The Global Middle Class:
How Is It Made, What Does It Represent?

Hagen Koo
Department of Sociology
University of Hawaii at Manoa
Honolulu, HI 96822
U. S. A.

Email: hagenkoo@hawaii.edu
Tel:  808-956-8248

Hagen Koo is professor of sociology at the University of Hawaii at Manoa, Honolulu, HI, USA. He is the author of Korean Workers: The Culture and Politics of Class Formation (Cornell University Press, 2001) and is currently completing a book on the transformation of the Korean middle class in the global era.
Abstract
One important phenomenon to be observed in the world today is the rapid growth of the middle classes in emerging economies, especially in Asia. This development called for a new concept, the global middle class. The purpose of this paper is two-fold: one is to examine the ways this term is currently used and clarify its meaning, and the other is to examine one empirical case of South Korea and highlight important processes involved in the making of a global middle class. The term, global middle class has two meanings: (1) all the middle classes that exist in the world, or (2) the affluent and globally-oriented segments of the middle classes in developing countries. These two different conceptions serve different purposes and address different aspects of globalization’s effect on the affected economy and society. While the expansion of the middle classes around the world is an unquestionably welcome phenomenon, the rise of the affluent global middle classes in developing countries represents a more complex and problematic phenomenon. The Korean case demonstrates that the emergence of the global middle class is associated with growing internal division within the middle class and intense processes of class distinction and educational pursuits in the global education market.

Key Words:

globalization, global middle class, South Korea, class distinction, neoliberal reform, conspicuous consumption, educational competition, global cultural capital, cosmopolitanism
One of the most interesting developments in the world today is the rapid growth of the middle classes in the developing world, especially in Asia. While the middle classes in America and Western Europe are facing great economic troubles and are shrinking in size, the middle classes in many emerging economies are thriving and expanding. Most remarkable is the rapid growth of the middle classes in China and India, where millions of citizens are joining the ranks of the middle class each year. Today, the number of middle-class people residing in Asia is estimated to have surpassed the number in the West. But this middle class expansion is not limited to Asia, and is also observed in many countries in Latin America, the Middle East, and even Africa (Kharas & Gertz, 2010; Pezzini, 2014).

The surging middle-class population in Asia and elsewhere is, of course, very welcome to the world’s industrialists, because it means the rise of a huge untapped market for consumer goods at a time when consumer demands in the advanced industrial countries continue to dwindle. Middle class expansion in the Third World is also welcome from a political perspective, since the middle class is universally assumed to serve as the principal social base for political stability and democratization. Thus, there are good reasons why the global media is excited about what is now commonly called ‘the global middle class’. Not long ago, The Economist (Feb. 12, 2009) featured special reports on this phenomenon, under the title of ‘Burgeoning Bourgeoisie’. The article reports that “for the first time in history more than half the world is middle-class—thanks to rapid growth in emerging countries” (p. 1). It further says: “By most estimates, the global middle class will more than double in number between now and 2030. This will have profound social consequences, as happened in previous middle-class surges” (p. 4).

So far, the phenomenon has attracted attention mainly from the global media and from economic and political writers, but the term ‘global middle class’ is gradually entering academic discourse as well (Heiman, Freeman, & Liechty, 2012; Lopez & Weinstein, 2012). Much of the writing on the topic, however, remains crude and impressionistic, often revealing the interests of western industrialists and political leaders, of what they would like to see develop rather than what is actually occurring in the Third World. We need a more precise definition of the term and a better understanding of what this phenomenon signifies.

The purpose of this paper is two-fold. One is to interrogate the meaning of the term ‘global middle class’ as it is used in the media and in the still underdeveloped academic literature, and suggest a clearer definition of the concept. The other is to inquire into the concrete realities of the global middle class, as it exists in one country, South Korea. My presumption is that the global
middle class represents a far more complex phenomenon than is commonly understood and that its emergence and its class character have a lot to tell about the nature of the social changes brought about by neoliberal globalization in the developing world.

**The Global Middle Class: Two Definitions**

Broadly speaking, the global middle class refers to the growing middle-class population in the world, which is made up of those who have attained a certain level of economic stability and comfort and aspire to follow the consumption style of the western middle classes. But at a close look, we find the term used in two different senses. One, a broad and inclusive definition, refers to all the middle classes that exist in the world today, that is, the sum total of the world’s middle-class population. And the other, a more specific and narrower meaning, refers to only the upper segments of the middle classes in developing countries, whose members are affluent and globally oriented in their lifestyle and mobility patterns. Let us look at each definition more closely.

1. **The Global Middle Class as All Middle Classes in the World**

In most journalistic writings, the global middle class simply refers to the global-scale existence or emergence of the middle classes in the present world. Although the term includes middle classes in both advanced and emerging economies, it most frequently refers to those in the developing world, because they are the reason we began to talk about the global scale of middle class presence. The middle class is an idea originally associated with modernization and industrialization in the West, and thus used to be understood as a significant social category mainly in the advanced industrial societies (Archer & Blau, 1993; López & Weinstein, 2012). But the recent emergence of large middle classes in the emerging economies is a novel enough phenomenon to call for a new term; hence, the ‘global middle class’.

   Strictly speaking, using a singular term, ‘the global middle class’, would be inappropriate because it regards all the middle classes in the world as if making up one relatively homogeneous category. But the singular term can be meaningful if this global phenomenon is primarily looked at as an emerging global market. If the global middle class is understood mainly in terms of its huge market potential, then why not just look at it as a single category?

   The global middle class as a singular category is also useful in political and ideological debates. For the great surge of the middle classes in emerging economies implies that globalization has indeed promoted the development of many economies undergoing economic
liberalization and globalization. For advocates of globalization, the worldwide expansion of the middle classes is a very convincing testimony to the beneficial effects of globalization—not only for rich economies but also for poorer ones. For this larger political and ideological purpose, therefore, there is no point in talking about multiple and diverse forms of middle classes.

2. The Global Middle Class as an Affluent, Globally-oriented Middle Class
At the concrete empirical level, however, we cannot ignore the existence of great diversity among middle classes in different countries and different regions as well as within individual countries. The middle class is a notoriously heterogeneous category, but in this global age, it is becoming even more so with the growing economic inequality in most societies. Particularly important to notice today is the rise of a segment of the middle class whose members are noticeably more affluent and more globally oriented than other members of the middle class. These people enjoy the western style of life, speak English, feel comfortable in foreign cultures, and exhibit a global orientation in their work and leisure. They form the most visible segment of the population in today’s bustling Asian metropolises, and they represent the dominant trend of social and cultural change in these societies.

This select group of the middle classes in developing economies may be identified primarily by their high income status or by their lifestyle and identity. This economic conception of the global middle class is most clearly presented in The Economist article mentioned above (Feb. 12, 2009). The author of the article (John Parker) suggests that the newly emerged middle classes in the developing economies may be looked at as belonging to two categories:

One consists of those who are middle class by any standard—ie, with an income between the average Brazilian and Italian. This group has the makings of a global class whose members have as much in common with each other as with the poor in their own countries. It is growing fast, but still makes up only a tenth of the developing world. You could call it the global middle class.

The other, more numerous, group consists of those who are middle-class by the standards of the developing world but not the rich one. Some time in the past year or two, for the first time in history, they became a majority of the developing world’s population: their share of the total rose from one-third in 1990 to 49% in 2005. Call it the developing middle class. (The Economist, 2009, p. 4)
The ‘global middle class’ in this definition basically refers to the affluent segment of the middle classes in the developing world, whose living standards come close to those of the western middle classes. But sociologists and anthropologists are more interested in looking at the global middle class as a social and cultural formation. The global middle class is thus defined by their consumption patterns and social identity more than by mere income status. In an interesting study of this phenomenon in India, Steve Derne (2005) suggests that there are two Indian middle classes: the ‘transnational middle class’ and the ‘locally oriented middle class’. While the former is more globally oriented in their lifestyle, identity, and gender orientation (more modern), he argues, the latter remains attached to ‘Indianness’ and to traditional gender norms. Derne further argues that India’s transnational middle class embraces cosmopolitan consumption to identify with consuming elites in rich countries and “present themselves as cosmopolitan, transnational movers who are oriented globally rather than locally” (Derne, 2005, p.182).

A similar conceptualization has been suggested in other studies. A team of Australian scholars coined the term “the new rich” to refer to those people in Asia and other parts of the developing world who became affluent thanks to economic growth in their countries (Robinson & Goodman, 1996; Pinches, 1999; Chua, 2000). Their studies suggest that the new rich play an important role in setting a new standard of consumption and lifestyle in their societies and that they strive to distinguish themselves from lower middle-class members through various forms of conspicuous consumption. Research teams organized by Hsin-Huang Michael Hsiao at the Academia Sinica in Taipei studied middle class formations in East Asia and Southeast Asia and produced several monographs (Hsiao, 1999, 2001). Their studies also found widening gaps between the affluent upper middle class and the lower middle classes in these two regions. The upper middle classes in these regions are eager to demonstrate their newly acquired status and try hard to establish their new identity largely through conspicuous consumption. More recently, a team of anthropologists associated with the School for Advanced Research in Santa Fe, New Mexico produced a book titled The Global Middle Classes (Heiman, Freeman, & Liechty, 2012), in which contributors explore diverse forms of middle-class formation in different countries around the world and stress internal differentiation of the middle classes, especially the division between what they refer to as ‘the new middle class’ and ‘the traditional middle class’. ‘The new middle class’, in their definition, is made of entrepreneurs, financial workers, and other (well paid) private sector workers who play a key role in the new liberalized economies and benefit
from the neoliberal transition of the economies.

The scholarly consensus, therefore, seems to be that many developing economies have seen not only the general expansion of the middle classes but also the emergence of a subcategory within them, which is more affluent, more western-oriented, and more deeply integrated into global capitalism. This upper, globally connected segment of the middle class can be appropriately called the ‘global middle class,’ although various other terms are currently used as seen above.

Now, the question facing us is what we should do with these two different conceptions of the global middle class. Do we need to make a choice between them? My answer is probably not. They serve different purposes and both are useful in describing important phenomena related to the middle classes in the global era. The first conception is useful to talk about the large-scale structural change occurring in the present world. It tells us about the changing composition of the world population, and this knowledge serves certain economic, political, and ideological purposes. The second definition pays attention to class structural changes in individual societies and helps us to understand concrete class dynamics brought about by neoliberal globalization.

The first definition of the global middle class requires little conceptual work because its meaning is relatively clear and straightforward, although the question of how to operationally define middle classes meaningfully across countries of different economic levels remains to be resolved. The second conception of the global middle class, however, requires more conceptual clarification and refinement. The global middle classes within specific countries represent a relatively new phenomenon, and their specific meaning and social significance are yet to be explored more seriously. Several questions need to be answered about this phenomenon. What is the exact character of the global middle class? How is it made and how is this class differentiated from the larger middle class? How do they seek to establish their own class identity? What are their strategies of social mobility and class reproduction? What are their ideological and political dispositions?

These questions require more than conceptual thinking; they require empirical data to be answered satisfactorily. But so far few studies have provided relevant empirical information. Although studies on the middle classes in various countries are not in short supply, most of them are not specifically concerned with the issues we are concerned about here. So, what I try to do in the remainder of this paper is to probe into these questions with data I have collected in South Korea. The purpose of my analysis is undoubtedly exploratory, but given the paucity of serious
studies on the global middle class phenomenon at the present time, this study should offer some useful insights.

South Korea presents a particularly interesting case, because its economy and society have experienced an exceedingly rapid pace of globalization during the past two decades and its middle class has become globalized in many interesting ways. Although South Korea may not be a representative case of all developing economies, I believe its experience reveals patterns that may well be indicative of the larger trend occurring in Asia and elsewhere.

A Close Look at the Global Middle Class: The Korean Case

As mentioned above, the global middle class has been looked at primarily from a consumption perspective—as a class that possesses a certain level of income and participates in the consumption pattern similar to those of the middle classes in advanced economies. But I believe we need a broader perspective in order to have a better understanding of how the global middle class is made and what is distinctive about its class practices and class identity. Thus, I would like to explore into three major dimensions of middle class formation in Korea: (1) its economic structural base, (2) its consumption pattern, and (3) its educational practices.

Structural Base

The rapid growth of the middle class in South Korea was the product of export-oriented industrialization in the latter half of the twentieth century. The Korean middle class during this industrialization period represented a relatively open and fluid category of social status. Entry into the middle class was relatively easy, and once in, upward mobility was generally smooth and predictable, thanks to the rapidly growing economy and the expanding job market for professional and managerial workers.

Having enjoyed a relatively equitable income distribution during the period of rapid economic growth, South Korea began to experience increasing economic inequality from the 1980s. This growing inequality was caused not so much by widening occupational income distribution as by unearned income generated in the booming real estate market in the 1980s through the 1990s (Sohn, 2008; Shin, 2013; Kim and Kim, 2013).

Then, the arrival of the Asian financial crisis in 1997 brought tremendous changes to the economy and to the inequality structure as well. The South Korean economy, which had been
performing well until then, suddenly faced a serious currency problem and had to turn to the IMF for an emergency loan. The severe consequences of this financial crisis for the working population are well known, including a drastic rise of unemployment, massive layoffs, widespread bankruptcies, frozen wages, and the like (Shin & Chang, 2000; Kim, 2004; Song, 2009). Of particular importance to our concern here is that a large number of white-collar and managerial workers were laid off or lost their jobs through forced early retirements and many small business owners suffered bankruptcy.

All these economic troubles were a serious blow to the Korean middle class, forcing a large proportion of its members to drop from the middle class (Hong, 2005; Yang, 2006). While the Korean economy recovered quickly and paid off the debt to the IMF earlier than expected, the woes of the working population continued. During and after the financial crisis, Korea’s labor market underwent a thoroughgoing neoliberal reform. Firms adopted a ‘flexibilization’ approach, reduced the size of their workforces, and transformed many of the remaining jobs from regular employment to irregular or nonstandard forms of employment (Jung & Cheon, 2006; Shin, 2010). For most white-collar workers, life-time employment became a story of the old days, the retirement age was lowered, and the danger of being laid off became a constant. Many laid-off or early-retired white-collar workers moved into self-employed business but failed due to their lack of business experience and strong competition in the saturated market.

The downfall of the middle class, however, is only half of the story in the post-financial-crisis era of Korea. The effect of the financial crisis was uneven for different groups. The fact is that those who possessed financial resources did not suffer from the financial crisis but instead benefited from it, while the majority of wage workers suffered tremendously. The first two years of the financial crisis provided an excellent investment opportunity for cash-rich people due to the spike in bank interest rates, the depression of the real estate market, and the cheapening of stock prices. Shortly after the financial crisis came a real estate boom, sharply raising real estate value in Seoul. For example, apartment prices in the core areas of Gangnam (south of Han river) increased by 103 percent between 2000 and 2004 (Sohn, 2008, p. 29).

Furthermore, neoliberal corporate restructuring also led to increasing income disparity among white-collar workers. While this reform meant increasing job instability for the majority of the working population, a small minority of professional and managerial workers began to receive a much higher level of salary than before, as many large firms adopted a new performance-based system and discarded the old seniority-based payment system. Also, the
influx of many transnational firms into Korea after the financial crisis influenced pay scales among Korean firms, elevating the salary levels for the top tier of managerial and professional workers, especially for those possessing global skills and experience (Jung & Cheon, 2006; Lim and Jang, 2006; Shin, 2010).

All of these changes are well reflected in the growing income disparity in Korea. Statistics on income distribution show that Korea had maintained a relatively moderate level of income inequality until the onset of the Asian financial crisis, but then income inequality began to increase sharply and continuously thereafter. Korea’s average Gini coefficient for 1990–1995 was 0.258, but it increased to 0.298 in 1999, two years after the onset of the financial crisis. It continued to increase, reaching 0.315 in 2010. Nak Nyeon Kim and his colleague, who analyzed the top income groups in Korea using Picketty’s method, reported that the top 10 percent income share increased from 32.64 in 1996 to 35.77 in 2000, and to 43.90 in 2010. Similarly, the top 1 percent income share increased from 7.27 in 1996 to 8.26 in 2000, and to 11.93 in 2010 (Kim & Kim, 2013).

The rise of Korea’s affluent middle class is closely related to these structural changes associated with neoliberal globalization in recent years, although its origin goes further to wealth accumulation process in the 1970s and the 1980s. Broadly speaking, Korea’s global middle class is composed of two groups. One is composed of high-income professional and managerial workers (the so-called knowledge workers) employed in the globalized sectors of the economy. This group also includes high-ranking state technocrats who are in charge of commerce and international relations. These knowledge workers and elite technocrats share common traits: most of them graduated from elite schools in Korea and studied abroad for advanced degrees, they speak English fairly well, and they are familiar with foreign culture. Another group of the global middle class consists of those well-to-do people who are not necessarily well educated or culturally globalized, but are rich enough to engage in globally oriented consumption and leisure. Occupationally, they may be retired state bureaucrats or corporate managers, and some may be successful small business owners. Many of them, including bureaucrats, made their money through smart investments in real estate or stock markets. These two groups, the high-income professional and managerial workers and the affluent petty bourgeois group, tend to live in the same residential areas and are likely to belong to the same families, with the younger generation of knowledge workers representing the second generation of those parents who accumulated
Consumption and Class Distinction

Consumption has played a critical role in defining the Korean middle class from its rise in the 1960s (Hart, 1993; Lett, 1998; Hong, 2005). Before the 1980s, however, the Korean consumption market was relatively underdeveloped and consumption played a more modest role in determining one’s status. This was not just due to the still modest average income among middle-class people but also due to the tight control that the state maintained on people’s consumption behaviors. Park Chung Hee government made a strong pitch to encourage people to save more and not to engage in ‘overconsumption’, and it took an especially hostile attitude toward any conspicuous consumption behaviors among the rich (Nelson, 2000; Yang, 2012).

But consumption patterns began to change noticeably as the South Korean economy began to adopt liberalization policies and slowly open up its market in the 1980s. Other social and political events of the 1980s, including the democratic transition in 1987 and the staging of the Olympic Games in Seoul in 1988, facilitated the growth of a consumerist trend. The most significant changes, however, began to occur after Korea’s adoption of globalization and the arrival of the Asian financial crisis in the mid-1990s. The Korean economy was forced to open its market widely and accept an increasing volume of imports and foreign direct investments. The financial crisis removed not only the government sanctions on imports but also public resistance to conspicuous consumption among the rich.

As South Korea became a full-fledged consumerist society in the 1990s, widening economic gaps within the middle class led to the social and cultural form of class distinction, primarily through conspicuous consumption (à la Veblen, 1967; Bourdieu, 1984). The group that led this class distinction process through consumption was the affluent middle class. They were eager to establish their new class identity from the ordinary middle-class people through residential segregation (concentrating in wealthy and fashionable Gangnam area) and through luxury consumption. Luxury goods in Korea consisted of mostly brand-named products imported from the advanced economies, carrying such well-known logos as Louis Vuitton, Gucci, Chanel, Prada, and so on. These luxury goods have a more symbolic value than a mere utility value, of course, and served as a status marker for the privileged upper middle class.

This luxury consumption trend is, of course, not limited to South Korea. After all, it started in Japan and spread to the four little tiger economies, and now China is a hotbed of extravagant wealth during the earlier period of economic boom.
luxury consumption by the new rich. Asia’s new rich thus provide the most favored clientele for the global luxury market (Chada and Husband, 2006). The reason for the rise of luxury consumption is similar to all developing economies: the new rich want to establish their new class identity above the ordinary middle-class crowd through consuming luxurious, high-end products and by adopting a fashionable lifestyle borrowed from the consuming classes in the advanced economies. Global capitalism is more than happy to meet this demand by producing luxury goods and disseminating new fashions and lifestyles.

The luxury consumption among the rich, as Frank (2007) argues, has a serious harming effect on the middle class. While situated in difficult economic conditions, middle-income families have no choice but to try to catch up with the escalating consumption standard in order not to fall from the middle class. If they cannot possess genuine brand-name products, they try to possess at least well-made fake products. The consequence has been increasing family debts among the entire population, except for the truly rich. Today, such increasing debt is a major cause of the downfall of many families from middle-class membership. The cost of remaining in the respectable middle class has become too high in this super-consumerist society, and of course, this is not unique to Korean society (see Frank, 2007; Schor, 1998).

**Educational Competition**

We have seen how Korea’s affluent middle class seeks to establish its distinction through consumption. But perhaps a more important way the global middle class seeks to distinguish itself from the rest of the middle class is in the ways they educate their children.

The dominant trend of educational change in Korea has been the twin development of privatization and globalization. First, much of education in Korea has come to be conducted outside the schools—in private institutes, cram schools, tutorial lessons, and the like. The development of such a huge private education market is due to the well-known educational zeal of Korean parents and also to ineffective and inconsistent educational policies of the authoritarian state, about which I have no space to elaborate on (see Seth 2002; Park, 2007; Chang, 2010).

While the educational problems in South Korea are old and internal in their origins, globalization definitely has played a critical role in shaping this process. The most obvious way globalization has affected the Korean educational process is through the increasing emphasis on English competency and global skills. English is an important cultural skill in almost every
society in today’s world. In South Korea, this is particularly the case because of South Korea’s special relationship with the United States. But the value of English has increased greatly since the Kim Young Sam government adopted a globalization policy in 1994, which included an ambitious plan to improve the level of English in the general population. One important change was to order schools to begin to teach English from elementary school on rather than beginning in junior high. This policy shift also meant that English would play a critical role in entrance exams for high schools and colleges. Middle-class parents, who were always preoccupied with how to improve their children’s competitive edge in entrance exams for elite schools, immediately responded by starting their children’s English education at a very early age, most often through private tutoring.

Then, the Asian financial crisis arrived in South Korea, and it had its own effect on the educational process. The industrial restructuring that followed the financial crisis was focused on improving global competitiveness, and all major firms and government organizations began to stress globally competitive skills for their managerial workforces. English competence was an essential, and easily observable, element of this global competence. Also, one important lesson that the financial crisis left to Korean workers was that in order to survive this kind of economic crisis, one must possess extra skills demanded by the globalizing economy. English ability came to be seen as a sort of survival kit in the new harsh world, and this perception caused a rush among white-collar workers to learn English.

Since the late 1990s, the dominant trend among the middle class has been to send their youngsters abroad for English education. Each year, a large number of elementary and secondary school students went abroad for short-term or long-term study in the United States, Canada, Australia, and Europe. This English education frenzy has produced the interesting phenomenon of kirogi families, which has attracted international media attention. ‘Kirogi families’ (wild geese families) refers to families in which the mothers and children live overseas in English-speaking countries while the fathers remain in Korea to work and send money to their families (Park and Abelmann, 2004; Cho, 2005; Lee & Koo, 2006; Finch & Kim, 2012). Despite the great financial burden and psychological strain involved in such cross-ocean arrangements, many families opt for this method in the belief that it is the best way parents can prepare their children to be competitive in the changing occupational world.

The growing importance of global cultural skills means that a family’s class resources have become a more important factor in determining a child’s educational achievements than before.
Obtaining English fluency is different from doing well in math, science, history, or social studies. English requires more money to acquire than other subjects. In order to have a child acquire a high level of English fluency, it must be taught at an early age, preferably by native English speakers, combined with trips to English-speaking countries. Obviously, a longer period of study abroad requires much financial investment from parents.

A real tragedy of the insanely competitive education game in Korea is that it affects every family. Hardly any family is free from the burden of private education. Even many lower-middle-class parents feel they must support their children’s overseas study, if only for one summer program. The rising cost of education is indeed the number one problem that most Koreans complain about, and it is a major cause of downward mobility for many middle-class families. The escalating cost of education is also a serious problem for many relatively well-to-do families. In addition to high expenses for private education in Korea, many of them feel it necessary to support children’s overseas education, shouldering a great financial burden. Moreover, the returns on such investments have become increasingly uncertain because of the risks inherent in any global strategy—too much is unknown and too many things can go wrong. For example, children educated overseas may return home to find no decent jobs. As the number of students going abroad has increased greatly, the competition among them has also increased enormously. And because Korea’s universities have quickly become globalized themselves, English competence and other global skills are no longer the monopoly of the foreign-educated (Jarvis, 2015). This means growing anxiety and uncertainty even among the privileged middle class. Thus, we can see that Korea’s global middle class represents not simply a privileged class but also an anxiety-ridden class. In a sense, all groups of the Korean middle class are caught in, borrowing Phillip Brown’s term, the “opportunity trap.” As he describes, “Middle-class families are adopting more desperate measures to win a positional advantage. They are having to run faster, for longer, just to stand still. . . . if all adopt the same tactics nobody gets ahead” (Brown, 2003, p. 142). I see no difference between the British middle class and the Korean middle class in this regard.

**Toward a More Refined Concept of the Global Middle Class**

The growth of the global middle class is most often taken as an unequivocally positive phenomenon related to globalization, and as proof that globalization can promote economic development in both developed and developing economies. But my study of the Korean case
suggests that the global middle class also signifies growing inequality accompanied by neoliberal globalization and internal division within the middle class. The global middle class can thus be understood in terms of two interrelated processes: the growth of middle classes around the world and the emergence of an affluent and globally oriented segment of the middle class in a given society.

Although the global middle class represents an affluent segment of the middle class, it is not just the economic affluence of its members that defines this class. Well-to-do middle-class people exist in any society, even before its economy becomes globalized. If a national market remains closed from global trade and people’s consumption behaviors are tightly controlled by the state, as in the case of South Korea prior to its economic liberalization in the 1980s, its middle class is more likely to be domestically than globally oriented. When an economy becomes liberalized and globalized, I would argue, its class structure also becomes globalized in the sense that its distributive mechanisms, class practices, and class identities are affected by the logic of the global capitalist system. In this process, the social class that is most favorably positioned in the globalizing economy becomes most quickly and deeply globalized in their class practices. It is true that almost every class becomes globalized to a certain extent, but the extent, the form, and the terms of becoming globalized vary between different classes. The global middle class is comprised of people who possess adequate economic and cultural resources to participate actively in the global market of consumption and education and seek social mobility and identity in the new global environment. More succinctly, we can define the global middle class as a globally oriented, globally connected, and globally mobile segment of the middle class.

What then is most distinctive about the global orientation of the global middle class? As we have seen, most previous writings on this topic have focused on the consumption patterns and lifestyle of the affluent middle class. But my study of the Korean case suggests that probably a more important way the global middle class is distinguished from others is in its members’ global or cosmopolitan strategy of education for their children, a strategy that requires a good knowledge of the global opportunity structure and an ability to exploit it for their own and their children’s benefits. They may be more cosmopolitan than other members of the middle class, but their cosmopolitanism does not necessarily involve ethical or moral openness to other people and other cultures, but rather a form of cultural capital to be obtained through overseas education and cultural experiences (Koo, 2010; Kim, 2011; Igarashi & Saito, 2014). Differential class practices found between the global middle class and other members of the middle class are more easily
noticeable in the field of education than in areas of consumption, because access to consumption is more democratic than access to educational opportunities.

In addition to helping clarify the meaning of the global middle class, my study brings attention to the larger implications of this phenomenon. As I mentioned above, the growth of the global middle class cannot be simply taken as a happy incident of growing prosperity in emerging economies, because it also signals a polarizing tendency within the middle class separating a minority of privileged groups from the larger middle class. Moreover, my observation suggests that globalization does not simply enlarge income gaps within a society but also transforms this widening economic disparity into a more complex form of social and cultural inequality, thereby accentuating and hardening class inequality. This process is accomplished by providing new global opportunities on the one hand and making these opportunities unevenly distributed on the other hand. By doing so, globalization introduces a wedge into the middle class and divides it into a tiny minority who are deeply integrated into, and benefit from, this global opportunity structure and a large majority who are excluded and marginalized.

Before closing, there are several important questions that need to be considered in order to define the global middle class in a more rigorous manner. I have no space to go deeply into these issues here, so let me discuss them only briefly for now.

One important question is whether the global middle class really represents a distinct class, separate from other middle classes or from the upper class. The answer is probably no. Class boundaries of the global middle class are still blurred and shifting, and global orientation is not a monopoly of the affluent middle class but is becoming a pervasive cultural orientation among all other groups. But my observation in Korea suggests that inequality between an affluent minority and the rest of the middle class—in terms of both economic status and cultural practices—is significant enough and is continuously increasing. In Korea today, the most significant class division no longer lies between the working class and the middle class but at the boundary of the affluent middle class and the rest of the middle class. Much of the status competition in consumption arena thus occurs at this new class boundary, and so does the widening class disparity in educational opportunities. The general tendency we can observe is, thus, a gradual polarization of the middle class, in which the affluent minority is pulled upward while the ordinary middle-class people are pulled downward.

A related question is whether it is appropriate to regard affluent and privileged professional
and managerial people as still part of the middle class. In one sense, they are close to the upper class, and in fact many of them may feel closer to the upper class than to the ordinary middle class. But many people in this category whom I interviewed denied they belonged to the upper class. In their views, one needs to possess far more wealth, possibly in more than one generation, plus a substantial amount of political and social capital to be a member of the upper class. One critical difference between the upper class and the affluent middle class is the ability to ensure class reproduction through inheritance of wealth or business ownership. In this regard, the high-income professional and managerial workers are still middle class, because their children must go through a competitive educational process in order to maintain their parents’ status.

Another important question concerns the class identity of the global middle class. Can we regard it, as Derne (2005) suggests, as a transnational or cosmopolitan middle class? It is possible that members of the affluent middle classes around the world share more in common with each other than with the poor in their own countries. But it is uncertain to what extent these people really possess a transnational or cosmopolitan identity. Again, my observations in Korea suggest that many globally educated and globally mobile professional and managerial workers are still firmly grounded in Korean society and seek social mobility within the national system. They are transnational and cosmopolitan in their consumption patterns and mobility orientation but most of them do not seem to desire to transcend their national identity and national social networks. In general, I believe that transnational identity makes more sense in the case of ‘the transnational capitalist class’ than in the global middle class, since the former possesses a far clearer sense of their common class interest and are linked to each other through global capitalist institutions and networks (Sklair, 2002, Sassen, 2007). It is possible that Korea’s global middle class is more locally grounded in their identity formation compared to their counterparts in other advanced countries due to strong nationalism in Korea. But that may be not necessarily true. For example, a recent study of the upper middle classes in four European cities (Paris, Milan, Madrid, and Lyon) concluded that “These upper-middle classes therefore have a globalised mind but remain firmly rooted in their local urban environments, where they belong to dense networks of friends and family, and there they invest in the functioning of the local social and political sphere” (Andreotti, Le Galès, and Moreno-Fuentes, 2015, p. 3). In the end, the limits of cosmopolitan identity that I observed in Korea may not be unique to Korea’s globalized middle class. But the degree and nature of cosmopolitanism embraced by the globalized middle-class around the world deserves a more careful study.
Acknowledgements

This work was partially supported by the Overseas Leading University Program for Korean Studies through the Ministry of Education of Republic of Korea and the Academy of Korean Studies (AKS-2015-OLU-2250005).

References


McDonald’s and Middle-class Revolution. London/New York: Routledge.