

New middle classes in Asia

ABDUL RAHMAN EMBONG

Asia is the world's largest continent with great complexity, diversity, and different levels of economic development. Such characteristics make it difficult to describe the continent – and by extension its new middle class – in any general way. Necessary as generalizations may be, we should thus be careful when making them about the Asian middle class, lest we unwittingly gloss over its heterogeneity across regions.

It may be recalled that while the past two centuries have respectively been hailed as “the European century” and “the American century,” the twenty-first century has been hailed as “the Asian century.” This generalization – undoubtedly problematic – does, however, draw attention to one striking fact: that the economies of a sizable part of Asia, namely, East and Southeast Asia, have recorded impressive growth rates and undergone deep-rooted transformation since the 1970s. Thanks to such growth and newfound prosperity, Asia today has produced the world's largest middle class, estimated to be between 800 million to 1 billion, thus making Asia “the biggest market for almost everything.”

New Middle Classes in East and Southeast Asia

In the several decades before the 1970–1978 Asian crisis, the rapid economic growth in East and Southeast Asia was regarded as a “miracle.” Being late industrializers, the respective states in the region played a strong developmental role, attracting foreign investment and stimulating export-oriented industrialization as well as urbanization and modernization, leading to the growth of a burgeoning new middle class. With their proportion in the workforce of these countries ranging from about 15 percent to over 40 percent and still growing, members of this class have come to occupy important positions as managers, administrators, professionals, and technical workers in both the public and private sectors, including in many transnational firms.

The rise of the middle class or the “new rich” in Asia has been described as a “revolution,” with some writers suggesting that the twentieth century is “the age of the middle class.” Many studies have been undertaken to analyze this new phenomenon, with some using an eclectic approach of a convergence between the Marxist and the Weberian perspectives. Worthy of note are two major research projects undertaken since the early 1990s – the East and Southeast Asian Middle Class Project based in Academia Sinica, Taipei, coordinated by Professor

Michael Hsio, and the Murdoch Middle Class Project coordinated by Professor Robison.

What are some of the salient characteristics of the Asian middle class based on these studies? First, the middle class is heterogeneous, with fairly clear internal differentiation, making it more appropriate to use the term in the plural, “middle *classes*.” They can be divided into three categories – the *new* middle class (managers, administrators, and professionals), the *old* middle class (small employers and shopkeepers or the petite bourgeoisie), and the *marginal* middle class (routine non-manual employees). Unlike in the West, the rise of the new middle class in this region has not led to the decline of the old as well as the marginal middle classes. Instead, rapid economic growth has also spurred the growth and expansion of the latter.

Second, the Asian new middle class is a *first-generation* middle class. The majority of its members came from non-middle-class backgrounds such as farmers and agricultural workers (e.g., in South Korea, Taiwan, and Malaysia) and working-class or self-employed worker families (e.g., in Hong Kong and Singapore). Born mainly after World War II and originating mostly from such humble backgrounds, many of them experienced poverty and hardship during their childhood years. Their upward mobility was made possible by opportunities for higher education as well as the availability of middle-class occupations.

Third, being the beneficiary of rapid capitalist development, the middle class is relatively affluent, enabling its members to enjoy a different lifestyle from that of their parents. They lead a life of conspicuous consumption, owning property such as modern urban houses, cars, and other expensive items including household items, patronizing shopping complexes and hotels, becoming members of exclusive clubs, as well as engaging in foreign travel and tourism. However, being a class that has just “arrived,” they also have a fear of falling and are very concerned about middle-class reproduction to ensure their children remain in the same class. Their families are mainly nuclear, but they attempt to maintain or recreate the old extended kinship network with their family of origin under new urban conditions.

Fourth, the middle class is also regarded as an “ascending class” and a modernization force providing indispensable professional services to society and often associated with the proliferation of NGOs. The middle class is an ascending political force that attempts to define the society's

sociopolitical agendas such as the advancement of democracy, human rights, gender issues, environmentalism, consumer rights, and so on, thus imprinting its own stamp on its country's trajectory.

Middle Classes in Japan, China, and India

Special mention must be made of the middle classes in Japan and China, which followed different paths from those in the countries mentioned above, and also of India, another huge Asian country. Japan had no colonial experience and was the first Asian country to join the ranks of the developed nations. Emerging from the ashes of the war in 1945, it undertook rapid economic reconstruction under American supervision until 1950. Although the Japanese middle class was already visible, what is more important is the new generation of the Japanese middle class that emerged out of the postwar reconstruction and the subsequent Japanese economic boom when the ambitious Ten-year Income Doubling Plan was announced in 1960. The class consists of white-collar employees, clerks, shopkeepers, and others, regardless of the line of business they are in. The improved living standards due to high economic growth particularly helped make achieving middle-class status a symbolic goal of affluence. As in other industrialized countries, the proportion of the workforce occupied by white-collar workers grew rapidly. The increased number of white-collar workers not only reflected higher social mobility, promoting the formation of a new middle class, but also contributed to the creation of a “mass society.” In fact, from the 1960s onwards, Japanese middle-class men holding white-collar jobs in companies and who became known as *sararimen* (“salary men”) represent a social status symbolizing what came to be regarded as “ideal” among many Japanese. The middle class in Japan is a class position defined subjectively by members of the middle class themselves, i.e., in terms of their consumption made possible, and in fact spurred, by the economic prosperity and the increased purchasing power of the employees. According to surveys conducted under the auspices of the Japanese Prime Minister's Office, while 76.2 percent of Japanese identified themselves as “belonging to the middle class” in 1960, the figure rose sharply to 90 percent three decades later. By the early 1990s, the proportions of the Japanese people who identified themselves as upper class and lower class were very small, 1.2 percent and 5.6 percent, respectively. More than half of the Japanese (57 percent) ranked themselves as being “in the middle of the middle class.” This shows that

the overwhelming majority of the Japanese regarded themselves as having “arrived,” i.e., enjoying the middle-class standard of living and social status.

The situation is different in China, the world's largest nation with a population of about 1.35 billion. China has a checkered history of colonial intrusion, revolutionary wars, and the adoption of socialism and centralized planning since 1949, until it opened up and adopted the market economy after 1978. As China has been focused on social leveling and the elimination of classes under the guidance of the Communist Party's Marxist ideology, one would not expect a middle class to grow under such a system. However, with the introduction of the market economy and the resulting new prosperity, unprecedented social transformation has taken place, and new social formations, namely the middle class, are emerging. To date, not many studies have been conducted on the Chinese middle class, and most of the writings have been rather anecdotal. Nevertheless, some market analysts estimate the size of the middle class as already huge, i.e., some 150 million persons or about 12.5 percent of the Chinese population, comprising particularly those living in major coastal cities. By 2010 this class is expected to constitute about two-fifths or 40 percent of the population.

If we take consumption as a proxy, we will have an idea of the emergence of this new class. Following China's open door policy in the late 1970s, China's economy has been growing at 10 percent per annum since 1980, and the growth rate is still sustained today. China's industrialization has set impressive records, with the industrial sector's contribution to the gross national product (GDP) increasing from 42 percent in 1990 to 51 percent in 2000. The Chinese “consumption ladder,” as some scholars call it, has continued to rise with China's rapid development and increased prosperity. This is manifested socially in changing patterns of ownership of household items. For example, prior to the economic reform when most of the family income was spent on basic necessities such as food and clothing, the most popular household goods were the “four big items” – sewing machines, watches, bicycles, and radios. In the 1980s the old four big items had been replaced by the new “six big items” – color televisions, refrigerators, cameras, electric fans, washing machines, and tape recorders. By the 1990s the luxury items consisted of video recorders, hi-fi systems, and air conditioners, while by the 2000s other luxury items had been added, namely cars and condominiums.

Other important indicators of the changing lifestyle of China's middle class are its members' craze for shopping as well as their participation in overseas travel and tourism. However, a new indicator of affluence is the increasing number of golf players and enthusiasts, together with the emergence of golf clubs patronized by the "new rich."

India, a former British colony that became independent in 1947, has a population of 1.15 billion today. The middle class in India took a different path from its counterpart in China or Japan. Modern western education instituted by the British since the 1830s and the various occupations available under British colonial rule contributed to the emergence of the early generation of the Indian middle class, while during the post-independence era, members of the Indian civil service became more prominent as constituting a major component of this class. Today, the Indian middle class is far more varied and complex given its phenomenal rise in tandem with the rapid growth of the Indian economy – second only to China's – especially during the first decade of the twenty-first century. Estimates about its size vary tremendously, ranging from 30 million to about 300 million depending on the methodology used. Whatever the estimate, the middle class is still relatively small, much less than 30 percent of India's population. However, as indicated by various researchers, the middle class is the fastest growing segment of the Indian population, contributing a huge and rapidly growing market for consumer products from multinational corporations. Studies on the Indian middle class indicate that despite being hit by the financial crisis, members of this class are relatively resilient and optimistic about their future.

While the new middle class in Asia advocates modernizations, the latter should not be equated with westernization. Members of the Asian middle class are in search of themselves and their identity. In this regard, we see the revival of traditional ethnic cultures with new elements of universality, and all these are spearheaded by the middle class. Some scholars are observing that a new artistic style is emerging, drawing on both Asian and western cultures but with an emphasis on the East. Thus, while sharing American middle-class values, members of the Asian middle class are also turning to their sociocultural roots. All this will mean the assertion of certain distinct features of the Asian middle class that differentiate it from its western counterpart.

SEE ALSO: Civil Society; Class; Consumption; Developmental State; Marx, Karl; Modernization; Salary Men; Social Change, Southeast Asia; Urbanization; Weber, Max

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