

Rise and impacts of the new global middle class

IB Geography | Global resource consumption and security | Updated November 2026

The **new global middle class** describes people, particularly in emerging economies, whose rising living standards allow them to spend beyond basic needs. Better jobs, education and access to services have improved many lives. However, larger consumer markets also increase demand for **water, food, energy and materials**. The challenge is to widen prosperity while limiting environmental damage.

What makes a middle class lifestyle

There is no single worldwide definition of "middle class". Researchers may use income, spending, occupation or economic security. **Discretionary spending** is money available after essentials such as food, housing and basic bills. It may fund appliances, a motorcycle, holidays, entertainment or further education. Middle class households can still be vulnerable to unemployment, rising prices or illness.

World Data Lab defines the **consumer class** as people spending at least **$13.20 per person per day**, measured in **2021 purchasing power parity dollars**. PPP adjusts for differences in prices between countries. This broad category includes affluent consumers, so it is not the same as a strictly middle income group. Its model shows continued growth in the consumer class. [1]

2026 estimate	2030 projection	2035 projection
4.67 billion	5.16 billion	5.76 billion

Projections depend on future economic conditions and are not guaranteed outcomes.

Why the group has grown

Economic development creates jobs and can raise wages. **Urbanisation** brings people closer to factories, offices, schools and services. **Globalisation** connects firms to investment, technology and export markets. Education and infrastructure can help people take advantage of these opportunities. Benefits are uneven: informal workers and people in poorly connected rural areas may gain much less.

Where growth is happening

China: Manufacturing, trade and urban employment have helped many households buy homes, appliances and services. Rising prosperity is accompanied by differences between coastal and inland regions, and between urban and rural residents. Slower growth and an ageing population also affect future demand.

India: Services, industry and expanding cities create opportunities, although access varies by region, gender and education. National totals vary considerably with the income or spending threshold used. Growth in consumer markets therefore does not mean that all households enjoy the same economic security.

Southeast Asia: Indonesia, Thailand and neighbouring economies have substantial consumer markets. World Data Lab reports that **around 80% of new global consumers are in Asia**. Growing spending power can support local businesses, tourism and better services, but national averages hide inequality. [2]

Key distinction: GDP per person measures average economic output. It does not show what a typical household earns or how evenly income is shared.

Prosperity and pressure on resources

As households become more secure, their demand often shifts from basic survival towards larger homes, reliable electricity, varied diets, travel and consumer goods. The impacts depend on **how goods and services are produced**, as well as how much people consume.

China and growing water demand

Higher incomes can increase demand for manufactured goods, electricity and water intensive foods. These create **indirect water demand** through supply chains, as well as direct household use. In northern China, limited water availability and competition among farming, cities and industry create pressure. Household prosperity is one influence alongside population, production patterns and climate. Water efficient industry, wastewater reuse and better irrigation can reduce demand.

India and changing food demand

Rising incomes can increase spending on dairy, fruit, vegetables, processed foods and, for some groups, meat. Diets remain diverse because culture, religion, prices and personal choices matter. Producing animal foods often requires feed, land and water, although impacts vary by product and farming system. In water stressed areas such as Maharashtra, crop choices and irrigation can intensify competition for water. Reducing food waste and improving farming practices can ease pressure.

Thailand and rising energy needs

Air conditioning, appliances, private transport and digital services increase demand for electricity and fuels. Thailand's electricity system remains heavily dependent on fossil fuels: **natural gas supplied 65% and coal 17% of generation in 2024**, according to the IEA. Cleaner electricity, efficient cooling, well designed buildings and public transport can help improve living standards with fewer emissions. [3]

Understanding ecological footprints

An **ecological footprint** estimates the biologically productive land and water area needed to supply a population's consumption and absorb its wastes, especially carbon dioxide, using prevailing technology. It is expressed in **global hectares**. It differs from a carbon footprint, which measures greenhouse gas emissions, and a water footprint, which measures freshwater use. All three help reveal impacts that occur far from the consumer.

UNEP's **Global Resources Outlook 2024** reports that global resource extraction tripled over the previous five decades. Without stronger action, extraction could rise **60% between 2020 and 2060**. This is a projected trend, not an unavoidable outcome. High income countries use around **six times more materials per person** than low income countries, so responsibility extends well beyond the new middle class. [4]

Can prosperity become more sustainable

The aim is **decoupling**: improving wellbeing while reducing environmental pressure. Renewable power, efficient products, repair and reuse, better public transport and less waste can lower impacts. Efficiency alone may not be enough if total consumption keeps rising. Governments and businesses shape the options people can afford; sustainable development also requires fair access to housing, education, health care and basic resources.

Overall: A growing middle class can improve quality of life and strengthen economies. Whether those gains are sustainable depends on consumption patterns, production systems and how fairly resources and opportunities are shared.

Sources [1] World Data Lab, How we work and How we measure spending (2026 model). [2] World Data Lab, Global inequality explainer (2026). [3] IEA, Electricity 2025, Thailand section. [4] UNEP International Resource Panel, Global Resources Outlook 2024.

World Data Lab | Definitions | Asia | IEA | UNEP