On national and global “middle classes”

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Contents

I. Conceptual presuppositions of the term “middle class” p. 2

II. Dichotomy vs. tripartite classification in class analysis p. 4

III. The Question of the ‘Global Middle Ground’ p. 8

IV. Concluding Observations p. 13

V. Notes p. 14

VI. References p. 14

VII. Tables p. 16
I. Conceptual presuppositions of the term “middle class”

“Middle class” is a broad and controversial concept. Seen from a theoretical perspective, it must be counted among the ‘essentially contested concepts’ of social theory (Lukes 2005: 14). On the other hand, in colloquial language and in standard textbook sociology the meaning of the term middle class appears to be quite straightforward: The “middle class” encompasses all members of society living neither at the “top” nor at the “bottom” of the social hierarchy. According to this conventional view it is usually assumed that “being middle class” also implies a specific middle class life-style, middle class norms and values, and (perhaps) middle class politics.

This is, of course, a very approximative and a-theoretical definition. From the point of view of theoretical macrosociology it is quite unsatisfactory: It does not clarify the criteria and the boundaries of middle-class membership; the explanatory scope and the normative implications of the middle class concept are not specified; the underlying notion of “class structure” remains undiscussed etc.

In order to be able to fill some of these gaps, and as a starting point of my discussion, I would like to draw attention to certain basic background assumptions which are intrinsically connected with the concept of “middle class”:

1. The notion of “middle class” presupposes the image of a vertically stratified society. Other (“non-vertical”) forms and kinds of social differentiation are thereby de-emphasized (cf. Schwartz 1981; Kreckel 2004).

2. The terminology of class implies that it is neither sufficient to conceptualize vertical social inequality as a mere status continuum or ‘gradation scheme’ (Ossowski 1963), nor as a fragmented and individualized structure ‘beyond class and status’ (Beck 1986. 121ff.). That is, it makes only sense to use the term “middle class” if different status positions are grouped into at least three distinct macrosocial collectivities, usually called upper, middle and lower “classes” (or “strata”). These collectivities may either be considered as mere classificatory units or as “real” social groups, even as collective actors or “historical subjects” (for a critical assessment of “class realism”, cf. Kreckel 1992).

3. To speak of class also implies the existence of a plurality of class societies which are clearly distinguishable from one another by territorial boundaries, in practice: by boundaries of state. This is the well-known “container model of state society” (Beck 2003: 46, Giddens 1985: 172). Sociologists working within
this framework usually analyse (and compare) national class structures. To conceive of a “global middle class” would not make much sense to them. However, this precisely will be the issue to which I shall address myself at some length in the second part of this paper.

4. Furthermore, the notion of “middle class” presupposes the distinction between “members” and “non-members” of a society. Thus, by definition, if one wants to allocate class positions to the entire population living in a given state society, the minimum number of possible classificatory groupings in a three-class model is not three (i.e. upper, middle and lower class), but four. The resident non-members would also have to be accounted for, be it by omission. Thus the exclusion of slaves, women, children, foreigners or minorities from ‘conventional’ class analysis is a typical corollary of the vertical and state-centred vision of class society (cf. Kreckel 2004: 217-221). T. H. Marshall (1950) was the first to introduce the concept of “citizenship” into class analysis to avoid this pitfall (cf. T. K. Oommen, in this volume).

5. Finally, the concept of middle class is an ‘ineradicably evaluative and essentially contested concept’ (Lukes 2005: 14) in that it is caught in a bifurcation between two basic modes of conceptualizing vertical structure, the dichotomous or the tripartite classification. As Stanislaw Ossowski (1963) has shown, this alternative is inevitable if one wants to use the class concept in a meaningful way. Whichever alternative one chooses, it carries strong political implications. Dichotomous conceptualizations of class structure tend to emphasize class conflict, tripartite conceptualizations are more sensitized to situations of class compromise.

II. Dichotomy vs. tripartite classification in class analysis

This final presupposition, the dilemma between dichotomous and tripartite interpretations of class structure, may serve as starting point for the next step of my discussion: At first glance, it seems obvious that the very use of the term “middle class” implies that the tripartite conception of vertical social structure has been adopted. The classical exposition of this view was given in the Politeia of Aristotle. It may be worth while to recall some of his famous quotations:

‘In all states there are three sections of the community, the very well off, the very badly-off, and those in between. (...)’
In the matter of possessions to own a middling amount is best of all. This condition is most obedient to reason, and following reason is just what is difficult for the exceedingly rich, handsome, strong, and well-born, and for the opposite, the extremely poor, the weak, the downtrodden. (...) The middle class is also the steadiest element, the least eager for change. (...)

Those cities have every chance of being well-governed in which the middle class is large, stronger if possible than the other two together, or at any rate stronger than one of them. For the addition of its weight to either side will turn the balance and prevent the extravagances of the opposition. (...)

It is a happy state of affairs when those who take part in the life of a state have a moderate but adequate amount of property; for where one set of people possesses a great deal and the other nothing, the result is either extreme democracy or unmixed oligarchy or a tyranny due to the excesses of the other two’ (Aristotle 1962: 171-173).

It should be noted that Aristotle’s tripartite class-division included only full citizens of the Greek polis, thereby excluding slaves, women, minors and foreign residents (like himself). In his view, the three-class constellation was an inescapable situation. Due to the arithmetic of power, it favoured the middle class and its inclination for moderate politics and compromise. For Aristotle, this was the normal state of affairs. Class polarization was an undesirable exception.

The antipode to Aristotle’s classical position is the dichotomous conception of class structure of Karl Marx, his ‘abstract model of class domination’, as Anthony Giddens (1973: 27) has called it. A few famous quotes from the *Communist Manifesto* and the *German Ideology* will suffice:

‘The history of all hitherto existing society is the history of class struggles.

Freeman and slave, patrician and plebeian, lord and serf, guild-master and journeyman, in a word, oppressor and oppressed, stood in constant opposition to one another, carried on an uninterrupted, now hidden, now open fight, a fight that each time ended, either in a revolutionary reconstitution of society at large, or in the common ruin of the contending classes. (...)’

In the earlier epochs of history, we find almost everywhere a complicated arrangement of society into various orders, a manifold gradation of social rank. (...) Our epoch, the epoch of the bourgeoisie, possesses, however, this distinct feature: it has simplified class antagonisms. Society as a whole is more and
more splitting up into two great hostile camps, into two great classes directly facing each other - bourgeoisie and proletariat. (...)

The lower strata of the middle class - the small tradespeople, shopkeepers, and retired tradesmen generally, the handicraftsmen and peasants - all these sink gradually into the proletariat’ (Marx / Engels 1848, part i).

‘This universal development of productive forces ... produces in all nations simultaneously the phenomenon of the “propertyless” mass. (...) Empirically, communism is only possible as the act of the dominant peoples “all at once” and simultaneously, which presupposes the universal development of productive forces ... The mass of propertyless workers ... presupposes the world market through competition. The proletariat can thus only exist world-historically ’ (Marx / Engels 1974: 56).

Proletarians of all countries, unite! (Marx / Engel 1848, part. iv).

These few quotations from Marx and Engels have been selected in order to make two simple points:

First, it is clear that Marx’ and Engel’s dichotomizing class analysis of modern capitalism predicts the disappearance of the ‘the middle classes’. They must be expected to shrink, lose importance and eventually disappear. That is, within this conceptual framework, middle classes can only be described as transitory or, at the most, as ‘contradictory class locations’ (cf. Wright 1979: 74ff.; Misra, in this volume). My second point is that Marx and Engels clearly saw that their dichotomous model of class struggle made it necessary to transcend the political and territorial boundaries of the ‘container model of the nation state’. The confrontation between the bourgeois and the proletarian class was to be conceptualised as a global process.

I shall not dwell on this any longer, as it is all too well known. If I quoted Marx and Engels at all, it is because it allows me to illustrate the following dilemma:

With respect to the first point, the alleged disappearance of the middle-class, the empirical counter-evidence is massive. The enormous expansion of social positions in the “middle” of all advanced capitalist welfare states and the advent of consumerism is hard to deny. It is therefore not surprising that Marxist and Neo-Marxist perspectives have become quite rare in today’s sociology of social inequality. That is, with respect to the “middle classes” in advanced industrial societies, the Aristotelian paradigm of the tripartite class structure seems to have been vindicated by the facts. In the concluding pages of his famous book Political Man, Seymour Martin Lipset explicitly states that ‘Aristotle’s basic hypothesis ... is
still valid" (Lipset 1963: 455). Whether this is also the case in developing countries is much less certain (cf. Misra, in this volume). Indeed, the numerical weakness and heterogeneity of the middle classes, as well as the tendency of their members to make common cause with the ruling elites is a recurrent feature of most societies of the Third and Fourth World (cf. e.g. Bornschier 2004, Walleerstein 2000).

This ties in with the second point, Marx`s thesis that class analysis requires a global perspective. In this respect the situation today is much less conclusive. The phenomenon of “globalization” has been receiving increasing public attention in recent years. The sociological literature on “world society” and “globalization” is growing steadily. In this context, the prophetic passages from the Communist Manifesto about the inevitable development of a capitalist world market and a cosmopolitan world culture are often quoted with approval (cf. e.g. Beck 1997: 48). The debates about the polarizing effects of the global world market are also still very much alive. But whereas only die-hard Marxists continue to talk of an international class polarization, the thesis of a global North-South divide (cf. Brandt et. al. 1980), i.e. territorial polarization between wealthy and poor regions, still carries weight today (cf. e.g. UNIDO 2005: 141-155).

Thus, for the “conventional’ analysis of the class-structures of advanced welfare states of the global North, the Aristotelian hypothesis of the tripartite class-structure seems to be best suited. But if one wants to analyse the global situation, a dichotomizing view may still be indicated, not as a dichotomy of classes, but as a dichotomy of world regions.

If this diagnosis is adequate it seems that class analysis, including the concept of middle class, should be limited to the level of the nation state where it makes sense to speak of “social classes” as macrosocial collectivities. But clearly, the phenomenon of structured social inequality is not only about class. One just needs to remind oneself of the familiar subdivision of social inequality textbooks into the triad of “class, race and gender” to become aware that the field of inquiry of the sociology of social inequality goes beyond the realm of class analysis.

Furthermore - and this is my focal point here - social inequality also reaches beyond the boundaries of nation states. As evidence, it may suffice to quote Glen Firebaugh (2003). In his recent survey of available research on world income inequality he summarizes that the single most important factor determining personal income is the place on the global map where an individual lives, not social status or merit. He writes:
‘... within-nation income inequality accounts for only one fourth to one-third of the world’s total income inequality. (...)’

“...the between-nations component of global income inequality ... is as much as three times the size of the within-nations component. Traditionally, however, most research on income inequality has investigated the smaller component’ (Firebaugh 2003: 11, 92).

Thus, if Firebaugh’s summing-up is correct that traditional class analysis usually neglects about two-thirds to three-quarters of global inequality, one should take his hint and include into inequality analysis what is traditionally left out.

To add weight to this, one should have a look at a diagram taken from Branko Milanovic showing that the influence of class as factor explaining global income inequality has decreased whereas importance of geographical location has increased during the last 130 years.

(Here: Table 1)

Of course, global inequality is not a new subject of social scientific research. Indeed, there is an expanding literature on global inequality today which is not restricted to the ‘container model of state society’. In particular, the question whether global inequality is increasing or decreasing is hotly debated. This debate is mainly concerned with the global distribution of income, and, to a lesser degree, of wealth. (For summaries of this debate see Firebaugh 2003, Kreckel 2004: 326-358; Milanovic 2005, Berger 2005).

It is interesting to note that the leading role in the global inequality debate is played by economists, not by sociologists. Sociologists specializing in social inequality research are only marginally involved. In their majority they still adhere to the legacy of the ‘conventional view’ of class analysis focussing on national class structures and their inter-national comparison. (For a strong defence of this position, see Goldthorpe 2002).¹

I think this involves a regrettable narrowing of perspective for the sociology of social inequality which should be remedied (cf. Kreckel 2006). One way of doing this is to ask whether the polarizing model of the global North-South divide really is the most appropriate one, or whether a tripartite representation including some kind of global ‘middle ground’ is more adequate.²
III. The Question of the ‘Global Middle Ground’

Of course, the Aristotelian quest for a global middle ground is not a purely academic endeavour. The analogy to the history of class conflict in advanced capitalist societies is obvious: In mid-nineteenth century, when the conservative politician Benjamin Disraeli (1881 [1845]) and the radical industrialist Friedrich Engels (1872 [1845]) wrote down their respective versions of the deeply split and antagonistic English class society, Marx’s dichotomous conception of class conflict was very plausible. The ‘satanic mill’ of unrestricted capitalism was set in motion (Polanyi 2001 [1944]). Several decades later, however, the process of the “institutionalization of class conflict” analysed by such diverse writers as Theodor Geiger (1949), T. H. Marshall (1950), Ralf Dahrendorf (1959), Gerhard Lenski (1966) or Anthony Giddens (1973) was in full progress. Procedures of collective bargaining were gradually developed, modern welfare states emerged and parliamentary democracy evolved. By mid-twentieth century, in all advanced western societies the dramatic antagonism between the very rich and the very poor “classes” was buffered by large sections of the population leading a moderately secure, reasonably affluent and acceptable way of life - the so-called “new middle class”. Neo-corporatist structures of conflict moderation had superseded old mechanisms of class struggle.

This historical experience from the ‘great transformation’ (Polanyi 2001 [1944]) of the rich industrial countries gives rise to the question whether an analogous development can be expected to occur on the global scale, too. Is there an Aristotelian “middle ground” between the rich countries of the global North and the poverty-stricken regions of the South, able to provide a respectable and materially secure existence for a considerable proportion of the world population? This “middle ground” could then be expected to become the social basis for an institutional pacification and moderation of the North-South conflict, that is, for a global “Polanyi constellation” (cf. Ruggie 2003, Hettne 2004, Stewart 2006, Kreckel 2006). The alternative vision would be that of a new neo-liberal ‘satanic mill’ of global dimensions.

Clearly, some empirical evidence is required at this point. I therefore turn to Branko Milanovic, leading economist at the Worldbank, who is one of the most experienced researchers in the field of global income inequality. In a paper published some years ago he asks the question ‘Does the World have a Middle Class?’ (Milanovic / Yitzhaki 2001). In his recent book Worlds Apart he provides his comprehensive empirical answer, in a chapter with the telling title ‘A World without a Middle Class’ (Milanovic 2005a: 128ff.).
For the reasons stated above, I myself try to avoid the vocabulary of class when referring to global structures of inequality. I find the centre-periphery metaphor more useful (cf. Kreckel 1990; 2004: 39ff.). But when looking at the arguments presented by Milanovic this terminological disagreement may be set aside as he addresses the same question that I am interested in.

Milanovic approaches the global “middle ground” issue in three steps.

1. In his first step, he uses the nation state as unit of analysis and GDP per capita as indicator of international income inequality (PPP$, adjusted for international purchasing power parity). He subdivides his sample of about 130 states into four hierarchical categories:
   1. ‘Rich Countries’ - include all WENAO-countries (Western Europe, North America and wealthy Oceania) plus countries with WENAO income status - the “global upper class”,
   2. ‘Contenders’ - countries occupying the global “middle ground”,
   3. ‘Third World’ and
   4. ‘Fourth World’.

(Milanovic chooses three cut-off dates, the years 1960, 1978 and 2000, as points of comparison. His question is whether the group of ‘contenders’ (the global “middle ground”) has grown or shrunk in these four decades. His verdict is unambiguous: The group of ‘contenders’ has decreased from twenty-two to seven states between 1960 and 2000 (Milanovic 2005a: 66ff.). During the same time period he observes a ‘swelling of the Fourth World (as the number of countries that belonged to the poorest category increased from 25 in 1960 to 71 in 2000)’, including such populous states as China, India, Pakistan and Indonesia (ibid.: 70). At the opposite end of the international income scale, Milanovic identifies ‘a dramatic decline in the number of rich countries and an increase in the share of ... the West as the club of the rich’ (ibid.: 62, 78). Milanovic identifies only very few cases of upward mobility into the top category, Taiwan, South Korea, Malaysia, Hongkong and Singapore. On the other hand, he finds strong downward mobility on all levels, mostly in Latin America, the Middle East, South Asia and the former Soviet Union. According to his comparative income data, the main income losers are the African states south of the Sahara. He writes:‘The African growth tragedy is ... illustrated by the unremitting downward mobility of the entire continent’ (ibid.: 71).
In a second step of the analysis, the national GDP per capita data (PPP adjusted) are weighted by population size. With respect to the population-weighted international income distribution of the year 2000, Milanovic comes to very much the same conclusion as above:

‘The most striking fact .. is the emptiness in the middle’ (ibid.: 128).

According to his classification, only four percent of the world population lived in middle income countries (from US$PPP 8,000 to US$PPP 20,000), fourteen percent lived in rich countries, the remaining eighty-two percent lived in poor and very poor countries (ibid.).

As per capita income data represent national income averages and ignore within-nation inequalities, Milanovic tries in his third step to construct a global distribution of personal incomes, using household survey data. He found that in 1998,

‘77.3% of the world population lives below the rich countries’ poverty line. The size of the middle class (that is, individuals with incomes between $PPP 3,987 and $6,060 per year) is only 6.7 percent. The percentage of the rich is about 16 percent’ (ibid.: 130f.).

In sum, all three modes of analysis lead Milanovic to the same conclusion, to the ‘scarcity of the global middle class’ (ibid.: 131) which has become more pronounced in recent decades. At the same time, the North-South divide has grown.

One may have many caveats and reservations about the reliability of the global income data used by Milanovic. But as long as one accepts, at least in principle, the theoretical and conceptual validity of his approach, one will have to concede that the overall trend of Milanovic’s data supports the hypothesis that the “middle ground” of the global income distribution has contracted, certainly not grown in recent decades. On the basis of this evidence one would have to conclude that the world of today is still a far cry away of a “Polanyi constellation”, that it is not an affluent middle class world, but a dichotomous world divided between areas of prosperity and regions of poverty, with a small and unstable transitory ground in between.

Milanovic’s interpretation is by no means an isolated or extremist view. Lately, a number of official reports on world poverty and inequality have been published by various UN-organisations giving strong support to this dichotomizing picture of global inequality (cf.
UNDESA 2005, UNDP 2005, Worldbank 2005). On the other hand, it can be argued - and it has been argued - that the conceptual and methodological basis of Milanovic's approach is faulty and that his conclusions are partly based upon a "methodological artefact".

This precisely is the argument of Walter Müller (2006: 4), one of the leading German sociologists of social inequality. In a recent, still unpublished working paper he presents a carefully argued empirical critique of the 'Milanovic-thesis' which ought to be taken very seriously. Müller develops his critical argument in three strands. On the one hand he challenges the validity of Milanovic's criteria of classification, on the other hand he contends that Milanovic's choice of cut-off dates lead him to misinterpret his data, and finally he constructs a new indicator allowing an alternative look at the available data.

- I begin with Müller's criticism of Milanovic's method of classification. Here, Müller points out that the criterium used by Milanovic to allocate countries to global "classes" leads to strange results when used for comparison over time: Whereas the GDP per capita of the least affluent member of the group of the global "Rich" (Portugal) was just 22% of that of the richest country (USA) in 1960, in 2000 a level of at least 44% of the per capita income of the USA was required to be classified among the 'Rich'. Müller comments that in this way 'more and more income is required to be counted as a rich country. The same holds true with respect to the middle', and he adds that 'by fiat of definition Milanovic produces systematically downward mobility and an emptying of the middle' (ibid.: 5).

What is happening here? Müller's calculations are correct, of course. But the same holds true for the figures provided by Milanovic. This means that we are now confronted with the consequences of the 'essentially contested character' of the concept of middle class I referred to above: Milanovic sets the GDP per capita of the poorest WENAO-country (Portugal / Greece) as fixed benchmark to draw the lines between the Rich Countries, the global Middle Class, the Third and the Fourth World (cf. Figure 1). By contrast, the measuring standard used by Müller is the GDP of the richest WENAO-country (USA). Müller does not fully develop his own strategy of classification. But it seems clear that he would prefer percentage intervals to remain stable over time: If "being rich" was defined by a per capita income of at least 22% of the US-standard in 1960, the same 22% - standard should also apply in the year 2000 - with the absurd consequence that large parts of today's world would suddenly be defined as rich. If, on the other hand, the 44%-standard of 2000 would be applied retrospectively to the year 1960, the class of the Rich of 1960 would shrink considerably.
It is clear that whichever standard of classification is chosen, it will always lead to a measurement artefact. Of course, not all artefacts are arbitrary. The question is whether and how they are justified on theoretical grounds.

• Müller’s second line of attack aims at the final cut-off point of Milanovic’s analysis, the year 1998 or 2000 respectively. He accepts the data of Milanovic (2005a: 128) that in 1998-2000 about 70% of the world population lived in countries whose per capita income was below 5,000 US$ PPP. He points out that this was a period when the Asia Crisis, the financial problems of several Latin American states and the aftermath of the break-up of the Soviet Union had brought temporary decline for a considerable number of countries. He adds:
  ‘In the meantime many of these countries have recovered. A measurement taken today would produce ... a clearly more favourable picture. The Milanovic-thesis of “Worlds Apart” is an overstatement’ (Müller 2006: 6).

Müller himself goes on to provide an actualization of the global per capita income data up to the year 2006, by means of a recalculation of the IMF - World Economic Outlook Database. He comes up with the astonishing conclusion that Milanovic’s interpretation is sustained for 2000, but not for 2006. According to his data analysis the lowest bracket of the global income distribution has shrunk enormously since the beginning of century, due to an ‘altogether rampant development in the entire Asian region, not just in China and India’ (ibid.: 7).

(Here:Table 6-B)

• Müller then introduces a very simple, but highly effective indicator for the comparative measurement of population-weighted international income inequality. This indicator measures the percentage of the total world-GDP obtained by one percent of the world-population living in a particular area. In poor regions, the per capita income of one percent of the world-population will be below one percent of the world-GDP, in rich regions it will be above. The results of Müller’s calculations using 1989, 2000 and 2006 as cut-off years, are quite striking.

(Here:Table 7)

Müller comments that, apart from the negative development in Africa, ‘one cannot but notice reduction of inequality and a movement towards the middle’ (ibid.: 11). He adds:
  ‘Naturally this does not mean that we have a pronounced cluster of countries of the middle. But many of the populous states of Asia seem to
be on that path. Depending on the further development of Russia, the
countries of Eastern Europe, Central Asia and Latin America, a
demographically strong middle ground comprising a good many
countries may grow. At least, this appears more likely than a progressive
evacuation of the middle (ibid.: 12).
Müller also observes that in 2006 the world-GDP share of the OECD countries
has gone below 50% for the first time, whereas that of China has moved up from
5 to 15% between 1989 and 2006, and that of India from 4 to 6%.

IV. Concluding Observations

Certainly, the same caveats and reservations are necessary with respect to both
Milanovic’s and Müller’s data. But apart from this, the debate is wide open: Is there a
global middle ground in the making, as Müller suggests? Or is it out of reach because
the world is more and more drifting apart, as Milanovic sees it? I shall not be able to
solve this question, as it refers to an open and embattled future which cannot be fully
grasped by empirical means. But as a conclusion two observations may be indicated:

First, Müller’s remark on the dramatic rise of the world-GDP share of China and India
and the simultaneous decline of the share of the OECD-countries provokes the
reflexion that quite soon the Milanovic-Müller disagreement might become irrelevant
because of new developments. One might not be inclined to discuss much longer
whether the richest (USA) or the poorest WENAO country (Portugal or Greece)
should serve as benchmark for constructing international income classes. As Walter
Müller put it: ‘If China and India are able to maintain their path of growth
considerable power shifts in the global political arena are foreseeable (ibid.: 13).
That is, it may well be possible that the WENAO-centred look at the world so familiar
to Western sociologists will become more and more outdated.

My second concluding observation calls to memory the disturbing fact that one sixth
of the world population, about 1 billion persons, still live in absolute poverty, of less
than 1 US$ PPP per day (UNDP 2005: 34). They have not the slightest chance ever
to come near a "middle ground" of relative security and moderate prosperity. ‘They
are too ill, hungry, or destitute even to get a foot on the first rung of the development
ladder’, as Geoffrey Sachs (2005: 18) put it. The majority of the world’s absolute
poor are living in Africa, the largest global area of social exclusion.
In consequence, if ever a global “Polanyi-constellation” should become possible, the strengthening of a sustainable global middle ground is only one of the prerequisites. Another precondition is success in the battle against absolute poverty and exclusion of the - mostly African and South Asian - Fourth World of global development. Among the many causes of this staggering lack of growth and development one stands out: The high incidence of war and civil strife in the poorest regions of the world (cf. Milanovic 2005b). Surely, something ought to be done about that, at least.

V. Notes

1. This is not to say that sociology is not involved in international research. As I said, comparative research, i.e. comparison between national class or stratification systems, is a well developed field of research of the sociology of social inequality. There are also plenty of sociological activities in the fields of international migration and elite research, as well as in comparative sociology of education, industry, organization etc. Research on social inequality in the European Union is also beginning to grow. On the one hand, there are studies closer to the ‘conventional view’ which concentrate on comparative analysis of EU-member states (e.g. Hradil / Immerfall 1997). On the other hand there are authors interested in the fact that the EU is politically and legally partly integrated, with common immigration politics, a common currency etc. They treat the EU as Union of States, as a new social ‘mega-container’ (cf. e.g. Heidenreich 2006).

2. The core concern of this paper is with the Aristotelian (or ‘Polanyian’) question of a global ‘middle ground’ as structural basis for global conflict mediation. An alternative three-tired approach is that of Immanuel Wallerstein (2000: 71ff., 315ff.) who posits that there are ‘three structural positions in a world-economy - core, periphery and semi-periphery (...) The third structural position: that of the semi-periphery ... is needed to make a capitalist world-economy run smoothly’ (ibid.: 86, 89). But as Wallerstein sees the capitalist world-system as an essentially antagonistic structure based on a core-periphery polarization, his approach is rooted in the dichotomic paradigm.

VI. References


Hradil, Stefan / Immerfall, Stefan, Hg. (1997), Die westeuropäischen Gesellschaften im Vergleich, Opladen: Leske.


Table 1
Size and composition of global income inequality in 1870 and 2000
(Changing emphasis: From within-nation to between-nations inequality)

Source: Milanovic 2005c
<table>
<thead>
<tr>
<th><strong>Table 2</strong></th>
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**Branko Milanovic:**

Four worlds ("global classes") defined

- **The Rich:** All countries with GDP per capita equal/greater than the poorest WENAO

- **The Contenders:** With GDP per capita at least 2/3 of the poorest WENAO

- **The Third World:** With GDP per capita between 1/3 and 2/3 of the poorest WENAO

- **The Fourth World:** With GDP per capita less than 1/3 of the poorest WENAO

Source: Milanovic 2002
Branko Milanovic:
Four global “classes” compared - 1960, 1978, 2000

Table 4

Branko Milanovic:
World population, distribution of per-capita income by country of residence, year 2000 (GDP, US$ PPP)

Source: Milanovic 2005a: 129
Table 5

Branko Milanovic:
World income distribution based on household survey data,
year 1993  (GDP, US$ PPP)

Source: Milanovic 2002
Table 6

A. Branko Milaonvic:

Four worlds in 1960 and 2003

<table>
<thead>
<tr>
<th></th>
<th>1960</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of countries</td>
<td>% of population</td>
</tr>
<tr>
<td>First</td>
<td>41</td>
<td>26</td>
</tr>
<tr>
<td>Second</td>
<td>22</td>
<td>12</td>
</tr>
<tr>
<td>Third</td>
<td>39</td>
<td>13</td>
</tr>
<tr>
<td>Fourth</td>
<td>25</td>
<td>49</td>
</tr>
</tbody>
</table>

Source: Milanovic 2005c

B. Walter Müller:

World population, distribution of per-capita income by country of residence, years 1989, 2000, 2006 (GDP, US$ PPP)

<table>
<thead>
<tr>
<th>Year</th>
<th>below 5,000$</th>
<th>5,000 - 7,999$</th>
<th>8,000 - 19,999$</th>
<th>20,000$ and above</th>
</tr>
</thead>
<tbody>
<tr>
<td>1989</td>
<td>71%</td>
<td>9%</td>
<td>12%</td>
<td>9%</td>
</tr>
<tr>
<td>2000</td>
<td>67%</td>
<td>11%</td>
<td>8%</td>
<td>14%</td>
</tr>
<tr>
<td>2006</td>
<td>46%</td>
<td>31%</td>
<td>9%</td>
<td>14%</td>
</tr>
<tr>
<td>foreseeable future?</td>
<td>30%</td>
<td>25%</td>
<td>30%</td>
<td>14%</td>
</tr>
</tbody>
</table>

Source: Müller 2006: 7
Table 7
Walter Müller:
Share of world-GNP per one percent of global population, regional distribution, 1989, 2000, 2006 (US$ PPP)

<table>
<thead>
<tr>
<th>Region</th>
<th>Percentage of world-GDP per 1% of world population</th>
<th>% of world pop.</th>
<th>Population growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sub-Saharan Africa</td>
<td>0,29 0,23 0,23</td>
<td>11,3</td>
<td>1,48</td>
</tr>
<tr>
<td>Asia (low income) - Bangladesh, Cambodia, Myanmar, Nepal, Pakistan, Lao , Papua NG -</td>
<td>0,20 0,23 0,23</td>
<td>5,7</td>
<td>1,23</td>
</tr>
<tr>
<td>India</td>
<td>0,26 0,32 0,37</td>
<td>16,8</td>
<td>1,32</td>
</tr>
<tr>
<td>China</td>
<td>0,26 0,52 0,70</td>
<td>20,1</td>
<td>1,17</td>
</tr>
<tr>
<td>Asia (middle income) - Indonesia, Malaysia, Philippines, Sri Lanka, Thailand, Vietnam -</td>
<td>0,43 0,51 0,51</td>
<td>8,1</td>
<td>1,35</td>
</tr>
<tr>
<td>Middle East and North Africa</td>
<td>0,75 0,75 0,73</td>
<td>4,9</td>
<td>1,42</td>
</tr>
<tr>
<td>Latin America and the Caribbean</td>
<td>0,89 0,98 0,78</td>
<td>8,3</td>
<td>1,30</td>
</tr>
<tr>
<td>WORLD</td>
<td>1,00 1,00 1,00</td>
<td>100,0</td>
<td></td>
</tr>
<tr>
<td>Former SU without Russia</td>
<td>1,11 0,47 0,63</td>
<td>2,2</td>
<td>1,05</td>
</tr>
<tr>
<td>Central and Eastern Europe</td>
<td>1,18 0,76 1,14</td>
<td>2,9</td>
<td>1,07</td>
</tr>
<tr>
<td>Russia</td>
<td>1,66 0,98 1,23</td>
<td>2,2</td>
<td>0,96</td>
</tr>
<tr>
<td>Asia (newly industrialized) - Hong Kong, Korea, Singapore, Taiwan -</td>
<td>1,84 2,34 2,45</td>
<td>1,3</td>
<td>1,16</td>
</tr>
<tr>
<td>OECD (high income, pre 1994)</td>
<td>3,70 3,81 3,66</td>
<td>13,6</td>
<td>1,11</td>
</tr>
<tr>
<td>OECD: Percentage of world population</td>
<td>15,4 14,2 13,6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OECD: Percentage of World-GNP</td>
<td>57,2 54,1 49,7</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Müller 2006: 12 (calculated from IMF-World Economic Outlook Database)