



international social science council



UNIVERSITÉ DU  
LUXEMBOURG



CROSS-NATIONAL  
DATA CENTER  
in Luxembourg

# The Coming of a Middle-Class World? Hopes, Challenges, Realities

UNESCO presentation

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# Inequality of Global Opportunities

- Introduction: Inequality / a world diagnosis
- Past, present, futures: Globalization, Growth and Inequality
- The Coming of a Middle-Class World?
- Malaise in the Western Middle Class
- Conclusion: Global socioeconomic challenges / solutions to be debated



## Introduction: Inequality / a world diagnosis

- WSSR 2016: 361 pages / 74 chapters or papers  
a new assessment of our world imbalances
  - more than 100 authors, leading seniors  
and young hopes in the Social Sciences
  - Extreme diversity of approaches  
Correctly identification of problems & shared realities
  - Inequalities of what? Income and Wealth, Education and jobs,  
ethnic identities and gender, local / global,  
post-colonial / over-developed ...
  - Average progress, but not for those left behind
- è Conclusions: the World looks better  
But deep tensions are visible ... and dangerous

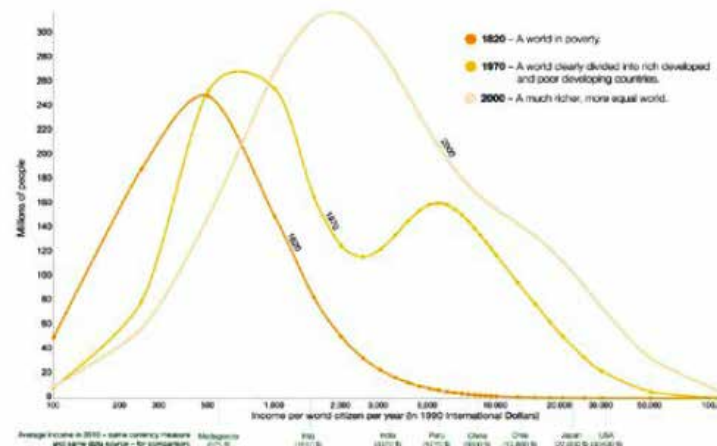


# Past, present and futures

## Globalization, Growth and Inequality

- Freurbaey and Klasen: 3 periods (WSSR p.174)
  - 1820: a poor, more equal world
  - 1970: a deeply divided world
  - 2016: a much richer, rather more equal, Globe

Figure 40.1 World income distribution (with absolute population numbers) at three dates



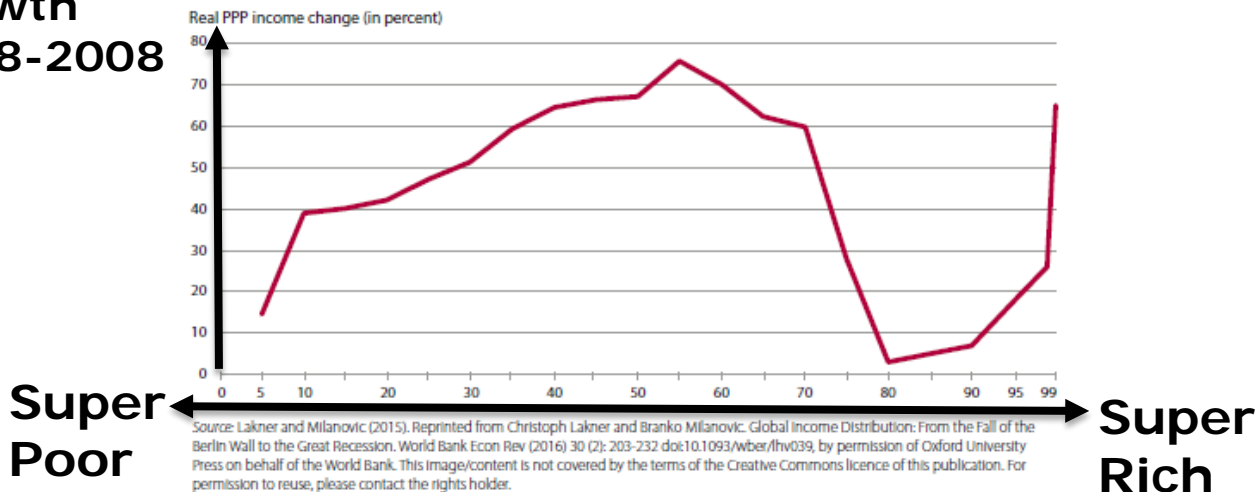
Note: The yearly income of all world citizens is measured in International Dollars. This is a currency that would buy a comparable amount of goods and services to those a US dollar would buy in the USA in 1990. Therefore incomes are comparable across countries and across time. Source: Max Roser's elaboration on data available from [www.Clio-Infra.eu](http://www.Clio-Infra.eu) via van Zanden et al. (2014) - *How Was Life?* OECD. The interactive data visualization is available at [www.OurWorldInData.org](http://www.OurWorldInData.org).

## Past, present and futures Globalization, Growth and Inequality

- Milanovic (WSSR p.47) Last 20 years
  - Many winners in the middle class BRICS
  - Few super-winners at the very top
  - Problems of those left behind:  
parts of Africa, and the western lower middle class

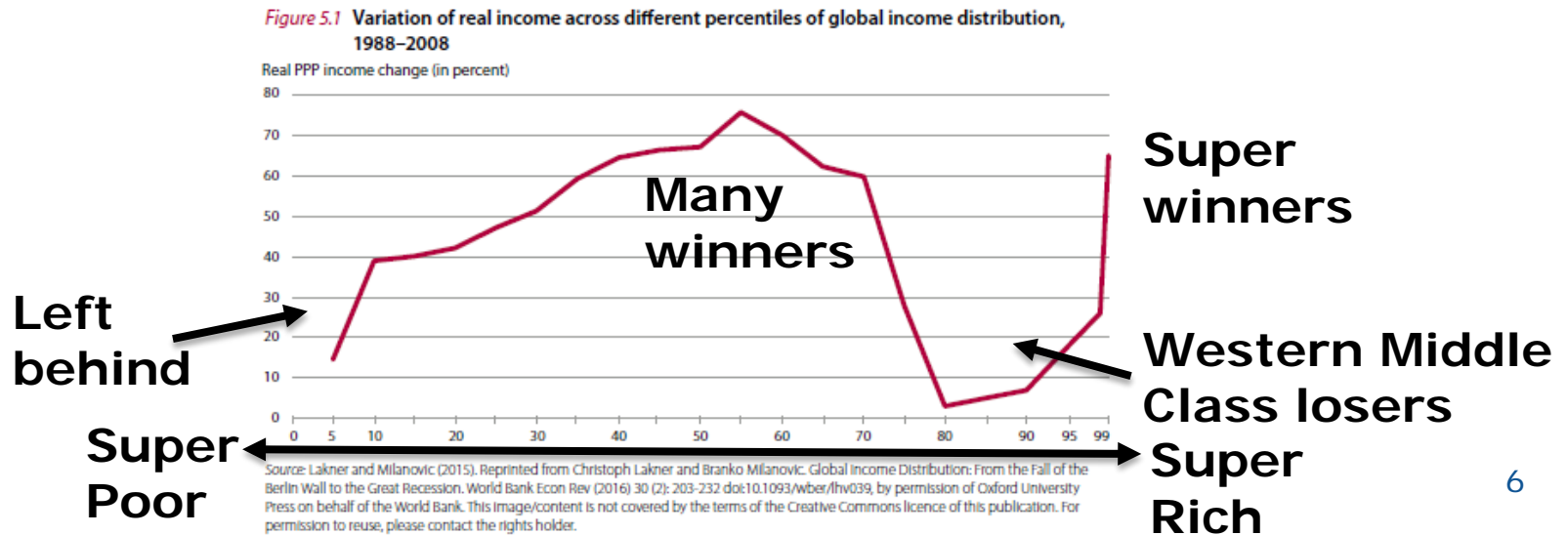
**Growth  
1988-2008**

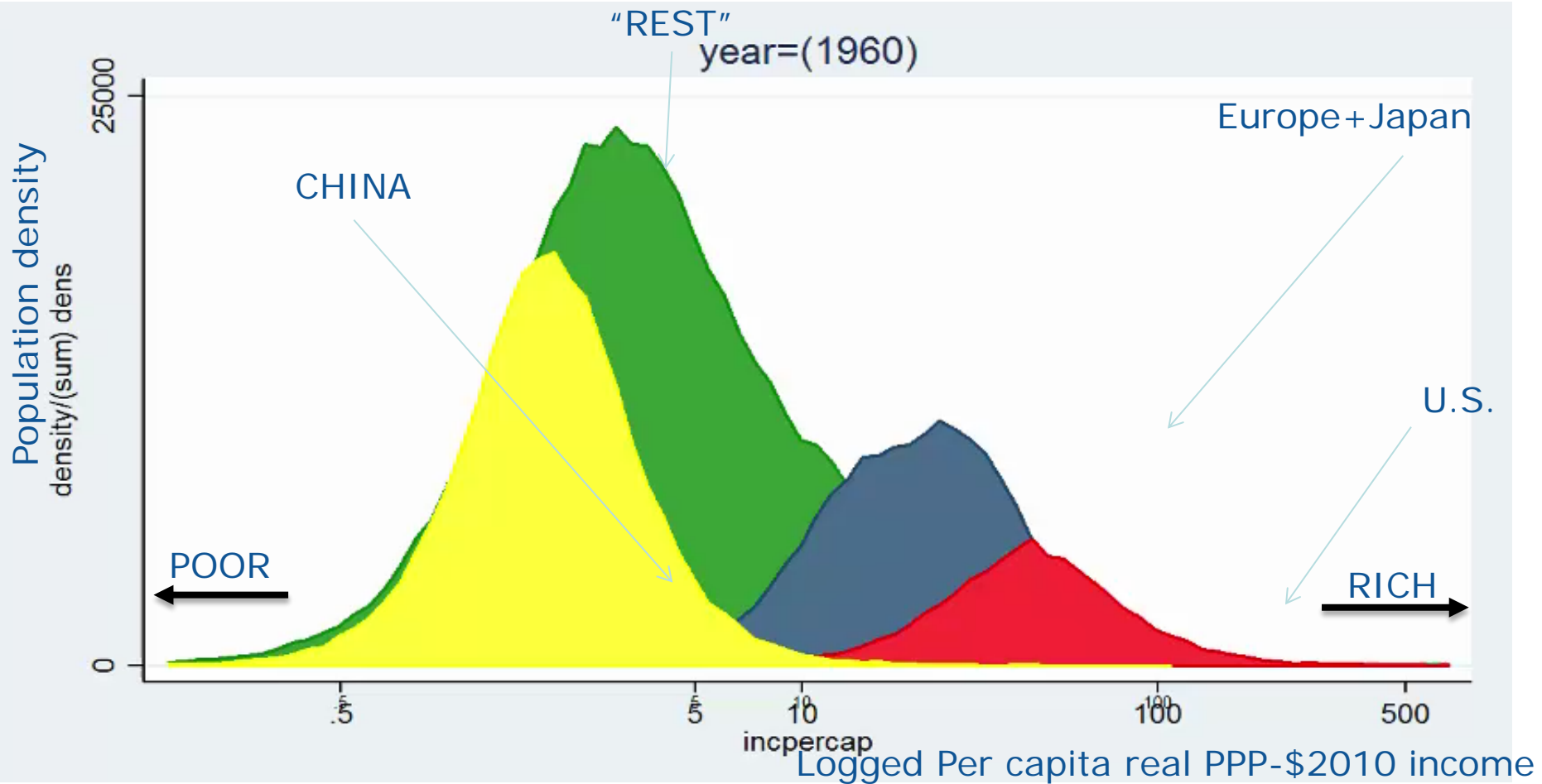
**Figure 5.1** Variation of real income across different percentiles of global income distribution, 1988-2008



## Past, present and futures Globalization, Growth and Inequality

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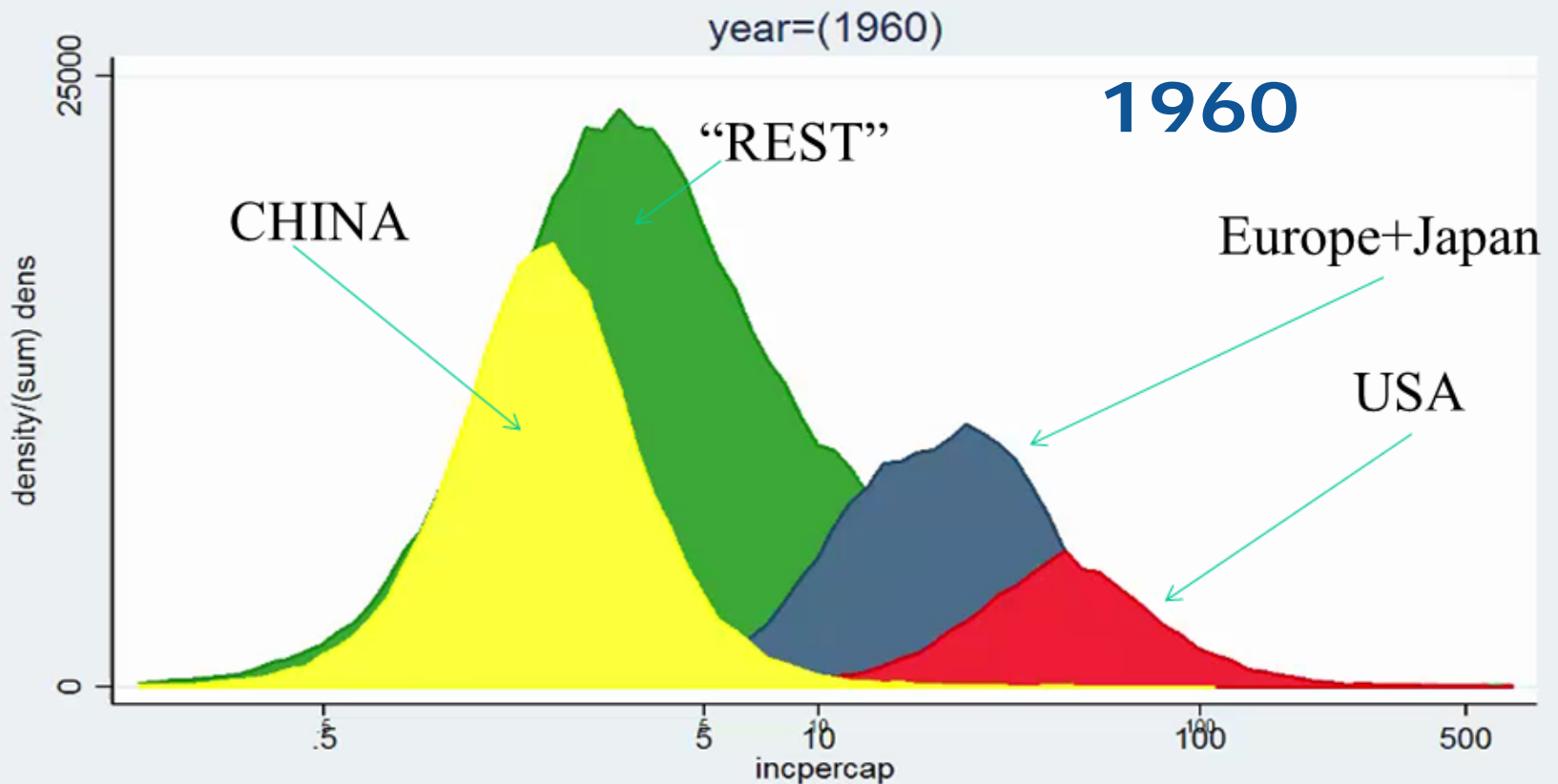
## Logged real per cap income distribution 1960-2010

Source: SWIID + PWT

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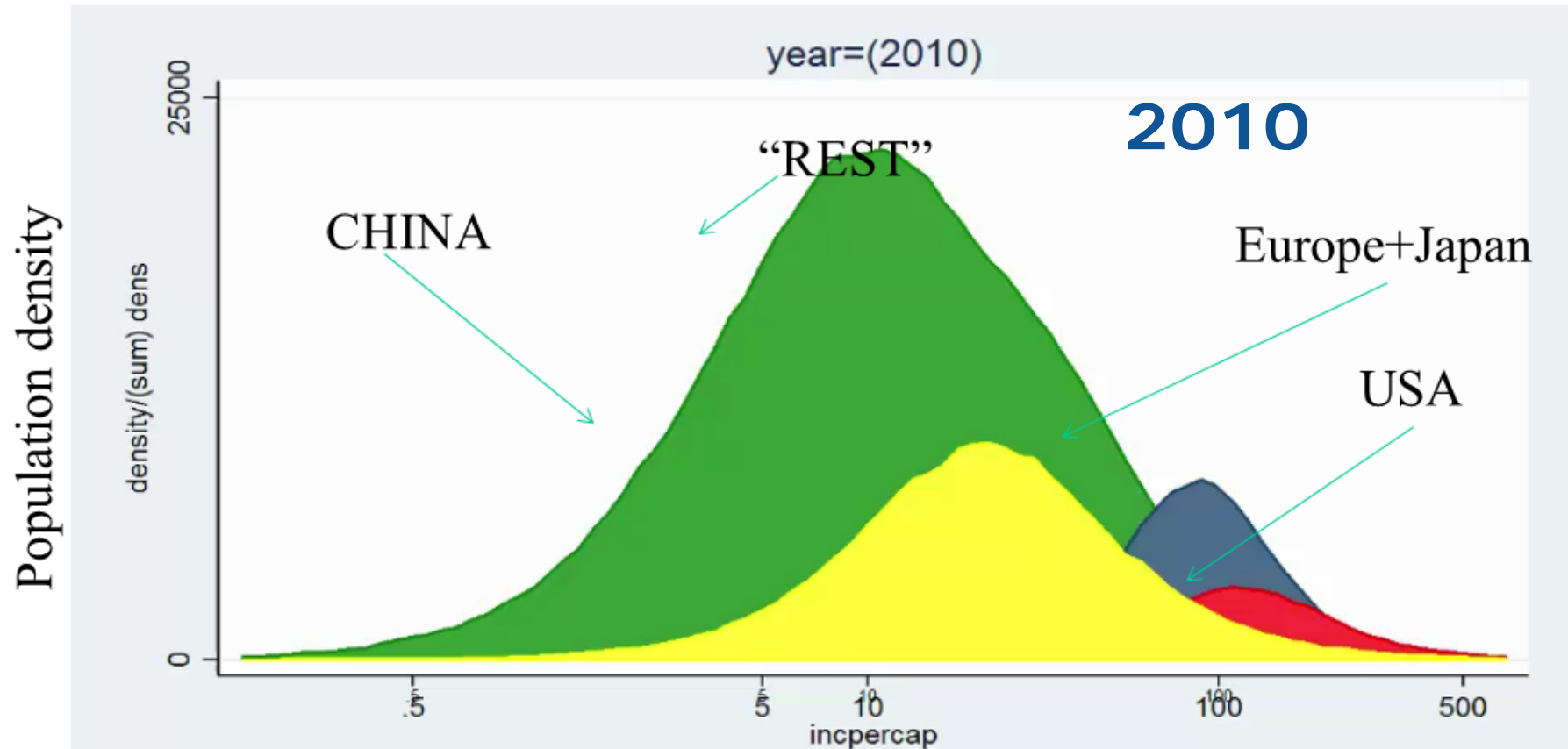
Population density





## Logged real per cap income distribution 1960-2010

Source: SWIID + PWT





# The Coming of a Middle-Class World?

Typical middle-class societies of the late 1970's in the Western world (Galbraith, Goldthorpe and Lockwood, Skocpol, etc. ):

1. "Wage-based middle class society": permanent wage earners become a majority
2. Wage incomes sufficient to live well: the affluent society
3. Generalization of social protection including labor stability: the spread of social citizenship (Marshall 1950)
4. Educational boom and upward social mobility: increasing belief in meritocratic society
5. Beliefs in progress
6. Political centrality of middle class ("Zweidrittelgesellschaft")
7. Middle class moderate politics

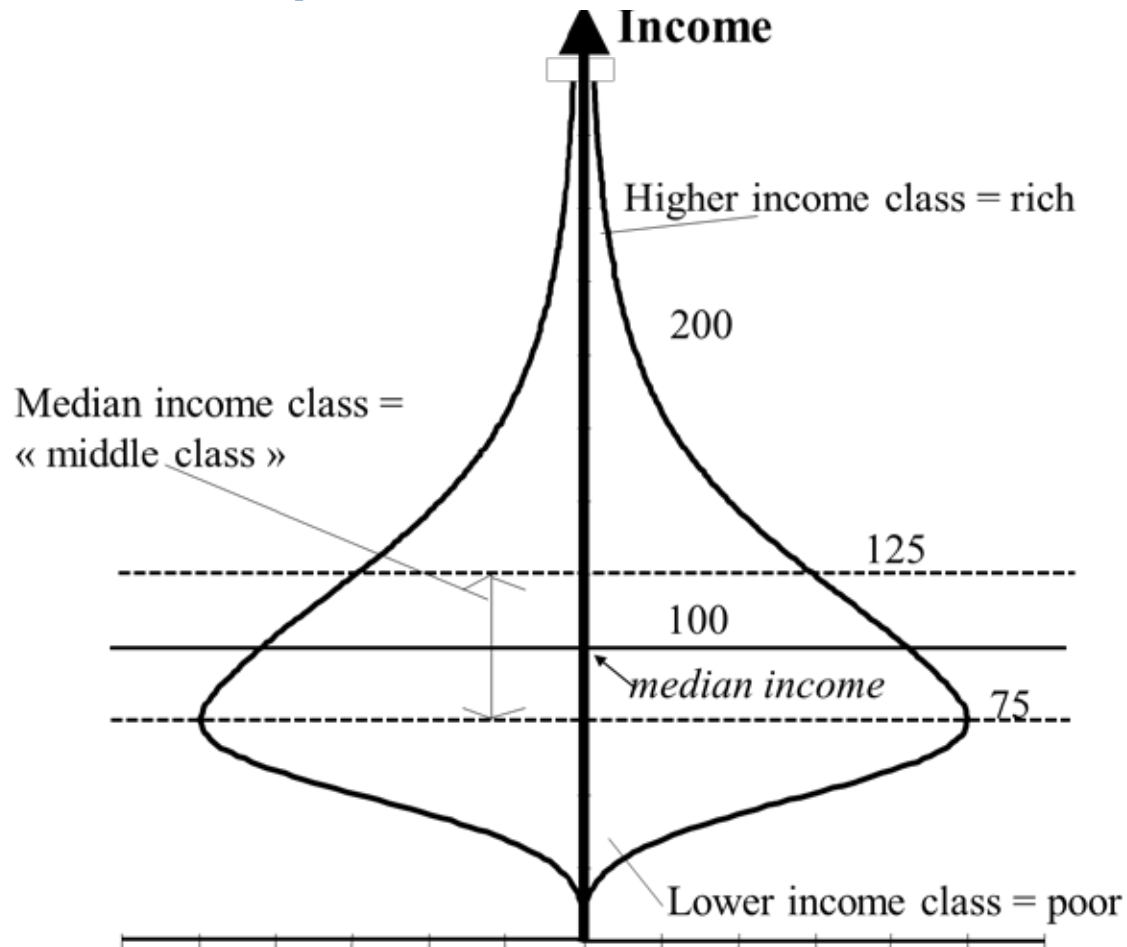


# The Collapse of a Middle-Class World?

Piketty, Alderson, Beckfield, Tomaskovic-Devey, Therborn, Mann, etc. <sup>1</sup>  
« *The great worries of the 21st century* »

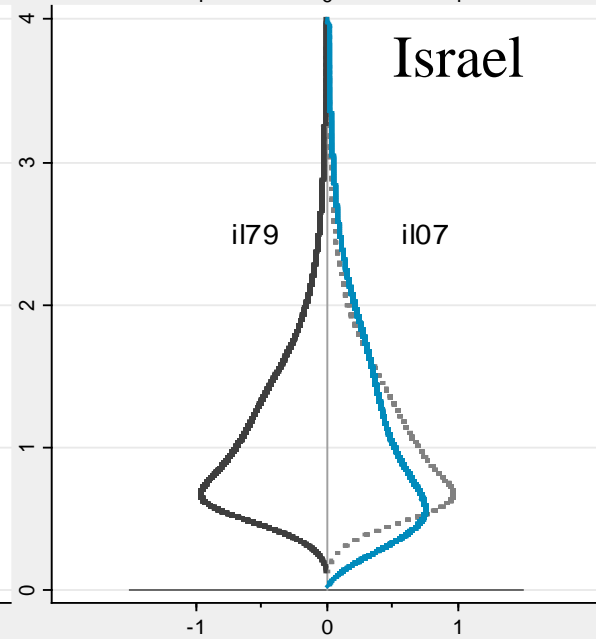
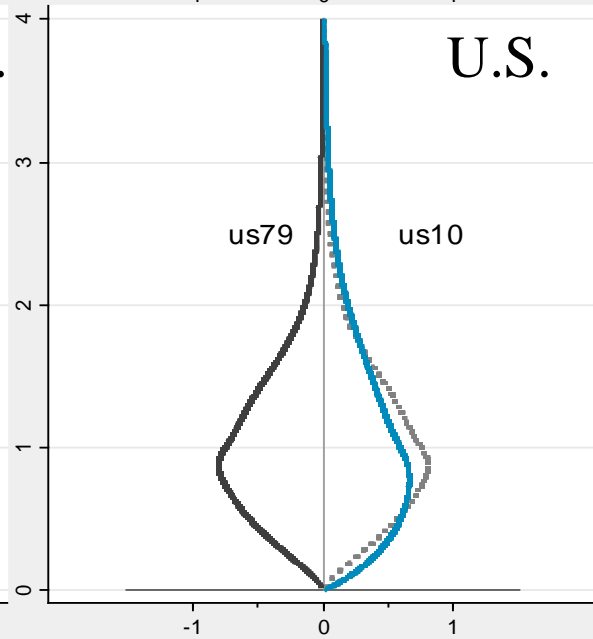
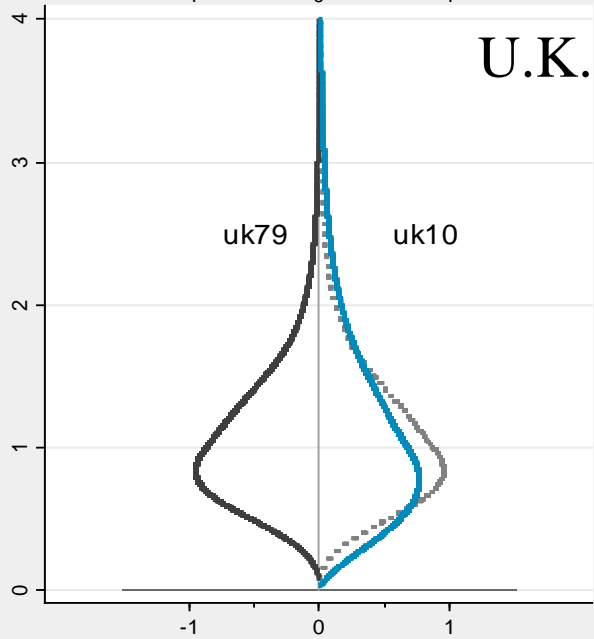
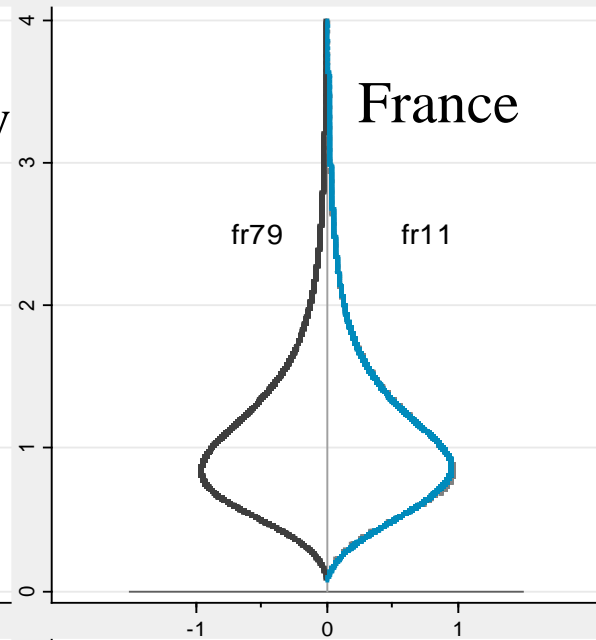
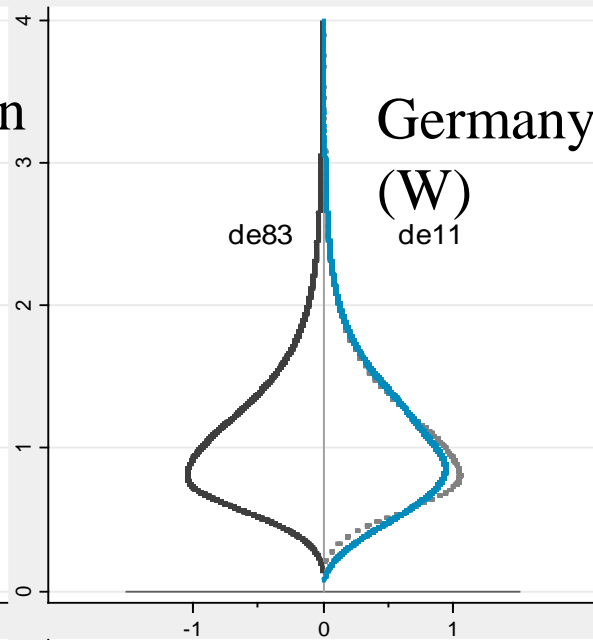
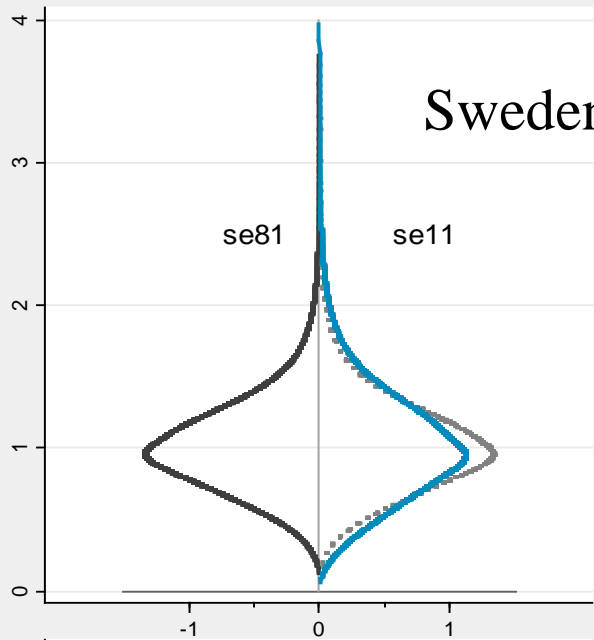
1. « Wage uncertainty »: decline in predictability
2. Wage stagnation and increase in the real cost of life: the post-affluent society
3. Destabilization of social protection and repatriation
4. Mismatch between diploma and socioeconomic position: over-education and downward social mobility
5. New worries, declining beliefs in progress
6. Loss of political centrality/control of middle class ("Einfünftelgesellschaft" / "20-to-80 society")
7. Spreading populism

## The strobiloid representation of income distribution



Note : In the strobiloid curve, income is the vertical axe; 100 is the median income. Generally, the curve is larger near to 100 and thinner at the top and at the bottom (few people are extremely poor or extremely rich).

The largest the curve around income = 100, the more the population is a median class society.





# Global socioeconomic challenges

è Conclusions: the World looks better

But deep tensions are visible ... and dangerous

- Maintain peace, enhance democracy
- Share common human values and goals
- Promote a Global affluent economy
- Form a middle-class global society
- Build sustainable Solidarity / Welfare regimes
- Develop wellbeing

## Many solutions (to be debated) in the WSSR 2016

- Education and transition to jobs, gender, local/global balance to promote, invest more in future generations ...



## The Hans Jonas' Imperative for Future Generations (1979)

“Act so that the effects of your action are compatible with the permanence of genuine human life”;  
or expressed negatively: “Act so that the effects of your action are not destructive of the future possibility of such life”

*The Imperative of Responsibility (Das Prinzip Verantwortung)*  
Hans Jonas (1979). (University of Chicago Press)