



5 Charts That Show How the Middle Class Is Disappearing

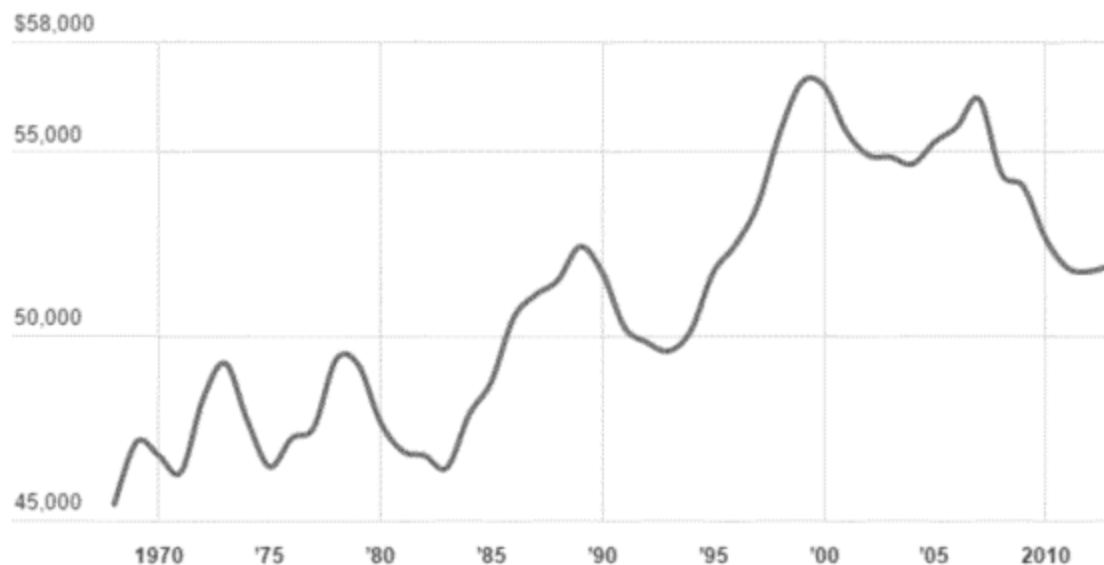
by Katie Rose Quandt: January 26, 2015

Already the richest country in the world, the United States reached its highest cumulative wealth ever in 2013. It ranked fourth in the world in wealth per person, with \$348,000 for every American adult.

But the average American wouldn't know it. Thanks to economic policies that favor the super-rich and fuel inequality, the typical US adult's total wealth is \$31,688 — not even close to \$348,000. And things aren't poised to change: The median household brought in \$51,939 in 2013, a real dollar increase of just \$180 from 2012. This recent income stagnation came in the wake of a steep drop from 2007-2011 (mouse over the graph to see data):

Median Household Income Remains Stagnant

After falling sharply from 2007-2011, incomes have yet to recover.

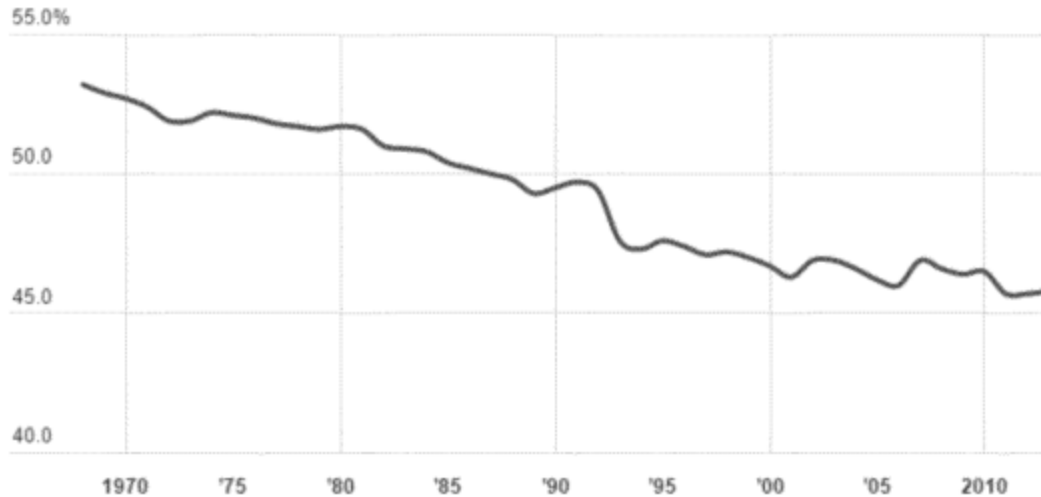


Source: [US Census Bureau](#) [Get the data](#)

Middle class Americans are feeling this income squeeze. One way to see how the middle class is faring is to break out the middle 60 percent of the population. The share of total national income going to this chunk of the population has decreased steadily since the 1960s and currently stands well below 50 percent:

The Middle Class Is Getting a Smaller and Smaller Share

The middle 60 percent of Americans used to earn over half the national income. They got 45.8 percent in 2013.



Source: [US Census Bureau](#) [Get the data](#)

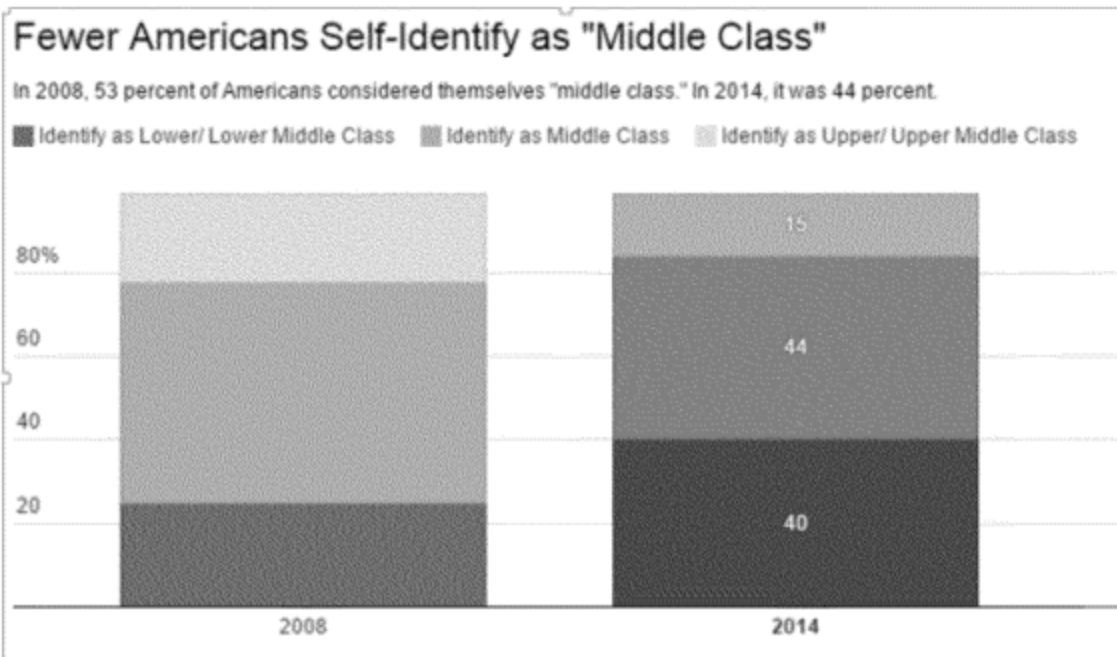
As the middle class share dwindles, it's harder for typical Americans to put anything aside. Remember how the United States ranks fourth in the world in wealth per-person? When the same report ranked each country by its median wealth, the US dropped to #21. Which means middle-of-the pack Americans have far less to their names than middle-of-the pack Australians (or Japanese, or Canadians, or Spanish, or Austrians...)

Fewer Americans Self-Identify as "Middle Class"

In 2008, 53 percent of Americans considered themselves "middle class." In 2014, it was 44 percent.

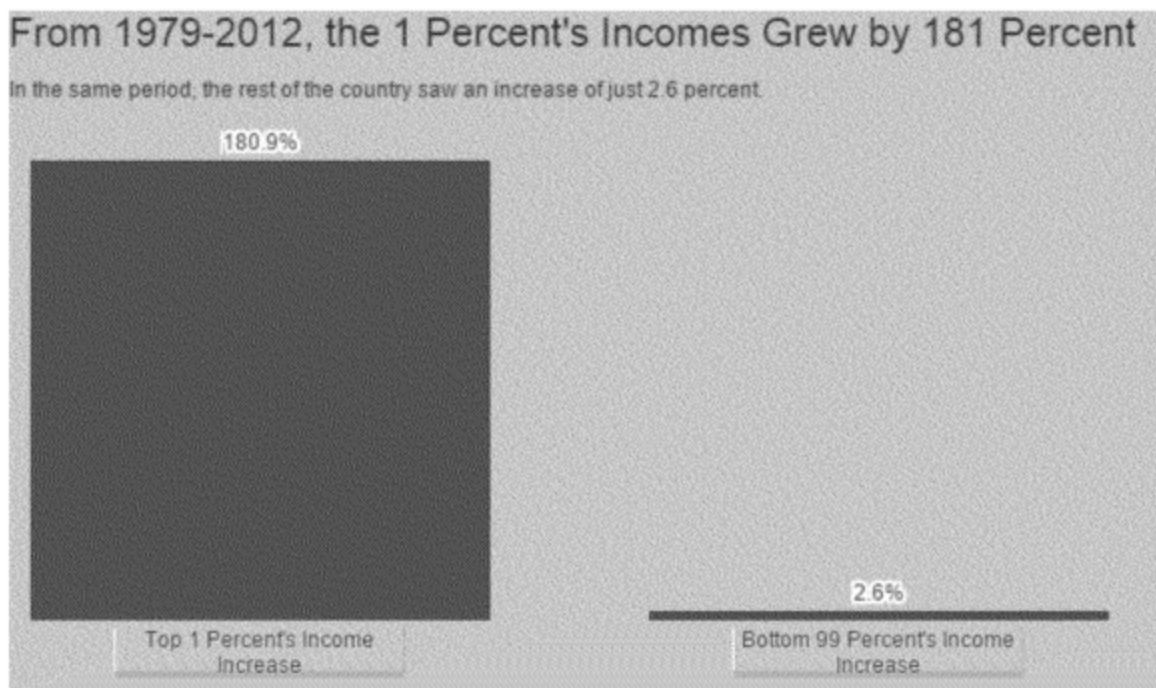


Everyday Americans are well aware they're being squeezed out of economic security. The percentage of Americans self-identifying as "middle class" has dropped significantly in recent years, while the percentage considering themselves "lower class" or "lower middle class" has risen:



The perception of slipping out of middle class comfort is based in fact. Some economists define the "middle class" as those Americans making within 50 percent of the median income (so in 2013, those making between \$25,970 and \$77,909.) As more and more income is redistributed upwards, the group fitting into this literal "middle class" actually shrunk from 56.5 percent of the population in 1979 to 45.1 in 2012.

And, just a reminder of where all the money is going as the middle classes find themselves slipping into poverty:



The US Middle Class Lags Behind Much of the World

The median American's wealth is less than one-quarter of the median Australian's.

