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DOWN AND OUT OR UP AND IN? IN SEARCH OF
LATIN AMERICA'S ELUSIVE MIDDLE CLASS.

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Down and out or up and in?

In search of Latin America's elusive middle class¹

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Abstract

The main motivation of this paper is to discuss the existing empirical implementations of the middle class in the applied literature and to derive a definition based on sound principles from distributional analysis. The document also provides comparative results on the extent and evolution of middle classes from a variety of existing definitions since the early 1990s for six Latin American countries. To avoid some of the arbitrariness of traditional measures, we propose an endogenous definition based on the polarization literature. Other socioeconomic features of the middle classes in the region according to different definitions are described and discussed. The results are also presented for the lower and upper classes.

Resumen

El principal objetivo es discutir una serie de medidas de clase media implementadas en la literatura empírica y proponer una definición acorde a los principios del análisis distributivo. El documento provee resultados comparativos sobre el tamaño y evolución de la clase media desde principio de los 90's para seis países latinoamericanos a partir de varias definiciones existentes. Para evitar cierta arbitrariedad de las medidas tradicionales, proponemos una definición basada en la literatura de polarización. Se documentan también otras características socioeconómicas de la clase media. Los resultados se presentan también para la clase alta y la clase baja de cada definición.

¹ This paper is the first draft of a work in progress. Comments and suggestions welcome. This document was developed for the UNDP's Regional Bureau for Latin America and the Caribbean regional report "Inequality and Human Development" 2008/2009.

Clasificación JEL: D3, I3, D6

Palabras clave: middle class, distribution, polarization, Latin America

1 Introduction²

The origins of the concept of “middle class” can be traced to studies of social stratification. With different definitions, it has been used extensively in economic, sociological and historic analyses of modern societies, and the subject has also been widely covered in Latin America. The region’s countries, mostly low and middle income in a world perspective, are characterized by relatively high income inequality for their level of development. This aspect of the income distribution is probably what makes the issue of the middle class more salient than in other areas of the developing world: its potential growth would imply a reduction of the “excess” inequality in the region.

This structural factor underlies most of the studies of middle classes in the region, spawning a literature that covers other related and potentially beneficial social effects of this group and its expansion. For instance, a larger middle class implies a reduction in the polarization between the rich and the poor, thus enhancing social cohesion and reducing sources of conflict. The middle classes can also ease the formation of alliances towards greater redistribution and thus contribute to reduce poverty through the political process. Moreover, the growth of the middle class would increase the number of consumers demanding goods and services above subsistence levels, increasing the reach of local markets.

The abundant literature on Latin America’s middle classes coincides on its pivotal role in these and other aspects. However, as with research on the issue in other regions of the world, finding a working definition is a major hurdle for applied studies. While the term is undoubtedly heuristically appealing, the lack of a consensus on the concept of the middle class also translates into a void in terms of empirical definitions. The applied literature on the middle classes in Latin America and beyond is characterized by a diversity of definitions which might complement or contradict each other.

The main motivation of this paper is to discuss the existing empirical implementations of the middle class in the applied literature in Latin America and to derive a definition based on sound principles from distributional analysis. The document also provides comparative results on the extent and evolution of middle classes from a variety of existing definitions since the early 1990s for Argentina, Uruguay, Brasil, Chile, El Salvador and México, in an attempt to establish whether this elusive group (Burmin, 1989) is growing or shrinking in the region.

Given the plurality of approaches, this document necessarily starts with a brief review of the concept of the middle class as it has been applied in empirical work in Latin America. Section 3, in turn, discusses a definition of the middle class based on the polarization literature. Section 4 presents the main empirical results, and Section 5 concludes.

2 Which middle class? A review of empirical approaches

2.1 *Defining the middle class*

The concept of “middle class” is intrinsically linked to the notion of social class and to the study of social stratification. While in some societies the strata are formally defined, for instance as castes or other rigidly circumscribed social hierarchies, in modern western societies the concept of class is related to levels of income, wealth, educational attainment, ownership of productive assets, socioeconomic status and occupation, among others. Erikson and Goldthorpe

² The authors wish to thank Rebeca Grynspan, who motivated the analysis. The paper benefited from discussions with Javier Alejo, François Bourguignon, Andrés Ham, Arturo León, Sergio Olivieri, Ricardo Pérez Truglia, Martín Tetaz and Mariana Violaz. The usual disclaimer applies.

(2002) discuss definitions based on occupational grouping and employment status in the context of intergenerational inequality. Giddens (1981) provides an in-depth discussion of the concept of social class in the sociological literature and an analysis of class in capitalist and socialist societies in the second half of the 20th century. Wright (1997, 2005) presents a review of recent studies of class from contemporary Weberian and Marxian perspectives.

This document focuses mainly on recent approaches developed in economics and applied empirical analysis, which deals mainly with the partition of society in groups defined by income and closely related welfare indicators – middle class is loosely defined as a function of upper, middle and lower income groups (this looseness is discussed at the end of this section). The presentation establishes many parallels with the poverty measurement literature.

2.2 *Income-based definitions of the middle class*

In the economics and quantitative social sciences literature, the middle class tends to be defined as a residual – it is the group of individuals or households that are not at the top nor at the bottom of the distribution of some welfare indicator. This partition of the population in three groups is relatively arbitrary, and is akin to poverty measurement, which defines only two groups, the poor and the non-poor. The analysis of the middle class aims at separating the “rich” from the latter groups – those at top of the distribution of some relevant variable. In most of the cases reviewed below, the variable of interest is some income aggregate, such as income per capita, equivalized or total household income.

As with poverty measurement, the key aspect of an income-based characterization of the middle class is the definition of the two boundaries. Most of the boundaries in the applied literature are based either on quantiles of the distribution or on measures of central tendency of the distribution, so that these measures of social class are closely related to relative measures of poverty (see Deaton, 1997, for an in-depth discussion of poverty measures).

2.2.1 *Definitions based on quantiles*

A first strand of applied work defines the middle class (and, by residual, the upper and lower classes) based on quantiles of the income distribution, either total or per capita. Each author adopts a particular definition, but the lower bound is usually the second or third decile of the distribution, while the upper bound is the top quintile or decile. The implicit rationale for this partitioning is, on the one hand, that the population at the bottom decile or quintile is poor and thus does not belong to the middle class. On the other hand, defining the upper class so high up in the income ladder responds to the fact that the income distribution has a long tail, and thus only a small fraction (of those captured by household surveys, at least) of the population is clearly above the highly compressed middle mass. For instance, Solimano (2008) defines the middle class as those between the third and the ninth decile of household per capita income, Easterly (2001) and Barro (1999) include in this category all households in the three middle quintiles of the distribution, while for Alesina and Perotti (1996) only the third and fourth quintiles qualify.

This approach has two main problems. On the one hand, the definition of the boundaries is clearly arbitrary – it is hard to justify setting the lower boundary at the 15th rather than at the 20th percentile, or the upper boundary at the 85th rather than at the 90th percentile. While the arbitrariness is common to most definitions of the middle class, the second problem with this family of definitions is that, by construction, the three income groups are always of the same size – the proportion of the population between the xth and the yth percentiles is constant and equal to x-y. It is still possible to trace the evolution over time or to compare the income share of the lower, middle and upper groups in different countries, but this family of measures actually make

it difficult to respond to the question of whether the middle class is increasing or decreasing in size.

2.2.2 Definitions based on the measures of central tendency

A second family of definitions of middle class relies on measures of central tendency such as the mean and the median. The lower bound is defined as a fraction x of mean or median income m , as in the definition of relative poverty lines, and the upper bound is defined analogously, usually as a multiple y of the same central tendency indicator. For instance, Birdsall et. al. (2002) define the middle class as those households with per capita household income between 0.75 and 1.25 times the median of the distribution, while Davis y Hudson (1992) use a wider range of 0.5-1.5 the median of the distribution.

An advantage over this family of measures is that the sizes of the groups are sensitive to changes in the distribution of income, both in terms of growth (through the mechanical effect of changes of m on xm and ym), and in terms of changes in the underlying dispersion of the distribution (changes in inequality will affect the size of the income groups even with a fixed m). These definitions, though, allow the comparison of the income share and of the size of each group over time or across societies.

Even if the boundaries of the income groups and their sizes change endogenously through the evolution of the income distribution, this family of measures still suffers from the same disadvantage as relative poverty measures: the factors x and y , and the choice of the central tendency measure m , are arbitrary.

All previous measures can be expressed formally in terms of percentiles of the distribution. Define $D(y)$ as the cumulative distribution of per capita income, p_n as the n th percentile, and $y(x)$ as the income of household x . Table 1 presents these (and other author's definitions) in terms of p_n .

Table 1
Some common definitions of the middle class based on income or consumption

	<i>Authors</i>	Definition as a function of cumulative distribution $D(y)$, n^{th} percentile p_n , and x 's household income (or expenditure) $y(x)$
Based on median	<i>Birdsall et. al. (2000)</i>	$x \in \text{Mid}C_1 \Leftrightarrow 0.75 * D^{-1}(p_{50}) \leq y(x) \leq 1.25 * D^{-1}(p_{50})$
	<i>Davis and Hudson (1992)</i>	$x \in \text{Mid}C_2 \Leftrightarrow 0.5 * D^{-1}(p_{50}) \leq y(x) \leq 1.5 * D^{-1}(p_{50})$
Based on percentiles	<i>Barro (1999) and Easterly (2001)</i>	$x \in \text{Mid}C_3 \Leftrightarrow D^{-1}(p_{30}) \leq y(x) \leq D^{-1}(p_{80})$
	<i>Solimano (2008)</i>	$x \in \text{Mid}C_4 \Leftrightarrow D^{-1}(p_{30}) \leq y(x) \leq D^{-1}(p_{90})$
	<i>Alesina and Perotti (1996)</i>	$x \in \text{Mid}C_5 \Leftrightarrow D^{-1}(p_{50}) \leq y(x) \leq D^{-1}(p_{80})$
	<i>Partridge (1997)</i>	$x \in \text{Mid}C_6 \Leftrightarrow D^{-1}(p_{50}) \leq y(x) \leq D^{-1}(p_{60})$
Based on absolute thresholds	<i>Banerjee & Duflo (2007)</i>	$x \in \text{Mid}C_3 \Leftrightarrow 2\text{usd} \leq y(x) \leq 10\text{usd}$
	<i>Ravallion (2009)</i>	$x \in \text{Mid}C_3 \Leftrightarrow 2\text{usd} \leq y(x) \leq 13\text{usd}$

2.2.3 Poverty lines and other thresholds

A third family of definitions of middle class is closer to absolute poverty measures, both national and international. The latter are based on a poverty line, z , inferred from the cost of a basket of basic goods and services. If an absolute poverty line such as z provides a good delimitation between lower and middle income groups, then the ideal boundary between the

middle and the upper group should be constructed as a “richness line” r , based on the same consumption and expenditure surveys from which z was derived. The idea of a minimum basket of goods and services is relatively straightforward, even when its specific contents are highly debatable. On the other hand, it is not clear which criteria should justify and guide the construction of a “richness line”³. Should it be the value of a specific basket of goods and services consumed by the upper income groups? In that case, the definition would be close to the upper bound giving by some high quantile of the income distribution. It could alternatively be defined as the cost of a basket of goods and services beyond basic needs, including perhaps “unnecessary” or conspicuous (in Veblen’s 1899 sense) consumption.⁴ In any case, such definition is bound to be controversial, although it might prove to be a fruitful avenue for further research.⁵

Another strand of the literature on the middle classes borrows the conceptual toolset from international absolute poverty measures, such as those developed by the World Bank (2000). These poverty indicators are based on poverty lines defined as some z value expressed in purchasing parity adjusted units – usually 1 or 2 PPP US Dollars per day. Analogously, the upper and lower bound income levels that include the middle class are defined in terms of international currency units, with the lower bound usually one of the widely used international poverty lines. The idea is that the middle classes are those groups within each country with income levels between the per capita GDP of middle income and rich countries – for instance, Brazil and Italy. The World Bank (2007), for instance, defines the “global middle class” as those earning 4,000–17,000 per capita PPP USD.

This perspective has a series of advantages. Firstly, international comparisons are straightforward – middle classes earn between X and Y PPP USD in any country, and the measure is derived not from one society’s but from the whole world income distribution. These measures also allow to trace both the size and the income share and the size of the middle class. However, these measures suffer from the same problems that affect international poverty comparisons, mostly related to the reliability of PPP adjustments.

Banerjee and Duflo’s (2007) international comparative study represents a fine example of this strand of literature. They define the middle classes alternatively as the groups with per capita consumption between 2 and 4, and between 6 and 10 PPP USD. They present a description of a series of demographic, labor, educational and other characteristics for these middle income groups. However, they find a notable resemblance in consumption patterns between the middle classes and the poor within countries, but with high heterogeneity between countries, which might be reflecting the problems of comparability introduced by PPP adjustments. Following a similar idea, Ravallion (2009) defines the middle class in absolute terms, arguing that for the developing countries the middle class group should be defined as the individuals who are not poor in their home countries but have per capita incomes below the US poverty line, approximately 13 USD in ppp terms. The lower threshold suggested by Ravallion (2009) is the 2 USD poverty line.

³ Peichl et al. (2008) and Araar (2008) present a series of “richness” measures, which are basically mirrors of the standard Foster et al. (1984) family of poverty measures. However, none of these papers develops a proper “richness” line – Peichl et al. (2008) for instance define middle class boundaries as 60 and 200 percent of the median equivalised income, respectively.

⁴ It should be noted that marketing practitioners have well-defined social groups according to socio-economic and income levels, and the ownership of certain goods or qualifications usually provides enough information to classify a household. This literature is beyond the scope of this document.

⁵ For instance, Peichl et al. (2008)

2.2.4 Other endogenous definitions

There have been other attempts to define the middle classes in the economics literature. One possible avenue of research is to incorporate the concept of vulnerability. The idea is that current income is not the only defining characteristic of the middle classes – households with income above poverty thresholds but with a high probability of becoming poor should not be included in the middle class. While the idea is certainly appealing, it has proved extremely difficult to derive stable and trustworthy probabilities of becoming poor from cross sectional data. The existing attempts (Hoddinott and Quisumbing, 2003; Kamanou and Morduch, 2001) are marred by endogeneity issues and circular definitions, and the probability estimates vary widely with even small changes in the specification of the empirical model.

A more straightforward alternative is to use the human capital stock of the household as a proxy for permanent income and vulnerability. Income levels can be complemented with information on the educational attainment and occupational status of adult household members, as in León (2008). This line of research constitutes an update of the more traditional sociological definitions of the middle classes.

Yet another possibility is to “let the data talk” by performing cluster, principal, factor analysis on income (or perhaps income and education) variables. While useful for market research and other applied areas, these “black box” tools are not based on sound principles of social analysis, and so seem less promising than other alternatives.

The derivation of income groups through the analysis of the shape of the distribution has also been pursued in the literature. Zhu (2005) develops a non-parametric study and partition of the US personal income distribution. While sophisticated, the analysis shares some of the “black box” concerns raised in the previous paragraph. Some parametric alternatives have also been derived from what is known about the shape of the income distribution at different levels. D’Ambrosio, Muliere y Secchi (2002) represent an example of this type of analysis, which are reviewed in detail by Olivieri (2008), who also includes an application to the Greater Buenos Aires area of Argentina in the long run. The idea is that different classes have different income generating processes that result in overlapping distributions, and the cut-off points of these distributions are estimated through maximum likelihood methods based on assumptions on the underlying distribution functions. While appealing, the results from this methodology are highly dependent on the parametric assumptions about these underlying functions.

The following section presents a methodology to partition the population in three groups that is derived from sound principles of distributional analysis.

2.3 A note on the conceptual stretching of the notion of the middle class

The following pages of this document present its preferred methodology and the comparative empirical results. However, it is necessary to conclude this brief review of the applied literature with a word of caution.

As it emerges from the partial review above, the notion of “middle class” seems to suffer from conceptual stretching – several recent works evaluate the relative importance and the evolution of the middle class. However, most authors define the middle class in different ways, so that studies using the same terminology are referring to conceptually distinct ideas. Some refer to middle income groups, others to those non vulnerable to fall into poverty, others to those with minimum levels of income and education, and the like. In fact, most of these studies are not even comparable – for instance, it makes no sense to discuss the evolution of the middle class relative size in society for quantile-based measures. The solution would be to refer precisely to the concept being approximated by empirical analysis – although “middle quintile based definitions of middle income groups” has certainly less appeal than “middle class”.

3 Definition of the middle class derived from polarization measures

The approach to defining middle class in this paper seeks to move away from the arbitrariness of traditional measures. Primordial importance is given to methods of endogenous determination of cut-off points. The main source used to accomplish this objective comes from the polarization literature derived from the work of Esteban and Ray (1994) and Esteban, Gradín and Ray (1999), which is described here and adapted to the context of middle class.

Roughly, the concept of polarization seeks to quantify the gap between two groups which have a similar internal composition, but are clearly different among each other. That is, society can be thought of as an “*amalgamation of groups*”, where certain individuals are *similar* and others *different* relative to some given set of attributes or observable characteristics. In the case of this paper, we are interested primarily in identifying three groups: low, middle and high; based on a single attribute, income.⁶ Therefore, polarization provides us with a framework that allows identifying these three groups, which are composed of similar individuals, but different when considered as a group; allowing knowledge of internal group composition as well as salient differences between groups.

3.1 Identifying similar individuals in heterogeneous groups

Esteban and Ray (1994) argue that there are necessary conditions that must take place in order for a society to have polarized groups. These criteria are based on an individual's perception of their own social condition, and can be attributed to a certain level of income. That is, an individual feels either identified or different from any given social group based on their earnings.

Formally, for a level of income y with a distribution function F , the authors define a function with two key components: (i) the **identification** of an individual with a certain group, denoted by $I(y, F)$; and (ii) the **alienation** that person feels with respect to other groups, denoted by $r(\delta(y, x))$, where $\delta(y, x)$ is the Euclidean distance between y and another individual's income, x .⁷

Thus, polarization increases when individuals feel more “identified” with their group, but more “alienated” respect to other groups. The “effective antagonism” function joins both these concepts into one function, $T(I, r)$; which captures the identification of individual y to their own group and the alienation from individual x . Expanding to the entire population, polarization in any given society is the sum of all the effective antagonisms:

$$P(F) = \iint T(I(y, F), r(\delta(y, x))) dF(x) dF(y)$$

Which, under a more restrictive assumption that the distribution function has a bounded support function and a finite number, n , of social groups composed of π_i individuals each, may be rewritten as:

$$P(\pi, y) = \sum_{i=1}^n \sum_{j=1}^n \pi_i \pi_j T(I(\pi_i), r(\delta(y_i, y_j)))$$

⁶ While less arbitrary than fixing money or quantile thresholds, this definition still imposes the presence of three groups. Callorda and Caruso (2009) use cluster analysis to derive the optimal number of partitions based on income and other household characteristics for Argentina.

⁷ Both functions are continuous and increasing in their arguments. For particularities of these functions see Esteban and Ray (1994)

Nonetheless, this measure of polarization is still far too general. To improve on this fact, the authors propose a series of axioms which impose a series of restrictions on the parameters and functions found in the prior two equations (see Esteban and Rey, 1994). In result, they find that the class of functions that fulfill these axioms take the following form:

$$P(\pi, y) = k \sum_{i=1}^n \sum_{j=1}^n \pi_{i=1}^{1+\alpha} \pi_j |y_i - y_j|$$

with $k > 0$ and $\alpha \in [1, 1.6]$

This axiomatic index allows quantifying differences between groups, and can be easily generalized to a number n of groups, as is described in the following subsection.

3.2 Extending the approach to n groups

In continuing research, Esteban, Gradín and Ray (1999) observe that the previous measure requires previous identification of a finite number of social groups from the data's original distribution. That is, researchers should have a notion of the number of groups that they are searching for.

They propose an extension of the index that solves this issue via optimization. If the income distribution can be associated with a density function f in a closed interval, then this function may be represented by a function with n peaks called ρ . This representation is in some way, an approximation to the original density function, and therefore it implicitly defines an error term, denoted by $\varepsilon(f, \rho)$. Nonetheless, the authors do not discuss the amount of "peaks" or optimal groups which should be considered exogenous. Therefore, the main problem is to obtain the desired groups in an optimal way by minimizing the error term when approximating the data's real density.

If we call the original measure proposed by Esteban and Ray $ER(\alpha, \rho)$ and accommodate it to the assumptions, the new indicator may be rewritten as:

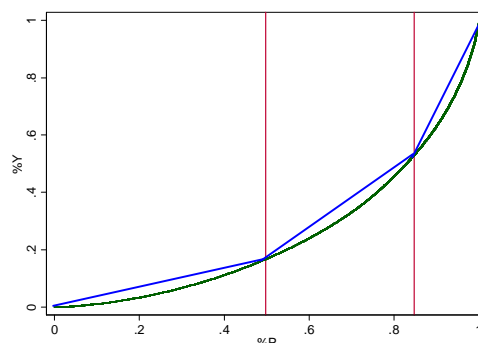
$$P(f; \alpha, \beta) = ER(\alpha, \rho) - \beta \varepsilon(f, \rho)$$

where ρ is the density function, α is a parameter, and β is the error's weight. This method implies that all the group cut-off points are selected in such a manner as to minimize the error term. In simpler terms, this problem may be thought of as an approximation of the Lorenz Curve using a function composed of n segments (one per group). These segments must be located in such a manner that the area between this "approximated" curve and the original is the smallest possible. A graph is useful in order to understand this idea. Figure 1 is taken from Gasparini, Horenstein and Olivieri (2006), where this approximation is shown for the case of 3 segments for the particular case of Honduras (using 2003 data).

It may be observed from the Figure that any reassignment of the cut-off points that define the three groups would produce an increase in the total area between both curves. The authors show that the minimization of the error term is produced when the income cut-off point between any of the adjacent groups is exactly the same as the mean income if only those two groups are taken.

In order to proceed with the methodology described above, this paper assumes that there are three groups based on income: low, middle and high; which correspond to income classes. The middle class in the Figure would be represented by the second (or middle segment).

Figure 1.
Determination of income groups for n=3.
Honduras (2003)



Source: Gasparini, Horestein, Olivieri (2006)

4 Empirical results

4.1 Data

The main source of data for all the calculations presented below is household survey microdata for 6 countries in Latin America and the Caribbean (LAC): Argentina, Brazil, Chile, El Salvador, Mexico and Uruguay. Since this study is intended to analyse trends, each country has a first observation in the Early 1990s and three additional cross section surveys⁸, with the last observation in the mid-2000s.

All surveys have been homogenized following the same criteria, allowing maximum comparability between countries and years⁹, a characteristic which is particularly important for the main variable of interest in this paper: individual per capita income¹⁰.

The results are presented for all definitions, placing particular emphasis on the endogenous polarization measure described in Section 3, and comparing (albeit with caution) to preexisting measures of the middle class.

4.2 The size of the middle class in Latin America

Tables 2-7 present the main findings by country for each of the seven definitions of middle class. The first four rows in each of the Tables show the absolute size of the “middle” group and its behavior through time.

In general, most definitions show a relatively similar size of the middle class, with Uruguay standing out as the country where this social group constitutes the highest percentage of the population. It is clear from the data that measures directly dependant on the income distribution are more volatile across time, since income distribution changes are translated into such measures. Such is not the case with those that are formed from quantiles, which are more stable.

⁸ Specific years are summarized in Table A.1 in the Appendix

⁹ See Gasparini (2007) for the primary methodological decisions taken in this homogenization process.

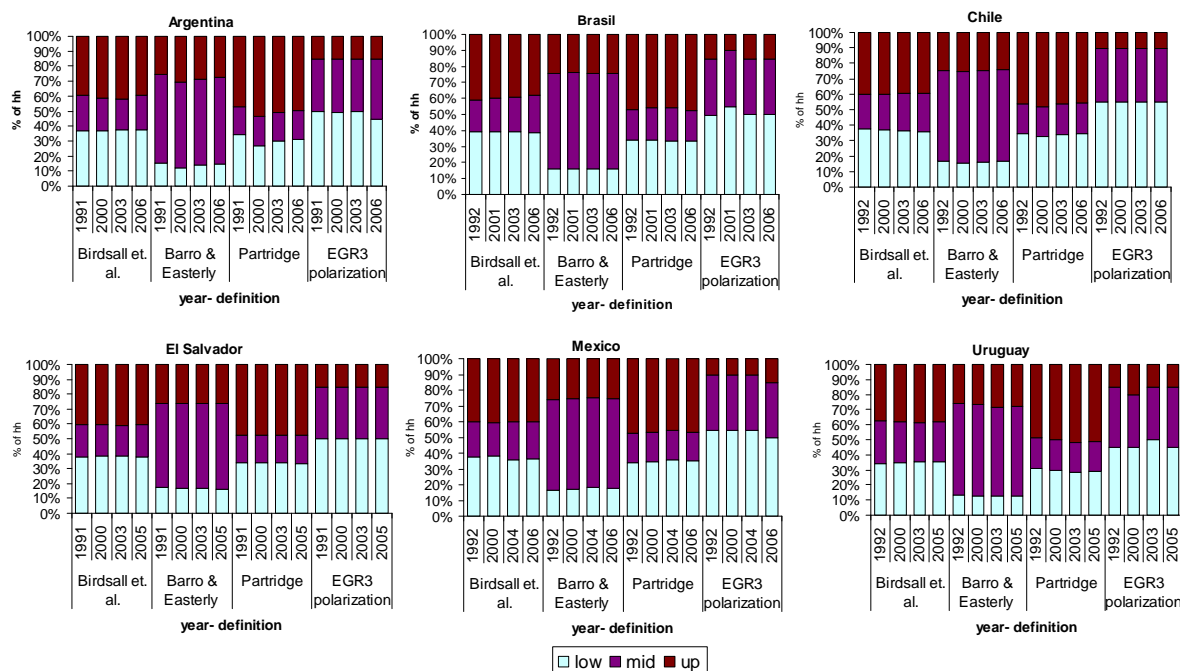
¹⁰ Additionally, to improve comparability the comparisons are over the same geographic regions and non-response and incoherent income responses are dealt with accordingly. For Argentina, only the 15 main cities surveyed in the 1991 EPH are included in the estimations.

In fact, there are relatively few cases in which the period change in the size of the middle class is greater than one percentage point. This indicates that the growth/decrease in the group's size follows a smooth trajectory, implying that social mobility (in either direction) seems to be a structural change spread out over a more ample timeframe.

In particular, changes in the middle class are small even when observing each country. Brazil, Chile and El Salvador show stable patterns across time, with little or no change in each observed period. Argentina and Mexico stand out as the cases most sensitive to the definition used, although a more detailed view of the results demonstrate that these changes are closer to zero. Finally, Uruguay is the only country where the amount of households belonging to the middle class seems to have fallen¹¹.

Figure 2 places society into scope, mapping out the trends in each of the three social classes throughout the time period.

Figure 2
Evolution of Social Classes by Definition
Percentage of Households



Source: Own Calculations on Household Surveys

The polarization measure shows that the lower class comprises a great deal of the households in each country, followed by the middle class, and with a small percentage belonging to the richest group. This is not the case with other definitions, which are more benevolent with respect to the size of the middle group (particularly Barro and Easterly's measure, 2001). All social classes seem to be firm, only with reductions in the lower class in Argentina and Mexico under the polarization measure. However, in the first, the fall of the group with least income is because of the growth of the middle class. In Mexico's case, lower class

¹¹ Tables 2-7 also quantify the amount of individuals belonging to each class. However, in order to compare these data, additional assumptions would need to be made to account for changes in household composition and demographic transition which are beyond the scope of this paper.

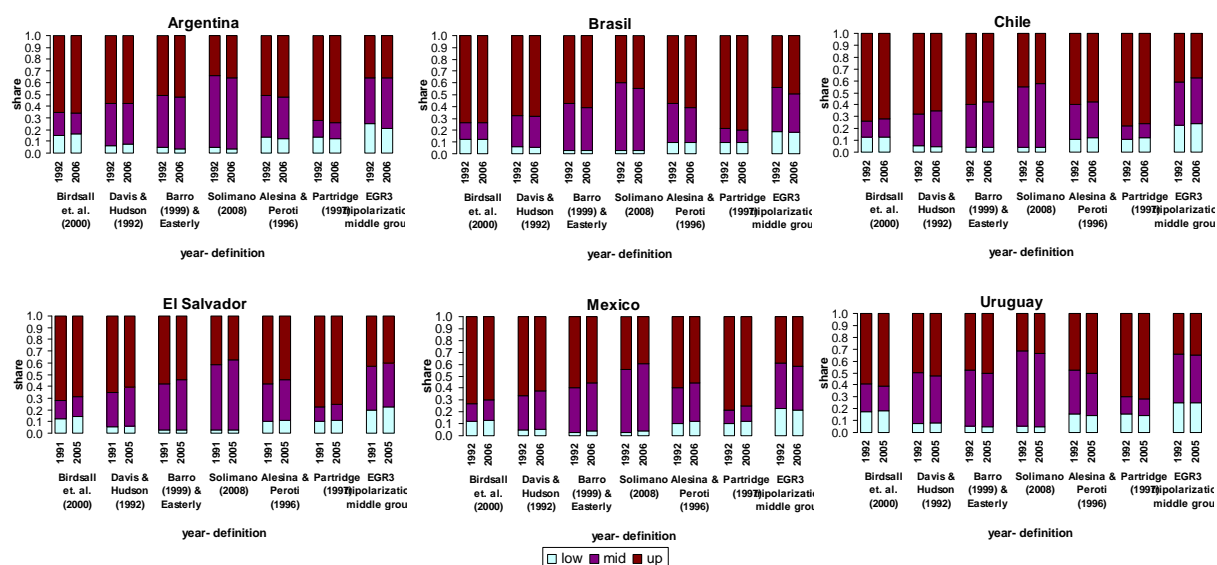
households decrease, but due primarily to a growth in household which amass the most wealth (see Figure 1).

4.3 How much income belongs to the middle class?

In general, the results indicate that the size of social classes seems to be relatively stable over time. Nonetheless, can the same be said of the income belonging to this group? The fifth row of Tables 2-7 contains this information and is presented in Figure 3 for the first and last survey in each country.

Focusing solely on the EGR3 polarization measure, the share of income which belongs to the middle class seems stable at approximately 30%. However, in Brazil, Mexico and Uruguay there is a slight decrease in this percentage. Only Argentina and Chile show modest increases in the amount of income which belongs to the middle class, with the first growing approximately 5% and the latter by 3%.

Figure 3
Participation in Total Income by Class



Source: Own Calculations on Household Surveys

Other definitions show greater volatility, with shares growing for the middle class. This is no surprise in measures derived from a point in the income distribution, since most of these countries exhibit growth in the time period considered. This once again highlights the structural nature of social mobility since the evidence shows that changes in perceived income are slow.

4.4 Characteristics of middle class households

Until now, the analysis has focused primarily on certain attributes of the middle class. Nonetheless, it is also important to focus on certain household characteristics; since “middle class” is not just about income, but about other dimensions as well¹². This is presented in rows

¹² The quotations in section 2.1 are a good reference for definitions based on dimensions other than income.

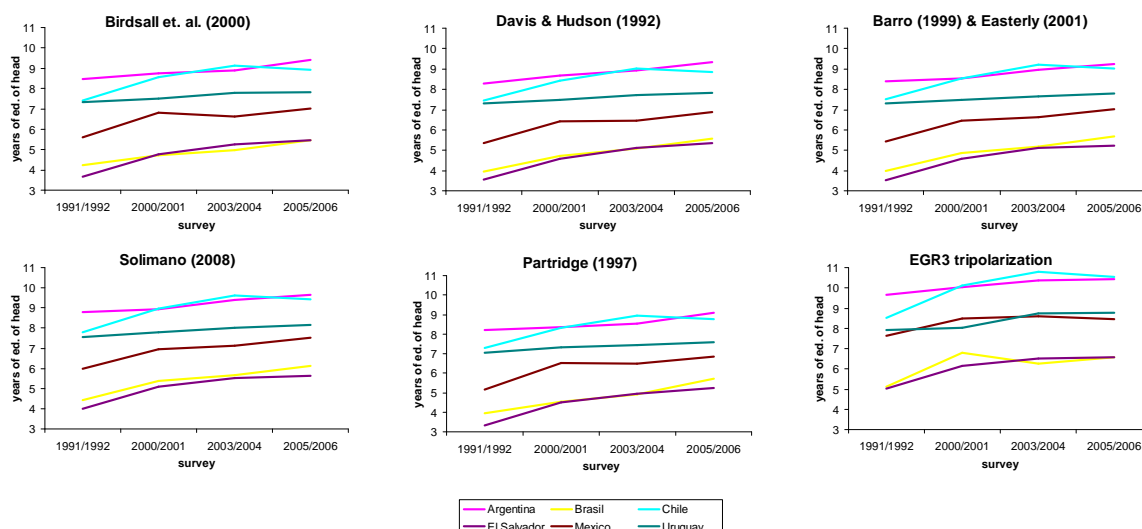
12-15 of the aforementioned Tables¹³. The rows correspond to four important aspects of the household: (i) the household head's years of formal education, (ii) the percentage of householders with at least completed secondary, (iii) the proportion of heads with complete university education, and (iv) household size.

The findings indicate that Argentina and Chile are clearly the cases where the household head's average education is the highest. Yet, the Tables and Figure 4 show that throughout time, middle class householders in all LAC have become more educated.

The case is similar when observing the proportion of heads with at least secondary education, with Argentina and Chile showing the highest quantity of educated households. Except for Uruguay, all cases show a growth for the first decade, and by the end of the period, it seems that middle class households headed by an individual with at least complete secondary grew extensively. The case is the same for (iii), although middle class households are still much disadvantaged in higher education with respect to the richest class.

Congruent with findings of demographic change, average household size has fallen for middle class households, with a few exceptions for a certain definitions. Only Uruguay shows small changes, but looking closely at the data it is also the country with the smallest average household size in the sample.

Figure 4
Household Head's Average Years of Formal Education
Middle Class Households



Source: Own Calculations on Household Surveys

In general, it seems that middle class households are significantly more educated than their lower class peers, but are still lagging behind their high class counterparts. This is particularly astounding when considering superior education. However, middle class households are presently more educated than at the beginning of the timeframe; and growing at a faster rate than the lower class.

¹³ More detailed profiles are presented in the Appendix, in Tables A.2-A.6; and are carried out for a number of dimensions: housing and household infrastructure, education, labor, and income structure. The tables are only computed for the last year available in the sample.

If we look at the housing indicators calculated for the final year survey (Table A.2) we can see that for three countries (Argentina, Chile and Uruguay) the differences in house ownership and infrastructure indicators are larger between the middle and the lower class than the differences with the upper class. In the other three countries (El Salvador, Mexico and Brazil) the middle and the lower class are more similar in terms of housing. This conclusion is true for all but the polarization definition, which reduces the gaps between the middle and upper class housing indicators for all the countries.

Similar considerations can be made for the educational outcomes presented in the table A.3. The gaps in all the educational variables obtained when we use the definition based on EGR3 are stronger than the gaps obtained when we use other definition. An important feature to highlight is the sharp observed difference in educational attainment for the 18-23 age group, where we find the most important contrast between the three classes. The rest of indicators show lower gaps.

Labor market outcomes by class are presented in the tables A.4 and A.5. There is a strikingly similar pattern for all the countries and definitions: the activity and occupation levels are higher for the higher classes, and the unemployment rates are higher for the lower classes. Contribution to social security (not shown) are also increasing in “class” level for all definitions. Unlike the educational and housing variables, the values of the labor variables are almost equidistant between classes, indicating that the labor dimension is an important underlying factor in the income-based identification process. The tables also show that entrepreneurs and salaried workers are more concentrated in higher classes, and that there is a more important participation of self-employment in the lowest class for all definitions.

The income structure of the households is presented in table A.6 for all the definitions. Labor income represents a higher proportion of total income the higher the class level, except for the EGR3-based definition, which shows similar or slightly higher participation for the lowest respect to the middle class in almost countries.

4.5 Comparisons of polarization and absolute definitions of middle class¹⁴

Although we have discussed some “relative” definitions of middle class, there is an increasing interest in the empirical literature for measures based on absolute thresholds. The most remarkable examples are the recent papers from Banerjee & Duflo (2007) and Ravallion (2009). As we mentioned in the section 2.2.3, the lower threshold for the middle class is defined as the 2 usd international poverty line while the upper threshold is fixed in 10 usd (in ppp) for Banerjee & Duflo (2007)¹⁵ and 13 usd (in ppp) for Ravallion’s (2009)¹⁶.

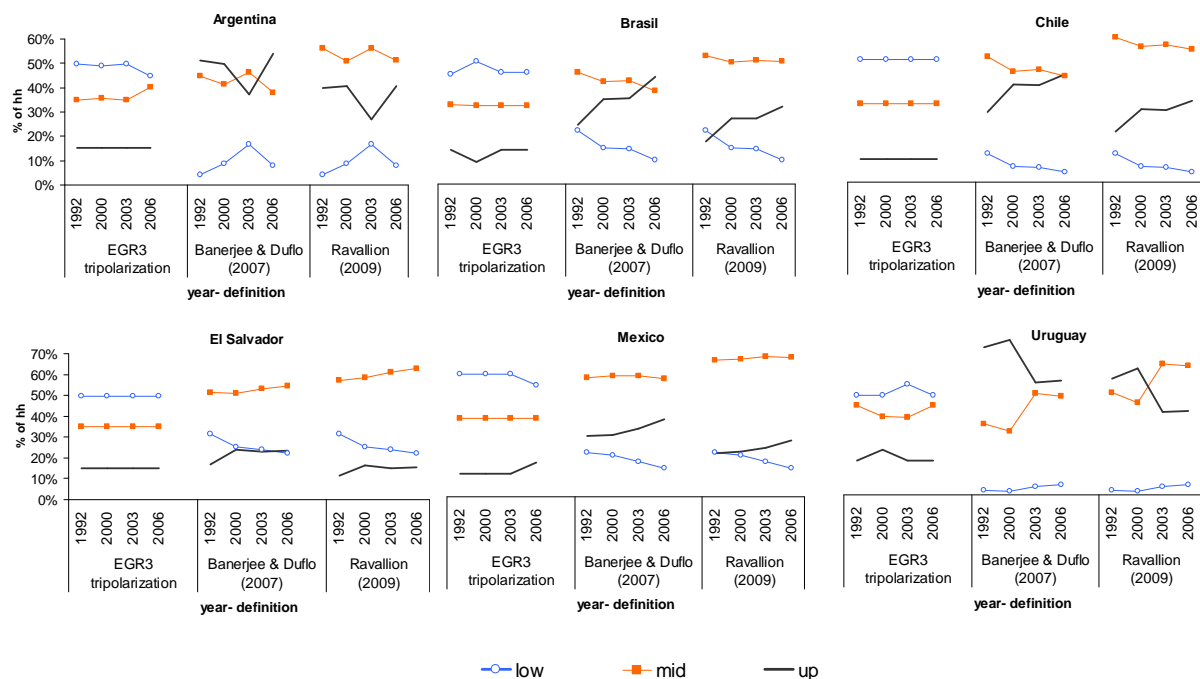
Figure 5 depicts the evolution of the size of the three social classes for these definitions in comparison with the polarization measure. The absolute measures seem to have an erratic and volatile behavior, particularly in Argentina, Brazil, Chile and Uruguay, while the polarization measure tends to be more stable across the years. The Figure also shows that with the absolute measures the middle class is always the largest in terms of proportion of households (except for Uruguay and the Banerjee & Duflo measure for Argentina), and the lower class is a very small portion of the total households. This is due to the low poverty levels in the region with the 2 usd international poverty rate (Gasparini, Cruces and Tornarolli, 2009).

¹⁴ This subsection is work in progress. These results from will be included into the main tables in a later version.

¹⁵ Banerjee & Duflo (2007) use expenditures in spite of income and consider two alternative intervals [2,4] and [6,10] USD. The lack of systematic expenditure or consumption information in the region implies that we performed our estimations using the combination of the two intervals and income per capita as the relevant dimension. Conconi and Ham (2009) present a study of the Banerjee and Duflo (2007) measures for Argentine expenditure data.

¹⁶ In strictly terms we are using as lower boundary for the two measures the so called “2 usd poverty line” recently actualized by the World Bank at 2.5 usd in ppp.

Figure 5
Evolution of Social Classes by Definition
Absolute and polarization measures



Source: Own Calculations on Household Surveys

There are also some characteristics of the middle class according to these absolute measures that deserve mention. Table 8 shows statistics for these two measures. The participation of the middle class in total income shows even more variability than that observed for the relative measures. Figure 6 compares the income shares for the polarization and Ravallion (2009) definitions.

4.6 Poverty and middle class

In Section 2, a number of approaches to quantifying the middle class via poverty thresholds were defined. An interesting question that surfaces from the above analysis is: where is the poverty line with respect to the cut-off points for each definition of middle class?

For this purpose, the average national poverty line was computed and compared to the class thresholds estimated for each definition. Once again, the location of the poverty line varies significantly depending on the definition used, due primarily to the proximity of the poverty line and the cut-off point for low and middle classes.

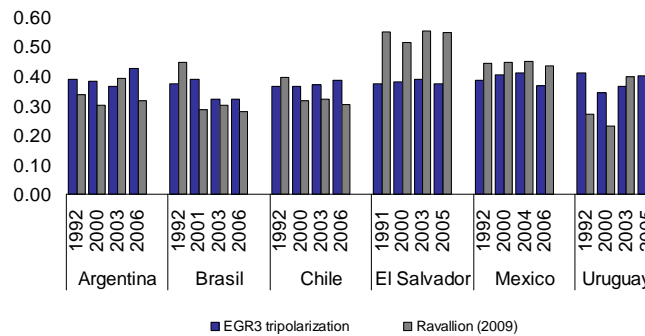
In particular, the extreme case is Argentina, where the poverty line oscillates significantly depending on which definition of the middle class is taken. Figure 7 shows the income distribution (in logarithms) for this country corresponding to 2000 and 2003. The poverty line is the dotted line, and the cut-off points are shown in red. As is evident, the poverty line is close to the inferior threshold. Thus, since the variation is high, in some cases a large portion of middle class households seem to be in poverty.

Figure 8 shows the poverty headcount rates estimated for every definition of middle class for all the countries. The rates are extremely volatile across years. While there is no clear pattern across definitions in any country, with the exception of Mexico with the Barro & Easterly and the Birdsall et.al. definitions, which tend to be higher. Note that the definition derived from the EGR3 measure have the lowest poverty rates and show more stable patterns.

The findings also indicate that for all the countries except Argentina and Uruguay there is a decreasing pattern over time in the moderate poverty headcount for the middle class, irrespective of the definition used. In the case of Argentina and Uruguay, the 2003 surveys exhibit a severe increase in the headcount. This is the result of the severe economic crises that affected both countries and their income distribution, but it is also due to changes in the ratios between the poverty lines and the threshold determined by every middle class definition.

The percentage of middle class individuals below the moderate poverty line is shown in figure 9 for the Ravallion (2009) definition.

Figure 6
Participation of middle class in total income
Ravallion (2009) and polarization measures



Source: Own Calculations on Household Surveys

Figure 7
Distribution of per Capita Income and Average Cut-off Points (in Logarithms)

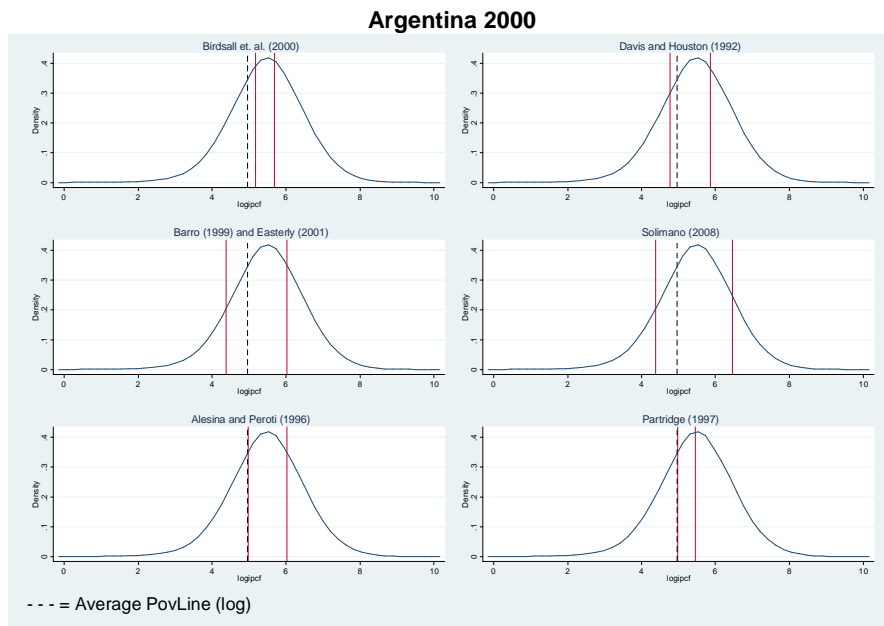
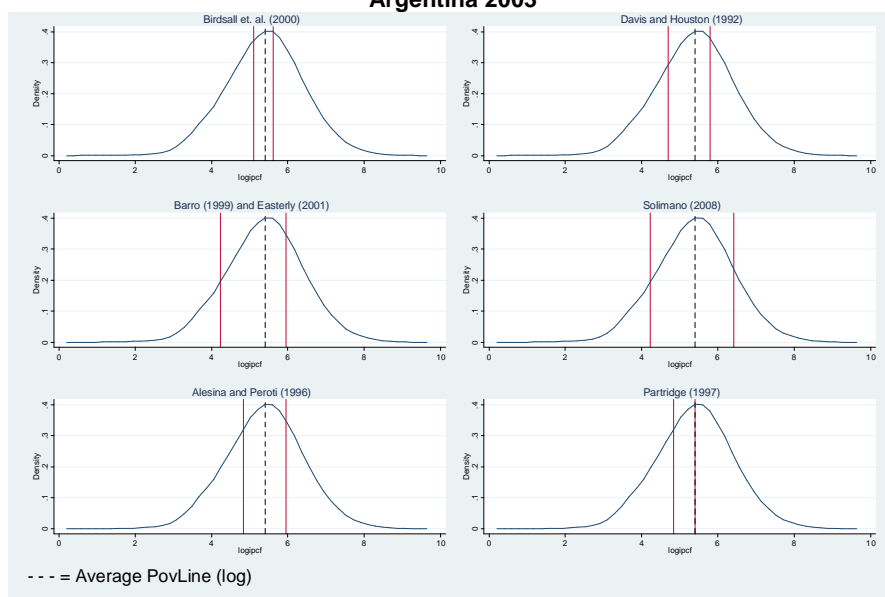
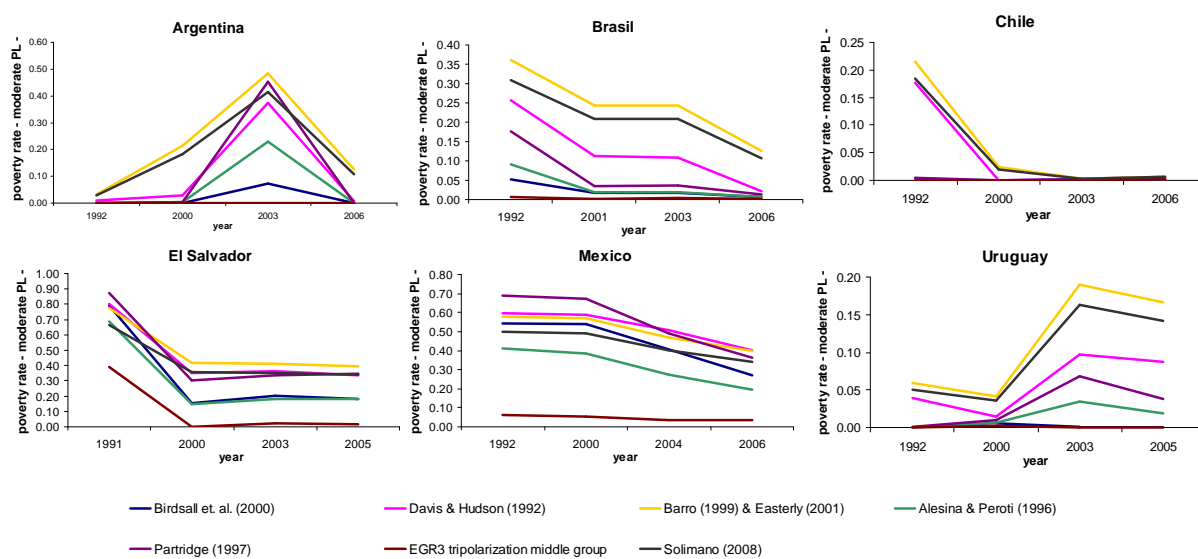


Figure 7 (continued)
Argentina 2003



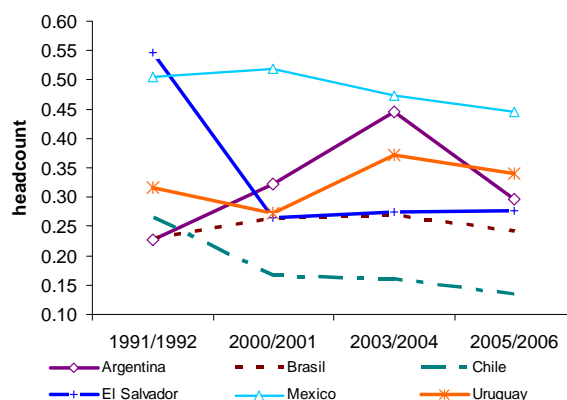
Source: Own Calculations on Household Surveys

Figure 8
Evolution of Moderate Poverty Headcount for the Middle Class



Source: Own Calculations on Household Surveys

Figure 9
Evolution of Moderate Poverty Headcount for the Middle Class
Ravallion (2009) definition



Source: Own Calculations on Household Surveys

5 Conclusions

We have reviewed and compared the most frequently used definitions of middle classes in the empirical literature based on statistical criteria. The arbitrariness of these definitions led us to implement a methodology based on the polarization literature. This has a series of advantages. The concepts of *alienation* and *identification* embedded in the polarization-based definition have strong theoretical underpinnings for the partition of the income distribution in different groups. Percentiles and other relative measures, while with some intuitive appeal, do not have a solid theoretical ground for defining the thresholds. The definition of arbitrary thresholds affects the comparability of the analysis, since for different countries and years the groups might not be located in the same part of the income distribution. Moreover, the study of the middle class over time requires a measure that is sensitive to changes in the income distribution. Some measures suffer from some obvious and inherent insensitivity because they "move" along with the distribution. On the other hand, absolutes measures can improve this failure, but this rigidity might in term affect the results. For instance, during the 2001-2002 crises in Argentina one must distinguish the likely "structural" decrease in the size of the middle class from the transient impoverishment of the middle class. Existing measures based on relative and absolute thresholds depict extremely large (and thus implausible) fluctuations in the size of this group before, during and after this crisis. A related issue is that we find great deal of volatility over time in poverty levels among the middle class for definitions based on absolute thresholds. A robust definition of the middle class should not have more stable features, and the volatility seems to be due to the rigidity induced by the absolute thresholds combined with short term movements of the income distribution around those thresholds. In contrast, the polarization-based definition showed more stable poverty patterns for the middle class for all countries. Finally, another interesting feature of the EGR3 measure is that the partition results in relatively homogeneous levels of other important variables (such as education levels and labor market outcomes) within the groups, and in fairly large differences in averages of these variables between groups.

The empirical results indicate for most of the relative measures a relatively stable size of the middle class for most countries, although with some important outliers like the aforementioned case of Argentina's crisis of 2001-2002. The absolutes measures display a greater volatility in terms of the size of the middle class, tracking the cyclical movements of total income. Both families of measures also exhibit relatively high variability in terms of the participation of social

classes in the total income. In contrast, the polarization-based measure show greater stability in income shares, and this is one of its most attractive features.

Finally, regarding household characteristics, for all the definitions members of middle class households have significantly higher levels of education than those in the lower class, but are still clearly lagging behind those in high class households. Moreover, labor-related outcomes also differ significantly between classes for all the definitions considered. The activity and occupation rates are higher for the higher classes, as are security contribution rates, while unemployment is more prevalent among the middle and lower classes. These class profiles indicate that labor outcomes are the most “equidistant” between classes, and that the polarization-based measure is the one that achieves the greater homogeneity within and differences between groups for these indicators.

These results strongly suggest that it would prove fruitful to concentrate on refining income-based statistical discrimination measures with dimensions other than income. The relevance of employment outcomes indicates the potential complementarity of sociological and statistical definitions of the middle class and social classes in general. This is the path taken by recent prominent research on these issues, like Goldthorpe and McKnight (2004), who stress the importance of economic security as a differentiating factor among social classes. The latter consideration indicates that further research could combine statistical and attribute-based definitions of social classes with statistical analysis of household vulnerability.

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Table 2
Middle Class Definitions
Argentina

Class		Birdsall et al. (2000)				Davis & Hudson (1992)				Barro (1999) & Easterly (2001)				Solimano (2008)				Alesina & Peroti (1996)				Partridge (1997)				EGR3 tripolarization middle group				
		1992	2000	2003	2006	1992	2000	2003	2006	1992	2000	2003	2006	1992	2000	2003	2006	1992	2000	2003	2006	1992	2000	2003	2006	1992	2000	2003	2006	
Argentina	N*persons (millions)	low	5.24	7.14	6.60	7.04	2.95	4.80	4.49	4.68	2.46	2.70	2.62	3.04	2.46	2.70	2.62	3.04	4.91	5.55	5.31	6.01	4.91	5.55	5.31	6.01	6.95	8.98	8.14	8.09
	mid	3.04	3.18	2.57	3.08	6.19	6.44	5.49	6.46	7.37	9.03	8.08	8.86	8.60	10.67	9.44	10.06		4.91	6.18	5.39	5.68	2.45	3.03	2.73	2.84	3.97	4.57	3.94	4.48
	up	4.00	4.81	4.26	4.42	3.14	3.89	3.44	3.39	2.45	3.40	2.72	2.84	1.23	1.76	1.37	1.44		2.45	3.40	2.72	2.84	4.91	6.55	5.38	5.68	1.35	1.59	1.34	1.47
% persons	low	42.6%	47.2%	49.2%	48.4%	24.0%	31.7%	33.4%	32.2%	20.0%	17.8%	19.5%	20.9%	20.0%	17.8%	19.5%	20.9%	40.0%	36.7%	39.5%	41.3%	40.0%	36.7%	39.5%	41.3%	56.6%	59.2%	60.7%	55.6%	
	mid	24.8%	21.0%	19.1%	21.2%	50.4%	42.6%	40.9%	44.1%	49.0%	59.7%	60.2%	59.6%	70.0%	70.5%	70.3%	69.2%	40.0%	40.8%	40.2%	39.1%	20.0%	20.0%	20.3%	19.6%	32.4%	30.2%	29.4%	34.4%	
	up	32.6%	31.8%	31.7%	30.4%	25.6%	25.7%	25.6%	23.3%	20.0%	22.5%	20.3%	19.5%	10.0%	11.6%	10.2%	9.9%	20.0%	22.5%	20.3%	19.5%	40.0%	43.3%	40.1%	39.1%	11.0%	10.5%	10.0%	10.1%	
N*households (millions)	low	1.33	1.63	1.53	1.67	0.65	1.02	1.00	1.04	0.54	0.55	0.58	0.65	0.54	0.55	0.58	0.65	1.22	1.20	1.21	1.38	1.22	1.20	1.21	1.38	1.79	2.18	2.02	1.99	
	mid	0.84	0.98	0.82	1.02	1.78	1.90	1.63	2.00	2.13	2.55	2.32	2.58	2.55	3.15	2.85	3.14	1.44	1.89	1.69	1.85	0.67	0.87	0.77	0.87	1.26	1.59	1.42	1.79	
	up	1.42	1.84	1.71	1.77	1.15	1.52	1.43	1.42	0.92	1.35	1.16	1.23	0.49	0.75	0.63	0.67	0.92	1.35	1.16	1.23	1.69	2.37	2.08	2.21	0.54	0.68	0.62	0.68	
% households	low	37.1%	36.7%	37.8%	37.5%	18.2%	23.0%	24.7%	23.3%	15.0%	12.3%	14.2%	14.7%	15.0%	12.3%	14.2%	14.7%	34.1%	27.1%	29.8%	31.0%	34.1%	27.1%	29.8%	31.0%	49.8%	49.0%	49.7%	44.7%	
	mid	23.3%	22.0%	20.2%	22.8%	49.7%	42.0%	40.1%	44.8%	59.3%	57.3%	57.3%	57.9%	71.2%	70.9%	70.3%	70.4%	40.2%	42.5%	41.7%	41.5%	18.7%	19.5%	19.1%	19.5%	35.1%	35.8%	35.1%	40.1%	
	up	39.6%	41.4%	42.1%	39.7%	32.1%	34.2%	35.1%	31.9%	25.7%	30.4%	28.5%	27.5%	13.8%	16.8%	15.5%	14.9%	25.7%	30.4%	28.5%	27.5%	47.1%	53.4%	51.2%	49.5%	15.2%	15.2%	15.2%	15.2%	
Share of income (percap)	low	0.15	0.15	0.14	0.16	0.06	0.07	0.07	0.08	0.05	0.03	0.02	0.04	0.05	0.03	0.02	0.04	0.14	0.09	0.09	0.12	0.14	0.09	0.09	0.12	0.25	0.23	0.21	0.21	
	mid	0.19	0.16	0.14	0.18	0.36	0.30	0.27	0.35	0.45	0.39	0.38	0.44	0.61	0.56	0.55	0.60	0.35	0.32	0.31	0.35	0.14	0.12	0.12	0.14	0.39	0.38	0.36	0.42	
	up	0.66	0.69	0.72	0.66	0.58	0.63	0.66	0.58	0.51	0.59	0.59	0.53	0.34	0.41	0.43	0.36	0.51	0.59	0.59	0.53	0.72	0.79	0.79	0.74	0.36	0.39	0.42	0.36	
Mean income (USD ppp 2005)	low	144	119	81	129	102	86	57	92	93	57	37	67	93	57	37	67	139	96	66	112	139	96	66	112	177	148	101	147	
	mid	311	293	206	321	286	272	191	298	298	248	180	282	351	304	222	335	355	301	223	346	279	225	164	265	482	482	353	474	
	up	809	832	650	833	912	931	734	949	1,023	996	835	1,032	1,379	1,354	1,197	1,391	1,023	996	835	1,032	727	698	563	730	1,325	1,412	1,211	1,379	
Min income (USD ppp 2005)	low	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	mid	237	227	161	247	158	152	107	165	141	96	66	116	141	96	66	116	226	174	126	203	226	174	126	203	315	300	212	294	
	up	396	380	268	412	475	456	322	494	558	495	379	547	829	765	597	815	558	495	379	547	342	281	209	331	785	819	603	804	
Max income (USD ppp 2005)	low	237	227	161	247	158	151	107	164	141	96	66	116	141	96	66	116	226	174	126	203	226	174	126	203	315	300	212	294	
	mid	396	379	268	411	475	455	321	494	558	495	379	547	827	765	597	814	558	495	379	547	342	281	209	331	784	818	603	803	
	up	13,021	23,976	88,853	19,283	13,021	23,976	88,853	19,283	13,021	23,976	88,853	19,283	13,021	23,976	88,853	19,283	13,021	23,976	88,853	19,283	13,021	23,976	88,853	19,283	13,021	23,976	88,853	19,283	
Years of education (head)	low	7.4	7.5	8.2	8.0	7.2	7.2	7.9	7.7	7.2	6.9	7.7	7.5	7.2	6.9	7.7	7.5	7.3	7.3	8.0	7.9	7.3	7.3	8.0	7.9	7.6	7.7	8.3	8.2	
	mid	8.5	8.8	8.9	9.4	8.3	8.7	8.9	9.3	8.4	8.5	9.0	9.2	8.8	9.0	9.4	9.6	8.8	8.9	9.2	9.6	8.2	8.4	8.5	9.1	9.7	10.0	10.4	10.4	
	up	11.0	11.6	11.7	12.0	11.4	12.0	12.2	12.5	11.8	12.2	12.6	12.8	12.8	13.4	13.5	13.8	11.8	12.2	12.6	12.8	10.7	11.0	11.3	11.6	12.6	13.6	13.6	13.8	
% of hh heads with secc	low	13.8%	16.4%	18.8%	22.7%	12.0%	13.5%	15.9%	18.6%	11.5%	11.2%	15.5%	17.1%	11.5%	11.2%	15.5%	17.1%	13.6%	14.6%	17.1%	20.8%	13.6%	14.6%	17.1%	20.6%	16.4%	19.0%	20.6%	25.1%	
	mid	24.7%	29.8%	29.3%	39.5%	23.0%	28.9%	28.7%	37.6%	23.9%	27.7%	28.2%	36.3%	28.2%	32.4%	33.0%	40.8%	28.0%	31.3%	31.9%	41.2%	21.9%	24.7%	25.1%	36.4%	36.8%	45.0%	43.8%	49.5%	
	up	51.0%	60.6%	57.9%	65.4%	54.5%	65.1%	62.4%	70.0%	59.0%	67.3%	66.6%	72.6%	67.3%	79.7%	76.9%	81.9%	59.0%	67.3%	66.6%	72.6%	47.4%	54.2%	53.8%	60.5%	65.9%	68.0%	77.4%	81.8%	
% of hh heads with supc	low	1.9%	2.0%	2.8%	3.0%	1.7%	1.6%	2.7%	2.1%	1.6%	0.7%	3.6%	2.0%	1.6%	0.7%	3.6%	2.0%	1.9%	1.6%	2.8%	2.5%	1.9%	1.6%	2.8%	2.5%	2.6%	2.8%	3.4%	3.6%	
	mid	4.9%	4.9%	5.9%	7.9%	4.3%	5.2%	5.7%	7.6%	4.5%	5.1%	5.8%	7.4%	6.2%	7.2%	8.3%	10.0%	5.6%	6.1%	7.2%	9.2%	4.1%	4.3%	4.3%	6.4%	8.9%	11.6%	13.5%	14.0%	
	up	18.7%	25.4%	24.2%	28.0%	21.2%	28.4%	26.9%	31.7%	24.6%	30.6%	30.0%	34.4%	33.1%	42.4%	39.0%	45.0%	24.6%	30.6%	30.0%	34.4%	16.6%	20.7%	21.0%	24.3%	31.7%	44.8%	39.3%	44.7%	
Size of hh	low	3.9	4.4	4.3	4.2	4.5	4.7	4.5	4.5	4.6	4.9	4.5	4.6	4.6	4.9	4.5	4.6	4.0	4.6	4.4	4.3	4.0	4.6	4.4	4.3	3.9	4.1	4.0	4.1	
	mid	3.6	3.3	3.1	3.0	3.5	3.4	3.4	3.2	3.5	3.5	3.5	3.4	3.4	3.4	3.3	3.2	3.4	3.3	3.2	3.1	3.7	3.5	3.5	3.3	3.2	2.9	2.8	2.8	
	up	2.8	2.6	2.5	2.5	2.7	2.6	2.4	2.4	2.7	2.5	2.4	2.3	2.5	2.4	2.2	2.2	2.7	2.5	2.4	2.3	2.9	2.8	2.6	2.6	2.5	2.4	2.2	2.2	
Poverty 1usd (headcount)	low	0.04	0.09	0.19	0.09	0.07	0.13	0.28	0.14	0.09	0.24	0.48	0.22	0.09	0.24	0.48	0.22	0.04	0.11	0.24	0.11	0.04	0.11	0.24	0.11	0.03	0.07	0.15	0.08	
	mid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Poverty 2usd (headcount)	low	0.14	0.27	0.46	0.24	0.25	0.39	0.68	0.36	0.30	0.70	1.00	0.55	0.30	0.70	1.00	0.55	0.15	0.34	0.57	0.28	0.15	0.34	0.57	0.28	0.10	0.21	0.37	0.21	
	mid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Extreme poverty (headcount)	low	0.09	0.18	0.43	0.19	0.15	0.26	0.63	0.29	0.18	0.47	0.97	0.45	0.18	0.47	0.97	0.45	0.09	0.23	0.53	0.23	0.09	0.23	0.53	0.23	0.07	0.14	0.35	0.17	
	mid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Moderate poverty (headcount)	low	0.46	0.65	0.96	0.59	0.81	0.93	1.00	0.87	0.89	1.00	1.00	1.00	0.89	1.00	1.00	1.00	0.50	0.83	1.00	0.69	0.50	0.83	1.00	0.69	0.35	0.52	0.80	0.51	
	mid	0.00	0.00	0.07	0.00	0.01	0.03	0.37	0.01	0.03	0.2																			

Table 3
Middle Class Definitions
Brazil

Class		Birdsall et al. (2000)				Davis & Hudson (1992)				Barro (1999) & Easterly (2001)				Solimano (2008)				Alesina & Perotí (1996)				Partridge (1997)				EGR3 tripolarization middle group				
		1992	2001	2003	2006	1992	2001	2003	2006	1992	2001	2003	2006	1992	2001	2003	2006	1992	2001	2003	2006	1992	2001	2003	2006	1992	2001	2003	2006	
Brasil	N*persons (millions)	low	63.21	76.36	79.84	84.93	43.67	51.73	53.99	56.27	27.61	33.24	34.27	36.90	27.61	33.24	34.27	36.90	55.22	66.48	68.55	73.80	55.22	66.48	68.55	73.80	77.40	100.70	97.49	105.40
		mid	26.96	32.49	33.52	39.25	55.66	66.96	69.45	78.90	82.83	99.72	102.80	110.70	96.63	116.30	120.00	129.10	55.22	66.48	68.55	73.80	55.22	66.48	68.55	73.80	77.40	100.70	97.49	105.40
		up	47.88	57.35	58.01	60.31	38.71	47.41	47.93	49.33	27.61	33.24	34.27	36.90	13.60	16.62	17.14	18.45	27.61	33.24	34.27	36.90	55.22	66.48	68.55	73.80	18.41	13.12	21.22	26.34
% persons	low	45.8%	45.9%	46.6%	46.0%	31.6%	31.1%	31.5%	30.5%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	56.1%	60.6%	56.9%	57.1%	
	mid	19.5%	19.6%	19.6%	21.3%	40.3%	40.3%	40.5%	42.8%	60.0%	60.0%	60.0%	60.0%	70.0%	70.0%	70.0%	70.0%	40.0%	40.0%	40.0%	40.0%	20.0%	20.0%	20.0%	20.0%	20.0%	32.0%	31.5%	30.7%	30.1%
	up	34.7%	34.5%	33.8%	32.7%	28.0%	28.6%	28.0%	26.7%	20.0%	20.0%	20.0%	20.0%	10.0%	10.0%	10.0%	10.0%	20.0%	20.0%	20.0%	20.0%	40.0%	40.0%	40.0%	40.0%	11.9%	7.9%	12.4%	12.3%	
N*households (millions)	low	14.61	19.47	20.76	22.73	9.59	12.60	13.39	14.39	5.98	8.01	8.41	9.28	10.8	8.01	8.41	9.28	12.48	16.79	17.56	19.54	12.48	16.79	17.56	19.54	18.23	27.23	26.11	29.08	
	mid	7.19	10.41	11.06	13.32	15.19	20.42	21.75	25.42	22.09	29.85	31.42	34.99	26.27	35.50	37.54	41.90	15.59	21.07	22.27	24.73	7.16	10.17	10.72	11.18	13.21	17.50	18.39	20.47	
	up	15.30	19.85	20.67	22.40	12.31	16.72	17.34	18.64	9.03	11.87	12.66	14.18	4.85	6.22	6.54	7.27	9.03	11.87	12.26	14.18	17.45	22.77	24.21	27.73	5.66	5.01	7.99	8.90	
% households	low	39.4%	39.2%	39.6%	38.9%	25.9%	25.3%	25.5%	24.6%	16.1%	16.1%	16.0%	15.9%	16.1%	16.1%	16.0%	15.9%	33.6%	33.8%	33.5%	33.4%	33.6%	33.8%	33.5%	33.4%	49.1%	54.7%	49.7%	49.7%	
	mid	19.4%	20.9%	21.1%	22.8%	41.0%	41.1%	41.4%	43.5%	59.5%	60.0%	59.9%	59.9%	70.8%	71.4%	71.5%	71.7%	42.0%	42.4%	42.4%	42.4%	19.3%	20.5%	20.4%	19.1%	35.6%	35.2%	35.0%	35.0%	
	up	41.2%	39.9%	39.4%	38.3%	33.2%	33.6%	33.0%	31.9%	24.3%	23.9%	24.1%	24.3%	13.1%	12.5%	12.5%	12.4%	24.3%	23.9%	24.1%	24.3%	47.1%	45.8%	46.1%	47.4%	15.3%	10.1%	15.2%	15.2%	
Share of income (percap)	low	0.12	0.10	0.11	0.12	0.06	0.05	0.05	0.06	0.02	0.02	0.02	0.03	0.02	0.02	0.02	0.03	0.09	0.08	0.08	0.09	0.09	0.08	0.08	0.09	0.19	0.18	0.17	0.18	
	mid	0.14	0.12	0.12	0.14	0.27	0.22	0.23	0.26	0.40	0.34	0.35	0.36	0.57	0.50	0.51	0.53	0.33	0.28	0.29	0.30	0.12	0.10	0.11	0.11	0.37	0.39	0.32	0.32	
	up	0.74	0.78	0.77	0.74	0.67	0.73	0.71	0.68	0.58	0.64	0.63	0.61	0.40	0.48	0.46	0.45	0.58	0.64	0.63	0.61	0.78	0.82	0.81	0.80	0.44	0.43	0.51	0.49	
Mean income (USD ppp 2005)	low	62	85	88	111	43	58	61	78	29	39	41	56	29	39	41	56	54	74	76	98	54	74	76	98	77	115	109	137	
	mid	162	225	230	281	152	207	211	258	153	214	215	258	189	271	270	319	190	267	267	318	140	194	195	238	268	465	383	448	
	up	492	855	831	962	555	966	938	1,090	664	1,208	1,150	1,296	925	1,801	1,702	1,908	664	1,208	1,150	1,296	452	774	744	846	855	2,046	1,515	1,704	
Min income (USD ppp 2005)	low	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	mid	124	172	175	214	82	115	117	142	55	76	77	101	55	76	77	101	107	146	148	182	107	146	148	182	164	253	233	281	
	up	206	288	292	356	247	345	350	427	324	473	467	539	512	813	789	876	324	473	467	539	181	247	247	307	461	958	679	767	
Max income (USD ppp 2005)	low	124	172	175	213	82	115	117	142	55	76	77	101	55	76	77	101	107	146	148	182	107	146	148	182	164	252	233	281	
	mid	206	287	292	356	247	345	350	427	324	473	467	539	512	813	789	876	324	473	467	539	181	247	247	307	461	958	678	766	
	up	32,540	51,087	42,373	87,592	32,540	51,087	42,373	87,592	32,540	51,087	42,373	87,592	32,540	51,087	42,373	87,592	32,540	51,087	42,373	87,592	32,540	51,087	42,373	87,592	32,540	51,087	42,373	87,592	
Years of education (head)	low	3.0	4.0	4.4	5.0	2.8	3.8	4.2	4.7	2.7	3.7	4.1	4.6	2.7	3.7	4.1	4.6	2.9	3.9	4.3	4.9	2.9	3.9	4.3	4.9	3.2	4.1	4.5	5.1	
	mid	4.2	4.7	5.0	5.5	3.9	4.7	5.1	5.6	4.0	4.9	5.2	5.7	4.4	5.4	5.7	6.1	4.3	5.2	5.5	5.9	3.9	4.6	4.9	5.7	5.1	6.8	6.3	6.6	
	up	6.8	8.2	8.5	8.9	7.4	8.7	8.9	9.3	8.2	9.6	9.7	10.0	9.5	11.1	11.4	11.7	8.2	9.6	9.7	10.0	6.5	7.8	8.0	8.1	9.2	11.6	10.9	11.3	
% of hh heads with secc	low	4.1%	7.8%	10.3%	14.2%	3.4%	6.8%	8.9%	12.2%	3.4%	6.8%	8.9%	11.2%	3.4%	6.8%	8.9%	11.2%	3.8%	7.4%	9.5%	13.4%	3.8%	7.4%	9.5%	13.4%	4.8%	9.2%	11.5%	15.8%	
	mid	9.5%	13.7%	16.5%	21.3%	8.4%	13.3%	16.5%	21.3%	8.9%	14.4%	17.2%	22.0%	11.9%	18.6%	21.3%	25.9%	10.9%	17.1%	20.2%	24.7%	7.8%	12.2%	15.3%	21.5%	16.6%	30.1%	27.4%	31.1%	
	up	30.3%	42.5%	45.7%	50.1%	35.1%	46.3%	49.8%	54.3%	41.6%	55.1%	57.3%	60.3%	53.3%	68.2%	71.3%	74.1%	41.6%	55.1%	57.3%	60.3%	28.1%	39.1%	41.8%	44.2%	50.6%	71.9%	67.4%	70.8%	
% of hh heads with supc	low	0.4%	0.4%	0.5%	0.6%	0.3%	0.4%	0.4%	0.5%	0.4%	0.5%	0.5%	0.6%	0.4%	0.5%	0.5%	0.6%	0.3%	0.4%	0.4%	0.6%	0.3%	0.4%	0.4%	0.4%	0.6%	0.4%	0.5%	0.6%	0.8%
	mid	1.0%	1.0%	1.1%	1.6%	0.9%	1.0%	1.1%	1.5%	1.1%	1.2%	1.4%	1.8%	2.0%	2.5%	2.7%	3.3%	1.4%	1.6%	1.8%	2.3%	0.8%	0.7%	0.9%	1.3%	3.0%	5.7%	3.8%	4.5%	
	up	9.8%	14.7%	15.3%	16.9%	11.9%	17.0%	17.7%	19.7%	15.2%	22.6%	22.9%	24.4%	22.3%	34.6%	35.4%	37.4%	15.2%	22.6%	22.9%	24.4%	8.8%	13.0%	13.2%	14.0%	20.4%	39.0%	31.5%	33.6%	
Size of hh	low	4.3	3.9	3.8	3.7	4.6	4.1	4.0	3.9	4.6	4.1	4.1	4.0	4.6	4.1	4.1	4.0	4.4	4.0	3.9	3.8	4.4	4.0	3.9	3.8	4.2	3.7	3.7	3.6	
	mid	3.7	3.1	3.0	2.9	3.7	3.3	3.2	3.1	3.7	3.3	3.3	3.2	3.7	3.3	3.2	3.1	3.5	3.2	3.1	3.0	3.9	3.3	3.2	3.3	3.3	3.0	2.9	2.8	
	up	3.1	2.9	2.8	2.7	3.1	2.8	2.8	2.6	3.1	2.8	2.7	2.6	2.8	2.7	2.6	2.5	3.1	2.8	2.7	2.6	3.2	2.9	2.8	2.7	2.9	2.6	2.7	2.6	
Poverty 1usd (headcount)	low	0.28	0.18	0.17	0.12	0.41	0.27	0.25	0.19	0.64	0.42	0.40	0.28	0.64	0.42	0.40	0.28	0.32	0.21	0.20	0.14	0.32	0.21	0.20	0.14	0.23	0.14	0.14	0.10	
	mid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Poverty 2usd (headcount)	low	0.64	0.44	0.42	0.29	0.92	0.64	0.62	0.44	1.00	1.00	0.98	0.67	1.00	1.00	0.98	0.67	0.73	0.50	0.49	0.33	0.73	0.50	0.49	0.33	0.52	0.33	0.34	0.23	
	mid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.15	0.00	0.00	0.00	0.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Extreme poverty (headate)	low	0.42	0.32	0.30	0.20	0.61	0.47	0.45	0.31	0.87	0.71	0.69	0.46	0.87	0.71	0.69	0.46	0.48	0.36	0.35	0.23	0.48	0.36	0.35	0.23	0.34	0.24	0.25	0.16	
	mid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.01	0.01	0.00	0.03	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Moderate poverty (headcount)	low	0.87	0.72	0.71	0.56	0.97	0.93	0.93	0.82	0.97	0.95	0.95	0.92	0.97	0.95	0.95	0.92	0.93	0.82	0.82	0.64	0.93	0.82	0.82	0.64	0.73	0.55	0.59		

Table 4
Middle Class Definitions
Chile

		Birdsall et. al. (2000)				Davis & Hudson (1992)				Barro (1999) & Easterly (2001)				Solimano (2008)				Alesina & Peroti (1996)				Partridge (1997)				EGR3 tripolarization middle group				
Class		1992	2000	2003	2006	1992	2000	2003	2006	1992	2000	2003	2006	1992	2000	2003	2006	1992	2000	2003	2006	1992	2000	2003	2006	1992	2000	2003	2006	
Chile																														
	N° persons (millions)	low	5.76	6.33	6.47	6.44	3.24	3.75	3.66	3.51	2.64	2.81	3.03	3.14	2.64	2.81	3.03	3.14	5.29	5.67	6.05	6.27	5.29	5.67	6.05	6.27	8.09	8.97	9.26	9.43
	mid	2.96	3.32	3.56	3.86	6.39	6.85	7.40	7.89	7.93	8.68	9.07	9.40	9.25	10.13	10.58	10.97	5.29	5.83	6.05	6.27	2.64	2.93	3.02	3.13	4.08	4.31	4.71	5.01	
	up	4.50	4.73	5.09	5.38	3.59	3.78	4.05	4.27	2.64	2.88	3.02	3.13	1.32	1.44	1.51	1.57	2.64	2.88	3.02	3.13	5.29	5.78	6.05	6.27	1.05	1.10	1.14	1.23	
% persons	low	43.5%	44.0%	42.8%	41.1%	24.5%	26.1%	24.2%	22.4%	20.0%	19.5%	20.0%	20.0%	20.0%	19.5%	20.0%	20.0%	40.0%	39.4%	40.0%	40.0%	40.0%	39.4%	40.0%	40.0%	61.2%	62.4%	61.3%	60.2%	
	mid	22.4%	23.1%	23.5%	24.6%	48.4%	47.6%	49.0%	50.4%	60.0%	60.4%	60.0%	60.0%	70.0%	70.5%	70.0%	70.0%	40.0%	40.5%	40.0%	40.0%	20.0%	20.4%	20.0%	20.0%	30.9%	29.9%	31.2%	32.0%	
	up	34.0%	32.9%	33.7%	34.3%	27.2%	26.3%	26.8%	27.2%	20.0%	20.1%	20.0%	20.0%	10.0%	10.0%	10.0%	10.0%	20.0%	20.1%	20.0%	20.0%	40.0%	40.2%	40.0%	40.0%	7.9%	7.6%	7.6%	7.9%	
N° households (millions)	low	1.27	1.39	1.48	1.52	0.69	0.79	0.81	0.79	0.56	0.59	0.66	0.71	0.56	0.59	0.66	0.71	1.16	1.23	1.38	1.48	1.16	1.23	1.38	1.48	1.85	2.06	2.22	2.33	
	mid	0.76	0.86	0.95	1.05	1.59	1.73	1.93	2.09	1.99	2.21	2.38	2.52	2.39	2.67	2.85	3.01	1.39	1.57	1.66	1.75	0.65	0.72	0.79	0.84	1.18	1.32	1.42	1.49	
	up	1.35	1.51	1.61	1.68	1.10	1.23	1.31	1.36	0.83	0.96	1.01	1.03	0.43	0.50	0.54	0.54	0.83	0.96	1.01	1.03	1.57	1.80	1.88	1.93	0.35	0.39	0.41	0.44	
% households	low	37.6%	36.9%	36.6%	35.7%	20.5%	21.1%	20.0%	18.7%	16.5%	15.6%	16.4%	16.6%	16.5%	15.6%	16.4%	16.6%	34.3%	32.7%	34.1%	34.7%	34.3%	32.7%	34.1%	34.7%	54.7%	54.7%	54.7%	54.7%	
	mid	22.3%	22.8%	23.6%	24.7%	47.0%	46.2%	47.6%	49.2%	58.9%	58.9%	58.7%	59.2%	70.6%	71.1%	70.4%	70.7%	41.2%	41.8%	41.0%	41.1%	19.3%	19.3%	19.4%	19.8%	35.0%	35.0%	35.0%	35.0%	
	up	40.1%	40.2%	39.8%	39.6%	32.6%	32.7%	32.4%	32.1%	24.5%	25.5%	25.0%	24.2%	12.9%	13.3%	13.2%	12.7%	24.5%	25.5%	25.0%	24.2%	46.4%	48.0%	46.5%	45.5%	10.3%	10.3%	10.3%	10.3%	
Share of income (percap)	low	0.13	0.13	0.12	0.13	0.05	0.06	0.05	0.05	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.11	0.11	0.11	0.12	0.11	0.11	0.11	0.12	0.23	0.23	0.23	0.24	
	mid	0.14	0.14	0.15	0.16	0.27	0.27	0.28	0.30	0.36	0.36	0.36	0.38	0.51	0.51	0.51	0.54	0.29	0.29	0.29	0.30	0.11	0.11	0.11	0.12	0.36	0.36	0.37	0.39	
	up	0.74	0.73	0.73	0.72	0.68	0.67	0.67	0.65	0.60	0.61	0.60	0.57	0.45	0.45	0.45	0.42	0.60	0.61	0.60	0.57	0.78	0.78	0.78	0.76	0.41	0.40	0.40	0.37	
Mean income (USD ppp 2005)	low	90	117	119	137	66	86	87	99	60	74	79	94	60	74	79	94	86	109	114	135	86	109	114	135	116	153	156	178	
	mid	191	253	254	284	175	233	234	262	187	242	249	285	227	295	302	343	225	290	299	340	171	221	230	264	367	495	491	540	
	up	674	905	896	934	776	1,043	1,033	1,073	935	1,231	1,237	1,284	1,404	1,846	1,856	1,875	935	1,231	1,237	1,284	607	794	802	850	1,601	2,145	2,174	2,128	
Min income (USD ppp 2005)	low	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	mid	148	40	196	220	98	27	131	146	88	27	118	137	88	27	118	137	137	31	186	215	137	31	186	215	219	48	290	323	
	up	246	56	327	366	295	70	393	439	373	85	488	550	608	119	802	883	373	85	488	550	213	48	282	322	707	154	958	1,029	
Max income (USD ppp 2005)	low	148	198	196	220	98	132	131	146	88	112	118	137	88	112	118	137	137	179	186	215	137	179	186	215	219	294	290	323	
	mid	246	329	327	366	295	395	393	439	373	490	488	550	608	810	802	883	373	490	488	550	213	684	282	322	707	972	958	1,029	
	up	30,221	104,495	126,066	79,695	30,221	104,495	126,066	79,695	30,221	104,495	126,066	79,695	30,221	104,495	126,066	79,695	30,221	104,495	126,066	79,695	30,221	104,495	126,066	79,695	30,221	104,495	126,066	79,695	
Years of education (head)	low	7.0	7.7	8.2	8.3	6.9	7.5	8.1	8.1	6.9	7.3	8.0	8.1	6.9	7.3	8.0	8.1	7.0	7.6	8.2	8.3	7.0	7.6	8.2	8.3	7.1	8.0	8.5	8.5	
	mid	7.4	8.6	9.1	8.9	7.4	8.4	9.0	8.9	7.5	8.5	9.2	9.0	7.8	9.0	9.6	9.4	7.7	8.8	9.5	9.3	7.3	8.3	9.0	8.7	8.5	10.1	10.8	10.6	
	up	9.1	11.4	11.9	11.7	9.5	11.9	12.4	12.1	9.9	12.5	12.9	12.7	10.6	13.9	14.1	13.9	9.9	12.5	12.9	12.7	8.9	11.0	11.6	11.4	11.0	14.3	14.6	14.2	
% of hh heads with secc	low	16.7%	23.4%	25.0%	25.7%	14.1%	19.8%	22.3%	23.4%	13.5%	17.8%	21.5%	23.2%	13.5%	17.8%	21.5%	23.2%	16.4%	22.4%	24.5%	25.6%	16.4%	22.4%	24.5%	25.6%	18.3%	27.2%	28.6%	28.4%	
	mid	22.2%	35.2%	37.2%	34.9%	22.0%	33.9%	35.3%	34.1%	22.7%	34.8%	37.0%	35.7%	24.9%	38.9%	41.0%	39.7%	24.2%	38.1%	41.2%	39.1%	21.2%	32.9%	34.9%	33.2%	30.3%	50.7%	53.8%	51.7%	
	up	33.0%	61.0%	63.7%	61.5%	34.5%	65.4%	67.8%	65.5%	36.1%	70.6%	72.3%	71.0%	36.1%	81.5%	82.1%	80.5%	36.1%	70.6%	72.3%	71.0%	31.7%	57.4%	60.5%	58.7%	37.4%	84.1%	85.8%	82.9%	
% of hh heads with supc	low	1.8%	2.0%	2.8%	2.9%	1.4%	1.4%	1.9%	2.2%	1.5%	0.9%	1.6%	2.3%	1.5%	0.9%	1.6%	2.3%	1.8%	1.8%	2.6%	2.9%	1.8%	1.8%	2.6%	2.9%	2.4%	3.4%	3.7%	3.9%	
	mid	3.9%	6.7%	6.5%	6.4%	3.4%	5.7%	6.5%	6.1%	3.7%	6.6%	7.9%	7.0%	4.6%	9.5%	10.6%	9.9%	4.4%	8.2%	9.8%	8.5%	3.4%	5.6%	5.3%	5.8%	6.7%	17.5%	19.4%	17.4%	
	up	8.4%	28.2%	30.4%	28.3%	9.3%	32.6%	34.5%	32.4%	10.2%	37.6%	39.1%	38.4%	11.4%	50.3%	52.3%	50.6%	10.2%	37.6%	39.1%	38.4%	7.9%	24.8%	27.4%	25.6%	12.3%	54.8%	57.0%	54.4%	
Size of hh	low	4.5	4.6	4.4	4.2	4.7	4.7	4.5	4.4	4.7	4.8	4.6	4.4	4.7	4.8	4.6	4.4	4.6	4.6	4.4	4.2	4.6	4.6	4.4	4.2	4.4	4.4	4.2	4.1	
	mid	3.9	3.9	3.7	3.7	4.0	3.9	3.8	3.8	4.0	3.9	3.8	3.7	3.9	3.8	3.7	3.6	3.8	3.7	3.6	3.6	4.1	4.0	3.8	3.7	3.5	3.3	3.3	3.4	
	up	3.3	3.1	3.2	3.2	3.3	3.1	3.1	3.1	3.2	3.0	3.0	3.0	3.0	2.9	2.8	2.9	3.2	3.0	3.0	3.0	3.4	3.2	3.2	3.2	3.0	2.8	2.8	2.8	
Poverty 1usd (headcount)	low	0.06	0.05	0.05	0.03	0.11	0.09	0.08	0.05	0.14	0.12	0.10	0.06	0.14	0.12	0.10	0.06	0.07	0.06	0.05	0.03	0.07	0.06	0.05	0.03	0.04	0.04	0.03	0.02	
	mid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Poverty 2usd (headcount)	low	0.35	0.21	0.19	0.13	0.63	0.34	0.34	0.23	0.77	0.46	0.41	0.26	0.77	0.46	0.41	0.26	0.38	0.23	0.20	0.13	0.38	0.23	0.20	0.13	0.25	0.15	0.13	0.09	
	mid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		

Table 5
Middle Class Definitions
El Salvador

Class		Birdsall et. al. (2000)				Davis & Hudson (1992)				Barro (1999) & Easterly (2001)				Solimano (2008)				Alesina & Perotti (1996)				Partridge (1997)				EGR3 tripolarization middle group			
El Salvador		1991	2000	2003	2005	1991	2000	1993	2005	1991	2000	2003	2005	1991	2000	2003	2005	1991	2000	2003	2005	1991	2000	2003	2005	1991	2000	2003	2005
N°persons (millions)	low	2.25	2.77	2.94	3.08	1.48	1.85	1.91	1.96	1.01	1.24	1.32	1.37	1.01	1.24	1.32	1.37	2.02	2.47	2.64	2.73	2.02	2.47	2.64	2.73	2.88	3.52	3.76	3.92
	mid	1.13	1.35	1.45	1.51	2.24	2.68	2.98	3.16	3.04	3.71	3.96	4.10	3.54	4.33	4.62	4.78	2.02	2.47	2.64	2.73	1.01	1.24	1.32	1.37	1.64	1.97	2.12	2.14
	up	1.68	2.06	2.21	2.24	1.34	1.66	1.72	1.71	1.01	1.24	1.32	1.37	0.51	0.62	0.66	0.68	1.01	1.24	1.32	1.37	2.02	2.47	2.64	2.73	0.54	0.69	0.73	0.77
% persons	low	44.4%	44.9%	44.6%	45.1%	29.2%	29.9%	28.9%	28.7%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	56.8%	56.9%	56.9%	57.4%
	mid	22.4%	21.8%	22.0%	22.1%	44.2%	43.3%	45.1%	46.3%	60.0%	60.0%	60.0%	60.0%	70.0%	70.0%	70.0%	70.0%	40.0%	40.0%	40.0%	40.0%	20.0%	20.0%	20.0%	20.0%	32.4%	31.9%	32.0%	31.3%
	up	33.2%	33.3%	33.4%	32.8%	26.6%	26.8%	26.0%	25.0%	20.0%	20.0%	20.0%	20.0%	10.0%	10.0%	10.0%	10.0%	20.0%	20.0%	20.0%	20.0%	40.0%	40.0%	40.0%	40.0%	10.7%	11.2%	11.0%	11.3%
N°households (millions)	low	0.41	0.55	0.61	0.63	0.27	0.36	0.39	0.39	0.18	0.24	0.27	0.27	0.18	0.24	0.27	0.27	0.37	0.49	0.54	0.55	0.37	0.49	0.54	0.55	0.53	0.71	0.79	0.83
	mid	0.23	0.30	0.33	0.36	0.44	0.59	0.68	0.75	0.61	0.82	0.90	0.96	0.73	0.99	1.10	1.17	0.42	0.57	0.63	0.68	0.20	0.27	0.29	0.32	0.37	0.50	0.56	0.58
	up	0.43	0.58	0.65	0.67	0.36	0.48	0.52	0.53	0.28	0.37	0.42	0.44	0.15	0.20	0.22	0.23	0.28	0.37	0.42	0.44	0.51	0.68	0.75	0.80	0.16	0.22	0.24	0.25
% households	low	38.0%	38.5%	38.4%	37.9%	24.9%	25.2%	24.3%	23.4%	17.0%	16.6%	16.8%	16.2%	17.0%	16.6%	16.8%	16.2%	34.1%	34.1%	34.2%	33.2%	34.1%	34.1%	34.2%	33.2%	49.8%	49.7%	49.7%	49.7%
	mid	21.5%	21.0%	20.8%	21.8%	41.4%	41.1%	42.8%	44.8%	56.6%	57.3%	56.9%	57.7%	68.6%	69.6%	69.4%	70.2%	39.5%	39.9%	39.5%	40.7%	18.6%	18.6%	18.5%	19.1%	35.0%	35.0%	35.0%	35.0%
	up	40.5%	40.5%	40.7%	40.4%	33.7%	33.6%	32.9%	31.8%	26.4%	26.0%	26.3%	26.0%	14.4%	13.7%	13.8%	13.6%	26.4%	26.0%	26.3%	26.0%	47.2%	47.3%	47.2%	47.6%	15.2%	15.3%	15.3%	15.3%
Share of income (percap)	low	0.12	0.13	0.13	0.14	0.05	0.06	0.06	0.06	0.03	0.02	0.03	0.03	0.03	0.02	0.03	0.03	0.10	0.10	0.11	0.11	0.10	0.10	0.11	0.11	0.20	0.20	0.22	0.22
	mid	0.16	0.16	0.17	0.17	0.29	0.30	0.32	0.33	0.40	0.41	0.43	0.43	0.56	0.58	0.60	0.59	0.32	0.34	0.35	0.35	0.12	0.13	0.13	0.13	0.37	0.38	0.39	0.37
	up	0.72	0.71	0.70	0.69	0.65	0.65	0.62	0.61	0.58	0.56	0.54	0.54	0.41	0.39	0.37	0.38	0.58	0.56	0.54	0.54	0.78	0.77	0.76	0.75	0.43	0.42	0.40	0.40
Mean income (USD ppp 2005)	low	46	57	59	64	31	38	39	43	22	25	27	31	22	25	27	31	42	51	54	57	42	51	54	57	59	73	76	80
	mid	118	149	151	157	111	140	142	148	112	140	142	146	135	170	170	174	136	172	173	178	104	130	133	137	193	243	240	246
	up	365	439	415	432	415	494	473	497	485	576	539	557	697	802	743	770	485	576	539	557	327	395	376	387	672	763	711	729
Min income (USD ppp 2005)	low	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	mid	91	115	116	121	61	77	77	81	43	53	56	60	43	53	56	60	81	102	105	108	81	102	105	108	121	152	153	161
	up	152	191	193	202	182	230	232	242	225	284	276	282	342	441	412	426	225	284	276	282	129	163	165	170	327	410	392	397
Max income (USD ppp 2005)	low	91	115	116	121	61	77	77	81	43	53	56	60	43	53	56	60	81	102	105	108	81	102	105	108	121	152	153	161
	mid	151	191	193	202	182	230	232	242	225	284	276	282	342	441	412	426	225	284	276	282	129	163	165	170	327	410	392	396
	up	10,304	18,912	8,035	8,379	10,304	18,912	8,035	8,379	10,304	18,912	8,035	8,379	10,304	18,912	8,035	8,379	10,304	18,912	8,035	8,379	10,304	18,912	8,035	8,379	10,304	18,912	8,035	8,379
Years of education (head)	low	2.2	3.0	3.9	3.7	2.0	2.6	3.6	3.2	1.9	2.4	3.5	3.1	1.9	2.4	3.5	3.1	2.1	2.9	3.8	3.5	2.1	2.9	3.8	3.5	2.5	3.3	4.1	4.1
	mid	3.7	4.8	5.2	5.5	3.5	4.6	5.1	5.4	3.5	4.6	5.1	5.2	4.0	5.1	5.5	5.6	4.0	5.1	5.6	5.8	3.3	4.5	4.9	5.2	5.0	6.2	6.5	6.6
	up	6.7	8.1	8.1	8.3	7.1	8.6	8.6	8.7	7.7	9.2	9.1	9.2	9.0	10.8	10.6	10.7	7.7	9.2	9.1	9.2	6.4	7.6	7.8	7.9	9.0	10.6	10.3	10.5
% of hh heads with secc	low	0.6%	4.0%	8.4%	6.1%	0.5%	2.8%	8.3%	4.4%	0.4%	2.6%	9.0%	4.0%	0.4%	2.6%	9.0%	4.0%	0.5%	3.5%	8.3%	5.2%	0.5%	3.5%	8.3%	5.2%	0.7%	5.2%	8.9%	8.0%
	mid	1.9%	10.7%	13.1%	15.3%	1.9%	9.8%	12.8%	14.5%	2.2%	10.3%	13.2%	14.2%	3.4%	13.9%	16.2%	17.6%	2.9%	12.8%	15.6%	17.5%	1.1%	9.7%	10.9%	13.5%	5.5%	19.6%	22.6%	23.8%
	up	12.9%	34.6%	35.8%	37.1%	14.7%	38.9%	39.6%	41.2%	17.2%	44.2%	43.8%	45.1%	24.1%	56.1%	56.4%	56.3%	17.2%	44.2%	43.8%	45.1%	11.6%	31.3%	33.2%	34.2%	23.7%	54.8%	53.9%	54.6%
% of hh heads with supc	low	0.1%	0.6%	2.1%	0.6%	0.1%	0.6%	2.3%	0.4%	0.2%	0.4%	2.8%	0.5%	0.2%	0.4%	2.8%	0.5%	0.1%	0.5%	2.0%	0.5%	0.1%	0.5%	2.0%	0.5%	0.1%	0.6%	1.7%	0.9%
	mid	0.3%	1.2%	1.7%	2.1%	0.3%	1.1%	2.1%	2.6%	0.3%	1.6%	2.5%	2.7%	0.7%	2.7%	3.5%	3.9%	0.4%	2.0%	3.0%	3.6%	0.1%	1.2%	1.5%	1.5%	1.1%	4.0%	5.4%	6.3%
	up	4.9%	13.2%	13.0%	14.7%	5.7%	15.6%	15.1%	16.9%	7.2%	18.7%	17.4%	19.1%	11.2%	28.4%	25.6%	28.0%	7.2%	18.7%	17.4%	19.1%	4.3%	11.5%	11.6%	12.9%	10.9%	27.0%	24.1%	26.0%
Size of hh	low	5.5	5.1	4.8	4.9	5.6	5.1	4.9	5.0	5.6	5.2	4.9	5.0	5.6	5.2	4.9	5.0	5.5	5.1	4.9	4.9	5.5	5.1	4.9	4.9	5.4	5.0	4.8	4.7
	mid	4.9	4.5	4.4	4.1	5.1	4.6	4.4	4.2	5.0	4.5	4.4	4.3	4.8	4.4	4.2	4.1	4.8	4.3	4.2	4.0	5.1	4.7	4.5	4.3	4.4	3.9	3.8	3.7
	up	3.9	3.6	3.4	3.3	3.7	3.4	3.3	3.2	3.6	3.3	3.2	3.1	3.3	3.2	3.0	3.0	3.6	3.3	3.2	3.1	4.0	3.7	3.5	3.4	3.3	3.2	3.0	3.0
Poverty 1usd (headcount)	low	0.39	0.31	0.30	0.26	0.59	0.47	0.46	0.40	0.86	0.70	0.67	0.58	0.86	0.70	0.67	0.58	0.43	0.35	0.33	0.29	0.43	0.35	0.33	0.29	0.30	0.25	0.23	0.20
	mid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Poverty 2usd (headcount)	low	0.84	0.66	0.64	0.60	1.00	0.99	0.98	0.94	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.93	0.74	0.71	0.68	0.93	0.74	0.71	0.68	0.65	0.52	0.50	0.47
	mid	0.00	0.00	0.00	0.00	0.18	0.00	0.00	0.00	0.29	0.16	0.14	0.12	0.24	0.14	0.12	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Extreme poverty (headcount)	low	0.69	0.45	0.40	0.35	0.84	0.68	0.59	0.54	0.89	0.91	0.73	0.70	0.89	0.91	0.73	0.70	0.73	0.51	0.44	0.40	0.73	0.51	0.44	0.40	0.57	0.36	0.31	0.28
	mid	0.09																											

Table 6
Middle Class Definitions
México

Class		Birdsall et. al. (2000)				Davis & Hudson (1992)				Barro (1999) & Easterly (2001)				Solimano (2008)				Alesina & Perotti (1996)				Partridge (1997)				EGR3 tripolarization middle group			
		1992	2000	2004	2006	1992	2000	2004	2006	1992	2000	2004	2006	1992	2000	2004	2006	1992	2000	2004	2006	1992	2000	2004	2006	1992	2000	2004	2006
Mexico																													
N°persons (millions)	low	35.11	41.64	40.69	42.73	21.62	25.08	23.72	25.06	15.69	18.48	20.31	20.68	15.69	18.48	20.31	20.68	32.03	37.57	40.61	41.36	32.03	37.57	40.61	41.36	50.03	57.81	61.51	57.98
	mid	19.05	20.34	25.81	26.09	38.15	44.75	49.70	51.38	49.19	57.53	60.92	62.03	57.31	67.04	71.07	72.37	32.84	38.45	40.62	41.35	16.54	19.32	20.31	20.67	25.13	30.23	32.57	34.04
	up	27.07	33.17	35.02	34.57	21.46	25.31	28.11	26.95	16.36	19.14	20.30	20.68	8.23	9.64	10.15	10.34	16.36	19.14	20.30	20.68	32.78	38.45	40.60	41.35	6.07	7.11	7.45	11.37
% persons	low	43.2%	43.8%	40.1%	41.3%	26.6%	26.4%	23.4%	24.2%	19.3%	19.4%	20.0%	20.0%	19.3%	19.4%	20.0%	20.0%	39.4%	39.5%	40.0%	40.0%	39.4%	39.4%	40.0%	40.0%	61.6%	60.8%	60.6%	56.1%
	mid	23.5%	21.4%	25.4%	25.2%	47.0%	47.0%	49.0%	49.7%	60.5%	60.5%	60.0%	60.0%	70.6%	70.5%	70.0%	70.0%	40.4%	40.4%	40.0%	40.0%	20.3%	20.3%	20.0%	20.0%	30.9%	31.8%	32.1%	32.9%
	up	33.3%	34.9%	34.5%	33.4%	26.4%	26.6%	27.7%	26.1%	20.1%	20.1%	20.0%	20.0%	10.1%	10.1%	10.0%	10.0%	20.1%	20.1%	20.0%	20.0%	40.3%	40.3%	40.0%	40.0%	7.5%	7.5%	7.3%	11.0%
N°households (millions)	low	6.41	8.76	9.02	9.50	3.87	5.17	5.27	5.58	2.86	3.86	4.54	4.62	2.86	3.86	4.54	4.62	5.81	7.87	9.00	9.18	5.81	7.87	9.00	9.18	9.40	12.53	13.80	13.01
	mid	3.85	4.81	6.04	6.22	7.67	10.31	11.58	12.11	9.85	13.27	14.35	14.81	11.94	15.97	17.24	17.86	6.90	9.25	9.90	10.25	3.25	4.40	4.69	4.83	6.02	8.04	8.81	9.16
	up	6.92	9.35	10.15	10.43	5.64	7.44	8.35	8.47	4.47	5.80	6.31	6.73	2.38	3.10	3.42	3.67	4.47	5.80	6.31	6.73	8.12	10.64	11.52	12.15	1.76	2.35	2.59	3.99
% households	low	37.3%	38.2%	35.8%	36.3%	22.5%	22.6%	20.9%	21.3%	16.6%	16.8%	18.0%	17.7%	16.6%	16.8%	18.0%	17.7%	33.8%	34.3%	35.7%	35.1%	33.8%	34.3%	35.7%	35.1%	54.7%	54.7%	54.7%	49.7%
	mid	22.4%	21.0%	24.0%	23.8%	44.7%	45.0%	46.0%	46.3%	57.3%	57.9%	57.0%	56.6%	69.5%	69.7%	68.4%	68.3%	40.2%	40.4%	39.3%	39.2%	18.9%	19.2%	18.6%	18.4%	35.0%	35.1%	35.0%	35.0%
	up	40.3%	40.8%	40.3%	39.9%	32.8%	32.4%	33.1%	32.4%	26.0%	25.3%	25.0%	25.7%	13.9%	13.5%	13.6%	14.0%	26.0%	25.3%	25.0%	25.7%	47.3%	46.4%	45.7%	46.5%	10.2%	10.3%	10.3%	15.3%
Share of income (percap)	low	0.12	0.12	0.12	0.13	0.05	0.05	0.05	0.05	0.03	0.03	0.04	0.04	0.03	0.03	0.04	0.04	0.10	0.10	0.12	0.12	0.10	0.10	0.12	0.12	0.23	0.23	0.24	0.22
	mid	0.15	0.14	0.17	0.17	0.28	0.29	0.30	0.32	0.37	0.39	0.40	0.41	0.53	0.55	0.56	0.57	0.30	0.31	0.32	0.32	0.12	0.12	0.12	0.13	0.38	0.40	0.41	0.37
	up	0.73	0.73	0.72	0.70	0.67	0.66	0.65	0.63	0.60	0.58	0.56	0.56	0.44	0.42	0.41	0.40	0.60	0.58	0.56	0.56	0.78	0.78	0.76	0.75	0.39	0.36	0.35	0.42
Mean income (USD ppp 2005)	low	70	74	81	92	48	50	55	64	37	40	49	56	37	40	49	56	65	68	81	90	65	68	81	90	95	99	112	116
	mid	164	174	183	207	153	162	171	194	157	167	185	203	190	202	222	242	190	202	221	242	146	155	172	190	315	329	352	332
	up	557	546	576	625	642	640	654	720	754	751	783	831	1,113	1,086	1,126	1,188	754	751	783	831	494	499	527	563	1,314	1,268	1,315	1,135
Min income (USD ppp 2005)	low	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	mid	127	134	141	160	84	89	94	107	67	70	85	94	67	70	85	94	115	122	141	155	115	122	141	155	188	198	211	213
	up	211	223	235	267	253	267	283	320	313	328	355	383	503	530	559	600	313	328	355	383	180	193	209	230	613	634	665	566
Max income (USD ppp 2005)	low	127	133	141	160	84	89	94	107	67	70	85	94	67	70	85	94	115	122	141	155	115	122	141	155	187	198	211	212
	mid	211	222	235	267	253	267	283	320	313	328	355	383	503	529	559	600	313	328	355	383	180	193	209	230	613	631	665	566
	up	29,672	13,569	197,949	24,069	29,672	13,569	197,949	24,069	29,672	13,569	197,949	20,736	29,672	13,569	197,949	20,736	29,672	13,569	197,949	20,736	29,672	13,569	197,949	20,736	29,672	13,569	197,949	24,069
Years of education (head)	low	3.9	4.6	4.9	5.5	3.3	4.0	4.4	5.0	3.1	3.7	4.3	4.8	3.1	3.7	4.3	4.8	3.8	4.5	4.9	5.4	3.8	4.5	4.9	5.4	4.4	5.2	5.5	5.8
	mid	5.6	6.8	6.6	7.0	5.4	6.4	6.5	6.9	5.4	6.4	6.6	7.0	6.0	7.0	7.1	7.5	5.9	7.0	7.1	7.4	5.2	6.5	6.5	6.9	7.6	8.5	8.6	8.4
	up	9.0	10.0	9.9	10.4	9.7	10.6	10.4	11.0	10.3	11.4	11.2	11.6	11.9	13.1	12.5	12.9	10.3	11.4	11.2	11.6	8.6	9.6	9.6	10.0	12.3	13.8	13.0	12.8
% of hh heads with secc	low	3.7%	5.8%	6.6%	8.8%	3.0%	4.4%	5.9%	8.2%	3.4%	4.6%	6.1%	8.2%	3.4%	4.6%	6.1%	8.2%	3.8%	5.5%	6.6%	8.7%	3.8%	5.5%	6.6%	8.7%	5.2%	9.3%	9.1%	10.6%
	mid	9.6%	17.9%	14.8%	16.7%	8.8%	14.7%	13.2%	15.6%	9.7%	15.1%	14.7%	17.1%	13.6%	19.0%	19.1%	21.4%	12.1%	18.8%	18.2%	20.6%	6.1%	16.1%	13.9%	15.3%	25.6%	30.5%	30.7%	29.0%
	up	36.9%	42.8%	42.0%	46.1%	41.9%	48.7%	46.9%	51.3%	47.2%	55.1%	53.4%	56.2%	60.4%	69.6%	64.1%	67.4%	47.2%	55.1%	53.4%	56.2%	33.8%	39.7%	39.2%	42.4%	64.1%	74.6%	69.3%	66.6%
% of hh heads with supc	low	0.6%	1.0%	1.6%	1.6%	0.6%	1.1%	1.4%	1.6%	0.8%	1.0%	1.4%	1.7%	0.8%	1.0%	1.4%	1.7%	0.7%	1.0%	1.6%	1.5%	0.7%	1.0%	1.6%	1.5%	0.9%	1.8%	2.3%	2.3%
	mid	1.8%	4.3%	3.9%	4.6%	1.7%	3.5%	3.7%	4.1%	2.2%	4.0%	4.3%	4.9%	3.8%	6.2%	6.7%	7.6%	2.8%	5.3%	5.4%	6.4%	1.0%	3.3%	3.6%	4.1%	8.6%	12.1%	13.1%	11.2%
	up	16.9%	22.8%	23.1%	25.8%	19.9%	27.0%	26.7%	30.0%	23.3%	32.0%	32.5%	34.6%	33.8%	45.2%	44.1%	46.2%	23.3%	32.0%	32.5%	34.6%	14.8%	20.7%	21.0%	23.0%	38.6%	51.9%	48.5%	45.3%
Size of hh	low	5.5	4.8	4.5	4.5	5.6	4.8	4.5	4.5	5.5	4.8	4.5	4.5	5.5	4.8	4.5	4.5	5.5	4.8	4.5	4.5	5.5	4.8	4.5	4.5	5.5	4.8	4.5	4.5
	mid	4.9	4.2	4.3	4.2	5.0	4.3	4.3	4.2	5.0	4.3	4.2	4.2	4.8	4.2	4.1	4.1	4.8	4.2	4.1	4.0	5.1	4.3	4.3	4.3	4.2	3.8	3.7	3.7
	up	3.9	3.5	3.5	3.3	3.8	3.4	3.4	3.2	3.7	3.3	3.2	3.1	3.5	3.1	3.0	2.8	3.7	3.3	3.2	3.1	4.0	3.6	3.5	3.4	3.4	3.0	2.9	2.8
Poverty 1usd (headcount)	low	0.22	0.19	0.16	0.13	0.35	0.31	0.27	0.22	0.49	0.43	0.32	0.26	0.49	0.43	0.32	0.26	0.24	0.21	0.16	0.13	0.24	0.21	0.16	0.13	0.15	0.14	0.11	0.09
	mid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Poverty 2usd (headcount)	low	0.53	0.49	0.42	0.34	0.86	0.81	0.72	0.57	1.00	1.00	0.84	0.69	1.00	1.00	0.84	0.69	0.58	0.54	0.42	0.35	0.58	0.54	0.42	0.35	0.37	0.35	0.28	0.25
	mid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.06	0.03	0.00	0.00	0.05	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Extreme poverty (head																													

Table 7
Middle Class Definitions
Uruguay

Class		Birdsall et al. (2000)				Davis & Hudson (1992)				Barro (1999) & Easterly (2001)				Solimano (2008)				Alesina & Peroti (1996)				Partridge (1997)				EGR3 tripolarization middle group				
		1992	2000	2003	2005	1992	2000	2003	2005	1992	2000	2003	2005	1992	2000	2003	2005	1992	2000	2003	2005	1992	2000	2003	2005	1992	2000	2003	2005	
Uruguay	N*persons (millions)	low	1.21	1.03	1.11	1.07	0.69	0.62	0.68	0.66	0.56	0.45	0.47	0.46	0.56	0.45	0.47	0.46	1.11	0.91	0.94	0.91	1.11	0.91	0.94	0.91	1.49	1.25	1.44	1.29
		mid	0.76	0.58	0.57	0.56	1.49	1.15	1.16	1.13	1.67	1.36	1.40	1.37	1.94	1.59	1.64	1.60	1.11	0.91	0.94	0.91	0.56	0.45	0.47	0.46	0.97	0.88	0.67	0.75
		up	0.81	0.66	0.66	0.65	0.60	0.50	0.50	0.50	0.56	0.45	0.47	0.46	0.28	0.23	0.23	0.23	0.56	0.45	0.47	0.46	1.11	0.91	0.94	0.91	0.32	0.33	0.24	0.24
% persons	low	43.5%	45.3%	47.2%	46.9%	25.0%	27.5%	28.9%	28.7%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	53.8%	55.1%	61.3%	56.4%	
	mid	27.3%	25.6%	24.5%	24.6%	53.5%	50.6%	49.6%	49.6%	60.0%	60.0%	60.0%	60.0%	70.0%	70.0%	70.0%	70.0%	40.0%	40.0%	40.0%	40.0%	20.0%	20.0%	40.0%	20.0%	34.8%	30.1%	28.3%	34.0%	
	up	29.2%	29.1%	28.3%	28.5%	21.5%	22.0%	21.5%	21.7%	20.0%	20.0%	20.0%	20.0%	10.0%	10.0%	10.0%	10.0%	20.0%	20.0%	20.0%	20.0%	40.0%	40.0%	40.0%	40.0%	11.4%	14.7%	10.3%	10.7%	
N*households (millions)	low	0.30	0.28	0.27	0.27	0.15	0.15	0.15	0.15	0.12	0.10	0.10	0.10	0.12	0.10	0.10	0.10	0.10	0.27	0.23	0.22	0.23	0.27	0.23	0.22	0.23	0.39	0.35	0.38	0.35
	mid	0.25	0.21	0.20	0.21	0.48	0.41	0.39	0.40	0.53	0.48	0.45	0.46	0.63	0.58	0.56	0.57	0.38	0.34	0.33	0.34	0.18	0.16	0.15	0.15	0.35	0.28	0.27	0.31	
	up	0.32	0.30	0.30	0.30	0.24	0.23	0.23	0.23	0.22	0.21	0.22	0.22	0.12	0.11	0.11	0.11	0.22	0.21	0.22	0.22	0.42	0.40	0.40	0.40	0.13	0.16	0.12	0.12	
% households	low	34.3%	34.9%	35.5%	35.3%	17.3%	18.9%	19.5%	19.3%	13.4%	12.8%	12.9%	12.8%	13.4%	12.8%	12.9%	12.8%	30.8%	29.7%	28.7%	28.9%	30.8%	29.7%	28.7%	28.9%	44.7%	44.7%	49.7%	44.7%	
	mid	28.6%	27.0%	26.0%	26.5%	54.9%	51.9%	50.3%	51.0%	60.7%	60.4%	58.9%	59.5%	73.1%	73.0%	72.3%	72.8%	43.0%	43.5%	43.1%	43.4%	20.3%	20.2%	19.6%	19.7%	40.0%	35.0%	35.0%	40.0%	
	up	37.1%	38.1%	38.6%	38.2%	27.8%	29.3%	30.2%	29.7%	25.9%	26.8%	28.2%	27.6%	13.5%	14.1%	14.8%	14.4%	25.9%	26.8%	28.2%	27.6%	48.9%	50.2%	51.6%	51.4%	15.3%	20.2%	15.3%	15.2%	
Share of income (percap)	low	0.17	0.17	0.18	0.18	0.07	0.08	0.08	0.08	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.15	0.14	0.14	0.14	0.15	0.14	0.14	0.14	0.25	0.25	0.29	0.25	
	mid	0.24	0.22	0.21	0.21	0.43	0.40	0.39	0.39	0.47	0.46	0.45	0.45	0.63	0.63	0.61	0.62	0.37	0.37	0.36	0.36	0.15	0.15	0.14	0.14	0.41	0.34	0.36	0.40	
	up	0.59	0.61	0.61	0.61	0.50	0.52	0.52	0.53	0.48	0.49	0.50	0.50	0.32	0.33	0.34	0.34	0.48	0.49	0.50	0.50	0.70	0.71	0.72	0.72	0.34	0.41	0.35	0.35	
Mean income (USD ppp 2008)	low	185	195	137	137	134	141	103	101	119	118	87	84	119	118	87	84	175	179	123	123	175	179	123	123	215	226	166	157	
	mid	401	437	299	303	374	406	276	280	365	390	260	265	420	455	306	312	432	465	311	317	350	370	245	251	546	576	448	430	
	up	940	1,057	751	758	1,075	1,201	855	862	1,110	1,251	884	894	1,471	1,655	1,189	1,198	1,110	1,251	884	894	812	905	630	639	1,399	1,423	1,175	1,167	
Min income (USD ppp 2008)	low	0	0	0	15	0	0	0	15	0	0	0	15	0	0	0	15	0	0	0	15	0	0	0	15	0	0	0	15	
	mid	307	336	231	234	205	224	154	156	179	181	124	123	179	181	124	123	286	300	198	203	286	300	198	203	375	406	306	283	
	up	512	561	385	391	614	673	462	469	640	709	482	494	893	1,026	704	721	640	709	482	494	417	447	298	304	844	847	694	697	
Max income (USD ppp 2008)	low	307	336	231	234	205	224	154	156	179	181	124	123	179	181	124	123	286	300	198	203	286	300	198	203	375	406	306	283	
	mid	512	560	385	390	614	673	462	468	640	709	482	494	893	1,026	703	720	640	709	482	494	417	447	298	304	843	847	694	697	
	up	12,122	9,751	12,996	11,421	12,122	9,751	12,996	11,421	12,122	9,751	12,996	11,421	12,122	9,751	12,996	11,421	12,122	9,751	12,996	11,421	12,122	9,751	12,996	11,421	12,122	9,751	12,996	11,421	
Years of education (head)	low	6.7	7.0	7.1	7.1	6.5	6.9	6.8	6.9	6.5	6.8	6.7	6.8	6.5	6.8	6.7	6.8	6.7	7.0	6.9	7.0	6.7	7.0	6.9	7.0	6.8	7.1	7.2	7.2	
	mid	7.4	7.5	7.8	7.8	7.3	7.5	7.7	7.8	7.3	7.5	7.7	7.8	7.5	7.8	8.0	8.2	7.5	7.6	7.9	8.0	7.0	7.3	7.4	7.6	7.9	8.0	8.7	8.8	
	up	9.4	9.9	10.3	10.6	9.9	10.5	10.8	11.2	10.0	10.7	11.0	11.3	11.2	11.9	12.3	12.7	10.0	10.7	11.0	11.3	9.0	9.4	9.7	9.9	11.1	11.2	12.2	12.6	
% of hh heads with secc	low	13.0%	12.5%	9.7%	10.4%	11.3%	11.7%	7.2%	8.1%	10.9%	11.0%	6.3%	6.7%	10.9%	11.0%	6.3%	6.7%	12.8%	12.1%	8.9%	9.3%	12.8%	12.1%	8.9%	9.3%	13.5%	13.2%	11.7%	11.6%	
	mid	18.3%	16.2%	19.0%	20.5%	17.6%	16.0%	18.2%	19.9%	17.4%	16.0%	17.4%	19.3%	19.2%	18.0%	20.9%	23.0%	18.7%	17.2%	19.7%	22.2%	16.0%	15.7%	17.3%	17.1%	21.9%	19.4%	28.3%	30.1%	
	up	32.5%	32.8%	42.7%	46.9%	36.4%	36.6%	47.2%	51.6%	37.5%	37.8%	48.8%	53.2%	46.1%	47.2%	60.1%	65.4%	37.5%	37.8%	48.8%	53.2%	29.7%	28.8%	37.3%	40.8%	45.9%	42.2%	59.6%	64.3%	
% of hh heads with supc	low	1.0%	1.2%	1.4%	1.1%	0.6%	1.0%	0.8%	0.5%	0.5%	1.0%	0.6%	0.5%	0.3%	1.0%	0.6%	0.5%	1.0%	1.1%	1.2%	0.9%	1.0%	1.1%	1.2%	0.9%	1.2%	1.7%	2.0%	1.4%	
	mid	3.4%	3.9%	4.6%	3.8%	2.9%	3.4%	4.2%	3.9%	2.7%	3.3%	4.0%	3.8%	3.3%	4.7%	5.5%	5.5%	3.2%	4.2%	4.9%	4.7%	2.3%	2.9%	3.1%	2.5%	4.5%	5.6%	8.5%	8.1%	
	up	10.2%	16.1%	18.3%	19.3%	12.3%	19.3%	21.3%	22.5%	13.0%	20.4%	22.3%	23.3%	19.0%	28.8%	31.4%	32.8%	13.0%	20.4%	22.3%	23.3%	8.8%	13.3%	15.1%	15.6%	17.8%	24.3%	31.0%	32.0%	
Size of hh	low	4.1	3.7	4.0	3.9	4.6	4.2	4.5	4.4	4.8	4.5	4.7	4.6	4.8	4.5	4.7	4.6	4.1	3.9	4.2	4.1	4.1	3.9	4.2	4.1	3.8	3.5	3.7	3.7	
	mid	3.0	2.7	2.9	2.7	3.1	2.8	3.0	2.9	3.2	2.9	3.1	3.0	3.1	2.8	2.9	2.8	3.0	2.6	2.8	2.7	3.2	2.9	3.1	3.0	2.5	2.5	2.4	2.4	
	up	2.5	2.2	2.2	2.2	2.5	2.2	2.2	2.1	2.5	2.1	2.2	2.1	2.4	2.0	2.0	2.0	2.5	2.1	2.2	2.1	2.6	2.3	2.4	2.3	2.4	2.1	2.1	2.1	
Poverty 1usd (headcount)	low	0.01	0.01	0.02	0.02	0.03	0.02	0.03	0.03	0.03	0.03	0.04	0.05	0.03	0.03	0.04	0.05	0.02	0.01	0.02	0.02	0.02	0.01	0.02	0.02	0.01	0.01	0.01	0.02	
	mid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Poverty 2usd (headcount)	low	0.08	0.07	0.13	0.16	0.14	0.12	0.21	0.26	0.17	0.17	0.31	0.37	0.17	0.17	0.31	0.37	0.09	0.08	0.15	0.18	0.09	0.08	0.15	0.18	0.06	0.06	0.10	0.13	
	mid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Extreme poverty (headcount)	low	0.04	0.03	0.06	0.07	0.08	0.05	0.10	0.12	0.09	0.07	0.14	0.17	0.09	0.07	0.14	0.17	0.05	0.04	0.07	0.09	0.05	0.04	0.07	0.09	0.04	0.03	0.04	0.06	
	mid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Moderate poverty (headcount)	low	0.47	0.37	0.65	0.63	0.73	0.59	0.90	0.87	0.83	0.73	0.98	0.97	0.83	0.73	0.98	0.97	0.51	0.42	0.74	0.72	0.51	0.42	0.74	0.72	0.38	0.31	0.50	0.52	
	mid	0.00	0.01	0.00	0.00	0.04	0.01	0.10	0.09	0.0																				

Table 8
Middle Class Definitions
Absolute definitions (Banerjee & Duflo (2007) and Ravallion (2009))

	<i>EGR3 tripolarization middle group</i>				<i>Banerjee & Duflo (2007)</i>				<i>Ravallion (2009)</i>			
	1992	2000	2003	2006	1992	2000	2003	2006	1992	2000	2003	2006
Argentina												
% households	35.1	35.8	35.1	40.1	44.7	41.6	46.3	37.9	56.1	50.9	56.3	51.2
Share of income (percap)	0.39	0.38	0.36	0.42	0.23	0.22	0.29	0.21	0.34	0.30	0.39	0.31
Mean income (USD ppp 2005)	482	482	353	474	189	178	164	178	220	203	191	212
Years of education (head)	9.7	10.0	10.4	10.4	7.7	8.0	8.7	8.5	7.9	8.2	9.0	8.7
Moderate poverty (headcount)	0.00	0.00	0.00	0.00	0.28	0.38	0.52	0.37	0.23	0.32	0.45	0.30
Brasil												
% households	35.6	35.2	35.0	35.0	49.8	45.8	46.2	41.4	57.2	54.5	55.2	54.7
Share of income (percap)	0.37	0.39	0.32	0.32	0.35	0.21	0.22	0.19	0.45	0.29	0.30	0.28
Mean income (USD ppp 2005)	268	465	383	448	164	170	171	174	185	195	196	207
Years of education (head)	5.1	6.8	6.3	6.6	4.1	4.5	4.8	5.3	4.3	4.7	5.0	5.3
Moderate poverty (headcount)	0.01	0.00	0.00	0.00	0.26	0.31	0.32	0.30	0.23	0.26	0.27	0.24
Chile												
% households	35.0	35.0	35.0	35.0	56.0	49.3	50.4	47.5	64.8	60.3	61.3	59.4
Share of income (percap)	0.36	0.36	0.37	0.39	0.31	0.23	0.24	0.21	0.39	0.32	0.32	0.30
Mean income (USD ppp 2005)	367	495	491	540	164	173	176	184	185	199	203	213
Years of education (head)	8.5	10.1	10.8	10.6	7.4	8.1	8.6	8.5	7.5	8.3	8.8	8.6
Moderate poverty (headcount)	0.00	0.00	0.00	0.00	0.30	0.19	0.19	0.16	0.26	0.17	0.16	0.13
El Salvador												
% households	35.0	35.0	35.0	35.0	51.4	50.9	53.3	54.7	57.1	58.6	61.1	62.8
Share of income (percap)	0.37	0.38	0.39	0.37	0.46	0.41	0.44	0.43	0.55	0.51	0.55	0.54
Mean income (USD ppp 2005)	193	243	240	246	152	159	161	162	168	180	180	181
Years of education (head)	5.0	6.2	6.5	6.6	4.3	4.9	5.4	5.4	4.6	5.2	5.7	5.8
Moderate poverty (headcount)	0.39	0.00	0.02	0.01	0.59	0.30	0.31	0.31	0.55	0.27	0.28	0.28
Mexico												
% households	35.0	35.1	35.0	35.0	53.3	53.9	54.0	52.6	61.0	61.3	62.5	62.1
Share of income (percap)	0.38	0.40	0.41	0.37	0.35	0.36	0.35	0.33	0.44	0.45	0.45	0.43
Mean income (USD ppp 2005)	315	329	352	332	160	165	166	171	180	184	188	194
Years of education (head)	7.6	8.5	8.6	8.4	5.5	6.5	6.4	6.6	5.8	6.7	6.7	6.9
Moderate poverty (headcount)	0.06	0.05	0.04	0.04	0.56	0.58	0.54	0.51	0.51	0.52	0.47	0.44
Uruguay												
% households	40.0	35.0	35.0	40.0	31.9	28.5	45.5	44.2	45.9	41.5	58.8	58.1
Share of income (percap)	0.41	0.34	0.36	0.40	0.17	0.14	0.28	0.27	0.27	0.23	0.40	0.39
Mean income (USD ppp 2005)	546	576	448	430	195	192	178	181	235	233	208	211
Years of education (head)	7.9	8.0	8.7	8.8	6.7	7.0	7.2	7.3	6.8	7.1	7.4	7.5
Moderate poverty (headcount)	0.00	0.00	0.00	0.00	0.43	0.36	0.45	0.42	0.32	0.27	0.37	0.34

6 Appendix

Table A.1
Surveys used in this Study

País	Encuesta	Años			
Argentina	Encuesta permanente de Hogares	1992	2000	2003	2006
Uruguay	Encuesta Continua de Hogares	1992	2000	2003	2005
Brasil	Pesquisa Nacional por Amostra de Domicílios	1992	2001	2003	2006
Chile	Encuesta de Caracterización Socioeconómica Nacional	1992	2000	2003	2006
El Salvador	Encuesta de Hogares de Propósitos Múltiples	1991	2000	2003	2005
México	Encuesta Nacional de Ingresos y Gastos de los Hogares	1992	2000	2004	2006

Table A.2
Social Class Profiles
Housing

	Birdsall et. al. (2000)			Davis & Houston (1992)			Barro (1999) & Easterly (2001)			Solimano (2008)			Alesina & Perotti (1996)			Partridge (1997)			EGR3 tripolarization		
	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up
ARGENTINA 2006																					
House ownership	58.1	67.0	69.3	54.3	66.4	69.6	51.2	65.8	69.3	51.2	66.0	71.0	56.2	67.8	69.3	56.2	64.3	70.0	59.0	68.4	71.1
Number of rooms	2.6	2.9	3.1	2.5	2.9	3.1	2.4	2.9	3.2	2.4	2.9	3.2	2.6	2.9	3.2	2.6	2.8	3.1	2.7	3.0	3.2
Persons per room	1.9	1.2	0.9	2.1	1.3	0.8	2.3	1.3	0.8	2.3	1.2	0.7	2.0	1.2	0.8	2.0	1.3	0.9	1.8	1.0	0.7
Poor housing	5.5	2.9	0.8	6.7	2.7	0.8	7.7	2.9	0.8	7.7	2.6	0.6	5.9	2.3	0.8	5.9	3.5	1.0	5.2	1.6	0.6
Low-quality materials	4.3	1.3	0.4	5.8	1.3	0.4	7.4	1.5	0.4	7.4	1.3	0.4	4.9	1.0	0.4	4.9	1.5	0.5	3.9	0.6	0.4
Water	97.2	99.4	99.9	95.9	99.4	100.0	94.5	99.3	100.0	94.5	99.4	100.0	96.7	99.6	100.0	96.7	99.4	99.9	97.6	99.7	100.0
Hygienic restrooms	71.4	90.9	97.9	64.2	89.5	98.2	59.7	87.4	98.4	59.7	89.1	99.4	68.2	92.0	98.4	68.2	87.9	97.1	74.1	95.1	99.4
Sewerage	34.2	58.6	77.4	29.9	54.9	79.5	27.0	53.1	80.9	27.0	56.8	86.9	32.2	59.5	80.9	32.2	50.6	74.9	36.8	68.1	86.6
Electricity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BRASIL 2006																					
House ownership	64.3	70.7	74.3	62.2	69.5	75.4	62.5	69.0	75.7	62.5	69.9	76.6	64.3	70.2	75.7	64.3	64.6	75.3	64.1	74.5	76.2
Number of rooms	5.2	5.6	6.7	5.1	5.5	6.9	5.0	5.5	7.1	5.0	5.7	7.8	5.2	5.7	7.1	5.2	5.5	6.5	5.3	5.9	7.6
Persons per room	0.8	0.6	0.4	0.9	0.6	0.4	0.9	0.6	0.4	0.9	0.6	0.3	0.8	0.6	0.4	0.8	0.6	0.4	0.8	0.5	0.4
Poor housing	0.7	0.5	0.4	0.8	0.5	0.3	0.9	0.5	0.3	0.9	0.5	0.2	0.7	0.5	0.3	0.7	0.6	0.4	0.7	0.4	0.2
Low-quality materials	4.3	1.4	0.3	5.6	1.5	0.2	7.0	1.6	0.1	7.0	1.4	0.0	4.7	1.2	0.1	4.7	1.4	0.5	3.7	0.8	0.0
Water	83.1	92.8	98.3	78.6	92.6	98.8	74.7	92.2	99.2	74.7	93.3	99.7	81.7	94.0	99.2	81.7	92.5	97.3	85.2	95.9	99.6
Hygienic restrooms	55.4	69.7	85.8	50.3	69.0	87.5	46.5	68.9	89.5	46.5	71.7	92.6	53.6	72.5	89.5	53.6	68.7	82.7	58.4	77.7	92.2
Sewerage	40.8	55.5	74.3	35.9	54.8	76.2	32.7	54.6	78.8	32.7	57.8	83.0	39.1	58.6	78.8	39.1	53.8	70.9	43.8	64.7	82.4
Electricity	95.7	98.3	99.5	94.4	98.2	99.6	93.2	98.1	99.8	93.2	98.3	99.9	95.3	98.5	99.8	95.3	98.3	99.2	96.3	98.9	99.9
CHILE 2006																					
House ownership	60.3	68.6	70.1	55.2	67.9	70.1	54.2	68.2	69.5	54.2	68.5	69.2	60.1	69.4	69.5	60.1	68.2	70.0	63.1	70.3	68.9
Number of rooms	4.9	5.4	6.1	4.7	5.3	6.3	4.7	5.4	6.4	4.7	5.5	6.8	4.9	5.5	6.4	4.9	5.3	6.1	5.0	5.8	6.8
Persons per room	1.0	0.7	0.6	1.1	0.8	0.5	1.1	0.8	0.5	1.1	0.7	0.4	1.0	0.7	0.5	1.0	0.8	0.6	0.9	0.6	0.4
Poor housing	2.7	1.3	0.9	3.6	1.4	0.9	3.7	1.5	0.8	3.7	1.4	0.6	2.8	1.3	0.8	2.8	1.2	1.0	2.2	1.1	0.6
Low-quality materials	14.9	9.5	5.2	17.3	10.2	4.6	17.4	10.0	3.8	17.4	9.2	2.7	15.0	8.8	3.8	15.0	10.2	5.5	13.2	6.3	2.7
Water	94.5	96.6	98.2	93.7	96.4	98.3	93.6	96.5	98.5	93.6	96.8	98.6	94.5	97.0	98.5	94.5	96.4	98.1	95.2	97.9	98.7
Hygienic restrooms	85.2	92.3	96.8	82.3	91.3	97.4	81.8	91.7	97.9	81.8	92.6	98.5	85.1	93.3	97.9	85.1	91.8	96.4	87.5	95.8	98.5
Sewerage	74.7	82.7	90.4	72.2	81.5	91.4	72.0	82.2	92.1	72.0	83.6	93.1	74.6	84.5	92.1	74.6	82.0	89.7	77.3	88.6	93.2
Electricity	99.0	99.5	99.7	98.7	99.4	99.7	98.7	99.5	99.8	98.7	99.5	99.8	98.9	99.6	99.8	98.9	99.5	99.7	99.2	99.7	99.8
EL SALVADOR 2005																					
House ownership	66.7	68.1	73.1	69.2	66.3	74.6	69.6	67.1	75.1	69.6	67.9	78.3	67.3	67.9	75.1	67.3	65.7	72.7	66.7	69.9	78.2
Number of rooms	1.9	2.4	3.0	1.8	2.3	3.1	1.7	2.3	3.2	1.7	2.4	3.5	1.8	2.5	3.2	1.8	2.3	2.9	2.0	2.7	3.5
Persons per room	3.3	2.2	1.4	3.6	2.3	1.3	3.7	2.4	1.2	3.7	2.2	1.0	3.4	2.1	1.2	3.4	2.4	1.5	3.1	1.7	1.0
Poor housing	6.7	5.8	4.0	6.5	6.0	3.8	6.6	5.9	3.6	6.6	5.8	2.2	6.3	5.9	3.6	6.3	7.1	4.1	6.6	5.1	2.3
Low-quality materials	42.7	24.8	13.6	47.3	27.1	12.1	49.4	28.2	10.6	49.4	25.6	7.9	44.1	23.7	10.6	44.1	28.4	14.7	38.9	18.6	7.8
Water	44.9	62.3	76.4	40.5	59.8	79.0	37.9	59.4	80.5	37.9	62.1	86.3	43.2	64.0	80.5	43.2	59.3	74.9	48.7	69.0	85.4
Hygienic restrooms	16.3	35.0	57.5	12.4	32.0	62.1	11.1	31.3	65.7	11.1	35.8	74.2	14.3	37.1	65.7	14.3	32.3	54.7	20.0	45.3	73.2
Sewerage	14.3	31.3	52.6	11.1	28.4	56.9	9.9	27.9	60.4	9.9	31.8	70.0	12.6	33.2	60.4	12.6	28.5	50.0	17.7	40.4	68.7
Electricity	75.9	91.8	96.1	71.1	89.4	97.0	68.4	88.6	97.2	68.4	89.9	98.3	74.2	92.2	97.2	74.2	90.0	95.8	79.5	94.2	98.3
MEXICO 2006																					
House ownership	66.4	68.1	72.0	67.5	67.9	71.7	68.4	68.4	71.1	68.4	69.1	69.9	66.4	70.2	71.1	66.4	67.8	71.6	66.9	71.8	69.8
Number of rooms	4.2	4.9	6.0	4.1	4.8	6.2	4.1	4.8	6.4	4.1	5.0	6.9	4.2	5.0	6.4	4.2	4.8	5.8	4.4	5.3	6.8
Persons per room	1.2	1.0	0.6	1.3	1.0	0.6	1.3	1.0	0.5	1.3	0.9	0.4	1.2	0.9	0.5	1.2	1.0	0.7	1.2	0.8	0.5
Poor housing	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Low-quality materials	49.3	32.0	16.9	55.4	33.4	15.4	57.9	32.7	13.7	57.9	29.9	11.7	49.7	28.8	13.7	49.7	34.4	18.2	45.3	22.6	11.8
Water	83.4	92.3	95.5	80.0	91.2	96.0	79.0	91.2	96.2	79.0	91.9	97.0	83.2	92.9	96.2	83.2	92.2	95.0	85.7	94.2	96.6
Hygienic restrooms	41.2	65.7	85.8	35.1	62.4	88.1	33.2	63.1	90.6	33.2	67.2	93.5	40.9	69.5	90.6	40.9	63.1	83.7	47.1	77.6	93.4
Sewerage	35.0	59.1	79.7	28.9	55.8	82.1	27.6	56.4	84.8	27.6	60.6	88.2	34.8	62.6	84.8	34.8	56.1	77.5	40.7	71.0	88.1
Electricity	98.2	99.8	99.7	97.4	99.5	99.7	97.1	99.5	99.9	97.1	99.5	99.9	98.2	99.6	99.9	98.2	99.8	99.7	98.6	99.6	99.9
URUGUAY 2005																					
House ownership	47.1	67.3	77.2	38.3	64.8	79.2	32.8	63.5	79.4	32.8	65.9	82.1	44.0	67.4	79.4	44.0	63.9	75.2	51.0	71.7	81.7
Number of rooms	3.0	3.2	3.6	2.9	3.2	3.6	2.9	3.2	3.6	2.9	3.3	3.8	3.0	3.3	3.6	3.0	3.2	3.5	3.1	3.3	3.8
Persons per room	1.4	0.9	0.6	1.7	0.9	0.6	1.8	1.0	0.6	1.8	0.9	0.6	1.5	0.9	0.6	1.5	1.0	0.7	1.3	0.7	0.6
Poor housing	2.4	1.8	1.0	2.8	1.8	0.9	3.3	1.8	0.9	3.3	1.7	0.4	2.5	1.7	0.9	2.5	2.2	1.0	2.4	1.4	0.4
Low-quality materials	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Water	98.1	98.9	99.5	98.0	98.7	99.6	97.8	98.7	99.6	97.8	98.8	99.8	98.0	98.9	99.6	98.0	98.6	99.4	98.3	99.1	99.7
Hygienic restrooms	86.0	97.4	99.5	80.6	96.1	99.8	76.6	95.4	99.8	76.6	96.2	99.9	84.3	97.3	99.8	84.3	95.8	99.2	88.1	98.8	99.9
Sewerage	46.4	65.5	84.9	39.9	63.6	87.7	37.1	62.2	88.2	37.1	66.1	92.5	44.4	66.6	88.2	44.4	59.7	80.8	49.3	75.0	92.3
Electricity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Table A.3
Social Class Profiles
Education

	Birdsall et al. (2000)			Davis & Houston (1992)			Barro (1999) & Easterly (2001)			Solimano (2008)			Alesina & Perotti (1996)			Partridge (1997)			EGR3 tripolarization middle group		
	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up
ARGENTINA 2006																					
Educational group of hh heads (%)																					
Low	62.1	47.2	24.1	65.8	48.4	20.8	68.8	49.2	18.5	68.8	45.1	11.7	63.6	45.4	18.5	63.6	51.4	28.1	60.1	37.3	11.8
Medium	31.9	37.5	36.0	29.8	37.3	35.1	27.1	36.9	34.7	27.1	37.5	29.8	31.5	37.4	34.7	31.5	35.4	36.7	32.8	38.8	30.1
High	5.9	15.3	39.9	4.4	14.4	44.1	4.1	14.0	46.8	4.1	17.3	58.5	4.9	17.2	46.8	4.9	13.2	35.2	7.1	23.8	58.1
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Literacy rate	97.7	99.2	99.7	97.3	98.9	99.8	96.9	98.8	99.8	96.9	98.9	99.9	97.6	99.0	99.8	97.6	98.8	99.6	97.9	99.4	99.9
School attendance by age																					
[3,5]	54.4	75.0	79.5	50.3	70.7	78.8	49.3	67.1	78.6	49.3	68.0	80.5	52.8	74.8	78.6	52.8	72.5	78.0	56.1	77.8	79.8
[6,12]	99.1	99.8	99.6	99.0	99.6	99.4	99.2	99.3	99.4	99.2	99.3	99.9	99.0	99.9	99.4	99.0	99.9	99.6	99.2	99.6	99.9
[13,17]	87.6	95.4	97.9	86.2	94.0	97.6	85.0	92.8	97.5	85.0	93.3	96.2	86.7	95.8	97.5	86.7	94.6	97.4	88.5	97.1	96.2
[18,23]	31.4	47.3	60.8	27.4	44.9	63.6	25.6	43.3	64.1	25.6	45.5	70.1	29.3	48.9	64.1	29.3	46.1	57.7	32.8	54.8	68.5
BRASIL 2006																					
Educational group of hh heads (%)																					
Low	80.1	73.9	45.7	82.3	73.4	41.8	83.2	72.8	36.0	83.2	69.0	23.0	81.1	70.1	36.0	81.1	72.7	51.6	78.5	64.2	26.1
Medium	19.0	23.8	34.1	16.9	24.5	34.8	16.0	24.7	35.2	16.0	26.7	33.6	18.1	26.7	35.2	18.1	25.4	31.6	20.3	29.9	34.7
High	0.9	2.3	20.2	0.8	2.1	23.5	0.8	2.5	28.8	0.8	4.3	43.4	0.8	3.1	28.8	0.8	1.8	16.8	1.1	5.9	39.3
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Literacy rate	86.1	88.0	96.5	85.1	88.7	97.2	83.7	89.2	98.0	83.7	90.4	99.2	85.7	90.0	98.0	85.7	89.2	94.4	86.8	92.2	99.0
School attendance by age																					
[3,5]	50.3	66.2	75.9	48.4	61.8	78.4	47.5	59.5	81.3	47.5	60.8	87.3	49.6	65.3	81.3	49.6	63.5	74.0	52.1	69.8	85.4
[6,12]	96.5	98.8	99.4	96.2	98.2	99.5	95.8	98.0	99.5	95.8	98.1	99.8	96.4	98.7	99.5	96.4	98.4	99.4	96.8	99.2	99.6
[13,17]	84.2	88.7	94.8	83.1	88.1	95.8	81.7	88.0	96.4	81.7	88.7	98.1	83.9	89.3	96.4	83.9	87.8	93.8	84.9	91.9	97.9
[18,23]	27.7	28.0	47.0	27.3	28.7	51.0	26.8	29.5	56.7	26.8	31.7	68.2	27.7	30.0	56.7	27.7	28.1	43.6	27.8	34.7	65.2
CHILE 2006																					
Educational group of hh heads (%)																					
Low	54.2	47.4	25.2	55.9	47.9	21.7	56.0	46.2	17.9	56.0	42.7	11.2	54.2	43.5	17.9	54.2	49.2	27.3	52.4	32.5	9.1
Medium	41.0	43.2	40.7	40.1	43.2	39.6	40.0	43.7	37.0	40.0	43.7	30.9	41.0	44.5	37.0	41.0	42.2	41.4	41.4	44.9	29.3
High	4.8	9.4	34.2	4.0	9.0	38.7	4.1	10.1	45.1	4.1	13.6	57.9	4.8	12.1	45.1	4.8	8.6	31.2	6.2	22.5	61.6
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Literacy rate	93.8	95.9	98.7	93.4	95.6	98.9	93.5	95.8	99.2	93.5	96.3	99.5	93.8	96.6	99.2	93.8	95.6	98.4	94.5	98.1	99.5
School attendance by age																					
[3,5]	59.4	64.9	69.2	57.1	63.2	72.6	56.5	63.7	74.5	56.5	64.6	78.6	59.4	64.2	74.5	59.4	63.6	69.1	60.5	67.7	76.6
[6,12]	98.6	99.0	99.6	98.3	99.1	99.6	98.3	99.1	99.6	98.3	99.1	99.9	98.6	99.2	99.6	98.6	99.0	99.5	98.7	99.5	99.9
[13,17]	91.4	94.4	97.9	90.6	93.8	98.2	90.5	94.1	98.1	90.5	94.6	98.2	91.3	95.4	98.1	91.3	93.7	97.7	92.0	97.3	99.1
[18,23]	32.2	37.2	57.5	30.7	36.9	61.9	30.7	38.4	66.6	30.7	41.5	72.5	32.1	40.7	66.6	32.1	36.4	54.8	33.6	51.0	73.6
EL SALVADOR 2005																					
Educational group of hh heads (%)																					
Low	84.0	69.4	48.0	87.9	70.4	44.5	88.9	71.4	40.8	88.9	67.9	30.9	85.8	66.7	40.8	85.8	71.4	50.6	81.0	60.0	32.7
Medium	15.0	27.3	32.2	11.4	25.5	33.1	10.3	24.6	33.7	10.3	26.4	32.7	13.5	27.9	33.7	13.5	26.0	31.9	17.6	30.9	33.3
High	1.0	3.4	19.8	0.6	4.1	22.4	0.8	4.0	25.5	0.8	5.7	36.5	0.8	5.4	25.5	0.8	2.6	17.5	1.4	9.2	34.0
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Literacy rate	77.7	86.5	92.1	74.9	85.6	93.1	73.0	85.0	94.1	73.0	86.1	95.9	76.8	87.0	94.1	76.8	85.1	91.6	79.5	89.4	95.8
School attendance by age																					
[3,5]	20.6	31.4	49.9	19.3	28.5	55.5	18.2	28.4	60.0	18.2	30.9	64.6	20.2	32.1	60.0	20.2	28.9	46.4	22.1	40.3	64.7
[6,12]	87.6	94.0	96.9	86.0	92.8	97.7	85.9	91.9	98.3	85.9	92.4	98.6	87.2	93.9	98.3	87.2	92.6	96.7	88.6	96.1	98.8
[13,17]	65.4	79.8	87.4	62.6	76.8	89.3	62.3	75.1	90.4	62.3	76.7	93.8	64.3	79.9	90.4	64.3	76.2	87.0	68.0	83.9	93.7
[18,23]	17.0	22.7	41.5	15.4	22.5	45.5	15.5	22.6	47.7	15.5	25.7	56.7	16.1	25.4	47.7	16.1	22.1	38.4	18.1	31.6	55.1
MEXICO 2006																					
Educational group of hh heads (%)																					
Low	71.0	57.5	32.7	76.0	58.2	28.9	77.5	57.3	24.9	77.5	53.4	16.7	71.2	53.9	24.9	71.2	59.2	35.7	67.9	46.0	17.3
Medium	26.5	36.5	37.2	21.3	36.4	36.3	19.5	36.3	35.5	19.5	37.0	31.7	26.4	37.7	35.5	26.4	35.1	37.5	28.8	39.8	32.0
High	2.4	6.1	30.1	2.7	5.4	34.9	2.9	6.4	39.7	2.9	9.6	51.6	2.4	8.5	39.7	2.4	5.7	26.8	3.3	14.2	50.7
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Literacy rate	86.9	94.7	97.4	83.3	94.0	97.8	82.1	93.9	98.2	82.1	94.4	98.9	86.7	95.1	98.2	86.7	94.6	96.9	89.0	96.1	98.8
School attendance by age																					
[3,5]	90.1	96.5	99.5	86.5	96.1	99.8	85.6	95.8	99.6	85.6	96.1	99.5	90.1	97.0	99.6	90.1	96.5	98.5	91.8	98.1	99.5
[6,12]	96.9	99.0	98.8	95.6	98.8	99.2	95.4	98.6	99.2	95.4	98.7	99.5	96.8	98.8	99.2	96.8	98.9	99.0	97.3	99.0	98.9
[13,17]	70.6	75.1	84.7	68.9	74.7	87.4	66.8	76.0	88.3	66.8	77.2	90.5	70.6	76.8	88.3	70.6	75.5	82.5	71.8	80.0	90.7
[18,23]	19.7	24.8	44.8	20.3	25.1	47.4	20.9	26.6	49.4	20.9	29.2	56.5	19.7	29.6	49.4	19.7	23.7	41.6	20.8	35.9	56.7
URUGUAY 2005																					
Educational group of hh heads (%)																					
Low	67.5	58.5	35.3	71.1	58.9	30.5	73.5	59.4	29.2	73.5	55.0	19.7	69.0	57.1	29.2	69.0	60.2	40.9	66.2	50.3	20.2
Medium	29.3	32.2	34.2	26.9	32.3	34.6	24.8	32.2	34.6	24.8	33.3	32.8	28.3	32.7	34.6	28.3	32.7	33.7	29.7	34.0	33.1
High	3.2	9.3	30.5	2.0	8.8	34.9	1.7	8.4	36.2	1.7	11.2	47.6	2.7	10.3	36.2	2.7	7.1	25.4	4.1	15.7	46.7
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Literacy rate	97.6	97.4	98.7	97.8	97.5	99.0	97.8	97.5	99.0	97.8	97.7	99.5	97.7	97.5	99.0	97.7	97.3	98.4	97.5	97.9	99.5
School attendance by age																					
[3,5]	67.4	82.6	92.0	64.8	79.6	92.5	64.5	76.3	93.4	64.5	77.8	92.5	66.2	82.7	93.4	66.2	80.3	89.6	68.6	88.1	93.0
[6,12]	98.5	98.4	99.1	98.4	98.7	99.1	98.3	98.7	99.1	98.3	98.7	99.1	98.4	98.7	99.1	98.4	98.6	98.4	98.4	98.8	99.2
[13,17]	78.6	92.4	97.7	75.7	89.3	97.6	72.3	88.3	97.6	72.3	89.2	99.3	77.6	92.1	97.9	77.6	89.8	96.4	80.0	95.3	99.4
[18,23]	27.3	53.3	75.9	21.3	47.7	79.8	18.3	45.4	80.4	18.3	49.1	81.6	24.8	52.9	80.4	24.8	44.9	71.1	30.1	66.0	82.4

Table A.4
Social Class Profiles
Labor 1

	Birdsall et. al. (2000)			Davis & Houston (1992)			Barro (1999) & Easterly (2001)			Solimano (2008)			Alesina & Peroti (1996)			Partridge (1997)			EGR3 tripolarization middle group		
	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up
ARGENTINA 2006																					
<i>In the labor force</i>	48.3	54.6	65.6	46.4	54.1	67.9	44.8	53.5	69.7	44.8	55.2	74.0	47.4	55.2	69.7	47.4	54.0	63.2	49.3	58.4	74.1
<i>Employed</i>	40.5	49.1	63.0	37.6	48.7	65.8	34.5	48.1	67.7	34.5	50.3	72.2	39.1	50.3	67.7	39.1	48.7	60.0	41.8	54.4	72.4
<i>Unemployment rate</i>	16.2	10.0	3.9	19.1	10.0	3.1	23.0	10.0	2.9	23.0	8.9	2.3	17.5	8.8	2.9	17.5	9.9	5.1	15.1	6.9	2.3
<i>Child labor</i>	2.0	3.0	0.5	2.3	1.7	0.6	2.4	1.7	0.8	2.4	1.7	0.0	1.9	2.1	0.8	1.9	3.2	0.7	2.2	1.1	0.0
BRASIL 2006																					
<i>In the labor force</i>	43.0	55.2	62.6	39.8	54.1	62.5	37.7	53.2	62.7	37.7	54.4	63.4	41.7	56.9	62.7	41.7	54.6	61.0	45.4	59.8	63.2
<i>Employed</i>	36.9	51.5	60.0	33.3	49.9	60.1	30.6	48.9	60.4	30.6	50.4	61.5	35.5	53.2	60.4	35.5	50.3	58.3	39.7	56.9	61.2
<i>Unemployment rate</i>	14.1	6.7	4.1	16.4	7.7	3.8	18.7	8.0	3.6	18.7	7.4	3.0	14.9	6.5	3.6	14.9	7.9	4.4	12.6	5.0	3.2
<i>Child labor</i>	11.6	8.0	5.2	12.6	8.3	4.6	14.1	8.5	3.8	14.1	8.2	2.7	11.9	7.8	3.8	11.9	8.4	5.6	11.0	7.1	2.9
CHILE 2006																					
<i>In the labor force</i>	33.2	45.3	54.8	29.3	43.3	56.0	28.9	44.1	57.0	28.9	45.6	59.3	33.0	47.6	57.0	33.0	44.3	53.9	36.8	52.4	60.3
<i>Employed</i>	37.1	50.9	60.9	31.8	48.8	62.1	31.1	49.6	63.4	31.1	51.3	65.8	36.8	53.2	63.4	36.8	49.6	60.0	41.3	58.4	66.7
<i>Unemployment rate</i>	14.2	5.8	3.4	19.8	6.6	3.2	20.9	6.4	2.9	20.9	5.9	2.5	14.4	5.2	2.9	14.4	6.3	3.5	11.1	3.8	2.5
<i>Child labor</i>	0.5	0.4	1.3	0.4	0.5	1.6	0.4	0.7	1.0	0.4	0.7	1.4	0.5	0.8	1.0	0.5	0.4	1.2	0.5	1.3	0.8
EL SALVADOR 2005																					
<i>In the labor force</i>	38.6	46.0	53.9	36.6	45.0	55.4	35.9	44.6	56.4	35.9	45.9	59.4	38.0	46.8	56.4	38.0	44.5	52.8	39.9	50.1	59.0
<i>Employed</i>	34.2	42.8	51.9	31.6	41.9	53.7	30.5	41.4	54.9	30.5	42.9	58.3	33.4	43.8	54.9	33.4	41.4	50.6	35.7	47.5	57.9
<i>Unemployment rate</i>	11.3	6.9	3.7	13.8	7.0	3.1	15.0	7.3	2.7	15.0	6.6	1.9	12.0	6.3	2.7	12.0	7.0	4.1	10.4	5.2	2.0
<i>Child labor</i>	12.9	11.4	6.2	13.0	11.6	5.0	14.3	11.0	4.7	14.3	10.5	2.3	13.0	10.6	4.7	13.0	11.0	7.7	12.5	9.3	2.7
MEXICO 2006																					
<i>In the labor force</i>	53.1	59.8	66.3	51.7	59.0	66.9	51.4	59.2	67.7	51.4	60.5	68.1	52.9	61.3	67.7	52.9	58.4	65.9	54.6	64.3	68.0
<i>Employed</i>	50.3	57.8	65.1	48.4	57.0	65.8	48.1	57.1	66.8	48.1	58.6	67.1	50.1	59.4	66.8	50.1	56.3	64.6	51.9	62.9	67.0
<i>Unemployment rate</i>	5.3	3.4	1.8	6.3	3.4	1.7	6.5	3.5	1.3	6.5	3.1	1.4	5.4	3.1	1.3	5.4	3.7	1.9	4.9	2.2	1.5
<i>Child labor</i>	13.1	10.2	7.5	14.4	11.0	5.4	15.5	10.4	5.4	15.5	10.2	1.9	13.3	10.0	5.4	13.3	10.0	8.0	12.3	10.3	2.1
URUGUAY 2005																					
<i>In the labor force</i>	61.3	57.0	56.0	62.7	57.8	56.0	62.8	58.3	56.1	62.8	57.8	57.0	61.4	57.4	56.1	61.4	58.6	56.2	60.5	56.1	56.9
<i>Employed</i>	34.8	44.5	47.9	31.3	43.2	48.4	29.0	42.3	48.6	29.0	43.0	49.9	33.3	44.7	48.6	33.3	43.5	47.2	36.2	46.0	49.8
<i>Unemployment rate</i>	18.5	9.4	5.7	21.7	10.9	5.0	23.7	11.6	5.0	23.7	10.7	4.5	19.6	9.6	5.0	19.6	11.0	6.6	16.9	7.6	4.6
<i>Child labor</i>	0.5	0.6	0.3	0.5	0.5	0.4	0.5	0.5	0.2	0.5	0.5	0.0	0.5	0.5	0.2	0.5	0.3	0.5	0.5	0.5	0.0

Table A.5
Social Class Profiles
Labor 2

	Birdsall et. al. (2000)			Davis & Hudson (1992)			Barro (1999) & Easterly (2001)			Solimano (2008)			Alesina & Perotti (1996)			Partridge (1997)			EGR3 tripolarization		
	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up
ARGENTINA 2006																					
Entrepreneur	1.1	2.8	5.2	1.0	2.2	5.9	1.0	2.3	6.0	1.0	2.6	7.4	1.0	2.8	6.0	1.0	2.3	4.8	1.4	3.4	7.4
Salaryed worker	62.3	71.2	76.4	57.9	71.0	77.2	54.1	70.1	77.6	54.1	71.4	77.5	60.7	71.7	77.6	60.7	69.7	75.9	63.1	74.8	77.5
Self-employed	19.3	15.1	14.0	20.7	16.0	13.5	20.8	16.7	13.2	20.8	16.2	12.6	19.6	15.8	13.2	19.6	17.2	13.8	19.1	14.4	12.6
Zero income	1.1	0.9	0.4	1.3	0.9	0.3	1.2	1.0	0.3	1.2	0.8	0.3	1.2	0.8	0.3	1.2	1.0	0.5	1.2	0.5	0.3
Unemployed	16.2	10.0	3.9	19.1	10.0	3.1	23.0	10.0	2.9	23.0	8.9	2.3	17.5	8.8	2.9	17.5	9.9	5.1	15.1	6.9	2.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
BRASIL 2006																					
Entrepreneur	0.8	2.0	8.3	0.6	1.8	9.4	0.4	2.0	11.2	0.4	2.7	15.7	0.7	2.4	11.2	0.7	1.7	7.3	1.0	3.8	14.4
Salaryed worker	48.8	63.7	64.1	42.4	62.5	63.6	35.6	61.7	62.9	35.6	62.2	60.7	46.7	64.1	62.9	46.7	62.7	64.0	52.3	65.3	61.2
Self-employed	20.3	19.0	18.8	21.0	19.1	18.6	21.7	19.3	18.2	21.7	19.3	17.4	20.5	19.3	18.2	20.5	19.3	18.7	20.0	19.2	17.8
Zero income	15.9	8.7	4.8	19.4	8.8	4.5	23.3	9.0	4.0	23.3	8.4	3.1	17.2	7.8	4.0	17.2	8.3	5.6	14.1	6.7	3.4
Unemployed	14.2	6.7	4.1	16.6	7.7	3.8	18.9	8.0	3.6	18.9	7.4	3.0	15.0	6.5	3.6	15.0	7.9	4.4	12.6	5.0	3.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
CHILE 2006																					
Entrepreneur	0.4	1.0	5.7	0.2	1.0	6.6	0.2	1.1	8.2	0.2	1.7	11.6	0.3	1.3	8.2	0.3	1.0	5.1	0.6	2.8	13.2
Salaryed worker	70.3	75.5	67.5	66.3	74.4	66.6	65.3	73.8	65.2	65.3	72.9	62.4	70.2	73.8	65.2	70.2	75.8	68.4	72.4	70.6	60.8
Self-employed	14.4	16.8	22.5	13.0	17.3	22.6	13.0	17.8	22.7	13.0	18.7	22.8	14.3	18.8	22.7	14.3	16.1	22.0	15.1	21.7	22.8
Zero income	0.8	0.9	0.9	0.7	0.8	0.9	0.7	0.9	0.9	0.7	0.9	0.7	0.7	0.9	0.9	0.7	0.8	1.0	0.8	1.0	0.7
Unemployed	14.2	5.8	3.4	19.8	6.6	3.2	20.9	6.4	2.9	20.9	5.9	2.5	14.4	5.2	2.9	14.4	6.3	3.5	11.1	3.8	2.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
EL SALVADOR 2005																					
Entrepreneur	2.5	3.1	6.0	2.8	2.9	6.6	3.6	2.9	7.0	3.6	3.1	9.3	2.4	3.5	7.0	2.4	3.3	5.5	2.6	3.9	8.8
Salaryed worker	38.6	54.2	63.1	30.3	54.0	64.3	23.2	53.2	66.1	23.2	54.9	69.0	36.8	55.1	66.1	36.8	53.3	61.8	42.2	58.6	68.4
Self-employed	32.9	27.2	21.1	36.4	26.7	20.4	38.8	27.3	18.9	38.8	26.6	15.3	33.6	26.6	18.9	33.6	27.3	22.1	31.5	25.0	16.5
Zero income	14.6	8.6	6.1	16.7	9.3	5.7	19.5	9.3	5.3	19.5	8.8	4.5	15.2	8.4	5.3	15.2	9.1	6.5	13.3	7.3	4.4
Unemployed	11.4	6.9	3.7	13.8	7.0	3.1	15.0	7.3	2.7	15.0	6.7	1.9	12.1	6.3	2.7	12.1	7.0	4.1	10.4	5.2	2.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
MEXICO 2006																					
Entrepreneur	2.0	2.3	6.0	1.8	2.5	6.7	1.9	2.6	7.5	1.9	2.9	10.5	2.0	2.8	7.5	2.0	2.2	5.5	2.0	3.4	10.2
Salaryed worker	54.7	68.7	71.5	47.9	66.8	72.7	45.5	67.1	72.5	45.5	68.0	72.7	54.3	69.0	72.5	54.3	68.4	71.1	58.8	70.5	72.4
Self-employed	27.8	19.9	16.3	31.1	21.0	15.4	32.2	20.8	14.9	32.2	20.2	12.6	27.9	19.5	14.9	27.9	20.3	16.8	25.5	18.4	13.0
Zero income	10.2	5.7	4.4	13.0	6.3	3.6	13.9	6.0	3.8	13.9	5.8	2.7	10.4	5.6	3.8	10.4	5.4	4.7	8.8	5.4	2.9
Unemployed	5.3	3.4	1.8	6.3	3.4	1.7	6.5	3.5	1.3	6.5	3.1	1.4	5.4	3.1	1.3	5.4	3.7	1.9	4.9	2.2	1.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
URUGUAY 2005																					
Entrepreneur	0.6	2.5	8.2	0.2	2.2	9.6	0.2	2.0	10.0	0.2	2.8	12.5	0.5	2.6	10.0	0.5	1.8	6.7	0.9	4.5	12.1
Salaryed worker	56.6	67.6	66.3	51.8	66.2	65.4	47.3	65.6	64.9	47.3	65.9	62.6	54.6	67.8	64.9	54.6	67.1	66.7	58.6	68.0	63.0
Self-employed	23.0	19.3	18.9	24.9	19.5	19.1	27.0	19.6	19.2	27.0	19.5	19.8	23.9	18.9	19.2	23.9	19.1	19.0	22.4	18.6	19.7
Zero income	1.4	1.2	0.8	1.4	1.2	0.8	1.7	1.1	0.8	1.7	1.1	0.6	1.4	1.1	0.8	1.4	1.0	1.0	1.3	1.2	0.6
Unemployed	18.5	9.4	5.7	21.7	10.9	5.0	23.7	11.6	5.0	23.7	10.7	4.5	19.6	9.6	5.0	19.6	11.0	6.6	16.9	7.6	4.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Table A.6
Social Class Profiles
Income Structure

	Birdsall et. al. (2000)			Davis & Hudson (1992)			Barro (1999) & Easterly (2001)			Solimano (2008)			Alesina & Perotti (1996)			Partridge (1997)			EGR3 tripolarization		
	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up	Low	Mid	Up
ARGENTINA 2006																					
Labor	80.0	78.3	82.6	78.1	79.8	82.9	74.5	79.7	83.4	74.5	80.1	84.3	79.3	79.3	83.4	79.3	80.1	82.0	80.4	79.4	84.4
Non-labor	20.0	21.7	17.4	21.9	20.2	17.1	25.5	20.3	16.6	25.5	19.9	15.7	20.7	20.7	16.6	20.7	19.9	18.0	19.6	20.6	15.6
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
BRASIL 2006																					
Labor	76.9	73.5	76.2	76.1	75.4	76.1	74.1	75.8	76.1	74.1	75.7	76.3	76.6	75.3	76.1	76.6	78.1	75.5	77.3	74.5	76.3
Non-labor	23.1	26.5	23.8	23.9	24.6	23.9	25.9	24.2	23.9	25.9	24.3	23.7	23.4	24.7	23.9	23.4	21.9	24.5	22.7	25.5	23.7
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
CHILE 2006																					
Labor	80.5	82.9	85.9	78.1	83.0	86.0	77.9	83.3	86.2	77.9	83.7	86.7	80.5	83.6	86.2	80.5	82.6	85.7	81.6	84.4	87.0
Non-labor	19.5	17.1	14.1	21.9	17.0	14.0	22.1	16.7	13.8	22.1	16.3	13.3	19.5	16.4	13.8	19.5	17.4	14.3	18.4	15.6	13.0
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
EL SALVADOR 2005																					
Labor	78.5	79.7	83.1	77.6	79.2	83.8	76.4	79.2	84.2	76.4	79.8	85.6	78.4	79.2	84.2	78.4	80.2	82.7	79.1	79.7	85.5
Non-labor	21.5	20.3	16.9	22.4	20.8	16.2	23.6	20.8	15.8	23.6	20.2	14.4	21.6	20.8	15.8	21.6	19.8	17.3	20.9	20.3	14.5
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
MEXICO 2006																					
Labor	88.0	89.9	88.3	86.0	90.0	88.1	85.4	89.8	87.9	85.4	89.6	87.4	87.9	90.0	87.9	87.9	90.0	88.4	89.0	89.7	87.4
Non-labor	12.0	10.1	11.7	14.0	10.0	11.9	14.6	10.2	12.1	14.6	10.4	12.6	12.1	10.0	12.1	12.1	10.0	11.6	11.0	10.3	12.6
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
URUGUAY 2005																					
Labor	70.1	64.8	62.6	70.9	65.5	62.6	69.4	66.0	62.6	69.4	65.4	62.0	70.6	64.6	62.6	70.6	66.8	62.8	68.9	63.6	62.2
Non-labor	29.9	35.2	37.4	29.1	34.5	37.4	30.6	34.0	37.4	30.6	34.6	38.0	29.4	35.4	37.4	29.4	33.2	37.2	31.1	36.4	37.8
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100