Migration and the global middle class

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The final panel considered whether it was productive to approach migration from the perspective of a global middle class, a concept first advanced by economists in the early 2000s (Milanovic & Yitzhaki, 2002). While they defined it in quantitative terms, does such a class carry distinctive qualitative traits or a shared identity or set of values that apply across borders? Do we see evidence for the theory that 'postmaterial' values are becoming global as middle-class lifestyle spread (Inglehart, 2018), and how does this relate to migration? Can it be linked to particular temporal (present-oriented) and spatial (downscaling) aspirations? How does migration both reflect and constitute social stratification? Does the migrant middle class develop new class sensitivities that could be critical of sending-country class structures or are class identities transplanted seamlessly? If there is a global middle class, does it reconfigure global racial hierarchies?

Theodoros Rakopoulos

My paper loosely correlates with the conceptual context of social reproduction, but it is not particularly focusing on it. I am inspired instead by the idea of offshoring. I am studying citizenships solutions, 'golden passports' that are part of a broader framework of offshoring services.

I am presenting two of the many people that I have been working with in Cyprus: brokers who call themselves facilitators, providers, or being involved 'in the passport business'. One of them is a real estate agent, the other is an accountant for one of the Big Four companies. A citizenship-for-investment program in Cyprus was terminated after a huge backlash that touched several people in the higher echelons of the establishment. Cyprus is not unique in providing this framework of 'exceptional naturalization'. Targeted foreigners are high-income people, 'elite migrants'. What I am trying to unearth is whether these people are migrants in the traditional sense.

What was offered to international investors, entrepreneurs buying 'real estate solutions' from places like Cyprus or Malta, or Montenegro, or Moldova, is a service that leads to naturalisation for them and their families, hence the connection with social reproduction. The programme ran for 13 years. But especially after the banking crisis in 2013, it ran amok. Within the years 2013–2020, an estimated 6500 investors were naturalised (Al-Jazeera, 2020). They came with extended families, not only children but in some cases parents and siblings. So, we might be talking about 50,000 people, interlocutors in the golden passport industry roughly estimate. There are no official data from the government, which cites personal privacy

regulations for avoiding the publication of names and numbers of 'golden citizens'. Those naturalised coming mainly from Russophone areas: Russia, Ukraine, Belarus, and also from China. The Chinese were going to a specific small city in South Cyprus, the Russians to the place where I did my work, Limassol, the offshore financial hub of Cyprus. These people were buying Cypriot passports, meaning they became European Union citizens. How many actually moved to Cyprus is unknown.

There is an area on the eastern side of Limassol, where the 'new Russians', a term used by other Russophones for people who enriched themselves in the post-Soviet period and have taken their money to foreign banks, bought 'passport villas', as informants in the passport business call them. If you spend more than €2 million on real estate, you are rewarded with a passport. These villas are empty, some of them are inhabited by the housewife – hence real estate brokers call the area Widows' Villas. In some cases, the investor was assassinated. In other cases, the husband lives and occasionally flies in from faraway places like Tokyo and Frankfurt.

Only a small minority of the Russophone community of Limassol, which amounts to about 45,000 people in a city of 200,000, has a golden passport. The rest of the community, working-class migrants from Ukraine or Russophone Estonians, is providing services for these elite migrants. There is a bundle of financial and banking solutions connected to Golden Visas, a whole iceberg of offshoring practices lies beneath naturalization.

What drives my research question is an understanding that golden passports (commodified citizenship) are offshoring within the political domain. So, there needs to be an analysis of what offshoring has meant (and still means) in tax havens like Cyprus, Malta, the Caribbean.

What connects my research to the topic discussed today is that classic offshoring solutions allow for new type of mobilities, that of capitalists, the subjects behind big bank accounts.

The Republic of Cyprus has a high population of immigrants, but it is also a society with traditional or orthodox family values, and there is a lot of open racism *vis-à-vis* refugees. With the intermediaries, a new class emerged, saying 'we don't care if they are black, red or yellow, they are bringing in investment, they are good.' This kind of colour blindness is apparent.

I purposely used a phrase from my interlocutor saying, 'you have to please them within their culture'. Cyprus is the 10th most visited country per capita in the world, it is never short of tourists. But ironically, these brokers do not sell the Cypriot culture or Hellenic culture, but an accommodating framework for the foreigner's culture. So, the phrase implies that you must understand Mandarin for example, but you also have to enjoy Chinese tea or cuisine during their visits. That deviates from the examples of Chinese migrants in Europe who may be enchanted by Baroque galleries and come to enjoy and immerse themselves in that culture. This is also a context within the Mediterranean where 60,000 people have drowned going towards northern shores. These people were exploited by brokers to pay half their fortunes to cross.

Brokers have international connections. One of the people I quote works in a Big Four auditing company in a midsize city in Indonesia, where an investor might knock on the door of KPMG (they might have never heard of Malta or Cyprus), and the local branch would seek out their Cypriot branch and ask them to help them imagine their future elsewhere. It is usually not for him, but his family, which brings me to the concept of offshoring as a holistic solution.

Risk is being offshored for sure. As a doctor said, Limassol is the place where Russian oligarchs 'park their women', referring to dangers in Moscow and the safe hub of Mediterranean islands for the spouses and children. The risk for safe social reproduction is being offshored. Elsewhere, the family is being offshored at least seasonally. Within this context of offshoring is the idea of passport insurance. As seen by the experiences of Andrew Henderson, who is one of the most celebrated brokers of offshoring solutions and who wrote *Nomad Capitalist* (2018), we can reconsider the idea of golden visa attainment as a stratified social space. There is huge variation, and whether 100,000 or 2 million euros is middle class, and in what context it is, is a fascinating sociological question.

The changes in this new context of proliferating citizenship offshoring are showing that David Harvey might not have been right about the logic of capitalism. There is no inner logic to capitalism, there are capitalists behind it. Here, we have people who are willing to follow capital around the world and offshore themselves or at least their family somewhere else in a safe hub. An interlocutor who had an MA from a good UK university in shipping law said: 'You know what is similar between shipping and golden passports? That people are like ships, they need a flag of convenience,' and Cyprus offers the possibility of that.

Sarah Kunz

I had a couple of thoughts and comments while reading the paper, which I really enjoyed. First is the central role of intermediaries, you call them brokers, fixers, whatever they call themselves, I have even seen the term 'enabler'. This sort of industry has sprung up and mushroomed in the last 10 years around citizenship but also residence-by-investment schemes. So – as Xiang Biao and Johand Lindquist (2014) have of course pointed out before – we cannot think of migration as an unmediated phenomenon anymore. Intermediaries play an important role in determining where people move, how people move, why they move, whether they move at all, or whether they just buy citizenship and stay where they are. I am aware that big corporations did not really get their foot into the Cypriot industry as much as they probably would have liked. I would be interested to know more about the relationships between the different actors: the locally based agents and the multinational corporations.

Secondly, you write that brokers' approach to foreign capital and its owners who consider becoming Cypriots is colour-blind. I would be interested in who is treated in this 'colour-blind' way and who is really not. To understand how the social construct 'race' operates differently for different groups in this space, it might be helpful putting the developments you study in the context of the 'refugee crisis'. In my work on the UK investor visa, I situate it in the context of the hostile immigration environment, and I think it would be really fruitful here to think about the growth of the Cypriot investment immigration industry in the context of broader developments of forced migration.

Thirdly, I liked the concept of offshoring as a holistic perspective, because for some it's not about migration at all, it's just about a passport. It is connected to a broader system, which is offshore capitalism. The title of Oliver Bullough's *Moneyland* (2018) refers to this new geography that the super-rich can inhabit, where they can pick and choose a libel law here, passport there, an offshore tax haven, and so on. But I think it would be helpful and interesting to expand further on what you exactly mean by offshoring. Who's being offshored? What is being offshored? Is it the citizenship or the risk? I've been looking at the discourses in the industry, and it has moved away from selling a white prep school, British upper-class

lifestyle to a very financialised language. They talk about risk portfolios when they speak about passports, or about diversifying your risk, diversifying your passport portfolio. So, I think about what terms like this do in this particular context.

Lastly, about whether the middle class is a useful term to think about these phenomena that we're seeing. I'm hesitant because the investment migration context shows a usually diversified and stratified space. So you can move from spending as little as a couple hundred thousand U.S. dollars for a passport for a family of four on some Caribbean islands to spending two million pounds to acquire a residence in the UK. The market and the migrations that have been facilitated are incredibly varied. There is also an empirical question: is someone who has €100,000 to apply to these programs really middle class in any context? On what grounds are they middle class? In a global context, the national context? Also, as mentioned, there is a phenomenon where some people move abroad but continue to live off their assets. So maybe we should locate these developments in debates around rentier capitalism as well.

John Osburg

My previous work was with wealthy entrepreneurs in China, conducted in the early 2000s. Before the reproduction migration that is the subject of this workshop, 'lifestyle' migration from the PRC was an elite phenomenon. It had a specific political and class element to it. Many people that I conducted my research with were afraid of a political or economic crisis in China, resulting in their assets being seized either in an anti-corruption investigation or through a political shift. I would not say this was true of all business elites in China, but informants were largely concentrated in industries like real estate and mining that tend to rely more on ties to the government. There were also government officials who had accumulated illicit wealth, sending their families overseas. The term 'naked official' emerged to refer to a government official who was alone in China while his family was residing overseas.

Most of the entrepreneurs with whom I conducted research during this period had either made plans to emigrate or expressed their desire to do so. They frequently cited fears of a potential political-economic crisis in China but, among this cohort (born between the 1950s and the early 1970s) there was also a strong idealisation of the West. They would often say that things in the West were simpler, as opposed to the 'complex' nature of Chinese society. They believed that the West was more purely meritocratic, that personal connections (*guanxi*) were less important, and this idealisation informed their desire for their children to be educated or reside outside China. They believed that the morally purer, simpler environment of the West would ultimately make their children happier and healthier.

Generational differences are very important in China. While this idealisation of the West was largely present among those born before the 1980s, I wonder about generations born after the 1990s who came of age in a wealthier and more confident China and tend to be more nationalistic. I have seen a shift from the conception of the West as something to be emulated among older generations to something to be selectively consumed among younger cohorts. I see parallels with Matthew [Hayes]'s work on lifestyle migration in the attitudes of younger people in China, who view other cultures as objects to be selectively consumed for their own benefit. As a consequence, I wonder if there is a generational conflict between middle-class parents and children, who harbour contrasting visions of life outside China. To a degree, I see this manifested in Chinese international students at my university, who refer

to the city of Rochester (which is the third-largest city in New York State) as a 'village' and view it as a quaint and backward place, not a place that really is particularly interesting to them or in which they'd want to settle.

Secondly, the idea of 'opting out' (of which 'lying flat', *tangping*, is one manifestation) seemed to be present in several of the papers. I think it emerges from a position of political hopelessness. Opting out stems from the notion that one's home society cannot be reformed or transformed according to one's wishes and that the only way to achieve an aspired-for lifestyle, values or community is by moving elsewhere. So, if we see opting out as coming from a certain political position, we should also ask who is opting out and why. I mentioned a generational element, there are class elements, but also there is a gender element. Women are now the majority of educational migrants from China and studying abroad (and migrating) offers an escape, if only a temporary one, from the contradictory expectations placed on young women in China (Martin, 2022). However, we should keep in mind that there is also a tension between opting out as a critique of one's society versus opting out as a covert form of class reproduction. We see from the previous discussion that opting out can also enable middle-class Chinese to circumvent the competitive educational system and to maintain their class advantage. The entrepreneurs I interviewed often had an idealized notion of Western education: they believed that it produced students who were more daring, creative, and prone to take risks, thus yielding a subjectivity that would make them more successful in the future, especially in business.

Thirdly, I wonder about disillusionment and disenchantment among middle-class Chinese migrants. As middle-class/affluent Chinese migrant communities grow in many countries, many of the norms and values of the middle-class society that they were fleeing are now being reproduced overseas. One sees this, for example, on college campuses in the U.S. with large Chinese student populations, where Chinese student communities feature many of the same status hierarchies and modes of conspicuous consumption found at home. This is a common complaint articulated by my Chinese students, whose fantasies of self-transformation and cultural encounter are thwarted by their inability to escape scrutiny by their compatriots. Thus, I think the theme of disappointment or disenchantment would be interesting to trace in future research. You might be familiar with a slogan among wealthy Chinese who migrated to Canada in the early 2000s. A lot of the early Chinese migrants to Canada complained that it had 'beautiful mountains, beautiful water, but was basically boring as hell.' Although they were motivated by a fantasy of a healthy lifestyle in Canada, they initially found themselves quite socially isolated and bored. (I doubt this is the case now, as it is quite possible to approximate a 'Chinese' lifestyle in many Canadian cities, at least in culinary terms.) To add one final caveat to this point: despite the risk of disappointment, I think it is important to keep in mind the role of social media in enabling the curated presentation of one's life in another country for a Chinese audience. Even if they are disillusioned by their experience, it can be packaged through social media as a realisation of all their ideals and fantasies for people back home in China.

Finally, for the past several years I have been doing research on middle-class Han Chinese who have become practitioners of Tibetan Buddhism, and I see a lot of parallels between the critiques of Chinese society articulated by Chinese immigrants to Europe and these Buddhist converts. There is a notion that Han Chinese society is corrupted, and that the cure for this corruption can only be found outside mainstream Chinese society. Thus, they look to Tibet, which is viewed as this pre-modern, spiritual, and anti-materialistic place.

I use the term 'ethno-mimesis' to capture this dynamic: they possess a desire to internalize and absorb the qualities of this cultural and ethnic other. Thus, I wonder if a similar logic is at work in reproduction migration: there is a hope that one's children will internalise a 'simpler' worldview, embodied by cultural others, that is more likely to make them happy.

The discussion reflected on the often unreflected aspects of racialisation and deracialisation in migration research on the middle class. A common view is that racialisation happens to people who are from an undesired class. Conversely, the migrants in Cyprus are de-racialised because they are desirable. On the other hand, researchers usually assume that middle-class migrants are white, although the empirical reality is that middle-class migration is very diverse.

Participants agreed that there were shared characteristics in all middle-class migrants, such as post-materialist values of environmental protection and the aspiration to provide for the psychological well-being of their children. The curious cultural position of many Chinese migrants who pursue 'true European culture' as a discursive 'other' to China's modernisation, a morally more noble and authentic place, appears more distinctive.

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