S 2006 Mapping the ‘middle’: issues in the analysis of the ‘non-poor’ in India in John M E, Jha P and Jodhka S S eds *Contested transformations: changing economies and identities in contemporary India* Tulika, New Delhi 215–36

²³ Fernandes L 2006 *India’s new middle-class: democratic politics in an era of economic reform* University of Minnesota Press, Minneapolis MN

²⁴ Brosius C (2010) *India’s middle class. New forms of urban leisure, consumption and prosperity* Routledge, New Delhi

²⁵ Mazzarella W (2005) Middle-class in Dwyer R ed *South Asia keywords* Online encyclopedia maintained by SOAS (http://anthropology.uchicago.edu/pdfs/mazz_middleclass.pdf) Accessed 10th May, 2013

The Middle Class in World Society

of the middle classes, excluding the lower- and middle-middle classes from analysis. Consequently, the necessity of accepting the middleclass' label as a broad, over-arching framework rather than a specific category of homogenous citizens is increasingly recognised in the literature (e.g. Chakrabarti 2009²⁶; Deshpande 2006; Fernandes 2006; Kamath and Vijayabaskar 2009²⁷; Mawdsley et al. 2009²⁸; Ranganathan 2011²⁹)

What is Middle Class Activism?

John Harriss argues that 'civil society is the arena for middle-class activism . . . whilst . . . the informal working class engage in politics' (2006, 461)³⁰. However, while the middle classes are active in choosing civil society, the poor are excluded and are instead 'left with politics', dependent on the patronage of local party 'big-men' to mediate their voice through party political channels (Harriss 2010, 6)³¹. Partha Chatterjee's (2001³², 2004³³, 2010³⁴, 2011³⁵) conceptual distinction between the orderly, contained, "rational" civil society that is the province of the urban bourgeoisie and the contentious, subversive, politicized realm in which the poor make welfare claims on the state, or "political society". Chatterjee sees civil society in India as limited, by definition, to the urban bourgeoisie, a "relatively small section of the people" (2004: 4). It is these people who have the privilege of citizenship, unlike "most of the inhabitants of India", who are "only tenuously, and even then ambiguously and contextually, rights bearing citizens in the sense imagined by the constitution" and thus are not "proper members of civil society" (2004: 40). To capture the realm in which the poor engage with and challenge the state, Chatterjee uses the term "political society" (2004: 38). Political society is a site of conflict and competition, where mobilization becomes unruly and where institutional norms are violated in the struggle for democratic rights and entitlements (2001: 176). It is "very different from the well-structured, principled and constitutionally sanctioned relations between the state and individual members of civil society" (2001: 178). Sudipta Kaviraj extends this argument. "Elite groups, educated in Western style, understand the advantages of social individuation and have the skills of association – i e, the subtle and in some ways culturally unfamiliar art of getting together and committing themselves partially and transiently to others with the same sectional interests. People belonging to other social groups do not." While the lower classes do make demands on the state, they can only do so outside the realm of civil society. "Their repertoire, which has considerable range, stretches from acceptance of patronage from politicians to wary support to local toughs; from political mendicancy to spontaneous violence and all elements of this repertoire lie outside the definitions

²⁶ Chakrabarti P (2009) What is driving the Indian middle class towards electoral politics? Evidence from Delhi Accountability initiative working paper no 4.

²⁷ Kamath L and Vijayabaskar M (2009) Limits and possibilities of middle-class associations as urban collective actors Economic and Political Weekly 44 368–76.

²⁸ Mawdsley E, Mehra D and Beazley K (2009) Nature lovers, picnickers and bourgeois environmentalism Economic and Political Weekly 44 49–60.

²⁹ Ranganathan M (2011) The embeddedness of cost recovery: water reforms and associationism at Bangalore's fringes in Anjaria J S and McFarlane C eds Urban navigations: politics, space and the city in South Asia Routledge, New Delhi 165–90

³⁰ Harriss, J (2006): "Middle-Class Activism and the Politics of the Informal Working Class", *Critical Asian Studies*, 38(4): 445-65.

³¹ Harriss J (2010) Participation and contestation in the governance of Indian cities Simons Papers in Security and Development 3 School for International Studies, Simon Fraser University

³² Chatterjee, P (2001): "On Civil and Political Society in Post-colonial Democracies" in Sunil Khilnani and Sudipta Kaviraj (ed.), *Civil Society: History and Possibilities* (Cambridge: Cambridge University Press).

³³ Chatterjee, P (2004): *The Politics of the Governed: Reflections on Popular Politics in Most of the World* (New Delhi: Permanent Black).

³⁴ Chatterjee, P (2010): *Empire and Nation: Selected Essays* (New York: Columbia University Press).

³⁵ Chatterjee, P (2011): *Lineages of Political Society* (New York: Columbia University Press).

of associational ‘civility’” (2001: 317)³⁶. John Harriss identifies this sort of class-wise variation in people’s civic engagement in south India, captured in the statement of one local civil society activist, “Only the poor agitate; the rich operate” (2006: 455).

Nivedita Menon’s suggestion that we view civil society and political society as “two styles of political engagement” rather than separate spheres of action delineated by class (2010: 11)³⁷. Civil society, in her conception, may be conceived as a style of engagement that is “more available to an urbanized elite” but not exclusively characteristic of it (many lower-class groups such as the boatmen of Varanasi are equally savvy in the art of civic associationalism [Wood, forthcoming])³⁸, while political society may be a style more available to “the rest” – though, as we see in Varanasi, it may be preferable under certain conditions to the urbanized elite as well. Similarly, Nigam argues that political society is better seen as some kind of a negative “other” of civil society, indeed as its “constitutive outside”, rather than as an “empirically separable domain” from civil society (2012)³⁹.

International Events – Middle Class Activism

Within contemporary research on political participation, the conclusions about how social class matter for citizens’ inclination to take part in street protests has been more diverging. On the one hand, scholars have claimed that we are witnessing a ‘normalization’ of protest today; not only in the sense that what was formerly conceived as ‘unconventional’ forms of protests have become accepted and central in many Western democracies, but also that the social composition of protesters increasingly tend to mirror the general population (Van Aelst & Walgrave 2001)⁴⁰. This has also been the message of scholars that recently have analyzed ‘political inequality’ in the light of growing economic cleavages in the US: while other forms of political participation are distinctively (and increasingly) more frequent amongst citizens with higher socio-economic status, protest participation engages roughly equal shares of all classes (Schlozman, Verba & Brady 2012: 122–124)⁴¹. On the other hand, despite the claims of the ‘normalization’ of protest, many still acknowledge that educational level—a social attribute that roughly mirrors social class—is still an important factor for protest participation (e.g. Van Aelst & Walgrave 2001), in the sense that university educated people are more inclined to take part in street demonstrations.

In the paper “*Does class matter in protests? Social class, attitudes towards inequality, and political trust in European demonstrations in a time of economic crisis*” Anders Hylmö and Magnus Wennerhag⁴² survey data from 60 demonstrations in 8 European countries is and explore whether social class matters in political protest. Do different types of demonstrations mobilize different groups of employees/workers? And do social class matter for demonstrators’ attitudes about social inequality, welfare privatization and political trust—or do national context

³⁶ Kaviraj, S (2001): “In Search of Civil Society” in Sudipta Kaviraj and Sunil Khilnani (ed.), *Civil Society: History and Possibilities* (Cambridge: Cambridge University Press).

³⁷ Menon, N (2010): “Introduction” in Partha Chatterjee, *Empire and Nation: Selected Essays* (New York: Columbia University Press), 1-20.

³⁸ Wood, J M F “Weavers Unraveled: Comparing Associationalism among Handloom Weavers and Boatmen in Varanasi, India”, *South Asia Journal*.

³⁹ Nigam, A (2012): “Politics, ‘Political Society’ and ‘the Everyday’”, kafi la.org, 31 March, <http://kafi la.org/2012/03/31/politics-political-societyand-the-everyday/>, accessed on 2 May 2013.

⁴⁰ Van Aelst P & Walgrave S (2001). ‘Who is that (wo)man in the street? From the normalization of protest to the normalization of the protester’ *European Journal of Political Research* 39(4): 461–486.

⁴¹ Schlozman K L, Verba S & Brady H E (2012). *The unheavenly chorus: Unequal political voice and the broken promise of American democracy*. Princeton, N.J.: Princeton University Press.

⁴² Hylmö, Anders and Wennerhag, Magnus “Does class matter in protests? Social class, attitudes towards inequality, and political trust in European demonstrations in a time of economic crisis”. Paper Presented *paper that was presented at the 2012 SISP conference in Rome, Italy (13–15 September 2012)*.

The Middle Class in World Society

and/or the issue of the demonstration primarily shape these attitudes? This paper describes and analyzes the class composition of a wide range of demonstrations. Furthermore, along with exploring different conceptualizations of social class in the analysis, in order to evaluate their different merits and applicability when analyzing political protests. In short the paper scrutinizes the role of social class in contemporary Western European Protests comparing the social composition of participants in demonstrations organized by 'new social movements' with those organized by trade unions and the anti-austerity protests of 'Occupy'/'*indignados*'.

Moola (2004)⁴³ in her article studies contemporary activism through a brief examination of the global social movement and its actions at different levels. The term 'global social movement' she writes is used here to describe the different activities by different groups and organizations across the world, opposing the impacts of capitalist-led globalization and 21 st century imperialism, calling for freedom, equality and self-determination for all people. The article provides a critique of the global social movement and looks at the South African women's movement specifically as an example that activists can learn from. She argues in her paper that activism takes the form of a movement/s for true democracy, social justice, self-determination and environmental protection against corporate-led globalization. According to Paul Kingsworth (2003)⁴⁴ the global social movement represents the following:

1. Redistribution -of both wealth and power
2. Equity - a world in which everyone gets their share of material wealth, representation and influence;
3. Autonomy and genuine democracy - both participatory and representative;
4. A model of organising which rejects, in many, though not all cases, traditional hierarchies and the old left-wing model of 'leader and followers', 'vanguard and masses';
5. DIY (Do-It-Yourself) politics- a willingness and desire to take action yourself, to take to the streets, to act rather than ask;
6. Economic independence, anti-consumerism and a re-definition of the very concepts of 'growth' and 'development';
7. A rejection of top-down models and all-encompassing 'Big Ideas' (adapted from Kingsworth, 2003:317).

Kingsworth (2003) further argues that, the global social movement is active on a number of different levels - international, regional, national and local. On the international level, it is marked by varying forms of protest and the exchange of information and communication across the globe. There are many ways in which social movements communicate- both amongst themselves and with the social forces they seek to influence. There are a few specialized actions of communication such as e-groups and chat rooms for like-minded people and organizations to exchange information. Some groups have created special websites to update people on events taking place around the world, and to keep a record of the progress of the movement. Some internet activists search the net for secret information on corporate or government activities in support of the neo-liberal agenda, and mobilize people by initiating e-mail campaigns to calling for halts to the implementation of unfair policies and practices. Other activists have exchanged messages on electronic billboards to expose companies and the culture of consumerism they propagate. Another example is that of hackers that specialize to slow down corporate systems (www.firstmonday.dk.) Activists have also developed free software, which is protected from corporate advertising, and cannot be privatized. The growth and spread of social movements has also resulted in the flourishing of the alternative media industry.

At a regional level (region being defined or differentiated by continents), the issues the global social movement

⁴³ Moola , Sarifa "Contemporary Activism: Shifting Movements, Changing Actors".*Agenda*, No. 60, Contemporary Activism? (2004), pp. 39-46.

⁴⁴ KingsworthP (2003) *One No, Many Yeses: A Journey to the Heart of the Global Resistance Movement* London: The Free Press.

has made public have helped to provide information and create space for discussions and debates. Opportunities for networking on different issues relevant to particular regions, in ways that link regional struggles to global issues have been created. At a national level activities differ from country to country e.g. the Zapatista uprising in the southern part of Mexico inspired a wave of activity for social change in the rest of the country and indeed, a cross the world. Similarly, a rural workers' movement in Brazil operated on a national level and its model of land reform has turned out to be the biggest social movement in Latin America (Kingsworth, 2003).

Another paper "*Who participates? Civil society and the new democratic politics in São Paulo, Brazil*"⁴⁵ explores the participation of collective civil society actors in institutional spaces for direct citizen participation in the city of São Paulo, Brazil. The paper identifies factors that influence the propensity of civil society actors to participate in three types of institutions: the participatory budget, the constitutionally mandated policy councils, and other local participatory councils and programs. The authors argue that, the forms of direct citizen participation that are being pioneered in middle and low-income countries appear to harbingers a new democratic politics. The innovative experiments in, among others, participatory budgeting and planning in Brazilian cities, the Uruguayan capital Montevideo, and the Indian state of Kerala, are creating large democratic arenas and novel practices outside of the boundaries of classic representative institutions.

Coming to Middle Class Protest⁴⁶ all over China⁴⁷, Israel⁴⁸, US⁴⁹, Argentina⁵⁰, Russia⁵¹ one can witness them all over, this year the rich countries' economic woes have spilled over to their politics, European governments are bogged down in the euro crisis while America brought upon itself a sovereign-debt downgrade. But the woe is not all on one side. Despite their economic achievements, the likes of China, India, Indonesia and Brazil—to say nothing of the Middle East—are suffering discontent almost as profound as the malaise in the West.

The protests were the culmination of a sequence of huge corruption scandals, from last year's Commonwealth games in Delhi to the distribution of 2G mobile-telecoms spectrum licences. "What you are seeing on the street is a middle-class rebellion," says Mohan Guruswamy, a former official at the finance ministry. Rebellion is in the air in China, too. In mid-August one of the largest demonstrations since the Tiananmen Square protests took place on the streets of Dalian, a north-eastern boomtown, which forced the authorities to shut down a chemical factory that had been damaged in a storm. Demonstrations and capitulations on this scale, though not unprecedented, are highly unusual. In other emerging markets the influence of the new middle classes is less clear-cut. But Chile suffered a general strike last week, in part over the role of the public sector in education, a common middle-class concern. And among the many reasons for the Arab spring was a sense that paternalistic autocracies are no way to run well-educated, Twitter-using societies. The "people who are better off, who want new opportunities... Those are the people that are inspiring the new language of politics in the Middle East," says Vali Nasr, a former adviser to Barack Obama's administration. In some ways, the surprise is not that this is happening now but that it has taken so

⁴⁵ Houtzager, Peter P. Lavallo, Adrián Gurza and Acharya, Arnab "Who participates? Civil society and the new democratic politics in São Paulo, Brazil". IDS Working Paper 210, September 2003.

⁴⁶ <http://www.hivos.net/Hivos-Knowledge-Programme/Themes/Civic-Explorations/News/Middle-class-activism-in-China-India-and-Brazil>.

⁴⁷ <http://www.chinadialogue.net/article/show/single/en/5561-China-s-new-middle-class-environmental-protests>, <http://stratrisks.com/geostrat/9057>, <http://www.businessweek.com/ap/2012-10-29/china-steps-carefully-with-protesting-middle-class>.

⁴⁸ http://en.wikipedia.org/wiki/2011_Israeli_middle_class_protests, <http://www.independent.co.uk/news/world/middle-east/israels-middle-class-launches-mass-protest-at-rising-cost-of-living-2333615.html>, <http://www.ojlife.com/2012/feb/israel/poverty-amid-plenty-middle-class-protests-israel-presaged-occupy-movement>

⁴⁹ <http://usatoday30.usatoday.com/money/markets/story/2011-10-19/occupy-wall-street-protests-profiles/50830924/1>

⁵⁰ <http://www.argentinaindependent.com/currentaffairs/thousands-join-anti-government-protests-across-country/>, <http://www.guardian.co.uk/world/2012/nov/09/argentina-protests-rally-fernandez-kirchner>

⁵¹ <http://mg.co.za/article/2012-08-21-the-politics-of-protests-in-cape-town>,

The Middle Class in World Society

long. For different reasons, the upshot in democracies has been similar. The new elites of India and Brazil have been less politically influential than either the poor (who are more electorally important because of their numbers) or the old elite, entrenched in positions of power. In India, the urban middle classes are said to vote in smaller numbers than the rural poor, whereas in Brazil both Ms Rousseff and her predecessor, Luiz Inácio Lula da Silva, owed their elections to strong backing from the poorest. The middle classes have been quiescent also because, by and large, the liberalising and modernising policies pursued by India, China and Brazil have benefited their members. Until now, theirs has been a silent revolution.⁵²

Middle Class Activism in India

Middle class political formations have recently earned critical attention within academia as the ‘new’ Indian middle class has become an increasingly relevant economic, cultural, and political category. Scholars of the new Indian middle class show us that class relations in urban India are produced out of multiple and overlapping processes including: the restructuring of urban labor and land markets (Banerjee-Guha, 2006; D’Costa, 2003), the proliferation of global commodities and consumer culture (Fernandes, 2004; Liechty, 2003), as well as the persistence of culturally and historically specific structures of caste, class, and gendered inequalities (Fernandes, 2000; Radhakrishnan, 2008; Rajagopal, 1999). These amalgamations have important implications for the material condition of Indian cities. For example, recent work draws attention to the middle class neighborhood associations, urban task forces, and civil society groups that have become increasingly active in remaking India’s urban spaces (Arabindoo, 2005; Bhan, 2009; Fernandes, 2004; Harriss, 2007; Nair, 2006). Much of this work highlights the ways in which middle class political activism has set out to remake Indian cities in ways that exclude marginal groups, reproduce classed and propertied interests, and support capital accumulation⁵³. Middle Class Activism has been going on in numerous Indian cities starting from studies of neighbourhood associations in India including RWA’s and their role (Harriss 2005⁵⁴; Narayanan 2005; Arabindoo 2005⁵⁵; Tawa Lama-Rewal 2007⁵⁶; Zérah 2007⁵⁷) draw attention to the class character of such associations and the dominant presence of middle class associations in such exercises. The city Bangalore which is covered by Narayan(2005)⁵⁸ and Kamath and Vijayabaskar (2009) paper “Limits and Possibilities of Middle Class Associations as Urban Collective Actors” paper reveals the fractured, often contradictory, nature of claims made by different sections of middle class. The category urban “middle class” is too homogeneous to account for the multiple locations, interests, and varied access to power of different sections. Coelho and Venkat (2009)⁵⁹ in their paper thus state the urban poor increasingly resort to civil associational forms to claim urban citizenship, and middle class associations are more deeply engaged with the sphere of formal politics than their own or scholarly accounts convey. Scholarly work portrays Residents Welfare Associations as constituting an exclusively middle class “civil society” in

⁵² <http://www.economist.com/node/21528212>

⁵³ Ellis, Rowan “The Politics of the Middle: Re-centering class in the postcolonial”. University of Aberdeen, Department of Geography and the Environment.

⁵⁴ Harriss, J (2005): “Political Participation, Representation and the Urban Poor: Findings from Research in Delhi”, *Economic & Political Weekly*, 12 March, pp 1041-54.

⁵⁵ Arabindoo, Pushpa (2005): “Residents’ Associations: An Alternative Civil Society”, London School of Economics and Political Science (mimeo).

⁵⁶ Tawa Lama-Rewal, Stéphanie (2007): “Neighbourhood Associations and Local Democracy: Delhi Municipal Elections” *Economic & Political Weekly*, 24 November, pp 51-60.

⁵⁷ Zérah, Marie-Hélène (2007): “Middle Class Neighbourhood Associations as Political Players in Mumbai”, *Economic & Political Weekly*, 24 November, pp 61-68.

⁵⁸ Narayanan, Sudha (2005): “One Kind of Representation Associational Activity and the Urban Poor in Bangalore City”, unpublished paper, November.

⁵⁹ Coelho, K and T Venkat (2009): “The Politics of Civil Society: Neighbourhood Associationism in Chennai”, *Economic & Political Weekly*, 44 (26, 27): 358-67.

urban polities structured overwhelmingly by class. In this view, RWAs belong to a new politics representing an emerging partnership between civil society, the reforming state and private capital, aimed at reclaiming urban governance from the messy dealings of electoral democracy. The urban poor, meanwhile, are perceived as organized predominantly through the sphere of politics.

Tools of Middle Class Activism – Social Media

Different social movements blossomed during 2011 – earning it the label ‘year of the protester’, as celebrated by *Time* magazine – from Cairo, to Madrid, Barcelona and New York. Within these ‘popular’ movements – popular because they appeal to the ‘people’ (Laclau, 2005⁶⁰) as the majority of the population in their home countries – activists have made full use of that ‘group of Internet-based applications ... that allow the creation and exchange of user-generated content’ (Kaplan and Haenlein, 2010: 60⁶¹). Where self-managed activist internet services like Indymedia and activist mailing lists were the media of choice of the anti-globalization movement, contemporary activists are instead shamelessly appropriating corporate social networking sites like Facebook and Twitter. Commenting on this enthusiastic adoption of social media, pundits and journalists have readily resorted to expressions like ‘the Facebook revolution’³ or ‘the Twitter revolution’. Yet, this celebration of the emancipatory power of communication technologies has not been much help in understanding *how* exactly the use of these media reshapes the ‘repertoire of communication’ (Mattoni, 2012)⁶² of contemporary movements and affects the experience of participants.

“Tweets and Streets: Social Media and Contemporary Activism”⁶³ Paolo Gerbaudo in the course of this book, uses of social media among activists are almost as diverse as their venues. To understand the social significance of media practices and of social media in particular it is helpful to historicize things, contrasting contemporary forms of communication with past ones. Social media can be seen as the contemporary equivalent of what the newspaper, the poster, the leaflet or direct mails were for the labor movement. They are means not simply to convey abstract opinions, but also to give a shape to the way in which people come together and act together, or, to use the metaphorical language that will be adopted in this book, to *choreograph* collective action. The volume proceeds chronologically, beginning with the Arab Spring and the use of social media during the Egyptian uprising, and looking in particular at the role played by the cosmopolitan ‘Facebook youth’ as the leading force in the mobilization. It then goes on to discuss the adaptation and transformation of the ‘Tahrir model’ in the context of the ‘Indignados’ in Spain, documenting the way in which organizers used social media before and after the watershed protests of the 15th of May (15-M). Finally, the book will discuss the use of social media in the mobilization of the Occupy movement in the US, and the tortuous interaction between online communication and on-the-ground organizing which characterized the emergence of this movement. These different social movements are analyzed diachronically, tracing the different stages of their development, reconstructing the role played by social media in each of them, and looking at their interaction with other forms of communication.

Social Media are often used as a means of representation, a tool of ‘citizen journalism’ employed to elicit ‘external attention’ (Aday et al., 2010)⁶⁴. Yet what is more interesting, and what has possibly brought them so much attention, is their ‘internal’ or ‘local’ use: their use as *means of organization* of collective action, and more specifically as *means of mobilization* in the crucial task of ‘getting people on the streets’ (Lievrouw, 2009: 154). Facebook is used to form groups, covert and overt—in order to establish those strong but flexible connections. Twitter is used

⁶⁰ Laclau, Ernesto (2005) *On Populist Reason*. Verso.London.

⁶¹ Kaplan Andreas M., Haenlein Michael, (2010), Users of the world, unite! The challenges and opportunities of social media, *Business Horizons*, Vol. 53, Issue 1 (page 60).

⁶² Mattoni, Alice (2012) “Media Practices and Protest Politics: How Precarious Workers Mobilise.”. Ashgate.

⁶³ Gerbaudo, Paolo “Tweets and the Streets: Social Media and Contemporary Activism”. Pluto Press. London. 2012.

⁶⁴ http://truthy.indiana.edu/site_media/pdfs/conover_icwsm2011_polarization.pdf accessed on 9th May, 2013.

The Middle Class in World Society

for real-time *organization* and news dissemination, bypassing the cumbersome ‘newsgathering’ operations of the mainstream media. YouTube and the Twitter-linked photographic sites— Yfrog, Flickr and Twitpic—are used to provide instant evidence of the claims being made. Link-shorteners like bit.ly are used to disseminate key articles via Twitter. (Mason 2010: 75).

In India also the Facebook groups that are formed online played a major role during Anna Anti-corruption Protests⁶⁵ as well as recent Anti-rape protests⁶⁶ along with other support groups which are based on issues of stop Green Hunt operation⁶⁷, to repeal AFPSA⁶⁸ followed by multiple mainstream new channels like NDTV dedicating a debate show⁶⁹ in order to understand this form of protest which has become quite popular in recent times. Even in alternate Media like Kafila⁷⁰ having been regularly updating the protestors about the events of the numerous issues that Middle Class Activists are doing, in the end the emerging governance as well as ways of expressing dissent is changing and a new model, with a better command over the recent events has to come in place as to understand the existing form of democracy in India as well as worldwide.

Emerging Themes from the Analysis of Middle Class Activism in India

India is a robust democracy where the governments that get elected are invariably the governments that the largest groups of people have chosen. This does not mean that it does not have all the problems that evolving democracies – or perhaps all democracies – have. More than a third of the electorate does not vote. The electoral system – first past the post – ensures that almost every government has less than the majority of votes cast in its favor. Very often, voters are faced with impossible choices, all bad candidates, or a good candidate from a bad party and a bad candidate from a good party. Considerations of caste, religion, or community, and even of “dynasty” and “stardom”, often sway the electorate or a part of it.⁷¹ This consideration of voting on the basis of one’s social position lead to skewed policy making. For several years one could see transparency debates did not exist as the rhetoric about independence and democracy, Let loose after the British left, had started working. The general public had begun to believe that the government was theirs and that they had rights in relation to it. Even though there was little genuine empowerment, there was an increasing sense of empowerment. Along with this, education and literacy was spreading and more and more people could read and write. A new generation was coming up that had never known imperial rule and had, as a consequence, a healthy irreverence to those in authority. Besides, the domination of a single political party, the Congress party, was waning and other political formations were emerging and raising questions.⁷²

Over a period of time with sixty plus years of independence one can see various cracks within the system of governance. The democratic fabric of the Indian political system has been such that it has been characterised with indirect people’s participation in getting their demands met through their indirectly elected representatives with a system of free and fair elections. Alongside the electoral system, an active civil society has emerged as a significant agent contributing in the effective functioning of the democracy. The approach of the state towards civil society has

⁶⁵ <https://www.facebook.com/groups/studentyouthagainstcorruption/>,
<https://www.facebook.com/groups/154304461322414/> accessed on 9th May,2013

⁶⁶ <https://www.facebook.com/groups/sbandolan/?ref=ts&fref=ts>, <https://www.facebook.com/groups/safecitizen/?fref=ts>,
<https://www.facebook.com/groups/451161991604733/> accessed on 9th May,2013

⁶⁷ <https://www.facebook.com/groups/1msaogh/>, accessed on 8th May,2013

⁶⁸ <https://www.facebook.com/groups/freeiromsharmila/> accessed on 9th May,2013

⁶⁹ <http://www.ndtv.com/convergence/ndtv/new/Ndtv-Show-Special.aspx?ID=44> accessed on 9th May,2013

⁷⁰ <http://kafila.org/tag/indian-middle-class/> accessed on 10th May,2013

⁷¹ <http://academiccommons.columbia.edu/catalog/ac%3A126637>

⁷² <http://academiccommons.columbia.edu/catalog/ac%3A126637>

been largely that of calling for assistance by the state in its operative mechanisms. But the current developments in the functioning of the civil society have raised debates over the meaning, nature and role of civil society. By the help of analysis of middle class activism in RTI Movement and Anti Rape protests within India and few of the emerging patterns come about –

1. Middle class/upper caste/urban character were indispensable for all campaigns/movements. Mobilization at the grass roots is necessary but for any policy to translate itself into an act, the presence in power centre, or where power resides, i.e., was essential. Here the Politics of space becomes crucial, as until those close to power are not perturbed, making policy a reality is difficult.

2. A more direct form of democracy was noticed where people, NGO/VO came together as it affected everybody's lives. Issues which were taken up middle class activists are like corruption, transparency, civil society intervention in planning were issues attracted imagination of all and government due to its failing policies was left with no other choice but to provide some form of legitimacy to these campaigns/ interventions.

3. Smart 'media-communication' campaign strategy was critical in RTI and Anti-Rape protests the use of media whose reach has increased, and also telecom service within India has more than 10 million users, these mediums of adding pressure to the government was unimaginable before 90's. Although whether to what extent contribute in final policy draft is all together another debate. But funding of movements, getting more mobilizations for a campaign especially with regard to urban/middle class is concerned has worked for large extend.

4. Another aspect is linking grassroots with the urban; both the RTI and Anti-Rape protests managed to link different social actors, organization, with conflicting political viewpoints, social positions together. RTI began from grassroots struggles and then networked itself with the bureaucracy, judiciary, and urban population and later pushed for the draft to become a policy. RTI also had civil society members from all over India which voiced the opinion of people who lived in margins to mainstream urban public and Anti-Rape Protests is now being pushed by Women's Groups which again has linkages at different locations within India. So Linkages is critical in all of the case-studies.

Conclusion

The debate of middle class activism hence has these arising questions like first the **"legitimacy" Question**". There is consensus today about "legitimacy" of civil society's (note middle class activists) participation in policy making as passive players- using advocacy strategies of persuasion, educating/awareness building within sanctioned/invited spaces. However entry through claimed/occupied collective action, using confrontational strategies, as active players- has brought to the fore question of "legitimacy"? This did come up, (though in muffled tone) at particular junctures in the RTI movements, but with the Anti-Rape protests- what is the "legitimacy" of middle class activism in policy making became a central debate. There are no easy answers here. Secondly, the **question of power in policy process** is critical to policy making process. At any given time, there are plurality of views and ideas. However, not every voice/idea has a chance to be heard. Power comes into play in policy process at various levels. Between middle class activists and government/ bureaucracy/policy makers', between policy makers, between civil society groups. Does ability to build coalition with middle class coalition, and media support give power in policy? What about issues that do not strike a chord with the middle class? Does having a base in Delhi or a middle class articulate representation within civil society- give power? These are few key issues which reflect the missing links within middle class activism that requires further research and being a continuous fluid category it is hard to point straight jacketed patterns. Nonetheless middle class activism is certainly a key to policy making and a pillar which has the potential to shake power structures of government and market.

References

1. Arabindoo, Pushpa (2005): "Residents' Associations: An Alternative Civil Society", London School of Economics and Political Science (mimeo)
2. Banerjee A V and Duflo E 2008 What is middle class about the middle classes around the world? *Journal of Economic Perspectives* 22 3–28
3. Brosius C (2010) *India's middle class. New forms of urban leisure, consumption and prosperity* Routledge, New Delhi
4. Chakrabarti P (2009) What is driving the Indian middle class towards electoral politics? Evidence from Delhi Accountability initiative working paper no 4
5. Chatterjee, P (2001): "On Civil and Political Society in Post-colonial Democracies" in Sunil Khilnani and Sudipta Kaviraj (ed.), *Civil Society: History and Possibilities* (Cambridge: Cambridge University Press).
6. Chatterjee, P (2004): *The Politics of the Governed: Reflections on Popular Politics in Most of the World* (New Delhi: Permanent Black).
7. Chatterjee, P (2010): *Empire and Nation: Selected Essays* (New York: Columbia University Press).
8. Chatterjee, P (2011): *Lineages of Political Society* (New York: Columbia University Press).
9. Coelho, K and T Venkat (2009): "The Politics of Civil Society: Neighbourhood Associationism in Chennai", *Economic & Political Weekly*, 44 (26, 27): 358-67.
10. Deshpande S 2006 Mapping the 'middle': issues in the analysis of the 'non-poor' in India in John M E, Jha P and Jodhka S S eds *Contested transformations: changing economies and identities in contemporary India* Tulika, New Delhi 215–36
11. Ellis, Rowan "The Politics of the Middle: Re-centering class in the postcolonial". *ACME: An International E-Journal for Critical Geographies*, 2011, 10 (1), 69-81
12. Fernandes L 2006 *India's new middle-class: democratic politics in an era of economic reform* University of Minnesota Press, Minneapolis MN
13. Friedmann J (2002) *The prospect of cities* University of Minnesota Press, Minneapolis MN
14. Ganguly-Scrase R and Scrase T J 2011 *Privatization, profit and the public: the consequences of neoliberal reforms on working lives in* Baviskar A and Ray R eds *Elite and everyman: the cultural politics of the Indian middle-classes* Routledge, New Delhi 300–23
15. Gerbaudo, Paolo "Tweets and the Streets: Social Media and Contemporary Activism". Pluto Press. London. 2012
16. Goldthrope, John H. 1995. "The Service Class Revisited." *Social Change and the Middle Classes*, Editors Tim Butler and Mike Savage. London: UCL Press.
17. Harriss, J (2006): "Middle-Class Activism and the Politics of the Informal Working Class", *Critical Asian Studies*, 38(4): 445-65.
18. Holston J (2007) *Insurgent citizenship: disjunctions of democracy and modernity in Brazil* Princeton University Press, Princeton NJ
19. Harriss J (2010) *Participation and contestation in the governance of Indian cities* Simons Papers in Security and Development 3 School for International Studies, Simon Fraser University
20. Houtzager, Peter P. Lavallo, Adrián Gurza and Acharya, Arnab "Who participates? Civil society and the new democratic politics in São Paulo, Brazil". IDS Working Paper 210, September 2003
21. <http://www.hivos.net/Hivos-Knowledge-Programme/Themes/Civic-Explorations/News/Middle-class-activism-in-China-India-and-Brazil> accessed on 9th May, 2013
22. <http://www.chinadialogue.net/article/show/single/en/5561-China-s-new-middle-class-environmental-protests>, <http://stratrisk.com/geostrat/9057>, accessed on 9th May, 2013
23. <http://www.businessweek.com/ap/2012-10-29/china-steps-carefully-with-protesting-middle-class> accessed on 9th May, 2013
24. http://en.wikipedia.org/wiki/2011_Israeli_middle_class_protests, accessed on 9th May, 2013

25. <http://www.independent.co.uk/news/world/middle-east/israels-middle-class-launches-mass-protest-at-rising-cost-of-living-2333615.html>, <http://www.ojlife.com/2012/feb/israel/poverty-amid-plenty-middle-class-protests-israel-presaged-occupy-movement> accessed on 9th May, 2013
26. <http://usatoday30.usatoday.com/money/markets/story/2011-10-19/occupy-wall-street-protests-profiles/50830924/1>, accessed on 9th May, 2013
27. <http://www.argentinaindependent.com/currentaffairs/thousands-join-anti-government-protests-across-country/>, <http://www.guardian.co.uk/world/2012/nov/09/argentina-protests-rally-fernandez-kirchner> accessed on 9th May, 2013
28. <http://mg.co.za/article/2012-08-21-the-politics-of-protests-in-cape-town>, accessed on 9th May, 2013
29. <http://www.economist.com/node/21528212> accessed on 9th May, 2013
30. <https://www.facebook.com/groups/studentyouthagainstcorruption/>, accessed on 9th May, 2013
31. <https://www.facebook.com/groups/154304461322414/> accessed on 9th May, 2013
32. <https://www.facebook.com/groups/451161991604733/> accessed on 9th May, 2013
33. <https://www.facebook.com/groups/1msaogh/>, accessed on 8th May, 2013
34. <https://www.facebook.com/groups/freefromsharmila/> accessed on 9th May, 2013
35. <http://www.ndtv.com/convergence/ndtv/new/Ndtv-Show-Special.aspx?ID=44> accessed on 9th May, 2013
36. <http://kafila.org/tag/indian-middle-class/> accessed on 10th May, 2013
37. <http://academiccommons.columbia.edu/catalog/ac%3A126637> accessed on 9th May, 2013
38. <http://academiccommons.columbia.edu/catalog/ac%3A126637> accessed on 9th May, 2013
39. Hylmö, Anders and Wennerhag, Magnus “Does class matter in protests? Social class, attitudes towards inequality, and political trust in European demonstrations in a time of economic crisis”. Paper Presented *paper that was presented at the 2012 SISP conference in Rome, Italy (13–15 September 2012)*.
40. Kamath L and Vijayabaskar M (2009) Limits and possibilities of middle-class associations as urban collective actors *Economic and Political Weekly* 44 368–76
41. Kaplan Andreas M., Haenlein Michael, (2010), Users of the world, unite! The challenges and opportunities of social media, *Business Horizons*, Vol. 53, Issue 1 (page 60)
42. Kaviraj, S (2001): “In Search of Civil Society” in Sudipta Kaviraj and Sunil Khilnani (ed.), *Civil Society: History and Possibilities* (Cambridge: Cambridge University Press).
43. Cambridge University Press).
44. Kingsworth P (2003) *One No, Many Yeses: A Journey to the Heart of the Global Resistance Movement* London: The Free Press
45. Laclau, Ernesto (2005) *On Populist Reason*. Verso. London
46. Mattoni, Alice (2012) “Media Practices and Protest Politics: How Precarious Workers Mobilise?”. Ashgate.
47. Mazzarella W (2005) Middle-class in Dwyer R ed *South Asia keywords* Online encyclopaedia maintained by SOAS (http://anthropology.uchicago.edu/pdfs/mazz_middleclass.pdf) Accessed 10th May, 2013
48. Menon, N (2010): “Introduction” in Partha Chatterjee, *Empire and Nation: Selected Essays* (New York: Columbia University Press), 1-20.
49. Meth P (2010) Unsettling insurgency: reflections on women’s insurgent practices in South Africa *Planning Theory and Practice* 11 241–63
50. Miraftab F (2009) Insurgent planning: situating radical planning in the global south *Planning Theory* 8 32–50
51. Myles, John and Adnan Turegun. 1994. “Comparative Studies in Class Structure.” *Annual Review of Sociology* 20:103-24.
52. Narayanan, Sudha (2005): “One Kind of Representational Activity and the Urban Poor in Bangalore City”, unpublished paper, November
53. Nigam, A (2012): “Politics, ‘Political Society’ and ‘the Everyday’”, [kafila.org](http://kafila.org/2012/03/31/politics-political-society-and-the-everyday/), 31 March, <http://kafila.org/2012/03/31/politics-political-society-and-the-everyday/>, accessed on 2 May 2013.
54. Parker, John “Special report: Burgeoning bourgeoisie”. *The Economist* (2009-02-13). accessed on 10th May, 2013

The Middle Class in World Society

55. Ranganathan M (2011) The embeddedness of cost recovery: water reforms and associationism at Bangalore's fringes in Anjaria J S and McFarlane C eds *Urban navigations: politics, space and the city in South Asia* Routledge, New Delhi 165–90.
56. Schlozman K L, Verba S & Brady H E (2012). *The unheavenly chorus: Unequal political voice and the broken promise of American democracy*. Princeton, N.J.: Princeton University Press.
57. University Press.
58. Sridharan E 2004 The growth and sectoral composition of India's middle-class: its impact on the politics of economic liberalization *India Review* 3405–8
59. Tawa Lama-Rewal, Stéphanie (2007): "Neighbourhood Associations and Local Democracy: Delhi Municipal Elections" *Economic & Political Weekly*, 24 November, pp 51-60.
60. Van Aelst P & Walgrave S (2001). 'Who is that (wo)man in the street? From the normalization of protest to the normalization of the protester' *European Journal of Political Research* 39(4): 461–486.
61. Varma, P. (1998) *The Great Indian Middle Class*. New Delhi: Viking.
62. Wood, J M F "Weavers Unraveled: Comparing Associationalism among Handloom Weavers and Boatmen in Varanasi, India", *South Asia Journal*. Wright, Eric O., Editor. 1989. *The Debate on Classes*. London: Verso
63. Zérah, Marie-Hélène (2007): "Middle Class Neighbourhood Associations as Political Players in Mumbai", *Economic & Political Weekly*, 24 November, pp 61-68.

Colonial legacy and Post Colonial Fanaticism: Changing Face of Bengali Middle Class in 21st Century

Dr. Sibtos Bandyopadhyay

Introduction

Social Capital means a mutual understanding among the existing members of a civil society. Civic traditions and stock of social capital are the necessary ingredients for blooming democracy and modernity. Putnam argues that ‘social capital’ refers to features of social organization, such as core values and norms (including social trust) and networks that facilitate coordination and cooperation for mutual benefit. (Putnam : 1995).¹ It is observed that corruption, violence and religious antagonism are more feasible in southern part of Italy rather than its counterpart Northern Italy, because northern part of Italy has had a better stock of social capital. Putnam in his path breaking work, “*Making Local Democracy in Work: Civic tradition in Modern Italy*” (1995) aptly remarked that while southern Italy remained strictly autocratic, feudal, fragmented and isolated, the towns in the northern Italy at the same time became ‘oases amidst the feudal forests’, where an unprecedented form of self-government was emerging which could be called ‘communal republicanism’.² (Putnam: 1993). This paper partially dealt with the issue how social capital did perform a significant role in nation building process which was organized and maintained by the Bengali middle class in 19th Century. To highlight the contribution of Bengalis in Indian nation building programme, the present Prime Minister of India in an occasional electoral campaigns in last Assembly election at Kolkata repeat Gopal Krishna Gokhel’s famous remark: “*what Bengalis thinks today, India thinks tomorrow*”.³

In Post Independence period, the Bengali middle class has undergone a colossal change in terms of social, political and intellectual aspects of life. Two reasons may be identified in this perspective; **firstly**, the Chinese aggression in 1962 and its immediate effect on Bengal was ‘Naxalbari Movement’. **Secondly, after the collapse of former USSR** (Union of Soviet Socialist Republics) **many Post colonial societies underwent rapid change and aspired to develop along the western culture and initiated rigorous efforts to build up a cosmopolitan society. These processes had differential consequence on the urban middle class in Bengal.**

In the light of these arguments the paper concerted endeavour to comprehend the changing face of Bengal middle class in relation to globalization. Researcher has tried to access the problem and prospect of Bengali middle class participations and involvement in democratic political process. The study further seeks to examine the political attitude of Bengali middle class people towards the representative institutions and their representatives. How did globalization appear as an onslaught on traditional Bengali society? How does it affect the culture and civilization of Bengalis middle class community?

Bengalis middle class attitude in politics and social reform programme in colonial period

Bengal stock of social capital had started its formation since 16th century under the leadership of Lord Sri Chaitanya which was successfully carried out by Sri Ramakrishna, Swami Vivekananda (1863-1902), Rabindranath Tagore (1861-1941), Bankim Chandra Chattopadhyay (1838-94), Pandit Iswar Chandra Vidyasagar (1820-1891); Kesab Chandra Sen (1838-1884) and the founder of Indian modernization was Sri Raja Rammohan Roy (1774-1833).

The Middle Class in World Society

In the 16th Century, A fellow of Bengali middle class Sri Chaitanya Deva (1486-1534) popularizing the gospel of social justice, untouchability and promote the philosophy of religious tolerance under the banner of ‘Vaishnavism’ which was a land mark of middle class uprising in Bengal against the centralized power of the state. Salimullah Khan wrote, “16th Century is the time of Sri Chaitanya Dev, and it is the beginning of modernism in Bengal. The concept of humanity the came into fruition is contemporaneous with that of Europe”. (Salimullah.B.1958).⁴ Professor Harihar Bhattacharya wrote, about five hundred years ago, when caste restriction were becoming more and more rigid in the rest of the India, the system faced a powerful rebellion in the shape of the reform movement of Chaitanya of Bengal who preached the equality of men and the supremacy of the human being in all creation.⁵

The speeches of Lord Sri Rama Krishna (1836-1886) opened the door for better understanding the philosophy of religion and the meaning of life of human being; who preached “*Jotto mot tattoo Path*”, means ‘as many faiths, so many paths’.⁶

Disciple of Lord Sri Rama Krishna, Swami Vivekananda was born in a middle class family at North-Calcutta on 1863. He was a great religious monk, nationalist, patriotic and the reformer of Hinduism. He was the first Indian nationalist who invited as a delegate to delivers a speech in America of ‘World Religious Conference’ on 1898.

Swami Vivekananda is universally known as the most renowned theorist and also the religious practitioner of truth, love, non-violence, tolerance, freedom and peace. He says, “*Bohurupe sammukhe tomake chari, Kotha Khunjicho Iswar, Jibe prem kore jei jon, sei jon sebiche Iswar*”; Which means, serve the humanity is the only way to find out the god. However, Swamiji himself was a pictogram of 19th Century Bengalis middle class community and became a global icon of humanism and truth.⁷

Bankim Chandra Chattopadhyay (1838-94) was probably the first systematic expounder of Bengali middle class. In his essay entitled ‘Lokhit’, (*Gratification of Common People*, 1881) Bankim present a vivid scenario of changing pattern of Bengali Community. Bankim was of the opinion that with the contact with the colonial administration a new segment of Bengali middle class did emerge. They were primarily settled in Kolkata. In 19th century this Bengali upper middle class primarily occupied a prestigious position in colonial administration, they had earned a huge amount of revenue due to the ‘Permanent Settlement Act’ or involvement with the global Mercantile Capitalism.⁸

Bankim identified them as ‘Babu’ or ‘Bhadralok’ class. He criticized them as a parasite class. In Europe, the upper middle class had played an important role to establish modernity and democracy in replace of monarchy. However, this upper middle class in Bengal had lost their credibility and engaged themselves with a selfish, luxurious and a transgressing life. Naturally, Bankim sought to create a new identity of Bengali middle class community; in this regard he emphasize on ‘Anusilan’ and ‘Dharma’. ‘Anusilan’ or his concept of ‘practice’ means knowledge and duties so that an individual may take an active part on nation building programme as well as a form of devotion which helps a community to learn its weaknesses.⁹ He regards ‘Dharma’ as an essential ingredient of national solidarity. Literally speaking, Dharma means a spiritual mode of position which based on selfless and non-possessive notion of devotion. The cumulative impact of the twin virtues of ‘Anusilan’ and ‘Dharma’, in Bankim’s view, would be to establish an indelible mark of culture of Hindu community for nation building. (Tripathi : 1967)

In the later phase of 19th Century, the modernity of colonial Bengal had seen a kind of apprehension between English educated young group founded by Raja Rammohan Roy (1774-1833) and Henry Derojio (1809-1831) under the banner of ‘**Young Bengal Group**’ versus the Hindu traditionalists who wanted to develop the Hindu civilization according to classical Hindu Dharmashastra as well as to the wave of western modernity.¹⁰

However, the second group of reformers very much hesitated about the culture of western civilization and its impact on Indian modernization process. Eventually they formed ‘*Dharmasabha*’ (1830) founded by Bhabanicharan Bandyopadhyay (1787-1848) and the ‘*Tattwabodhini Sabha*’ (1839) founded by Maharsi Debendranath Tagore

(1817-1905).¹¹ In the 19th century, Bengali reformists had already conceived of the construction of a secular, democratic and welfare nation state. The members of these groups reject the existing social and religious customs and conventions and formed a spectacular religious doctrine which is popularly known as '**Brahmo Samaj**'.¹²

It was a kind of creed that based upon social solidarity and rejection of racism, exclusion of castism and idolatry. These movements were not only redefining the very meaning of modernization; they were also redefining development itself. To define the role and contribution of emerging Bengali community in 19th century India a scholar has appropriately wrote, "*For about a century, Bengal's conscious awareness of the changing modern world was more developed than and ahead of that of the rest India. The role played by Bengal in the modern awakening of India in thus comparable to the position occupied by Italy in the story of the Italian Renaissance*".¹³

The roles of these organizations were somewhat distinct. In one hand, a privileged middle class had been emerged in undivided Bengal. They were very much influenced by the western education and culture of democratic values. They were well equipped in English language and primarily occupied a prestigious placement in colonial administration. There was a huge disparity of culture and in education between the city dwelling native administrators with the common people. Colonial administrator used them for their own interest. In his famous work, '*The Great Indian Middle Class*', Pavan Kumar Verma rightly pointed out that —The creation of a native elite in its own image was the most spectacular and enduring achievement of British colonialism in India. (Pavan :1999)¹⁴

To define the nature of middle class community in colonial Bengal a scholar has argued that while the operation of colonial laws and resultant proliferation of the landed middle class, this section of society came under the strong influence of western ideas and educations.....they could not emerge as a self-confident class with a liberal ideas but were dependent for their survival on a constitution of the status quo.....'Hitkari Sabha' founded on April 5, 1863 at Uttarpara, Hooghly, bears the first examples of the constructive middle class role in benevolent social activists in mid–nineteen century Bengal.¹⁵

On the other hand, people's agitations or demonstrations against colonial power started particularly in Calcutta and others metropolitan areas and English lettered middle class cohort was primarily involved in it. Sri Umesh Chandra Bandyopadhyay (the first president of Indian National Congress) and his son Sri Surendranath Bandyopadhyay both played a sincere effort to establish modernity and democracy in India under the jurisdiction of colonial rule. Though, Gopal Krishna Gokhel has criticized such type of middle class attitude in national politics as 'political beggaring'.¹⁶

'Protest movements' against colonial administration had gained momentum in the first decade of twentieth century. To define the character of Bengali Middle class a scholar wrote: "*The Bengalis in general are known to be an emotional people not given to suffering in silence but to violent outburst of anger*".¹⁷

'*Anushilan Samittee*', '*Jugantar Samittee*' had been formed and were led by Sri Aurobindo, Chittoranjan Das, Rash Behari Bose and successfully followed by the first soldier of Indian nationalist movement Sahid Khudiram Bose, Mastar Da Surya Sen, Matongini Hazra and lastly, the first soldier of the last Indian freedom struggle was Netaji Subhas Chandra Bose. However, all these revolutionary freedom fighters were the product of middle class Bengali community in 19th century.

II

A brief sketch of middle class involvement in radical politics since Post Independence period in West Bengal

Modern democratic political system embedded with a lot of contamination regarding the question of identity in different strata of middle class community. A group of social scientists have pointed out that the expansion

The Middle Class in World Society

of modernization and democratic revolutions are the genuine events of modern civilizations which pampering the instability of Westminster model of democracy. Two reasons may be identified in this endeavour; firstly, underprivileged sections of the middle class community are becoming self-conscious, and secondly, by virtue of liberal democracy, they are claiming their legal position in decision making process in administration.

Most of the democratic countries in third world are incapable of satisfying their demands and aspirations. In other words, the inequality in representation in regards to caste, language, religion, class and even within the class are the basic rudiments of provincialism and secession which provoke disintegration in the nation state system. Marxists used to believe that if the class struggle or class-based politics is established then the caste or ethnic politics would be abolished. However, along with other East-European countries, the socialist system in Soviet Russia failed to provide a solution of class questions. In a sporadic writing, the world famous scholar of Marxist interpretation of world politics, Professor Hamza Alavi wrote that the primary and foremost solution of class conflict is laying on the solution of ethnic issues.

The socio-economic and political condition of West Bengal in the post-independence era was described by Marcus Franda as '*Problem State*'.¹⁸ Kolkata, the birth place of 'Indian Renaissance' and patriotism was named by the First Prime Minister of India as, "*City of demonstration*". West Bengal politics was further nurtured by the stream of radical politics, and which was quite advanced than other states of India. To define the role of Bengalis, Tom Nossiter wrote, the Bengalis were the first to absorb and the first to reject western hegemony.¹⁹

After independence, the Indian National Congress had maintained an overwhelming domination both in states and at the centre. Like other states Indian National Congress had formed the government in West Bengal also, but it was not with absolute influence over the state, that was because of the two reasons;

1. In colonial period, there was an ideological rift representative by Netaji Subhas Chandra Bose between the existing 'Indian National Congress' leadership. However, the Bengali middle class reacted adversely against the role of the 'Indian National Congress leadership' for the extreme sacrifice of 'Netaji' (Subhas Chandra Bose) in Indian's freedom movement.²⁰
2. Inspired by the 'Bolshevik Revolution' (1917) and communist upsurge all over the world, a new Marxist culture shaped in Bengal which gained a tremendous influence among the Bengalis middle class, particularly on the refugees, the labourers and the farmers and the youths. However, the Marxists were successfully carried out their sentiment into electoral vote bank. Atul Kohili wrote: "*a significant minority in Bengali political activists already understood the significance of disciplined organizations before they were introduced to communism*".²¹ (Kohili :1998)

In the first two decades after independence, the 'Bengal Legislative Assembly' was dominated by the Bengalis upper class people. They were the residents of proper Calcutta or its suburb. However, the members other than Kolkata were primarily linked with the lower middle class community. Their role in legislative Assembly may be identified in the following manner, "*....the member of these bodies are drawn from the layers much closer to those of traditional politics. Also they are in Assemblies for quiet a short part of the year; the rest of the time they will be in their home districts which are, increasingly, their constituencies.....which language of politics does he speak? He is himself undergoing 'modern education' from his seniors on the front benches*".²² Morris-Jones named the political behaviour of these Members of State Legislative Assembly as 'bilingual'. It means they were able to merge the traditional and modern *language* under same political process.

The density of population in the bordering districts of West Bengal rapidly increased just after the independence. The refugees of East Bengal community mainly assembled in the city and their adjacent industrial areas. The partition of India and its worst effect was religious & ethnic clash which naturally provoked a counter sentiment to existing 'one party dominant political system' and the communist activities had gained momentum along with an enormous support of refugees.

To resist the leftist, Congress took two strategic methods. Primarily, 'Public Relation Office' was opened to build a regular rapport between the elected representatives with the common middle class people. Advisory Organizations were formed for industrial cities and in the peripheral regions. The role of the elected Congress representative in the surrounding villages was narrated by Marcus Franda as, "*the local Congressman often acts as the broker for his constituents and the administration. The ties that link the Congressman broker with the people and the government may, in many cases, rest on the coincidence of interest between the three parties, as well as on personal friendship, kinship, caste affections and sometimes payments*". However, the middle class community in Bengal gradually marched with the immigrants and that had created a separate dimension of middle class culture and politics in Bengal.²³

III

From 1967-72 the politics of West Bengal was characterized by Rudolph and Rudolph as 'demand politics'.²⁴ The derivation of these demands was urban middle class community. The journey of new government started with specific demands and expectations, but fulfilments of those demands and expectations were not feasible. It was the time of 'Naxalites Movement', a new communist party i.e. 'Communist Party of India Marxist-Leninist'; (henceforth CPIM-L) entered the political scenario.²⁵

The third communist party openly challenged the constitutional- representative democracy and they labelled the participation of other communist parties in the electoral politics as 'betrayal'. They were gradually involved in ideological conflict with C.P.I.M and C.P.I by commenting their ideology as 'revisionism'. They challenged the Indian representative democratic state system through a series of programmes; such as, encircling the cities with villages, exposing the limitations of bourgeois education system, advocating guerrilla warfare and calling for an immediate agrarian revolution. It is needless to mention that a bulk portion of middle class youth were involved in 'Naxalites Movement' which originated in a native village in 'Naxalbari' at North Bengal and rapidly spread all over the Bengal. Such prominent leaders as Comrade Charu Majumdar, Kanu Sannayal, Jangal Santal, Asim Chattopadhyay of 'Naxalites Movements' did import a typical Bengali middle class culture in this communist upsurge.

University and technical institutions became a hot bed of Ultra-Marxism. At first, the upper class Bengali communities i.e. landlord, Jotdar, Petty-Bourgeoisie and capitalist sections were attacked by the revolutionaries; the first Asian novel prize owner 'Kabiguru' Rabindranath Tagore was labelled as 'Bourgeois poet'. The sculpture of Pandit Iswar Chandra Sen Sharma (popularly known as Vidyasagar) was demolished, even though he was one of the pioneers of Bengal Renaissance movement. He also belonged in the middle class community in 19th Century Bengal.

They regarded Mao-se Tung the leader of world communist movements and they were prepared for the Beijing declaration. One of their popular slogans at that time was, "*Chiner Chairman amader chairman*" which means, the Chairman of 'People Republic Of China' also the Chairman of the Indian socialist movements. However, this upsurge turned the Bengali middle class politics into the arena of 'proletariat internationalism'.²⁶

Atul Kohili marked the socio-political scenario of West Bengal in between 1967 to 1977 as 'decade of chaos'.²⁷ Political tortures and violation of fundamental rights were the common feature in between 1971-72 and 1975-77. Kohili aptly remarked that state sponsored violence was extreme, as, if anybody was killed owes to police firing then there won't be any compulsory administrative enquire. Secondly, there won't be any difference in prison between political prisoners and ordinary criminals.²⁸ He has also mentioned that, "*During the period leading up to the election and immediately thereafter, the police and mastans (hired hoodlums) unleashed what was known as 'white terror'*".²⁹ A huge portion of middle class educated youths scarifies their life under the state repression.

IV

In post independence period, the crisis of democracy in Bengal was primarily related to the lack of trustworthiness among the different sections of the society. Bengalis middle class community did not perform any significant contribution to building up a common area of understanding in civil society. It was not an easy task to popularize the value of liberty, equality and democracy in the rustic sector where the social hierarchy is based on caste, religion, wealth and class. In rural areas, the upper caste Hindu people were always in dominating position in the democratic institutions. Lower caste, non-Hindu and unprivileged section had a rare chance to represent in Legislative Assembly. On the contrary, it was, immediately opposed by the higher caste Hindu if it happened so. The result of first four West Bengal Assembly elections reveals that the elected representatives mostly came from the apex of the hierarchical social system. Middle class representatives were comparatively marginal in State Assembly, though, they had entered State Assembly with a huge public support. Honestly speaking, the MLAs' belong in middle class were a little bit separate and encircled by the elite representatives in State Legislative Assembly.

This phenomenon was neither reactionary nor authoritarian, not even challenging the values or norms of parliamentary democracy. The middle class representatives gradually organized themselves and learned the basic rules and regulations, conventions and culture of the Parliamentary democracy. In 60's and 70's it was observed that the representatives of middle class were very much uncomfortable in debates and discussion in State Assembly due to lack of confidence. They were always guided either by the party guidelines or the directions of Calcutta based elite representatives. Later they became extremely caring about the culture of parliamentary democracy and did perform a significant contribution in the debate of 'State Legislative Council'.

Sudipto Kabiraj narrated in his essay; 'Culture of representative democracy' that in Europe the representative of lower middle class group turned into 'Bourgeoisie' under the influence or by inhabiting the culture of parliamentary democratic values.³⁰ In the politics of West Bengal, the representative of lower middle class did not totally turn as 'Bourgeoisie'; however by inhabiting the democratic culture they showed up as a 'gentleman class'.³¹

In the West, the nature of middle class involvement in democratic institutions was somewhat distinct. Following the analysis of John Reid, Sudipto Kaviraj showed that in the 'Duma' of Russia, lower middle class people got the entry and it was damaging the basic character of parliamentary democracy. It is an eternal desire of middle class people to take part in the decision making process of politics, but when it remains unfulfilled then it bursts out as anger and hit directly the legislative house as well as the administrative power points.³²

In Post- Independence era, the first three decades of middle class participation on parliamentary politics resemble the picture drawn by Sudipto Kaviraj. The majority of labour class and Subaltern groups considered that their participation as mandatory, but their lack of sagacity, knowledge and culture has detained them at the main entrance of State Assembly.

The first three decades since independence the West Bengal Legislative Assembly was dominated by the elite class; however a satisfactory amount of middle class representatives get chances to enter the State Assembly. However, the middle class community in West Bengal always considered themselves was unrepresented because of their lack of confidence, detachment from electors or the absence the culture of parliamentary democracy. In one of the Assembly Session in West Bengal legislative Assembly on 1950 an M.L.A disgustfully complained, "*.....the man who used to wear Khadi above his knee and walked around the villages without a slipper,....when he became Minister changed to high quality dress and a moved only in private car and used Jaba Kusum Oil in his barehead*".³³

In fact, the middle class community was sensible about their selection of a competent efficient people's representative, who will truly resemble their status and class in the legislative Assembly. Their frustration had been expressed in a different manner or in a different consequence. In a Bengali Movie, which was released in 1965, the actor Anil Chatterjee represents of an unemployed Bengali middle class youth in Kolkata who was engage in searching for a job or for a better status of life. The marvellous, mysterious Kolkata, the living city had betrayed

him. The song played by the actor in screen which was very much heart breaking with sadness and disquiet. The song advised the middle class community to avoid the merciless, heartless city-

“sono bondhu sono-
Pran hin eii sohorer itikothe,
Iter panjore Lohar kanchay darun Mormoo batha,
Sono bondhu sono-
Ekhane akhas nei..ekhane batas neii,
Ache sudhu mritur akulota”.

(Friends; please listen, I’m telling a history of a heartless city, in every bricks and cages of each building have had a tragedy, Friends; listen, there is no ambience or air, the enchanting city has nothing except people’s aspiration of self-destruction.)

The worldwide crisis of representative democracy became weak in late 1970’s. Democracy was revived in the beginning of 1980’s. P. Samuel. Huntington named it as ‘**Third Wave**’.³⁴ It reached the coast of Bay of Bengal in late 70’s. It has two dimension; on one side, replacement of authoritative- indisciplined government and on the other side, overwhelming involvement of learned middle class in politics, which Huntington termed as, “*restore balance between democracy and governability*”.³⁵ The leftists of West Bengal carefully and dynamically handled these two issues. The instability of democracy in West Bengal politics in post independence period until 1977 was due to the absence of balance.

V

36 years of Left Front Government Regime and Bengali Middle Class

In the year 1977, after coming to the power, the Left Front Government (henceforth L.F.G) rendered full effort mainly on five aspects:

1. Decentralization of the administrative power structure,
2. The role of people’s representatives should be honoured beyond the protocol of bureaucracy.
3. The representation of the backward middle class community and women should get priority.
4. Continuous agitation against the Central Government primarily on middle and lower middle classes related issues.
5. Reframing the social infrastructure through the representatives of all sections of the society and a promise for a permanently functioning government.³⁶

The immediate result of this changed focus was the middle class representation in Panchayat at the local and Gram Sabha/Sansad at the grass root level. Not only Panchayat; but also Municipal Corporation, Municipality, Co-operative, government aided Library, School, College and University administrations came to be operated through political party based electoral system. The matter might have been different, but Atul khoili mentioned in this context that, “.....*the regime is controlled by a well-organized ideological party. Because this party rests its power on classes other than propertied, it generates a degree of political autonomy from the dominant class. This enables regime authorities to push through some reforms of the agrarian social order from above*”.³⁷

During the regime of the L.F.G the national and international politics and the national economy were dynamically changed. In the beginning of the nineties, the administrative system faced a challenge with the renewed policy of administration framework. Liberalization, free atmosphere of Multi-national Corporation and globalization had blown away the government’s social welfare agenda. The failure to meet public expectation raised many questions regarding the success of the Left Front Government and its power structure of representation. However, several research works have rightly pointed out that under the L.F.G regime the middle class peoples were in dominating

The Middle Class in World Society

position in state politics from Gram Sabha to Lok Sabha. In this context Prof. Amartyo Sen has mentioned that, “...the change in the balance of power in the rural society of West Bengal in favour of the poorer sections of the populations, largely as a result of left-wing activist movement, has certainly resulted in a much greater participation of the poor in poverty alleviation programmes”.³⁸

Instead of empowerment, decentralization of power for the civic bodies was the priority. Middle class people's preference found a place in development programme. Service security act of State Government employees is implemented. The resolution of new pay rules were welcomed by the cream section of middle class community i.e. school, college and university teachers' groups. It was not merely the socio-economic development of the people below poverty line but the actual involvement of the lower middle class into the poverty alleviation programme.³⁹

Changing Face of Bengali Middle Class

19th Century & 20th Century: Monk, Social worker, patriotic; interested in a clerical job in colonial administration; idol: Swami Vivekananda and Sri Netaji Subhas Chandra Bose.

Post 20th Century : Fascinated in Ultra Marxism or in Soft Marxism; teaching in school or in college were the main service sectors; interested in Kolkata football league or in Cricket Test Match at Eden Gardens; idol : Lenin/Mao-se-Tung, Satojit Roy and Uttam Kumar.

21st Century: Compared to with the global middle class, interest in I.T sector or in technical organizations, interested in share trading, preferred to stay aboard particularly in the Gulf or in the West, interested to earn dollar and spent in shopping mall; idol : no idol is found.⁴⁰

VI

Globalization and Bengali Middle Class

Globalization means integrating the economy of a country with the world economy. The idea of globalization and its effect on post colonial societies are not a new discourse in modern political science, but what is new is the constant deterioration of social and political culture of middle class communities particularly in the South-East Asian countries. Globalization and traditional culture are not a homogeneous phenomenon or a process. Globalization never entertains a local or a traditional culture.

In our country, the changing scenario of middle class communities are somewhat distinct in this accepts. On one side, these communities have confirmed people's involvement in decision making process; on the other hand, as an auxiliary agency; multi-national corporations are gradually welcome to these societies. Therefore, prior prevention is taken for anticipated conflict between constant demand of the middle class peoples aspiration and limited scope of involvement in the decision making process in their civil and political life. The role of the state is just like a 'referee' of a football match, who can supervise or control the game and but never the participant.⁴¹

The researcher has tried to asses the problem and prospect of middle class peoples aspiration under the banner of globalization. The study further seeks to examine the political attitude of middle class people towards local self-governing institution and their representatives. These attitudes have been examined in terms of confidence or trust of voters on their elected candidates.

Globalization and the crisis of middle class representation

There is a theoretical dilemma in between parallel existence of globalization and popular participation of middle class community in democratic institutions. In the third world countries, constant demand of participation or

involvement in the decisions making process sometimes create irrational pressure, which might sprout of dictatorial political system. In the west, Indo-American society has sorted out this problem by in habiting representative democratic culture. In our country, the absence of democratic culture or slow rate of its flow prevents the democratic culture of local self-government. The unending problem of representation in the third world are correlated with others problems like food, shelter, over populations, illiteracy, unemployment, lack of capital and technology. Thus, it is utterly impossible task of solutions separately for a single problem. Therefore, as a crisis savoir state is again invited (rolling back the state) by the civil society. However, this character of the state is somewhat distinct than the 'Twentieth Century State'. State is appeared as an aid-proving agency to the civil society.

Globalization and people's power are not a homogeneous phenomenon or a process. Globalization does not ensure global progress of middle class empowerment. Critics have been asserted that ongoing process of globalization definitely threatens the middle class culture and participation in micro level democratic institutions. There is a widespread view that globalization introduced a new form of beliefs and ideas in civil society. Modern globalization generates fundamentalism in two major areas of democracy. First, in civil society; on the other hand, globalization generated fundamentalism in economic site of modern representative democracy.⁴² Jorge Sores has rightly observed the fundamentalist approach of globalization and he has defined the total process in terms of 'market fundamentalism'. George Sores has argued that market fundamentalism plays a crucial role in the global capitalist system. (Sores: 1998).

However the basic ethos of globalization is 'structural adjustment' which never entertain the social welfare activities of a democratic government. Therefore, the popular slogan of a representative government, i.e. 'Roti, Kapra aur Mokaan' (food, clothes and shelter for all) has now become a joke. Most democratically elected governments in the third world countries have lost their credibility.

This is actually a global crisis of middle class community which is primarily related with their status and identity. To highlight the cases and issues of decline of democratic culture and its immediate effect upon common citizens in South America, Scott Main Warring has argues that a crisis of democratic representation refers to one end of this continuum.....where patterns of representation are unstable and citizens believed that they were not well represented. Such a crisis can be gauged by both attitudinal and behavioural indicators. The attitudinal indicators involve citizen perception: large numbers of citizen are dissatisfied with the way in which they are represented, or they do not feel represented at all. The behavioural indicators are actins by citizens rejecting existing mechanism of democratic representation—for example, withdrawing from electoral participation, voting for new parties.⁴³

Political unrest, civil war, communal riots, strikes etc are the common tendency of third world political system because of the adverse effect of globalization. To assess the reason, we may point out that that the courses modernization and liberalization enhance the desire of political participation among middle class people. The political institutions are required to act as a mediator for middle people's ongoing demand of political involvement. But the improper ratio of number and quality of political organization with enormous desire of involvement might collapse the stability of a political system. For that reason middle class people's representatives are now facing a tremendous problem, which is popularly known as 'crisis of identity'.⁴⁴

VII

Conclusion

In our study, we face many middle class people that they are in doubt about the state capacity of taken decision regarding the question of protection of their rights. Even they are hesitant about the democratic culture of government. From the ample interview among the middle class citizens in Kolkata metropolitan areas, it has been found that 17% citizens do not have any idea about representative democracy. It is interesting that a majority portions of people (72%) are just have heard the term 'democratic decentralization', but they unaware of even some

The Middle Class in World Society

of the simple function about the local governance. 33% citizens are familiar with the term 'responsible government' and 'democratic decentralization'. Nominal percentages (0.6%) of citizens are aware about the significance of 'responsible government'.

Because of that, Bengali middle class lose charm on representative democracy. Even the elected middle class representatives are neither enthusiastic nor active. The survey report shows that only 61% candidates are eager to contest in future election. A majority of members 37% (out of the seventy-five) thinks that they can serve people better even without contesting the regular election process. A half portion of representatives (48%) believes that the representative government is hampering the faith on democracy. A puzzling factor in this classification is that the 54% member thinks for an alternative arrangement of parliamentary-representative democracy.

If we look at the political scenario across Kolkata, we find that lack of trust in local governance, inaccuracy of political elite and isolation of the representatives from masses is a common phenomenon. Therefore, the challenge of promoting minimum standard of livelihood of middle class people & the slogan of democratic decentralization are unquestionably linked to the challenge of upholding democratic values.

In this respect, Nobel laureate Professor Amartyo Sen, (also a pearl of Bengali Middle class community in 21st Century) emphasized the term 'practice of democracy'.⁴⁵ It is never enough to build up the democratic organizations, but the proper maintenance of social capital and nursing of those institutions are vital. In the first place, we are more or less in advanced position, but on the other hand, we have a long way to go. The success of democracy in West Bengal is solely dependent on the equilibrium of these two aspects. However, the Bengali middle class failed to maintain the balance.

Oxford famous novelist Professor Nirodci Chowdhuri in an occasional writing has presented a list of the most influential six Bengali personalities in 19th & 20th century Bengal; those were the most excellent in terms of their outstanding effort in literature, leadership in nationalist movements, involvement in social reform programme and their personal characteristics. Chowdhuri placed Rabindranath Tagore at the apex, then Bankim Chandra Chattopadhyay, chronologically Swami Vivekananda, Kesab Chandra Sen, Sarat Chandra Chattopadhyay and lastly Netaji Subhas Chandra Bose.⁴⁶ However, it is observed that out of the six only two personalities belong into middle class community. Bengali middle class reacted adversely regarding the issue of the sixth position of their national hero Sri Subhas Chandra Bose and a non-listed personality like Pandit Iswar Chandra Vidyasagore.

However, in an another article Nirodci Chowdhuri wrote, the great hero of Indian Nationalist movements Sri Subhas Chandra Bose and the main founder of Bengali modernization Pandit Iswar Chandra Vidyasagore were the best product of the 20th century Bengal. They were Bengali in terms of blood, language and ethnicity; however, they became non-Bengali due to their outstanding effort and sacrifices for the nation. Their characteristics are only comparable with others courageous race. Bengalis can never realize their outstanding contribution due to their inherent limitation. This inborn limitation is realized by Rabindranath Tagore in 19th Century and wrote:

*“Sat koti Santanere hay Mughdha Jononi-
Rekhecho Bangali Kore Manus Koroo ni”.*

(O, enchanted mother of seven hundred million children, you raised them as Bengalis, but could not develop their manhood).

References

1. Quoted in Putnam, R (et al) , *“Making Democracy Work : Civic Traditions in Modern Italy”*, (Harvard University Press, Harvard,1993), p.182. Also see, Bhattacharyya, Harihar : *Post Colonial Social Capital and Democratic Governance : The Case of West Bengal* ; (West Bengal Political Science Review; Vol : 1, No 1-2, January –December 1998), pp. 126-129.

2. Ibid; pp- 182-183. Also see, See, Coleman, J.S. “*Foundations of Social Theory*”; (Harvard University Press, Harvard, 1990/1994 (paperback edition), P.300.
3. Narandra Damodar Modi addressed in a public speech on an occasional electoral campaign in last West Bengal Assembly election at Kolkata on 16th April 2016.
4. Dasa, S.N; “*Hindhu Encounter with Modernity: Kedarnath Datta Bhaktivinoda, Vaishnava Theologian*”; Los Angeles; ISBN 1-889756-30-X, 2014, (1999).
5. Bhattacharyya, Harihar : *Post Colonial Social Capital and Democratic Governance : The Case of West Bengal* ; (West Bengal Political Science Review; Vol : 1, No 1-2, January –December 1998), pp. 126-129.
6. Rolland Romain, “*The Life of Ramakrishna*”, (Advaita Ashrama, Kolkata, 2013, original publication on 1931). For further details see, “*Ramakrishna Kathamrityo*”, (Advaita Ashrama; Belur Moth, Kolkata).
7. Rolland Romain, “*The Life of Swami Vivekananda*”; (Advaita Ashrama; Kolkata, 2013); for details see, Datta Bhupendranath, ‘*Swami Vivekananda : Patriot-Prophet*’; Nababharat Publisher,Kolkata, 1954, p.371; also see Swami Lokeshwarananda, “*World Thinkers on Ramakrishna-Vivekananda*”, second edition , 1983, p. 338; “*The Complete Works of Swami Vivekananda*” , Vol III, Mayaboti Memorial Publication, Advaita Ashrama, Kolkata, 1977; Basu Sankriprosad, “*Vivekananda O Somokalin Bharatborsho*” (Vivekananda and Contemporary India), third edition, Kolkata,1975, p.458.
8. Kaviraj Sudipta. “*The Unhappy Consciousness: Bankimchandra Chattopadhyay and the formation of National Discourse in India,*” (Oxford University Press, New Delhi, 1985).
9. C. Bhabotosh (eds), “*Bankim Chandra Chattopadhyay : Essayes in Perspective*”, (Sahityo Academy, New Delhi, 1994). Also see, A. Bhattacharya, “*Bankim Jiboni*” (Life of Bankim chandra), (Anando Publisher, Kolkata, 1919), p.45. Mukhopadhyay, Bhudev, “*Samajik Probondho*”, (West Bengal State Publication Department, Kolkata, 1981).
10. Pantham Thomas, “*The Socio–Religious and Political Thought of Rammohan Roy*”, in Thomas Pantham and Kenneth L. Deutsch (eds) *Political Thought in Modern India,*(New Delhi, Sage Publication, 1986).
11. Chatterjee Partho , “*Nationalist Thought and the Colonial World : A Derivative Discourse*’ ; (Oxford University Press, New Delhi, 1986). Also see, Biman Bihari Majumdar, *History of India Social and Political Ideas: from Ramohon to Dayanand,* (Bookland Private Ltd, Kolkata, 1967).
12. F. Dahulmare and G.M.Devi (eds) “*Between Tradition and Modernity: Indian Search for identity*”,(Sage Publication , New Delhi, 1988). Also see, Sahastri Shibnath, “*Ramtanu Lahiri and Contemporary Bengal*”, (Biswyan Publication, Kolkata, 1983).
13. Sarkar, S. “*Studies on the Bengal Renaissance*”, (Calcutta: KBP & Co, 1970), p.3.
14. Varma. Pavan K, “*The Great Indian Middle Class*”, (New Delhi. Penguin, 1999).
15. Sen. Subhas, “*Development in Swadeshi Ideology and Middle Class*” in “*The Landed Middle Class*”, (West Bengal State Publisher, Kolkata), p.7, pp. 105-107.
16. Parekh Bikhu and Pantham Thomas (eds) “*Political Discourse: Exploration in Indian and Western Political Thought*”, (Sage Publication, New Delhi, 1987).
17. Fadia, Babulal. ‘*State Politics in West Bengal*’, in “*State Politics in India*”(Radiant: New Delhi, 1984), pp.271-272.
18. Franda, Marcus. *Political Development and Decay in West Bengal,* (Calcutta: Firma K. L .Mukhopadhyay, 1971), p.86.
19. Nossiter, T.J. “*Marxist State Governments in India*”, (London: Pinter Publishers, 1988).
20. Tripathi Amales, “*The Extremist Challenge: India between 1890 and 1910*” , (Orient Longman, Kolkata, 1967).
21. Kohli, Atul. ‘*From Breakdown to Order: West Bengal*’, in Chatterjee, Partha ed. *States and Politics in India,* (New Delhi: Oxford University Press, 1998), P.339.
22. Morris–Jones, W.H. “*The Government and Politics in India*”, (New Delhi: B. I. Publication, 1974), p.69.
23. Franda, Marcus. “*Political Development and Decay in West Bengal*” (Calcutta: Firma K L Mukhopadhyay, 1971), p.74; for further details; see, Franda Marcus. *Radical Politics In West Bengal* (Cambridge: The MIT Press, 1971).
24. Lloyd I. and Susanne H Rudolph, ‘*Demand Polity and Command Polity*’ In *Pursuit of Lakshmi : The Political Economy of The Indian State*’, (Chicago: University of Chicago Press, 1987)
25. *Naxalbari Legacy*’, in Chatterjee, Partha. “*The Present History of West Bengal: Essays in Political Criticism*”, (New Delhi: Oxford University Press, 1997).

The Middle Class in World Society

26. Kohili, Atul. 'From Breakdown to Order: West Bengal' in Chatterjee, Partha ed. "States and Politics in India", (New Delhi: Oxford University Press, 1998),pp 337-366
27. Kohili, Atul. "Democracy and Discontent: India's Growing Crisis of Governability", (New Delhi: Cambridge University Press, Foundation Books, 1992); also see Kohili, Atul. 'From Breakdown to Order: West Bengal' in Chatterjee, Partha ed. "States and Politics in India", (New Delhi: Oxford University Press, 1998),pp 337-366.
28. Ibid.; also see, Banerjee Sibtosha, "Evaluation of Contemporary Politics and Democracy", Art Publishing, Kolkata, 2012.
29. Kohili, Atul. "Democracy and Discontent: India's Growing Crisis of Governability", (New Delhi: Cambridge University Press, Foundation Books, 1992), p.283.
30. Kaviraj, Sudipto. 'Culture of Representative Democracy', in Chatterjee, Partha ed. "Wages of Freedom", (New Delhi: Oxford University Press, 1998), pp.154-165.
31. Franda, Marcus. *Political Development and Decay in West Bengal*, (Calcutta: Firma K. L. Mukhopadhyay, 1971), p.86.
32. *Wages of Freedom*, (New Delhi: Oxford University Press, 1998, Chapter.7), p.156.
33. Assembly Sessions-1950'; (Kolkata: Volume-1, Collected from Assembly Proceedings, Published by Government of West Bengal), Pp.19-21.
34. Huntington. Samuel. P. *The Third Wave: Democratization in the late Twentieth Century*, (Norman: University of Oklahoma Press, 1991). Also see, Putnam, R. Pharr, Susan & Russell .J. Dalton. "What's Troubling the Trilateral Countries", for details see, Putnam, R. Pharr, Susan eds. *Disaffected Democracy*", (London: Printers University Press, 2000) pp.3-11.
35. Ibid; pp16-17. Also see, Habermass J, "The Post National Constellation", (Policy Press, 2001), Page-107.
36. *Bamfront Sarkarer At Bachar* (in Bengali) (Eight years of the Left Front Government in West Bengal), (Calcutta: Information and Cultural Department, Government of West Bengal, 1985), pp.1-2. Also see, Basu, Jyoti. *Joto Dur Mone Pore*, (in Bengali), an autobiography of Jyoti Basu, (Kolkata: N B A, third edition, 1999,) p.12.
37. Kohili, Atul. 'From Breakdown to Order: West Bengal' in Chatterjee, Partha ed. "States and Politics in India", (New Delhi: Oxford University Press, 1998),pp 337-366
38. The whole idea concentrates mainly on three works: *Hunger and Public Action* (1989), India: Economic Development and Social Opportunity (1995) and Indian Development: Selected Regional Perspectives (1997). As Amartya. Sen. and J. Drèze understand the concept of development in a broad sense of "using social means to prevent deprivation and susceptibility".
39. Kohili, Atul: *The State and Poverty in India-Politics of Reform*, (New Delhi: Cambridge University Press, 1987), p.147.
40. Roy Arnab, Banerjee Joydeep; "Personal and political changing face of Bengali middle class in Amit Chowdhur's freedom Song"; Journal of Arts, Science & Commerce ISSN2229-4686 ;ISSN2231-4172. Also see, Misra, B.B, *The Indian Middle Class*, (OUP, New Delhi, 1961)
41. Giddens, A: *Sociology* (2002) Blackwell, p-690.
42. Soros.G: *The Crisis of Global Capitalism*, ("New York, Perseus Book Group), pp.126-128. Also see, Friedman, Thomas, "The World is Flat: A Brief History of The Globalized World in the 21st century" (London: Allen Lane, 2005).
43. Main Waring Scott, "The Crisis of Representation in the Andes", *Journal of Democracy*, Vol :17, No-3, July 20065, page-23.
44. Kinnvall, C. "Globalization and religious nationalism: The Search for Ontological Security" (London: Routledge, London, 2008). Also see, Amin Samir, "Obsolescent Capitalism: Contemporary Capitalism and Global Disorder" (London: Zed Books Limited, 2004).
45. Sen, Amartya. *India: Development and Participation*, (New York: Oxford University press, 1996), Pp. 358-375
46. Chowdhuri. Nirodsi, an article published in Anandobajar Patrika, (a daily news paper published from Kolkata, on 3rd July, 1988).
47. Chowdhuri. Nirodsi, "Subhas Chandra Bose is one of the best among six dignified Bengalis" (in Bengali) , (Desh, Annado Publisher, Kolkata), pp : 99-100.

Building and Leveraging Middle Class Capital Through Convergent Forces

*Venkatesh Kurandawad*⁷³

“Can a string too tightened or too loosened resonate the melody?”

– Gautama Buddha to his disciple Shrona

Middle Class (MC) has been evolving and will be the change maker in the development process, given the proper capability building and leveraging. The trio of converging forces [(State, Market and Social Entrepreneurial (SE) Activism)] can ensure this building and leveraging. While there are glaring and traceable courses of action by State and Market to build and leverage middle class, SE-Activism’s role in this has probably not been traced with detailed deliberations. This paper, therefore, delves into ‘SE-Activism – MC Nexus’ to prove the positive correlation between them through qualitative-narrative analysis. It also proposes to develop certain indices and models to reflect upon the strength and effectiveness of MC, status of MC-development, and sustenance and trust-demonstration of SE-Activism.

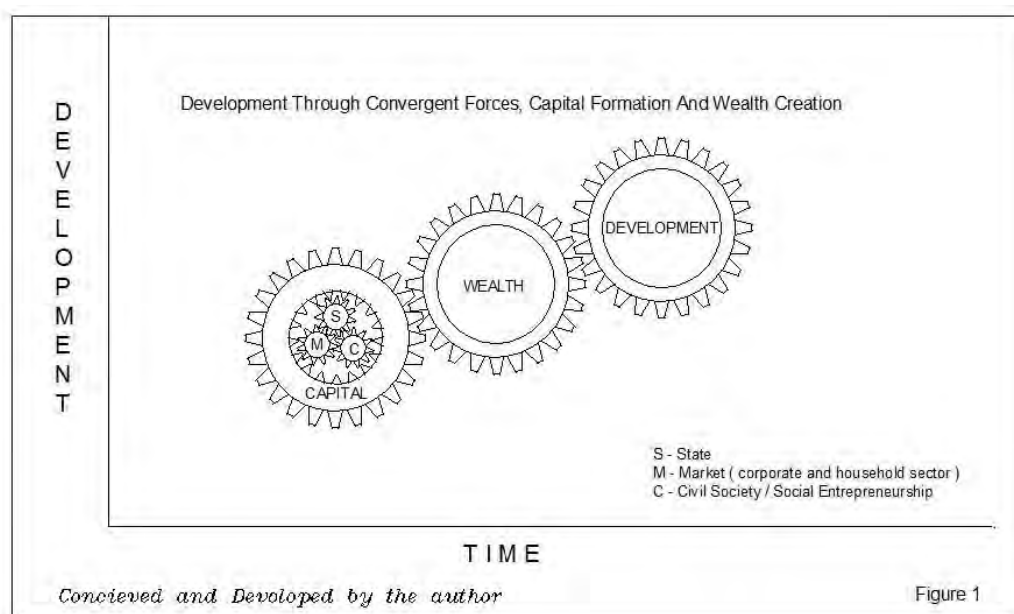
Key Words: *Wealth, Development, Middle Class Capital, Converging Forces, SE-Activism, Transaction-Transformation, MCC-Building, MCC-Leveraging, Capability Maximization, Capability Utilization*

Introduction

Wealth Creation and Maximization is the sole objective of any development process. The term ‘wealth’ represents a broader spectrum of both economic and non-economic (social, sociological, socio-economic, socio-cultural, psychological or emotional, religious, natural, ecological, environmental, etc.) stripes.

The Capital Formation (again both economic and non-economic) and Utilization is the pre-requisite of the wealth creation process. The capital formation and, so to say, the ultimate development, are the results of many ‘Converging Forces’ [Governmental and Non-governmental (Corporate and Households Sectors’ Ventures, Civil Society / Non Profit Institutions” – NPI – / Social Entrepreneurial – SE – Activism, etc. In other words, a trio of the State or Public Sector, the Market or Private and Households Sectors, and the Civil Society)] Activities acting upon the related ‘Contributing Factors’ (e.g. indicators like income, expenditure, education, health, aspirations, gender, classes, groups, regions, culture, political situation, nature, bio diversity, environmental safety, etc.) to bring about the positive ‘change’.

⁷³ [Author sincerely thanks Prof. K S James, JNU, New Delhi and Prof. S Madheswaran, ISEC, Bengaluru, for their encouragement and valuable inputs during the preparation of this paper]



Wealth creation finally occurs due to the effective utilization of the capital built. It is, in other words, the *returns* by the capital formed towards the converging forces and contributing factors (the society at large). Thus, wealth creation is a process occurring due to the *inter-dependent – interactive – reciprocal relationship* between all the converging forces, contributing factors and the capital built, finally resulting into development (Figure 1). ‘Middle Class (MC) Capital’ is, therefore, certainly the result of this *inter-relationship*.

This paper, therefore, focuses on this inter-relationship between Converging Forces, Contributing Factors and the Middle Class Capital – mainly throwing light on ‘SE-Activism and Middle Class and vis-à-vis’ – proving it with a mixed methodology involving both conceptual deliberation and empirical evidences, to explore the ways for *building and leveraging Middle Class Capital*. With a qualitative-narrative discussion based on secondary sources of data, the paper also tries to bring in a definitional clarity on middle class along with enlarging and enriching the concept, propose strategies for building and leveraging middle class capital, propose development of MC-Capital Formation Index, MC-Capital Leveraging Index and MC-Development Index, and propose the workable models for SE-Activism which in turn contribute to the overall development in general and to the middle class development in particular.

Middle Class – Rising, Rising And Still Rising: Due To What?

Despite the controversies on definition, concept and exact size of Middle Class (MC) in the world (MC size being half of the world’s population, according to The Economist) in general and in India (MC size ranging between 24 million to 264 million or between 10 to 30 per cent of the Indian population based on different methodologies) in particular, there is certainly an agreement on the fact that there has been a remarkable and continuous rise in the MC Population the world over including India. Over the last two [and a half] decades, the Indian Middle Class has been celebrated for its economic achievement in the new global economy [and] has also been expanding in size, providing critical market base to the process of economic growth and stability to democratic politics (Jodhka and Prakash, 2011). The process of economic growth, experts argue, is fundamentally changing the social structure of India, from a society characterized by “a sharp contrast between a small elite and a large impoverished mass, to being one with substantial intermediate classes” [(Sridharan E, 2004), as referred by Jodhka and Prakash, 2011].

Indian Middle Class has been evolving – thanks to economic reforms of 1991 that has pulled a larger chunk of population out of poverty to place it in the larger MC – now comprising about 50 million (5% of Indian

population) people (NCAER Report) to reach to about 583 million (41% of population) by 2025 (Southworth, B. and Lingamfelter B., 2008) Millions of people successfully moved from lower than \$5,000 annual income to higher levels [\$5,000-10,000 income level], with greatest coming in the last 12 years, though, unlike China – that moved more than half of its households out of poverty to income levels above \$10,000 – India has been able to shift fewer than 20% of its households over this mark (Bhaatacharya and Unnikrishnan, 2016). The percentage of poverty (population below poverty line) in India for 2011-12 is 21.92 with rural poverty level at 25.7% and urban poverty level at 13.7% (Press Note on Poverty Estimates, 2011-12, Planning Commission, Govt. of India, July 2013), an appreciable performance in terms of reducing poverty from 45.3% in 1993-94 (Prabhavati and Naveena, 2014). The consumption pattern [that reflects the aspirations beyond income levels (Bhattacharya and Unnikrishnan, 2016)] is another indicator that determines the rise in middle class. According to Euromonitor data, consumption growth in India has more than doubled from 4% during 1990-2002 to 11% during 2013-14 (Bhattacharya and Unnikrishnan, 2016). McKensy Report (as referred by Beinhooker, Farrel and Zainulbhai, 2007) predicts that the expansion of MC will witness two unique features – (i) [Vertically], the lower MC reaches peak level by 2020, just as the growth of upper MC acceleration (ii) [Spatially], the expansion of MC will be highly urban centred with about 400 million Indian City Dwellers. Thus, the Social Mobility will be a prominent component in Middle Class Dynamics.

The rise in the Indian Middle Class, to say safely, is also the result of converging forces of Governmental and Non-governmental Initiatives. However, while Governmental efforts (e.g. economic reforms, recent policies like Skill India, Make In India, Digital India, and other numerous policies) and Corporate efforts (e.g. boom in IT and BPO sectors) are the glaringly visible, traceable and attributable causes for the MC rise, the SE-Activism is not much visible, traceable and attributable to consider it to be a cause for the same, though its contribution is significant and hence cannot be undermined. In fact, it is interesting to note that the dramatic rise in the number of NPIs in India (Tables 1 and 2, Annexure) also incidentally began with the process of economic reforms of 1991, indicating the sufficient scope to hypothesize the *inter-relationship between SE-Activism and Middle Class*.

‘Can the SE-Activism be considered as a correlate of Middle Class and vis-à-vis’ is the question answered in this paper through a mixed analysis involving conceptual or hypothetical deliberations and empiric evidences.

Efforts of all SE-Activism are also directed towards the transformation of society through building human and social capital by maximizing the *capabilities*. The sustainability of SE-Activism, on the other hand, is ensured mainly by the contribution of such capital built. Hence, we can certainly hypothesize about the inter-dependency of the both. The very existence of large number of NPIs in India should itself be a sufficient evidence enough to prove the interrelationship between NPIs and Middle Class, even after discounting certain margin of contribution of both towards each other. Tables 1 and 2 (Annexure) give a glimpse of such a *reciprocal relationship* between SE-Activism and Middle Class – SE-Activism in Middle Class Formation and Middle Class Contribution to SE-Activism – (proportion of NPIs per 1000 persons, high proportion of NPIs in Top 3 activities, post 90’s dramatic rise in number of NPIs, HH-Sector’s financing to SE-Activism, considerable workforce including high level volunteerism in NPIs, GVA by NPIs, HH-Sector consumption expenditure produced by NPIs, etc.). It would be worth an effort, therefore, to probe further about the *nexus* between SE-Activism and Middle Class.

What is a Middle Class? – Expanding and Enriching the concept

The ‘neither rich nor poor’ (IPC-IG, UNDP) middle class has throughout been a subject and object for extensive discourse with respect to its definitional clarity, though much clarity and consensus has not yet been arrived at. Evolving over time, Middle Class as a concept has taken various meanings, becoming “an object to aspire for poor people, a buzzword for politicians..., and the source of new customers for firms and the global economy” (IPC-IG, UNDP). The term is ‘middle’ but there seems to be no consensus on the spread or extent of ‘middle’ on various grounds. All the efforts of defining the middle class try to cover as much broader areas as possible to include economic, social, sociological, socio-economic, socio-cultural, religious and psychological dimensions.

The Middle Class in World Society

In addition to these dimensions, this paper also makes an attempt to include in the MC definition the ‘Regional’ dimension [primarily based on such development indices as human development indices and others like geographic, weather and climatic conditions (e.g. rainfall, temperature, etc.) and other such natural, ecological and environmental conditions] [Of course, there have been discussions on the ‘rural-urban specific’ MC concept but ‘region-specific’ MC concept is bit more enlarged and enriched in its scope], ‘Households’ dimension and ‘Human Development (HD) Indices’ dimension. While most of the attempts to define MC are mostly ‘population or people centric’, this paper tries to broaden and deepen the scope of MC definition to make it *people-centric, households-centric, regio-centric and development or HD-Indices-centric*. This larger and deeper concept may enrich MC discussions through addressing the key issues like *inequalities* within the broader dimensions of the middle class, though the complexities that may arise due to such broadening and deepening being apart.

At this stage, however, there may not be much clarity if and how these additional dimensions really add any value to the existing MC definition. But, it is worth an effort to explore on these dimensions. A brief exploration may be made at this stage on the inclusion of these dimensions in the Middle Class definition.

The regio-centric approach *may* simply define the middle class as “that region whose performance on selected economic and / or non-economic development indicators and / or indices is spread around the ‘median’ position” (for e.g. income, expenditure, human development indices, social-cultural-political conditions, behavioural aspects like aspirations, natural environmental aspects such as forest, rivers, sea, etc., climatic features like rainfall and temperature, agriculture-industry-service related indicators, etc.).

The households-centric approach *may*, however, define MC as the one “the households level performance of which on the selected economic and / or non-economic indicators and / or indices is around the median position”.

The HD-Indices-centric approach *may* again define the middle class as “that class whose performance on selected HD-Indices is spread around the median position”.

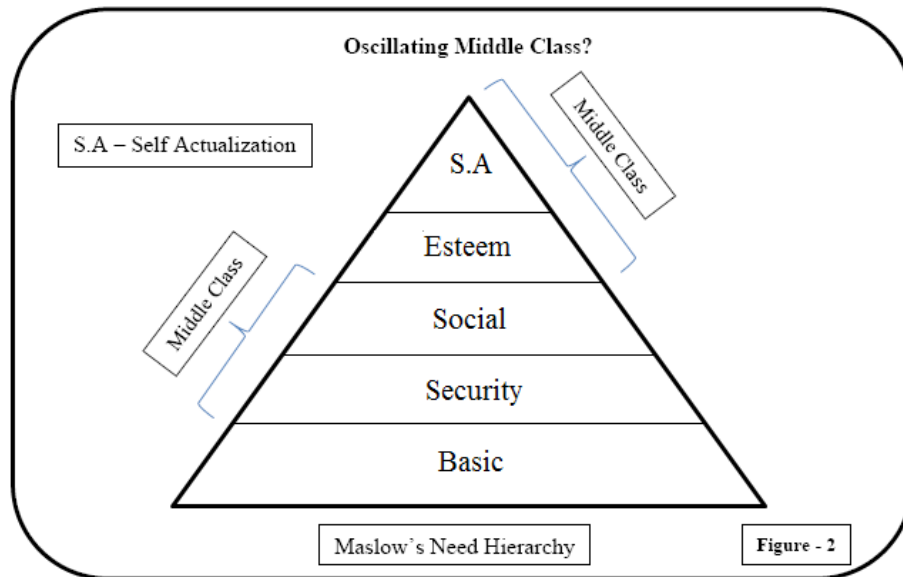
We may note here that the households-centric and HD-Indices-centric approaches are also the sub-classes of both people-centric and regio-centric approaches and the regio-centric approach also falls, to some extent, in the people-centric approach. So, it may be concluded at this stage that ‘people’ and ‘region’ are the focal points for the discussions on the middle class (Table 3 and the Note in the Annexure).

However, not delving much into the detailed deliberations on the MC definitional clarity, this paper defines the Middle Class as “*the people-centric and /or households-centric and / or regio-centric category whose performance on different economic and / or non-economic parameters is spread around the median position*”. The *extent of the spread* of the middle class is still, however, a non-resolved issue. Further deliberations on the definition, spread, different dimensions and other issues may bring in much conceptual clarity about the middle class.

Middle Class – An Oscillating Cradle?

The multi-dimensionality of the middle class not only exhibits the complex nature of the middle class but also poses a practical difficulty in the identification of the middle class. For instance, the psycho-social approach to middle class faces such a difficulty in precisely identifying as to who really belong to the middle class category. One of the reasons for this is the ‘aspiration to move upward’ tendency of people that makes them to perceive and identify themselves to be in the middle class. Tirimba (2014) finds the middle class to be situated in the ‘security and affiliation (social)’ needs stripes of Maslow’s Need Hierarchy but, Graton (1980), on the other hand, associates the middle class with the ‘esteem and self-actualization’ stripes of this hierarchy (though with differing importance levels to different need items of the same stripe), thus exhibiting the *oscillating* nature of the middle class sliding up and down across four stripes, except the bottom basic need stripe, of the need hierarchy (Figure 2). Perhaps this

oscillation necessitates classifying the middle class into lower-middle, middle-middle and upper-middle categories with each category dominantly exhibiting at least one stripe’s characters but tacitly or in a dormant way showing its upward movement tendency. Mostofa Haque makes six categories for Bangladesh based on Maslow’s Needs Hierarchy, as lower-lower, upper-lower, lower-middle, upper-middle, lower-upper, and upper-upper classes (Haque, Mostofa, 2010).



Again, as already mentioned, different studies using different methodologies have given different estimates for the size of the middle class, thus moving the MC from one point to other, perhaps in all possible directions – horizontally, vertically, angularly, tangentially, circularly. However, whatever the position, size and movement of the middle class be, it has been proved that through the centuries, the middle class has performed the role of a ‘cradle’ upon which the civilization or mankind can safely rest. In the words of Aristotle (306 BC), “Thus it is manifest that the best political community is formed by citizens of the middle class, and that those states are likely to be well-administered, in which the middle class is large...where the middle class is large, there are least likely to factions and dissension” (‘Concept Note’ for the International Seminar on ‘The Middle Class in India’ organized by ICSR-Mumbai, IHD-New Delhi, RGIGS-University of Mumbai, 2009. The quote reference – William Easterly, Journal of Economic Growth, 6, 2001, p.307).

Building and Leveraging Middle Class Capital

Middle Class is a *bunch* of various *aspirations*. The psycho-graphical make-up of MC is very unique. *Social Mobility* is an inherent MC feature. MC’s ‘crave to move upward’ makes it unique and different from other classes. On the other hand, it is also evident from many research studies that MC is a major contributor to economic and overall development, implying for the need to ‘strengthen and channelize’ the MC resources.

Hence, the ‘*transaction – transformation*’ apposition with respect to MC should involve a dichotomous approach of Building (Capability Maximization) and Leveraging (Capability Utilization) MC-Capital. The converging forces, therefore, should pay attention to MC on these lines. Needless to say, SE-Activism has a major role in both these approaches. The following section makes an attempt to elaborately discuss both conceptual aspects and empirical examples for both these approaches and also proposes to develop ‘MC-Capital Formation Index’ (MC-CFI), ‘MC-Capital Leverage Index’ (MC-CLI) and MC-Development Index (MCDI) to demonstrate the strength, effectiveness and true development status of middle class.

(a) Capability Maximization

As discussed, Middle Class is an *aspiration-focused* bunch with security-affiliation and / or esteem – self-actualization orientation, indicating its basic need set having been fulfilled. Motivation (capability building and maximization), therefore, now has to occur at higher levels to meet higher need set.

One simple example is of providing education. MC has already met its need set of being educated at primary and secondary levels [e.g. over 90-100% of enrolment at lower levels in India proves it (All India Educational Surveys, Seventh Round, 2002)]. However, quality of imparting education, transition loss over the years, high attrition rates, etc. are the matters of concern that certainly affect the capital formation process as the education is a key contributing factor for it. Again, the enrolment at tertiary level is very low with the Gross Enrolment Ratio for India at universities and college levels in 2016 being just 23.6% (AISHE, 2015-16).

Coupled with education is skill development – a much lacking component in capability building. With about 54% of youth population (below 25 years age category), India will continue to enjoy demographic dividend till 2040, but the disturbing fact is that India's formally skilled workforce is just about 2% which is dismally low figure compared to China with 47%, Japan within with 80% and South Korea with 96% (Swaniti Initiative Brief, 2015). Hence, to leverage the demographic dividend more effectively, skill development of the youth workforce in particular and the total workforce in general becomes inevitably important.

Currently, about 26 million people enter the working age group every year with about 65% of them looking for jobs (Swaniti Initiative Brief, 2015). But, with respect to employability and productivity of those entering the labour market, the India Skills Report, 2015 finds, only 37.22% of the surveyed are employable (34.26% male and 37.88% female). According to World Competitiveness Yearbook, 2012, India ranked *last* among 60 countries on labour productivity. Projections for industrial growth emphasize manufacturing and infra-structure sectors to be at the core, implying huge demand for skilled and semi-skilled human capital, which MC can provide if proper steps are taken. CII (2009) projects Incremental Human Resource Requirement till 2022 at 201 million, making the total requirement of skilled workforce by 2022 at 300 million and a major share of these jobs is from manufacturing sector, with National Manufacturing Policy, 2011 targeting 100 million new jobs in manufacturing by 2022 (Swaniti Initiative Brief, 2015). The Ministry of Skill Development, Govt. of India, also recently assessed an incremental human resource requirement across 24 sectors as 109.73 million by 2022. The *Skill India, Make in India* and *Digital India* are the recent initiatives of the Indian Government towards making the skilled workforce which will imply the capability creation or maximization leading to middle class capital formation.

Another important example for capability creation / maximization is building the confidence or psychological strength in terms of attitudes, perceptions, aspirations, etc. A recent study by Karnataka Jnana Aayoga (KJA) on youth of Karnataka (2011) has found some interesting facts. The youth have a very high level of competitive spirit, very high level of optimism, high level of aspirations of different nature (such as getting higher education, being provided basic amenities, taking on responsibility, and contributing to society), high level eagerness to reduce poverty, inequality, corruption, improve status of women, etc. But, the youth – particularly the rural and towns and small cities youth (three-fourths of the rural youth and two-thirds of the towns and small cities youth) – are *very much anxious about their future career and employment prospects*. This clearly shows the necessity of instilling the *entrepreneurial attitude* – particularly among such small region people – so that not only employment problem is solved but the forced out-migration is arrested leading to help in many ways (e.g. local capital building that help in effective utilization of local resources). Again, despite the gradual workforce shift from agriculture to industry to service, India still continues to be predominantly an agrarian economy and it must continue to be so as agriculture itself has been the *core cultural identity* for the Indian civilization through the ages. Hence, the *agri-preneurship* should be given utmost importance. The Karnataka Youth Policy, 2012 by Government of Karnataka is the right step in the direction of building youth capital to enjoy the demographic dividend, which indirectly amounts to middle

class capability maximization resulting into middle class capital formation. The KJA study on youth is one example, in this context, that clearly underlines the necessity of regio-centric approach for any deliberations including MC studies.

So is the case in all other aspects like health, living standard or quality of life, civic order, political participation, gender and child, simulating aspirations, etc. All these clearly underline the necessity of capability maximization. Hence, building of MC-Capital should necessarily orient towards this direction.

We should note that the capability creation or maximization, in this context, occurs in two ways – upliftment of lower class to the middle category and capability maximization of existing middle category.

To demonstrate the strength or the extent of the MC-Capital, this paper proposes to develop the ‘Middle Class Capital Formation Index (MC-CFI)’ to measure the success rate of MC-Capability Building / Maximizing at one point of time or during a given period. Hypothetically, at this stage, the MC-CFI can have such dimensions or indicators as – success in uplifting lower class to middle class (reduced poverty ratio, reduced literacy, reduced regional disparity, reduced inequality on different terms like gender, income, etc.), success in shifting the lower-end middle class to the upper- end (improving or maximizing capabilities in various terms like educational attainment, income, potential to participate in different activities, etc.). However, the spread of MC itself being unclear, MC-CFI development may practically face some constraints. Further deliberations may, however, bring in more clarity.

(b) Capability Utilization

Capability built, if un / under-utilized, will be a waste, reflecting futility of capability building exercise. Sufficient scope and conducive environment should be created, like for e.g. employment / entrepreneurial opportunities. On the other hand, MC being aspiration-focused has (i) *propensity to spend* (ii) *propensity to save* and (iii) *propensity to charity*. All these behavioural aspects involve both financial and non-financial capabilities. However, MC may not be having ideas or proper channels to utilize its capabilities. It is here that converging forces (especially SE-Activism) should act in right direction to leverage MC-Capabilities and ensure mutual goals attainment (MC’s contribution and overall development), i.e., fulfilling propensity factors of MC on the one hand and gaining from MC-Capabilities for the overall development of the society on the other. Taxes, impact-investments, philanthropy (charity, donations, volunteerism, etc.), socio-political agitations, etc. are other examples of leveraging MC-Capital.

To take the examples of education and skill development further, the attainment of certain level of education and skill development results in capability built or capital formation. Now, the effective utilization or leveraging of this capability should occur *lest* this capability remain idle and eventually go waste. Hence, the proper avenues of effective leveraging, like for example the creation of employment opportunities (both self-employment and jobs), should be created. Effective leveraging here means the absence of both unemployment and under-employment. The Start-ups policy is one example in this direction, like many other initiatives.

All the converging forces should devise such mechanisms or strategies of leveraging which effectively address the propensities of middle class. For example, the propensity to save factor may be addressed through mutually gainful investment patterns like insurance, housing, etc., the propensity to spend factor may be addressed through providing quality goods and services, education, health care, basic amenities, etc., and propensity to charity factor may be addressed through impact-investments, volunteering avenues, etc. The detailed discussion on middle class philanthropy leveraging is presented in the section dealing with MC-Capital and SE-Activism.

However, at this stage, to demonstrate the effectiveness of the MC-Capital, this paper proposes to develop a ‘Middle Class Capital Leveraging Index (MC-CLI)’ to measure the success rate of MC-Capability Utilization

The Middle Class in World Society

at a given point of time or during a given period. The MC-CLI, hypothetically at this stage, may include such MC-Contributing dimensions or indicators as the workforce share, participation in mission-oriented activities, philanthropy investments like donations, impact investments and volunteerism, etc. Further deliberations may bring in more clarity on it.

Social Entrepreneurial Activism – A Correlate of Middle Class?

Social Enterprise (SE), Social Economic Organization (SEO), Inclusive Business, Social Impact Enterprise (SIE), Philanthropy Business (PB), Non Profit Institution (NPI), Non-Government Organization (NGO), etc., are the different buzzwords prominently appearing in the discussions on the role of ‘civil society’ in any sphere of activism – be it development, politics, judiciary, human rights, gender, governance, health, nutrition, education, media, culture, heritage, religion, international affairs, animal rights, bio-diversity, environment, etc.

Social Entrepreneurship – however new or modern and whatever the nomenclature be – is certainly an age old concept, that too particularly in the context of India, which can be witnessed through King Rantideva of vedic period [(Bhaagawata IX-21, Mahaabhaarata – Anushaasana parva 123, Drona Parva 67, Shaanti Parva 28, 250) As referred by Ramarao, Benegal and Sundara Shastri, Panyam, (1941 and 2007)] who declared, “*Natwvham Kaamaye Raajyam, Na Swargam, Na Apunarbhavam. Kaamaye Duhkhataptaanaam Praninaam Aartinaashanam*” (*Neither I desire for the kingdom, nor for the heaven, nor even for the rebirth. What I desire for is the complete removal or destroying of the miseries of all – people, animals, birds, plants, etc.*). This statement cannot be a mere charity-driven statement as it was proclaimed during the occurrence of extreme level of famine in his State, by a King who by virtue of being a King must have thought about the strategies not only in terms of uplifting the people and others in misery (not just through mere charity or donations) but certainly in terms of their ‘capacity building and utilization’ so that the whole State can be in peace and prosperity. This statement, therefore, must be considered as a ‘social, ethical, environmental and altruistic mission statement’, central to the modern concept of social entrepreneurship.

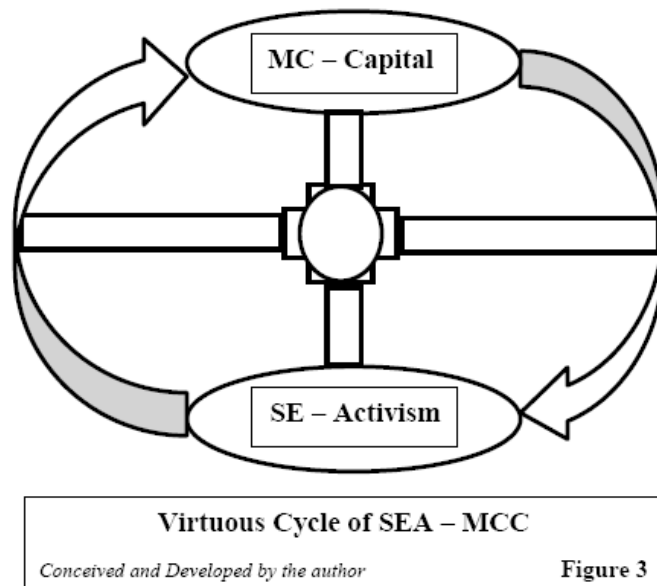
The basic tenets of ‘innovation and impact’ (Dees, Greg, 2004) of modern SE concept and the triple bottom line approach to social entrepreneurship [the simultaneous pursuit of economic, social and environmental goals (as referred by Haugh, 2007)] can be seen in numerous instances throughout the mythology, civilizations and history of any part of the world – may be with different terms but with more or less the same idea – or sometimes beyond – of transforming the system or society.

While Elaben Bhatt’s founding of the Self Employed Women’s Association (SEWA) during 1971-72 is an important milestone in the Indian Social Entrepreneurship history, the award of Nobel Peace Prize in 2006 to Prof. Muhammad Yunus of Bangla Desh for his Grameen Bank Experiment [Grameen Bank – the bank renamed in 1983 founded in 1976 (Wikipedia)] pushed the SE concept into the global spotlight. These two, among the numerous, are the classic examples of the social entrepreneurship building and leveraging the capabilities *in economic terms* as they both basically try to uplift the economically poor or disadvantaged people.

India’s pretty long freedom movement, the agitation against imposition of infamous emergency in 1975, the post-emergency Jay Prakash Narayan (JP) Movement or Nav Nirman Andolan (Wikipaida) to throw the then Congress Government out of power, the very recent agitations under the leadership Anna Hazare (Quiser Ahmed, 2012) against corruption, are the classic empirical examples of SE-Activism in which not only the desired socio-political impact (outcry for change) was demonstrated but in all of these, the *role of middle class* (leveraging or capability utilization) was prominently witnessed, demonstrating the nexus or positive correlation between SE-Activism and Middle Class. These three movements or agitations should be considered as the historical events of Social Entrepreneurial Activism – to impact on Indian psyche, more so the Indian Middle Class Psyche – against the backdrop of innovation (e.g. different and unique ways to fight for freedom including the non-violence and non-

cooperation movements), sustainability (financial and / or otherwise) and impact or returns (changing the political and governance scenario), the very core elements of SE-Activism.

However, it may be convenient to prove statistically the correlation between Middle Class and the economic correlates [like (a) Development levels and per capita income (b) Inequality of income and wealth (c) Size of the state (d) Share of small and medium size enterprises in employment and output (e) Democracy (Solimano, 2008)]. But, it may be bit difficult to prove statistically at this stage the correlation between Middle Class and the non-economic correlates like social entrepreneurship for the lack of sufficient data. Further research may throw some light on such unexplored areas. However, all the statistics and the other relevant information provided in this paper should be sufficient empiric evidences – enough at least to act as a cursor – to establish the correlation or reciprocal relationship between SE-Activism (SEA) and MC-Capital (MCC), where in the ‘Virtuous Cycle of SEA-MCC’ – building and leveraging MCC through SEA and building and leveraging SEA through MCC – continuously and simultaneously revolves and moves forward to ensure wealth creation and development of society (Figure 3). A brief discussion on this cycle of mutual building and leveraging will occupy the next sections.



Building and Leveraging Middle Class Capital through SE-Activism

India’s post-reforms success story is really appreciable particularly in terms of shifting a considerable section of population at the lower levels to the different stripes of middle level, thus reducing poverty level to a considerable extent. But, at the same time, this success is not an absolute one and there have been many misses, too, which should be addressed to seriously. The prevailing problems and challenges are the greatest opportunities for the social entrepreneurs to venture into for building and leveraging MC-Capital. All the Tables (Annexure) give a glimpse of the impact business opportunities in different areas in India. SE-Activism being an emerging high impact converging force has certainly a key role in building and leveraging MC-Capital. While the facts such as the dramatically increasing number of NPIs particularly in Top Key Areas of education, health, culture, social services, etc., average number of NPIs per 1000 people being around 2.3, the employment in NPIs, status of HD-Indices across regions in Karnataka, etc., indicate the SE-Activism in MC-Capital building, the volunteerism for NPIs, financial support to NPIs, etc., would indicate the SE-Activism in MC-Capital leveraging.

Some of the simple examples for SE-Activism for both building and leveraging of MC-Capital are education, health, livelihood opportunities, women empowerment, making less advantaged to participate in different

The Middle Class in World Society

institutional activities, etc. To take one example of SEOs and Job Creation, the SEOs create the jobs in three ways – provide jobs in SEOs, help get the jobs elsewhere, and train people to get jobs or be self-employed – all the capability maximization and utilization ways. George Foundation, Ford Foundation, Mata Amritanandmayi Centre (Srinivasan, Sujata), Aravind Hospital, Melinda and Bill Gates Foundation, Ratan Tata Trust, Infosys Foundation, Bain & Company, Arghyam, Deshpande Foundation, etc. are some examples among the numerous engaging in SE-Activism in different areas expediting capital building and leveraging, needless to say the MC-Capital.

However, here too, this paper stresses the need for regio-centric approach for SE-Activism in building MC-Capital, the reason being the striking regional disparity in development parameters across the world and across India in general and across the State of Karnataka in particular (Table 3, Annexure). Sir Ratan Tata Trust's 'Kalike Samruddhi Upakram (KSU)' initiative in Yadgir district of Hyderabad-Karnataka Region is a classic example of capital building and leveraging activity that engages in such key areas of focus as – Early Childhood Development, Enhancing Livelihoods, Skill Building, Water & Sanitation (School and Community), Education (Primary and Secondary) – implying middle class building and leveraging in less advantaged areas.

Philanthropy is one of the traits very much ingrained in Indian culture irrespective of the different religions. "Philanthropy in India is largely characterized by the middle class...Although Hinduism, unlike Christianity, Sikhism, Jainism and Islam, does not resonate a mechanism of giving in scriptures, socially and culturally it has been a part of Hindu values and often practiced as a part of the religion. To attain eventual Moksha, Dana (Giving) and Seva (Service) has been an integral part of the Indian Philosophy and people donate at holy places, temples and religious functions" (Mattoo, Nirja, 2012). The middle class philanthropy is one key leveraging factor that SE-Activism cannot and should not afford to ignore as the middle class has always been and will be the main source of philanthropy towards the development of the society. The India Philanthropy Report, 2012 (Bain & Company, 2012) observes that people under the age of 30 are driving progress in Indian Philanthropy and people are giving not just for religious purposes, but also looking for causes to donate. The younger generation is especially keen on participating in philanthropy... [i]instead of merely writing cheques, they want to be directly involved, either through volunteering or offering skills (Smile Foundation).

In contrast to the above facts highlighting the natural trait of philanthropy of Indian Middle Class Society, Priyanka Saha of Give India (2012) and India Giving Report (2012) of Charities Aid Foundation (CFA) and many other studies show the conservativeness and disinterest of middle class people when it comes to 'give back to the society (Saha, Priyanka, 2012)'. While on the one hand most of the middle class workforce viewed charitable giving as an unwanted, flashy deed committed by people who would normally have an extra income pipeline... and are too busy negotiating the rat race and don't usually find time, energy or capacity to lookout for trustworthy organizations to give out their 'very hard earned money' (which was typically meant for savings) to (Saha, Priyanka, 2012), on the other hand the lack of transparency (CFA, 2012) and accountability on the part of NGOs hinders the middle class to donate or utilize its capability (financial and / or others) for SE-Activism. Hence, SE-Activism should constantly be working in the direction of workable ways of leveraging MC-Capital on the one hand and demonstrate its trustworthiness through unstinted commitment, transparent and accountable practices so that mutual gains for both MC and SE-Activism are ensured on a sustainable pattern. Give India's 'Payroll Giving' (Saha, Priyanka, 2012) is one 'small amount giving' workable example which is a simple, tax-effective and impactful opportunity to contribute towards one's community, that prompts middle-class to keep aside a small portion of earnings to give back to society.

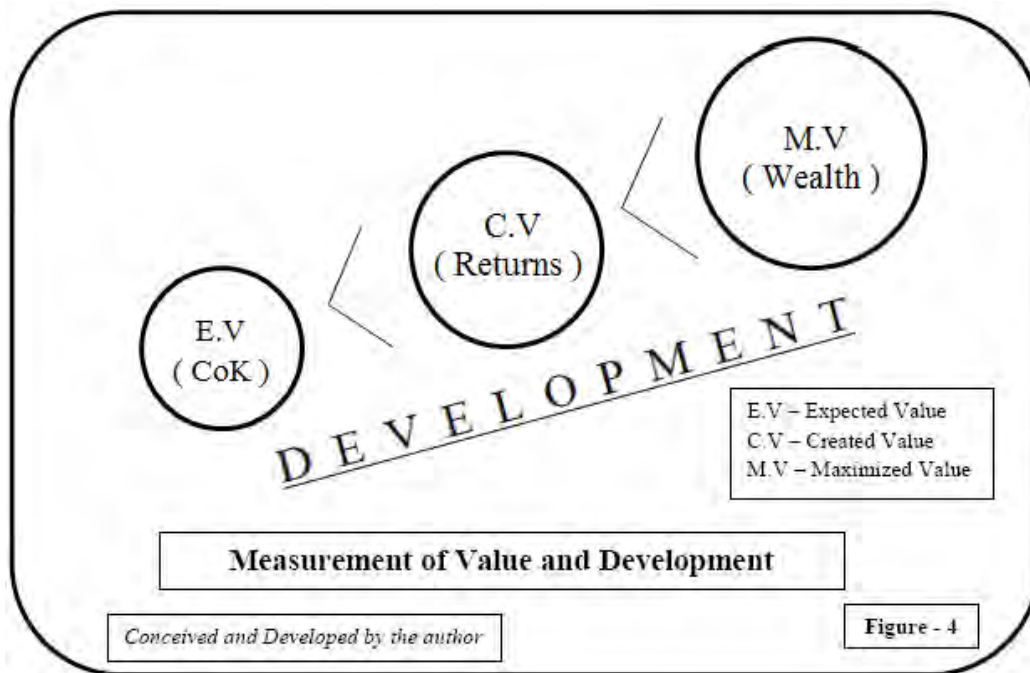
Building and Leveraging SE-Activism through MC-Capital

Sustainability and Trustworthiness are the two critical challenges faced by the SE-Activism. To ensure sustenance, trustworthiness has to be ensured and the trustworthiness occurs when commitment, transparency and accountability, etc. are effectively demonstrated by SE-Activism. Therefore, this paper proposes two workable

models – though hypothetical at this stage – for building and leveraging the SE-Activism through MC-Capital in particular and any other operating force in general to ensure the sustenance and trustworthiness of SE-Activism. While building SE-Activism refers mainly to sustenance, the leveraging SE-Activism refers not only to trust factor but also to professional capabilities of SE-Activism in demonstrating the desired impact that the operating forces (MC or any other) want to effectively utilize in fulfilling their needs and desires of creating impact.

The first set of models relate to the constitution of an effective legalized body like Insurance Regulatory and Development Authority of India (IRDAI) that protects the interests of policyholders and promotes the insurance sector in India, the constitution of an Impact Investment Exchange on the lines of Stock Exchange with specific matters concerned to NPIs that help small and individual investor gain both financially and otherwise, and the constitution of Impact Investment Banks that focus on both lending and investing in SE-Activism that again help small and individual investor to gain financially and otherwise. However, these are hypothetical models and hence the feasibility of these in terms of effective working, ensuring the objectives of social mission over commercial gains, protection of investor’s interests and desire for impact and philanthropy, etc., need to be tested. However, this paper strongly argues for a common platform that acts as a ‘conduit’ between investor (MC and others) and NPI to develop and regulate the philanthropy and to protect the interests of the individual investor.

The second model, ‘EV-CV-MV Model’ of sustainable development relates to the demonstration factor on the part of NPIs to create the trustworthiness or confidence in the minds of the investors on the one hand and ensuring the sustainability of SE-Activism on the other. ‘How judiciously is my investment (both money and others) utilized in creating desired value or impact (financial and otherwise)?’ is the question to be answered by the social entrepreneur through the proper demonstration of the impact measurement. Figure 4 gives a hypothetical model of value measurement leading to development that maximizes trust on the one hand and ensures sustainability on the other.



In brief, the model operates based on the sequential and progressive order of measuring value and development. The terms value and development refer to both economic / financial and / or non-economic / non-financial parametres. The three values to be measured are Expected Value (EV), Created Value (CV) and the Maximized Value (MV). The development and hence the demonstration of sustainability and trust are exhibited when at least the EV is created or CV exceeds EV or MV exceeds CV.

The Middle Class in World Society

Expected Value, commonly termed as Cost of Capital (CoK) in finance, is the minimum adequate rate of return expected by the investor on the investment and is measured through different techniques based on the nature and type of investment and other conditions. Created Value is the Actual Return on Investment (ROI) and is measured through different financial and mathematical techniques. Maximized Value is the Net Worth or Value or Wealth or Market Capitalization (or equity capitalization) of the organization (in simple words, the market price of the equity shares of the company). At a given point of time, if for example, presuming that there is only one investor the organization and Face Value (FV) of an equity share is Rs. 100/-, EV is Zero, CV is Zero, then MV may be Rs. 100/- or less than that or slightly above Rs. 100/-. If FV is Rs. 100/-, EV is 10%, CV is 10%, then MV may be Rs. 100/- or Rs. 105/- or Rs. 110/- and so on. If FV is Rs. 100/-, EV is 10%, CV is 15%, then MV may be 110/- or Rs. 115/- or Rs. 120/- or even Rs. 125/- and so on. Thus, creation of value greater than expectation (both financially and otherwise) would certainly maximize the net worth leading to trust and sustainability to ensure sustainable development. Every NPI must, therefore, demonstrate its commitment to impact so that the investors rely on and build and leverage SE-Activism for ensuring development.

Middle Class Development Index (MCDI)

Finally, this paper proposes to develop Middle Class Development Index (MCDI). Hypothetically, MCDI would be an *inequality adjusted* composite index of MC-CFI, MC-CLI and other indices / indicators and would address the fixing up of the exact spread of MC. Thus, MCDI would be a more meaningful measurement. Further works may bring in clarity on MCDI.

Conclusions and Direction for Future Research on Middle Class

Middle Class with larger and stronger base and space has always been and will be a key player in the development process of any society. Given the advantage of enjoying demographic dividend till 2040, India needs to create and equip its MC, more so the youth, with greater capabilities and harness these capabilities effectively to maximize wealth and ensure higher development. With the limited data available, this paper tried to show that the SE- Activism being a key emerging convergent force to act upon contributing factors, certainly has a prominent role in building and leveraging MC-Capital on the one hand and that the MC also has a key role in building and leveraging SE-Activism to ensure development on the other. However, more substantial works must be carried out to establish the deep and strong inter-relationship between SEA and MCC. The future works must also focus on the conceptual clarity about MC, enlargement and enrichment of the MC-concept with respect Region, Household and HD-Indices approaches, development of MC-CFI, MC-CLI and MCDI, development of effective models like EV-CV-MV Model and governance structures like constitution of development and regulatory bodies for SE-Activism and strategic initiatives for SEA-MCC Building and Leveraging.

Annexure

Table 1 Non Profit Institutions (NPIs) in India – A Brief Profile

Sl. No	Particulars	India	Karnataka
1	2	3	4
1	Number of Registered NPIs	3176162	189744
2	Number of NPIs per 1000 persons	2.77	3.30
3	Number of NPIs in Rural Areas	1863381 (58.70%)	89683 (47.30)

4	Number of NPIs per 1000 persons in Rural Areas	2.3	2.4
5	Number of NPIs in Urban Areas	1310947 (41.30)	100047 (52.70)
6	Number of NPIs per 1000 persons in Urban Areas	3.9	4.8
7	Percentage of NPIs in Top 3 Activities (Culture and Recreation, Education and Research, Social Services) to Total NPIs	72	74
8		Number of NPIs Registered in different periods	
	1970 & Before	144124	5171
	1971 to 1980	178936	10802
	1981 to 1990	551837	28269
	1991 to 2000	1122782	49409
	2001 and after	1134652	55841
	Information Not Available	42089	40252

Source: First Phase Report on NPIs in India, NAD, CSO, MoSPI, GoI, 2009

Table 2 Non Profit Institutions (NPIs) in India – Some More Statistics

Sl. No	Particulars	India
1	2	3
1	The traced number of NPIs out of total registered 31.7 lakh and 22 lakh visited NPIs	6.94
2	Percentage of Rural centred traced NPIs	62.4
3	Household (HH) Sector Financing to NPI Activities (%)	89
4	Total Work-force in the traced NPIs (Volunteers 155 lakh + Paid Workers 27 lakh)	182
5	Share of Male Work Force in the Total (%)	72
6	Share of Female Work Force in the Total (%)	28
7	Share of Rural Centred Work Force (%)	63
8	Source of Funding (%)	
	Grants	54
	Donations and Offerings	16
	Income / Receipts from Operations	16
9	Types of the NPIs getting Maximum Funds (%)	
	Education and Research NPIs	49
	Social Service NPIs	20
	Health	11
10	Distribution of Expenditure (%)	
	Purchase of Goods and Services for current activities	50
	Salary, Wages and Allowances	28
	Percentage of spending on the purchase of Office Equipments out of the total expenditure on the additions to the fixed assets	36
	Percentage of spending on the Buildings out of the total expenditure on the additions to the fixed assets	23
	Percentage of spending on the Land out of the total expenditure on the additions to the fixed assets	19
11	Gross Value Added (GVA) of 6.9 lakh traced NPIs in National Income Estimates during the year 2007-08 (Rs. Crores)	19,475

The Middle Class in World Society

12	GVA of NPIs (from community, recreation and entertainment services) (excluding the value of volunteering) in Total GVA (%)	6.8
13	Number of Traced NPIs engaged in Health, Education and Research, Culture and Recreation (lakhs)	2.94
14	Consumption Expenditure of the Household (HH) Sector produced by these 2.94 lakh NPIs (Rs. Crores) (2007-08)	26,791
15	Percentage of household consumption expenditure out of Total Household Consumption Expenditure (for medical care and health services, recreation, education and cultural services) provided by NPIs engaged in Health, Education and Research, Culture and Recreation during 2007-08 (2007-08)	12.6

Source: Final Report on NPIs in India, NAD, CSO, MoSPI, GoI, 2012

**Table 3 Human Development Indices across Divisions / Districts of Karnataka, 2011
(Can They Be Necessitating And Facilitating Factors For Regio-Centric And HD-Indices-Centric
Approaches Of Deliberations On Middle Class?)**

Sl. No	Division / District		HDI		GII		CDI		FSI		DCDI	
		Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	
1	2	3	4	5	6	7	8	9	10	11	12	
1	Belagavi Division	Bagalkot	0.384	24	0.130	27	0.474	24	0.519	9	0.385	26
2		Belagavi	0.449	18	0.112	20	0.547	19	0.544	8	0.497	16
3		Dharwad	0.610	6	0.111	19	0.624	13	0.695	1	0.539	9
4		Gadag	0.350	26	0.123	24	0.628	12	0.452	13	0.501	15
5		Haveri	0.406	21	0.089	11	0.525	22	0.422	14	0.510	14
6		Uttara Kannada	0.565	10	0.070	7	0.734	5	0.547	7	0.525	12
7		Vijayapura	0.330	27	0.105	16	0.617	14	0.508	10	0.323	29
8	Kalaburagi Division	Ballari	0.354	25	0.167	29	0.569	17	0.350	22	0.453	22
9		Bidar	0.430	19	0.115	23	0.530	21	0.569	5	0.408	23
10		Kalaburagi	0.407	20	0.130	26	0.334	28	0.466	12	0.345	28
11		Koppal	0.280	28	0.169	30	0.303	29	0.269	28	0.395	25
12		Raichur	0.165	30	0.150	28	0.231	30	0.266	29	0.371	27
13		Yadgir	0.196	29	0.110	18	0.416	27	0.348	23	0.276	30
14	Bengaluru Division	Bengaluru Rural	0.603	7	0.084	9	0.733	6	0.280	27	0.597	3
15		Bengaluru Urban	0.928	1	0.056	3	0.690	9	0.589	4	0.708	1
16		Chikkaballapur	0.486	16	0.105	15	0.685	10	0.216	30	0.472	20
17		Chitradurga	0.386	23	0.115	22	0.469	25	0.301	26	0.483	19
18		Davanagere	0.528	14	0.124	25	0.575	16	0.405	15	0.533	11
19		Kolar	0.543	11	0.114	21	0.479	23	0.346	24	0.491	17
20		Ramanagar	0.533	13	0.092	12	0.725	8	0.343	25	0.536	10
21		Shivamogga	0.596	8	0.088	10	0.743	4	0.358	21	0.601	2
22		Tumakuru	0.471	17	0.080	8	0.466	26	0.393	17	0.517	13
23	Mysuru Division	Chamarajnar	0.401	22	0.105	17	0.555	18	0.398	16	0.485	18
24		Chikkamagaluru	0.627	5	0.057	4	0.783	2	0.380	18	0.565	8

25	Dakshina Kannada	0.691	2	0.050	2	0.840	1	0.694	2	0.593	4
26	Hassan	0.576	9	0.069	6	0.730	7	0.362	20	0.457	21
27	Kodagu	0.658	4	0.069	5	0.664	11	0.568	6	0.572	7
28	Mandya	0.491	15	0.092	13	0.603	15	0.364	19	0.585	5
29	Mysuru	0.533	12	0.093	14	0.537	20	0.493	11	0.574	6
30	Udupi	0.675	3	0.038	1	0.746	3	0.664	3	0.406	24

Source: Karnataka Economic Survey, 2015-16 and District Human Development Reports of Karnataka, 2014

A Brief Note on Table 3 for prompting inclusion of new approaches to MC deliberations

As discussed in the main section of the paper, the regio-centric, households-centric and HD-Indices-centric approaches for the deliberations on the middle class, the paper argued, would not only bring in the definitional clarity through enlargement of the scope, but these would also enrich the concept through addressing such issues as *inequalities* within the middle class itself and across different regions and other sections like caste, religion, gender, etc. Some indicators / indices for all these approaches of MC may be Per-Capita Income, Per-Capita Expenditure, HD-Indices like those in the Table 3 Human Development Index – HDI, Gender Inequality Index – GII, Child Development Index – CDI, Food Security Index – FSI, District Composite Development Index – DCDI, etc., sociological, cultural, psychological, religious, ecological, environmental indicators, and any other economic and / or non-economic indicators.

The Table 3 may be a one case in the MC deliberations presenting several facts simultaneously – development scenario based on HD-Indices, MC-regions based on the performance on HD-Indices, *Inequalities* spread across regions and selected HD-Indices, etc. This should imply the necessity (i) to uplift the lower class regions to the MC (ii) maximize the capabilities of the existing MC by removing inequalities (iii) utilizing the capabilities of the regions for developmental process and also for maximizing their performance on other poorly performing indices (iv) to divert the converging forces’ actions – mainly the SE-Activism – towards the needful areas instead of concentrating them on advantageous sections. Likewise, the Households (HH) approach should also be considered while deliberating on the MC issues.

With this conception, the paper argued for the necessity of including Regio-centric, Households-centric and HD-Indices-centric approaches for the definition and deliberations on MC – though they may seem to be more abstract at this stage. Further works may bring in more clarity and value to these dimensions and also to the MC discourse.

Table 4 Opportunities for SE-Activism in MC-Capital Building and Leveraging

Growing a Social Business in India		
India’s widespread poverty and strong population growth provide countless opportunities for ... entrepreneurs pursuing innovative solutions to social problems.		
Sl. No	Particulars	Facts and Figures
1	2	3
1	Number of people living below the poverty line 2011-12	363 million (29.5%) of India’s population
2	Poverty Line (Level of daily spending under which people are considered poor)	32 rupees (\$ 0.5) in rural areas 47 rupees (\$ 0.7) in urban areas
3	Booming Working Age Population (Number of 15 to 64 year-olds)	711 million (2005) 849 million (2015) 959 million (2025)

The Middle Class in World Society

4	Rural vs. Urban (Percentage of population of 1.25 billion in 2013)	Rural 68% and Urban 32%
5	World's Largest Youth Population (Number of 10 to 24 year-olds in 2014)	India – 356 million [USA – 65 million China – 269 million Indonesia – 67 million Pakistan – 59 million]
6	Population without Electricity (2012)	33% in Rural Areas and 6% in Urban Areas
7	Schools without functional girls' toilets in 2013	173,601 schools (16%)
8	Employment in Agriculture (2013-14)	55% accounting for only 14% of India's GDP
9	Underweight children under five years	31% in 2009-13
Key Areas of Action		
10	Health Care	Medical Devices, IT Systems, Water and Sanitation, Infrastructure, Rural Clinics
11	Education and Skills Training	Digital Solutions, Basic Infrastructure, Teacher Education, Affordable Private Schools
12	Agriculture	Support for Organic and Sustainable Farming, Low-Cost Agricultural Technology
13	Manufacturing	Technological Support for Local Manufacturers, Machinery, Cement Solutions
14	Renewable Energy	Off-grid Solar Devices for Lighting and Cooking, Micro-grids for Rural Communities
Source: Swissnex India, 2015, 'Social Entrepreneurship in India – Unveiling the unlimited opportunities'		

Reference

1. Beinhocker, Farrel and Zainulbhai (2007), *Tracking the growth of India's Middle Class*, The Mckensy Quarterly 2007 Number 3 <http://ecell.in/eureka13/resources/tracking%20the%20growth%20of%20indian%20middle%20class.pdf>
2. Jodhka, Surinder S. and Prakash, Aseem (2011), *The Indian Middle Class: Emerging Cultures of Politics and Economics*, KAS International Reports 12 I 2011 http://www.kas.de/wf/doc/kas_29624-544-2-30.pdf
3. Tirimba Ondabu, Ibrahim (2014), *A Theory of Human Motivation: The Tirimba Grouping Theory of Motivation*, SOP Transactions On Economic Research, Volume 1, Number 1, January, 2014 <http://www.scipublish.com/journals/er/papers/download/1004-42.pdf>
4. Graton, Lynda C. (1980), *Analysis of Maslow's Need Hierarchy with three social class groups*, Article Abstract, Social Indicators Research, January, 1980, Volume 7, Issue 1, pp 463-476, <http://link.springer.com/article/10.1007%2FBF00305612>
5. Swissnex India (2015), *Social Entrepreneurship in India: Unveiling the unlimited opportunities*, <https://www.kti.admin.ch/.../FINAL%20Social%20Entrepreneurship%20Report.pdf>
6. Haugh, Helen (2007), Review Article – *New Strategies For A Sustainable Society: The Growing Contribution of Social Entrepreneurship*, Reviewed Works: *Social Entrepreneurship: New Models of Sustainable Social Change* Edited by Alex Nicholls, 2006, Oxford: Oxford University Press; *Social Enterprise: At the Crossroads of Market, Public Policies, and Civil Society* Edited by Marthe Nyssens, 2006, London: Routledge. Review by Helen Haugh, *Business Ethics Quarterly*, Vol. 17, No. 4 (Oct., 2007), pp. 743-749, Cambridge University Press, <http://www.jstor.org/stable27673208>
7. Swaniti Initiative (2016), *Skill Development in India – present status and recent developments*, <http://www.swaniti.com/wp-content/uploads/2015/06/Skill-development-Brief-Final-Version.pdf>
8. Bhattacharya, Joydeep and Unnikrishnan Shyam (2016), *The Great Indian Middle Class: The Promise and The Reality*, live mint e-paper, 25 June 2016. <http://www.livemint.com/Politics/0Aw0kdqG5QPzz4z43VVTYI/The-great-Indian-middle-class-the-promise-and-the-reality.html>

9. Planning Commission, Governemnt of India (July, 2013), *Press Note on Poverty Estimates, 2011-12*, http://planningcommission.nic.in/news/pre_pov2307.pdf
10. Saha, Priyanka and Give India (2012), *A Workable Solution to the Philanthropic Mindset of the Indian Middle Class*, <http://www.alliancemagazine.org/blog/a-workable-solution-to-the-philanthropic-mindset-of-the-indian-middle-class/>
11. SmileFoundation(2016), *Giving Culture: Middle Class – India’s New Change Makers*, <http://www.smilefoundationindia.org/giving-culture.htm>
12. Charities Aid Foundation India (2015), *Online Giving in India: Insights to improve results*, <https://www.cafonline.org/docs/default-source/about-us-publications/online-giving-india-sept2015.pdf?sfvrsn=2>
13. Matto, Nirja (2012), *Middle Class Philanthropy in India*, The Dilemma of Middle Class Philanthropy: A Summary Report Focussing on the BRIC Countries, Oct., 2012, The Resource Alliance, <http://www.issuelab.org/resources/15626/15626.pdf>
14. Drayton, Bill (2006), *Everyone a Change maker: Social Entrepreneurship’s Ultimate Goal*, Innovations, Winter 2006 Edn, The MIT Press, <https://www.ashoka.org/sites/ashoka/files/innovations8.5x11FINAL.pdf>
15. Vijayavani (July 1, 2016), *Kushal Bharatdinda udyogagala Srushti*, http://epapervijayavani.in/article.php?articleid=VVAN_IBEN_20160701_11_3&r=17169
16. India Newzstreet (July 25, 2016), *India’s middle class Category has a new entrants*, <https://in.news.yahoo.com/india-middle-class-category-entrants-123500084.html>
17. Stern, Ken (2013), *Why the Rich Don’t Give to Charity*, the Atlantic, April 2013, <http://www.theatlantic.com/magazine/archive/2013/04/why-the-rich-dont-give/309254/>
18. Buenker, John and Pizzigati Sam (Oct., 2, 2013), *IRS at 100: How income taxation built the middle class*, <http://www.reuters.com/article/us-irs-at-idUSBRE99112820131002>
19. Cognizant, Future of Work (2012), *Build A Modern Social Enterprise To Win In The 21st Century*, <https://www.cognizant.com/InsightsWhitepapers/Build-a-Modern-Social-Enterprise-to-Win-in-the-21st-Century.pdf>
20. Srinivasan, Sujata, “*Rise of the Other Multinational*”, THE INDIAN EXPRESS (North American edition), <http://edit.ashoka.org/files/IESocialEntrepreneurship.pdf>
21. National Accounts Division, Central Statistical Organization, Ministry of Statistics and Programme Implementation, Government of India (2009), *Compilation of Accounts for Non Profit Institutions in India in the frameworks of System of National Accounts (Report of Phase – I of Survey)*, http://mospi.nic.in/mospi_new/upload/nad12_Istphase_reprt_comp_acctt_NPIs_final.pdf
22. National Accounts Division, Central Statistical Organization, Ministry of Statistics and Programme Implementation, Government of India (2012), *Final Report on Non Profit Institutions in India*, http://mospi.nic.in/mospi_new/upload/Final_Report_Non-Profit_Instiututions_30may12.pdf
23. Daniels, Alex (2014), *As Wealthy Give Smaller Share of Income to Charity, Middle Class Digs Deeper*, The Chronicle of Philanthropy, Oct., 05, 2014, <https://www.philanthropy.com/article/As-Wealthy-Give-Smaller-Share/152481>
24. Karnataka Jnana Aayoga and Department of Higher Education, Government of Karnataka (2011), *Study on Perceptions, Aspirations, Expectations and Attitudes of Youth of Karnataka*, Publication July 2011
25. Saxena, Rachna (2010), *The Middle Class in India: Issues and Opportunities*, Deutsche Bank Research, Feb., 2010, https://www.dbresearch.com/PROD/DBR_INTERNET_DE-PROD/PROD000000000253735/The_middle_class_in_India%3A_Issues_and_opportunitie.PDF
26. Seth, Arpan (March 19, 2010), *An Overview of Philanthropy in India*, Bain & Company, http://www.bain.com/Images/India_Sheth_Speech.pdf
27. Majumder, Bipasha (2012), *India’s Middle Class Debate Continued: Should NGOs be looking in the Mirror?*, Submitted by Duncan Green on 11/15/2012, <http://blogs.worldbank.org/publicsphere/india-s-middle-class-debate-continued-should-ngos-be-looking-mirror-guest-post-bipasha-majumder>
28. Frank, Robert (Aug. 20, 2012), *The Rich Are Less Charitable Than the Middle Class: Study*, <http://www.cnn.com/id/48725147>
29. Ramaraya, Benegal and Vid. Sundra Shastri Panyam (1941 and 2007), *Praana Naama Choodaamani*, 6th Edition, 2007, Director, Prasaraanga, Mysore Unversity, pp 490-491

The Middle Class in World Society

30. Solimano, Andres (July 08, 2008), *The Middle Class and the Development Process: International Evidence*, www.cidob.org/en/content/download/7840/80778/.../Paper+Solimano.pdf
31. Qaiser Ahmed, Raja (2012), *The Rising Indian Middle Class: A Case Study of Anna Hazare Movement*, http://www.internationalseminar.org/XIV_AIS/TS%202/6.%20Raja%20Qaiser%20Ahmed.pdf
32. Qaiser Ahmed, Raja (2014), *Aam Admi Party and Rise of Modern Middle Class in India*, Delhi Business Review X Vol. 15, No. 2 July - December 2014, http://www.delhibusinessreview.org/V15n2/v15n2cs_pg105-110.pdf
33. Ranka, Ayush (25/06/2015), *The Middle-Class Supported the Emergency When it Was Declared*, [https://www.google.co.in/?gws_rd=ssl#q=+34.%09Ranka%2C+Ayush+\(25%2F06%2F2015\)%2C+The+Middle-Class+Supported+the+Emergency+When+it+Was+Declared%2C+](https://www.google.co.in/?gws_rd=ssl#q=+34.%09Ranka%2C+Ayush+(25%2F06%2F2015)%2C+The+Middle-Class+Supported+the+Emergency+When+it+Was+Declared%2C+)
34. Wikipedia [https://en.wikipedia.org/wiki/The_Emergency_\(India\)](https://en.wikipedia.org/wiki/The_Emergency_(India))
35. Wikipedia, https://en.wikipedia.org/wiki/Navnirman_Andolan
36. Wikipedia, https://en.wikipedia.org/wiki/Muhammad_Yunus
37. FICCI, *Skills Development: Sector Profile – Abstract, A Brief Overview of the Skills Development Sector*, http://ficci.in/sector/74/project_docs/sectorprofile.pdf
38. Rauscher, Schober and Millner (June 2012), *Social Impact Measurement und Social Returns on Investment (SROI) – Analysis, Working Paper* https://respect.at/dl/mklqJKJmMKJqx4lJK/working_paper_social_impact_measurement_vs_sroi-analyse.pdf
39. Nielson Company (2015), *ASEAN 2015 – Seeing Around the Corner in a New ASEAN Landscape*, <http://www.nielsen.com/content/dam/niensenglobal/apac/docs/reports/2014/Nielsen-ASEAN2015.pdf>
40. Weber, Christiana and Kroger, Arne (2012), *Scaling Social Enterprises – A Theoretically Grounded Framework*, Frontiers of Entrepreneurship Research, Vol. 32 Issue 19, Chapter XIX, Social Entrepreneurship, Article 3 <http://digitalknowledge.babson.edu/cgi/viewcontent.cgi?article=2569&context=fer>
41. Maslow, A. (1970), *Motivation and Personality*, New York: Harper and Row, <http://www.ruralhealth.ults.edu.au/comm-lead/leadersip/maslow-diagram.htm>
42. Anil Kumar, V. (2012), *Civil Society And Policy Advocacy in India*, http://www.isec.ac.in/WP%20283%20-%20V%20Anil%20Kumar_1.pdf
43. The Economist (February 14, 2009), *Burgeoning bourgeoisie: A Special Report on the new middle classes in emerging markets*, <http://www.economist.com/sites/default/files/special-reports-pdfs/13092764.pdf>
44. Bunbongkarn, Suchit (2001), *The Role of Civil Society in Democratic Consolidation in Asia*, http://apcss.org/Publications/Edited%20Volumes/GrowthGovernance_files/Pub_Growth%20Governance/Pub_GrowthGovernancech10.pdf
45. Meyer, Christian and Birdsall, Nancy (Nov., 2012), *New Estimates of India's Middle Class – Technical Note*, http://www.cgdev.org/doc/2013_MiddleClassIndia_TechnicalNote_CGDNote.pdf
46. Court, David and Narasimhan Laxman (July 2010), *Capturing the world's emerging middle class*, <http://www.mckinsey.com/industries/retail/our-insights/capturing-the-worlds-emerging-middle-class>
47. National Health Profile (2013), *Socio-Economic Indicators*, <http://cbhidghs.nic.in/writereaddata/mainlinkFile/Executive%20Summary-2013.pdf>
48. Uddin Haider, Sheikh Kabir (2013), *The Impacts of NGOs on the Soci-Economic Situation of the Poor: A Case Study in Rajshahi City, Bangladesh*, International Journal of Community Development, VI. 1, No. 1, 2013, 35-43, www.worldscholars.org/index.php/ijcd/article/download/360/pdf <http://www.worldscholars.org/index.php/ijcd/article/view/360>
49. Dees, Greg (October, 2004), *Social Entrepreneurship is About Innovation and Impact, Not Income*, https://centers.fuqua.duke.edu/case/wp-content/uploads/sites/7/2015/02/Article_DeeseisAboutInnovationandImpactNotIncome_2003.pdf
50. Choudhary, Arindam (2000), *Muhammad Yunus and his happy capitalism*, Gentleman, August, 2000
51. Ganly, Kate and Johanna Mair (May, 2009), *Social Entrepreneurship in Rural India: A Small Step Approach Towards Institutional Change*, <http://www.iese.edu/research/pdfs/op-0169-e.pdf>
52. Haque, Mostofa (2010), *Needs Hierarchy, Motivational Factors and Entrepreneurship in Bangladesh*, http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1721232 <http://poseidon01.ssrn.com/delivery.php?ID=088024100123023120117086020077031065121004001038027088066090115107021107065119064098119033023106033000111098100004122006090088106034037051088093094008011079004075033061024027024119101116081003118017095085105079104030107084015026081103089024097029030&EXT=pdf>

53. Ordenana, Xavier and Arteaga Elizabeth (July 2012), *Middle-Class Entrepreneurship and the Effect of Social Capital*, Inter-American Development Bank, Department of Research and Chief Economist, http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2156789
54. Marcel Thekaekara, Mari and Thekaekara, Stan (2007), *Social Justice and Social Entrepreneurship – Contrdictory or Complementary*, http://eureka.sbs.ox.ac.uk/764/1/Social_Justice.pdf
55. Alvord, Sarah H., Brown, David and Letts Christine W. (No., 2002), *Social Entrepreneurship and Social Transformation: An Exploratory Study*, <https://www.ualberta.ca/business/-/media/business/centres/cccsr/ccse/documents/generalinformation/papers/paperalvord.pdf>
56. Austin, James and Reficco, Ezequiel (2009), *Corporate Social Entrepreneurship*, <http://www.hadjarian.com/esterategic/tarjomeh/saghaeian2.pdf>
57. Lyons, Thomas S. (2016), *Leveraging Commercial and Social Entrepreneurship for the Revitalization of Marginalized Urban Communities*, <https://socialinnovation.usc.edu/files/2016/04/Lyons-Draft-1.pdf>
58. Levine, Kogut and Kulatilaka (2012), *A New Approach To Funding Social Enterprises*, Harward Business Review, Jan-Feb., 2012, <http://www.ifmr.co.in/blog/wp-content/uploads/2012/01/HBR.pdf>
59. Voluntary Action Cell, Planning Commission, Government of India (May, 2007), *National Policy on the Voluntary Sector*, http://tsipard.gov.in/ngo/national_policy.pdf
60. Pandey A., Mukherji G. and Kumar S. (2008), *Creation of Economic and Social Value by Social Entrepreneurship for Sustainable Development*, <http://www.waset.org/publications/4016>
61. Ravallion, Martin (Jan., 2009), *The Developing World's Bulging (but Vulnerable) "Mddle Class"*, http://dspace.khazar.org/jspui/bitstream/123456789/2841/1/the%20developing%20world's%20bulging_WP.pdf
62. Self Employed Women's Association (SEWA), *Annual Report, 2015*, <http://www.sewa.org/pdf/SEWA-ANNUAL-REPORT-2015-ENGLISH%20DT-12-8-2016.pdf>
63. Self Employed Women's Association (SEWA), *History - Self Employed Women's Association*, http://www.sewa.org/About_Us_History.asp
64. OECD and LEED (2013), *Job Creation through the Social Economy and Social Entrepreneurship*, https://www.oecd.org/cfe/leed/130228_Job%20Creation%20through%20the%20Social%20Economy%20and%20Social%20Entrepreneurship_RC_FINALBIS.pdf
65. Directorate of Economics and Statistics, Governmrnt of Karnataka (2016), *Karnataka Economic Survey (2015-16), Human and Gender Development*, Chapter 12, pp 615-641 http://des.kar.nic.in/docs/Economic%20Survey%202015-16_English%20Final.pdf
66. Planning, Programme Monitoring and Statistics Department, Government of Karnataka, *Karnataka Economic Surveys of different years*, <http://www.planning.kar.nic.in>
67. Planning, Programme Monitoring and Statistics Department, Government of Karnataka, *District Human Development Reports of Karnataka*, 2014, <http://www.planning.kar.nic.in>
68. Southworth Brett and Lingamfelter Bronson (2008), *Great Expectations: The Rise of the Indian Middle Class*, Chazen International Study Tour Report, Columbia Business School, https://www0.gsb.columbia.edu/mygsb/faculty/research/pubfiles/3021/Great%20Expectations_The%20Rise%20of%20the%20Indian%20Middle%20Class.pdf
69. Prabhavathi P. O and Naveena. N (March, 2014), *An Analysis of Poverty in Karnataka: A Study*, <http://iosrjournals.org/iosr-jhss/papers/Vol19-issue3/Version-3/C019332731.pdf>
70. International Policy Centre for Inclusive Growth, UNDP, *On the Middle Class*, <http://www.ipc-undp.org/pub/IPCPovertyInFocus26.pdf>
71. NCERT (2002), *All India Educational Surveys, Seventh Survey*, http://www.ncert.nic.in/programmes/education_survey/pdfs/Enrolment_in_school.pdf
72. MHRD, GOI (2016), *All India Survey On Higher Education*, http://mhrd.gov.in/sites/upload_files/mhrd/files/statistics/AISHE%20PDF%2013-14%2018.2.16.pdf
73. Sir Ratan Tata Trust, *Kalike-Samruddhi-Upakram* <http://www.tatatrusts.org/section/inside/Kalike-Samruddhi-Upakram>
74. ACCA, *Cost of Capital*, http://www.accaglobal.com/content/dam/acca/global/pdf/sa_oct09_garrett2.pdf
75. Michael, Derntl (2014), *Basics of research paper writing and publishing*, Int. J. Technology Enhanced Learning, Vol. 6, No. 2, 2014, <http://dbis.rwth-aachen.de/~derntl/papers/misc/paperwriting.pdf>

Emergence of Dalit Middle Class in India

Anup Hiwrale and Chakradhar Jadhav

Today, India has witness drastic rise of middle class in India and its numbers are growing with economic expansion. Also, it is rising among the marginalized sections such as Dalits in India. There is emergence of middle class and political class among them with the State intervention and most importantly the consciousness of self-existence and struggle of the movement. This paper analyzes the emergence of middle class among the marginal section of the society such among Dalit's. They have emerged as important political force in the country and challenge the dominant view. It is a middle class, who is articulating the issues of Dalit at larger level not just national but also internationally. It is important to understand the process of middle class and how it's contributing to the larger agenda of movement and development. Middle class provided the leadership and intellectual support to the movement because of its varied nature and composition. Though there is rise of middle among Dalits but the larger population among remain economically poor and under poverty and not everyone have taken the benefits of the State or market to become a middle class. The Caste system is existed in India, which affect the composition of class and affect the middle class too, in India.

Keywords: Dalit, Middle Class, Marginalization, Caste System and Untouchability etc.

Introduction

A middle class evolved from the poor section of the society, it is an aspiration of the poor class to become middle class and some of them would be rich depending on the situation and capacity of the individuals. Middle class is a middle category between elite class and poor class of the society. Middle class is also a skilled class; it existed in all the traditional and modern societies of the world. Traditional skilled class became more skilled through technological intervention in modern world. But the marginal class such Dalit's were away from the skills because they were not allowed to have education and skills for their livelihood. Dalit's had got new avenues of livelihood after British Empire in India. They were taken as soldier to serve the British army and there was an education to them, which contributed a lot to the development of Dalit's in modern India. Middle class can be placed in between of rich and poor. It is not necessary for the society to have rich, middle and poor classes, many societies has multiple classes existed at the same time.

Historically, middle class was not there, it was rich and poor existed but it has emerged during the industrial revolution in western countries and now its evolving class in all the societies of the world. India has witness drastic rise up in middle class, especially after the independence. The paper analyzes the emergence of middle class among the marginal section of the society such among Dalit's and other exploited castes. Dalit's emerged as important political force in the country and challenges the dominant view. It is a middle class, who is articulating the issues of Dalit at larger level not just national but also internationally. It is important to understand the process of middle class and how it's contributing to the larger agenda of movement and development. Middle class provided the leadership and intellectual support to the movement because of its varied nature and composition. Caste is existed in India, which affect the composition of class and affect the middle class too, in India.

Theoretically, class itself is an economic category and middle class represent to it. Rich and poor are not static in nature, it changing day by day and society to society. There is traditional way of understand to the class such as rich and poor, but today that understanding is not enough. As Marx argues that, the society consist of two classes have's ant have's not, but he did not discuss specifically about the middle class. We can understand that,

middle class is extension of poor class, which little better off. Dalit middle class is not just economic category but also social category, they have faced different problem as compare to larger or general middle class in India, which mostly composed of upper caste. It should not be understand in isolation, Dalit middle class emerged out of the new economic changes brought by the government as well from the world economic changing structure. Though, they are number difficulties faced by Dalit's to come up as middle class, at the same time they are distinct from the general middle class which has just economic explanation.

History of Dalit Middle Class:

The rise of Ambedkar as a contemporary icon also marked the emergence and consolidation of a new identity among the ex-untouchable communities of India. Notwithstanding its contestations by individuals and groups, the category Dalit has come to be accepted as a useful way of political self-identification among diverse ex-untouchable groups during the 1990s. The word "Dalit" has its origin in the political movements of the ex-untouchable castes in the western state of Maharashtra. It refers to "those who have been broken down by those above them in a deliberate and active way. There is in the word itself an inherent denial of pollution, karma and justified caste hierarchy" (Zelliot, 2005: 267). Over the years it has also come to symbolize the struggles of ex-untouchable communities for transformation of what they see as an oppressive social order and for a life of dignity.

The growing acceptance of 'Dalit' as a category of self-identification, across regions and communities, also indicates "a move from ascribed affinity to political identity" (Gorringe, 2005: 100). Dalit middle classes an extreme case of the caste-class nexus. Though other low caste people do not suffer the same degree of stigma; low caste groups who have achieved economic mobility avail themselves of the same social and religious dynamics. The concept of Sankritization is insufficient to account for these emerging processes. Low caste, and especially ex-Untouchable, middle-class people interpret ritualistic Hinduism in a non-hegemonic, subaltern frame which does not necessarily coincide either with political extremism of the Hindu nationalist type, or with the casteist interpretation of Hinduism (Saavala, 2001). One might also see the rise of a few Dalit's as millionaires as an affirmation of this triumphalism. Moreover, some of the Dalit's themselves have welcomed such a development within the dalit community as a spectacular achievement In this regard, it is interesting to note that some of the top corporate houses have endorsed the arrival of Dalit's as millionaires. Corporate magnates are reported to have extended their support and joined Dalit's in publicly celebrating this development (Guru, 2012).

Reservation, Middle Class and Dalit's

This arrival of Dalits at the national level was made possible by the process of social and economic mobility unleashed by the introduction of a modern secular educational system and a secular economic order by the British colonial rulers. The establishment of a democratic state system during the post-independence period accelerated this process. The system of quotas, or reservations, for the Scheduled Castes produced a new urban 'elite', or a 'middle class' from within the community. This emergent segment within the ex-untouchables found it hard to forget the past deprivations and difficulties of their communities. Despite being in secular occupations, the upwardly mobile Dalits experienced resistance to their 'assimilation' in the mainstream 'middle-class'. Their own experiences of 'isolation' and discrimination took them back to their communities and the realization that it is only through collective mobilizations, along with other members of their communities, that they could aspire to achieve a life of dignity.

After Independence

The State has passed various laws and articles pertaining against discrimination of Dalits in social life of India. It has also formulated out the policies pertaining to economic and political development such as the safeguard

The Middle Class in World Society

for public employment/service, provision regarding entry into public educational institution especially higher educational and reservation of seats in central and state legislation, political bodies and institutions. These are three important policies of the State with respect to Dalits in India. As far educational is concerned Dalit have made a progress but they are still behind as compare to other classes are concerned. We can also see, there is high educational inequality within Indian society and high disparity among higher and lower classes. However, stratification in Indian society is reflected in inequalities in educational attainment across caste, religion, and ethnic boundaries (Anitha 2000; Dreze and Sen 1995). The reservations, or quotas, for dalits and the adivasis relate to three broad categories: employment, educational, and political, the first two being the most significant for the bulk of the dalit and the adivasi populations (Thorat, Aryana, and Negi 2005).

On the other side, Dalit and Adivasi critiques of affirmative action charge that these policies are poorly implemented and have had very little effect. While the government reserves seats for dalit and adivasi students at college level, village schools continue to discriminate, preventing them from taking full advantage of these reservations (Galanter 1997). Although there has been a substantial increase in literacy among dalits and adivasis, the rise is primarily a product of the population-wide increase in literacy and educational attainment levels. At least one observer suggests that, "Our proposition is not that the state has failed to make a real difference in the lives of untouchables. Rather, the argument is that any major beneficial impact has tended to arise from policies directed to the whole population and not merely to untouchables" (Mendelsohn and Vicziany 1998:119). Despite constitutional provisions and safeguards, dalit representation in higher educational institutes and in the workforce remains largely minimal (Rao 2002). One of the factors that the policy has not addressed so far and that needs to be addressed are the levels of social, economic, and educational deprivations within the scheduled castes and tribes. The deprivations differ from region to region, sub-caste to sub-caste, tribe to tribe, and gender to gender. This is not to suggest dividing the categories, as in the case of Andhra Pradesh, where demands for proportional representation within scheduled castes are highly politicized, dividing the united fight against oppression. The political establishment taking full advantage of the situation effectively split the Dalit movement in the state. Before similar situations arise elsewhere, it is incumbent on the 'con-science keepers' of the Dalit unity to evolve certain socio-economic indicators so that limited benefits are equitably distributed among the most disadvantaged in the society. There is also the need to strengthen the provision of quality education for dalits right from the lowest levels of education ladder, i.e., primary and secondary schooling onwards. So far as diversity in workforce is concerned, the gap between the representation of dalits and other castes is so wide that only a state policy can remedy it at least to a certain extent.

In modern times, Dalits in India seem to be facing different kinds of marginalization and the most important among them is political marginalization. This operates at all levels of the democratic process. Dalit issues make only a token appearance in the election manifestos of leading political parties and when a Dalit gets inducted into the political hierarchy, he is given an unimportant portfolio like the ministry of social welfare. In the central cabinet and also in the state cabinet the social welfare ministry is allotted to a Dalit person or to a woman. The Dalit is not regarded as being competent enough to handle other ministries. This marginalization or the misrecognition of Dalit abilities has existed from the days of Ambedkar, who was competent enough to handle the finance ministry, but was given law (Guru 2002). It is quite evident that, either they have given Social Welfare Department or remain elected member from all the time. This reality is remained true irrespective of all the political parties. In a way, it is ghettoisation or isolation of Dalit from the center of power and keeps them just one department. It raises important question that, why there is no finance minister or foreign minister?

There is also considerable change socially, educationally, economically and politically among Dalits in India, therefore, a political class and middle class which is emerging out of the benefits of the State policy. On the other hand, most of the Dalits in stills lives in rural areas are continued to face worst form of discrimination and atrocities. This political and middle class as Jogdand called it as, 'a microscopic class (a class of better placed dalits) has emerged among the dalits which is indifferent to the concerns of common Dalits and Dalit movement. This class is in a state of dilemma- not completely uprooted from their own community nor absorbed by the *savarnas* into their fold (Jogdand 1997). As Teltumbde pointed that, it is unfortunate the modern constitutional state instead of doing

away un-civility had imbibed it in full measure and promoted the divided. The State had favored those who are against Dalits and Tribes and vice versa (Teltumbde 2009). As a matter of fact, the relationship of the Dalits with the State also most importantly depends which political party have control over the State, therefore, relationship changes as per party to party. At times, the promises which are there in the Constitution not fulfilled by the most political parties towards Dalits but it is mostly provided in the form of tokenism while rest of the population remain under poverty and marginalized economically and educationally. Dalit development was rhetorically mentioned in the manifestos of the political party and the lip services were provided. It is experiences that during the election times the questions of political representation dominated the economic and educational progress of the community. On the other hand, each factions of Dalit are tried to gain the poor population of Dalit and the divisive politics played the dominant political parties. However, the role of the State is important factor to understand the problems and issues of the Dalits and among them as mostly depends upon the assistances and benefits. Presently, Dalits find it difficult because role of the State reducing due changing economic policies. It will be interesting to know how the Dalit movement forces the constitutional mandate over the State. Will it also extend its role to the private sector?

Contribution of Middle Class to the Movement:

Middle class among Dalit's contributing to the movement in terms of financial and intellectual way. If we looked at, the composition of intellectual, it is middle class articulating the issues of Dalit's and caste discrimination in general at national and international forum. Dalit Diaspora is an important factor for raising the issues of discrimination at international level and addressing the issues of Dalit at international forums such UN and various other international organizations. Every society has certain individual to lead the society in rights direction and those individual forms intellectual class in a society. The middle class is mostly benefited from the reservation policy by the government and contributing the movement in their own capacities. Dalit Diaspora played important role which comes from the middle class of Dalit community in India, to raise the issues of caste-discrimination at international platform to seek the help and attention of the international community to the problems of Dalit in India.

Dilemmas of Dalit Middle Class:

Dalit millionaires have certain structural limitations that prevent them from becoming a high intensity spectacle. They have not, for example, acquired the enormous material and cultural power that would help them stamp their signature all over the globe. Although they share the larger ideological space with the hegemonic spectacle, their sphere of ideological influence remains confined to a small constituency of Dalit. Their ideological mediation, thus, has limitations (Guru, 2012). The discussion in this workshop revealed that the neo-Buddhist elites were open for critical evaluation. The political elite organized meetings in Aurangabad and Mumbai on this issue. It shows the lack of co-ordination between the elites among the Dalits which has caused considerable damage to the dalit movement. The participants were of the view that the dalit middle class should define its role in dalit movement, otherwise it might fall prey to the dalit anger in the days to come. Dalit women's problems were discussed at length. Their experiences in an unequal world were shown. It was pointed out that the dalit women are victims of both caste and patriarchal ideologies. Moreover, they have been marginalized in both dalit movement and women's liberation movement. An interesting suggestion was that even dalit women's social perceptions are not without diversity, and that a section of better educated dalit women have inculcated brahminical value system (Jogdand, 1997). Mahar middle-class identity with the comment that the dalit middle class are neither accepted neither by higher caste Hindus nor by their own community (Patil, 2000: 78).

If one looks at the profile of Dalits as a predominantly (81%) rural people, linked with land as landless laborers and marginal farmers, with a small (19%) section living in urban areas, a large part of which lives in slums and works in the informal sector, one surely finds that the historical dalit discourse revolving around reservations has always been unrelated with the majority of people, because it was articulated by upwardly mobile urban dalits who

The Middle Class in World Society

detested stereotypical dalit description and aspired to see themselves as having “arrived” (Teltumbade, 2001). Since the mid-1980s, with the elitist neoliberal policy thrust, Dalits were further adversely impacted vis-à-vis others. The odds have thus multiplied against the vast majority (more than 90%) of dalits, with caste neatly enmeshed in modern secular institutions. In the face of this pathetic dalit reality, citing stray examples of dalit petty capitalists as the marker of progress is nothing short of a cruel joke (Teltumbade, 2001). Dalit efforts to move from the ordinary and explode into the extraordinary as millionaires may look spectacular, particularly when they do not have a known history of capital accumulation. But what does this sudden rise of a few Dalits to the position of millionaires signify? Using Debord’s framework of the ideology of spectacle as false consciousness, which forges a fake association between a person or a social collectivity and the spectacle, this essay analyses the dalit millionaire as a spectacle within the context of caste, the corporate sector and the state (Guru, 2012). The internal dynamics are strong within the Dalit’s, it is very difficult for leader to mobilized all the castes and fight for discrimination. There is so much heterogeneity among the castes which divides rather unites them for common cause, because of internal dominance of few caste within Dalit’s.

Reference

1. A, B. (1969). *Old and New Essays in Social Structure and Social Stratification*. Bombay: Asia Publication House.
2. Ambedkar, B. R. (1948). *The Untouchables: Who Were They and Why they become Untouchables*. Bombay: Dr BAWs Government of India Vol. 7.
3. Ambedkar, B. R. (1945). *What Congress and Gandhi has to the Untouchables*. Bombay: Dr BAWs Government of Maharashtra Vol.9.
4. Anitha, B. K. (2000). *Village Caste and Education*. Delhi: Rawat Publication.
5. Desai S; C D Adams and A Dubey. (2006 March 30). In the Margin: Social Inequalities in Childrens Educational Outcome in India. *Population Association of America* .
6. Drenze J and A Sen. (1995). *India: Economic Development and Social Opportunity*. Delhi: Oxford University Press.
7. Gupta, D. (2005). Caste and Politics. *Annual Review of Anthropolgy* , 21:409-427.
8. Guru, G. (2000). Dalit From Margin to Margin. *India International Centre Quarterly*, Vol. 27, No.2 , 111-116.
9. J W Meyer., F O Ramirez and Y N Soynal. (1992). *World Expansion of Mass Education 1870-1980*. Sociology of Education.
10. Jogdand, P. G. (1997). Dalits in Maharashtra: Challenges Ahead . *EPW Vol 32 No 51* , 3249-3250.
11. Kothari, R. (ed. 1970). *Caste in India Politics*. New York Garden and Beach: Science Publication.
12. Nigam, A. (2000). Secularism, Modernity, Nation: An Epistemology of the Dalit Critique. *EPW Vol.42, No.56* , 1167-1185.
13. O Mandelsohn and Vicziany M. (1998). *The Untouchables: Subordination, Poverty and the State in Modern India*. Cambridge: Cambridge University Press.
14. Rao, S. S. (2002). Dalit in Educational and Workforce. *EPW Vol. 37 No.29* , 2998-3000.
15. S, B. (1999). *Caste Society and Politics in India From the Eighteenth Century to the Modern Age*. New Cambridge History of India: Cambridge University Press.
16. Teltumbde, A. (2009). How the State Treats Friends and Foes of the Oppressed. *EPW* , Vol.44 No.25 pp 8-10.
17. Thorat S, Aryma and P Nagi. (2005). *Reservation in Private Sector: Quest for Equal Opportunity and Growth*. Jaipur: Rawat Publication.

LIST OF CONTRIBUTORS

	Contributors	Affiliated Institute
1	Rakesh Kochhar	Associate Director, Pew Research Center, Washington, DC, USA
2	Surinder Singh Jodhka	Professor, School of Social Sciences, Jawaharlal Nehru University, New Delhi
3	Kris Marsh	Associate Professor, Department of Sociology, University of Maryland University of Maryland at College Park, USA
4	Jessica Pena	Doctoral Candidate, University of Maryland at College Park, USA
5	Ilan Bizberg	Faculty Member, Center for International Studies, El Colegio de Mexico, Mexico.
6	Chiara Assunta Ricci	Researcher, Department Economics and Law, Sapienza University of Rome –Via del Castro Laurenziano 9, 00161 Rome, Italy
7	Roger Southall	Emeritus Professor, Department of Sociology, University of the Witwatersrand, South Africa.
8	Jason Musyoka	Post-Doctoral fellow, University of Pretoria, South Africa.
9	Mansi Awasthi	PhD Student, Tata Institute of Social Sciences, Mumbai.
10	Devanshi Kulshreshtha	Assistant Professor, Symbiosis School of Economics, Pune, Maharashtra 411004
11	Abhishek Behl	Assistant Professor, Symbiosis Centre for Management and Human Resource Development, Pune, Maharashtra 411057.
12	Abhinav Pal	Assistant Professor, Symbiosis School of Economics, Pune, Maharashtra 411004.
13	Manish K Jha	Professor and Dean - School of Social Work, Tata Institute of Social Sciences, Mumbai.
14	M. Ibrahim Wani	Researcher, Tata Institute of Social Sciences, Mumbai.
15	Amrita Basu Roy Chowdhury	Senior Research Fellow, School of Women's Studies, Jadavpur University
16	Sandhya Krishnan	PhD candidate, Faculty of Social and Behavioural Sciences, University of Amsterdam and Department of Economics, University of Mumbai
17	Neeraj Hatekar	Professor, Department of Economics, University of Mumbai
18	Darrick Hamilton	Associate Professor of Economics and Urban Policy, The New School, New York, USA
19	Jessica S. Welburn	Assistant Professor, Sociology and African American Studies, University of Iowa, USA
20	P. G. Jogdand	Professor, Department of Sociology, University of Mumbai, Mumbai-400 098,

The Middle Class in World Society

21	Dieter Neubert	Professor, Development Sociology, Bayreuth University.
22	Shaoni Shabnam	Ph.D Scholar, Humanities and Social Sciences, IIT Bombay.
23	Stefanie Strulik	Department of Sociology and Social Anthropology, Graduate Institute of International and Development Studies Geneva, Switzerland.
24	Kalidas S Khobragade	Research Scholar, Tata Institute of Social Sciences, Mumbai.
25	Meenoo Kohli	Ph.D Candidate, University of California, Santa Cruz., USA.
26	Lena Kroeker	Faculty of Cultural Studies (Social Anthropology), Academy of Advanced African Studies, Bayreuth University.
27	Anindita Tagore	Research Scholar, Centre for the Study of Social Systems, Jawaharlal Nehru University: New Delhi.
28	Sibtosh Bandyopadhyay	Faculty, Vivekananda Mahavidyalaya, Haripal
29	Venkatesh Kurandawad	Human Development Division, Planning, Programme Monitoring and Statistics Department, Government. of Karnataka, Bengaluru
30	Anup Hiwrale	Ph.D Scholar, Institute for Social and Economic Change, Bangalore
31	Chakradhar Jadhav	Ph.D Scholar, Institute for Social and Economic Change, Bangalore
32	D Narasimha Reddy	National fellow, Institute for Human Development, New Delhi



Institute for Social and Economic Change

Dr. V.K.R.V. Rao Road, Nagarabhavi, BANGALORE - 560 072
Phone: 91-80-23215468, 23215519, 23215592, Fax: 91-80-23217008
E-mail: adm@isec.ac.in www.isec.ac.in

