The Key of the Middle-Class Uprise: Education

"Quatre Quiddité X". Size: 12 inches x 18 inches.
A handmade aquarelle painted by Eleonora Escalante.
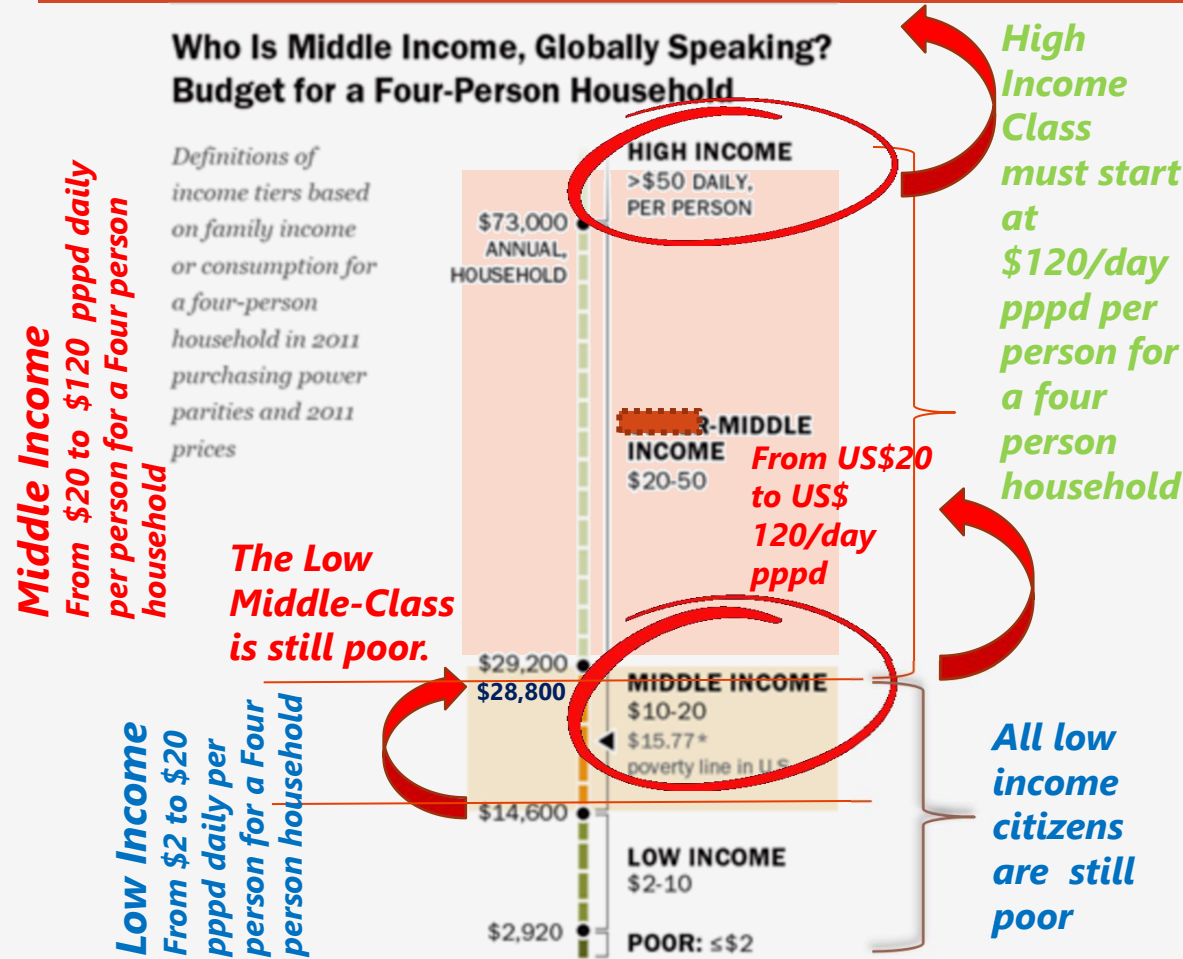*Original painting based on the Heliconias that grow in my mother´s garden.*

The Fallacy of the Middle Class: Overcoming Social Resentment

Who Is Middle Income, Globally Speaking? Budget for a Four-Person Household

Definitions of income tiers based on family income or consumption for a four-person household in 2011 purchasing power parities and 2011 prices

HIGH INCOME
>$50 DAILY, PER PERSON

$73,000 ANNUAL, HOUSEHOLD

UPPER-MIDDLE INCOME
$20-50

$29,200
$28,800

MIDDLE INCOME
$10-20
◄ $15.77*
poverty line in U.S.

$14,600

LOW INCOME
$2-10

$2,920

POOR: ≤$2

*In 2011, a family of four earning less than $23,021 annually was considered poor by the U.S. Census Bureau.

PEW RESEARCH CENTER

High Income Class must start at $120/day pppd per person for a four person household

From US$20 to US$ 120/day pppd

The Low Middle-Class is still poor.

Middle Income From $20 to $120 pppd daily per person for a Four person household

Low Income From $2 to $20 pppd daily per person for a Four person household

All low income citizens are still poor

pppd: per person per day for a four person-household

Reviewing and correcting the definition of the Middle-Class Income

- The household income of our Middle Class Family in study is US$28,800/year or US$80/day per household. I have divided this income/day between 4 members of the family, in order to compare with this Pew Research Center graph... Just to compare on the same page. This implies a figure of US$ 20/day per person pppd (for a Four-Person Household).

- US$20/day pppd (for a Four Person Household) instead of US$11/day pppd must be the low threshold for Middle-Income definition globally regardless of the PPP or Power Purchase Parity conditions for each country.

- In terms of annual income: When defining Middle-Class, if we consider the income distribution only: the lower limit has to be adjusted to an annual household income of $28,800/year and the upper limit at US$175,200/year. This is a reasonable definition of Who could be considered the Middle-Income Globally Speaking.

I suggest that a family of four with income inflows of less than US$28,800 annually has to be considered low-income class and poor. For Eleonora Escalante Strategy, even the Low Middle-Class is still poor or suffers of multidimensional poverty.
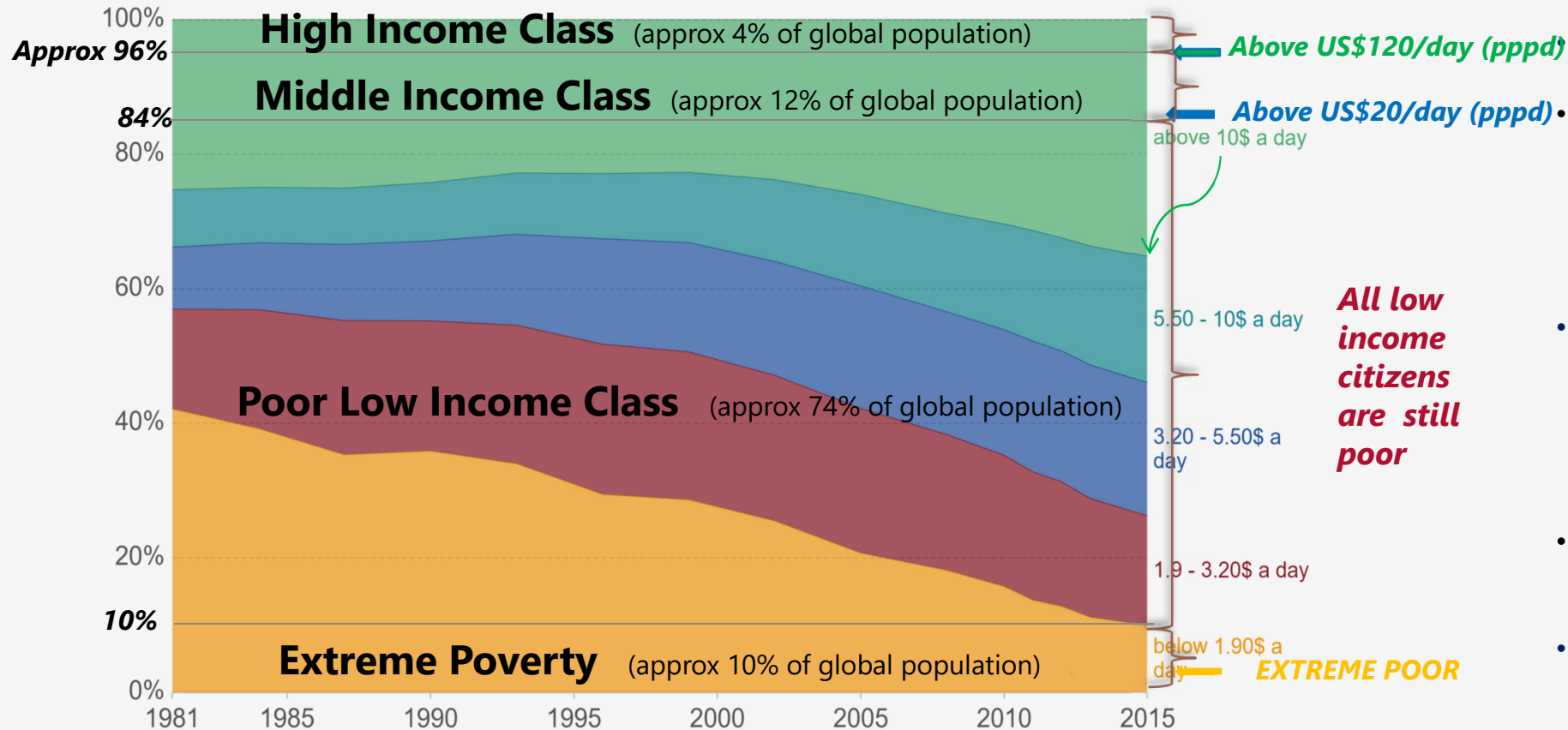
Reviewing and correcting the definition of the Middle-Class Income

Distribution of population between different poverty thresholds, World, 1981 to 2015

Our World in Data

Poverty thresholds are all in 'international dollars' at constant 2011 PPP prices. This means all figures account for cross-country differences in price levels, as well as for inflation.

Approx 96%

High Income Class (approx 4% of global population)

→ **Above US$120/day (pppd)**

84%

Middle Income Class (approx 12% of global population)

→ **Above US$20/day (pppd)**

above 10$ a day

Poor Low Income Class (approx 74% of global population)

5.50 - 10$ a day

All low income citizens are still poor

3.20 - 5.50$ a day

1.9 - 3.20$ a day

10%

below 1.90$ a day

Extreme Poverty (approx 10% of global population)

EXTREME POOR

1981 1985 1990 1995 2000 2005 2010 2015

Source: World Bank, PovcalNet 2019
Note: Estimates rely on a combination of income and consumption data (see sources for details).

- *For Eleonora Escalante Strategy, even the Low Middle-Class is still poor or suffers of multidimensional poverty. The Middle-Class is only the 12% of the population globally.*
- *We have adjusted the range income for a Middle-Class definition considering a bottom-up approach of a budget 50/30/20 of a LMIC Salvadoran Family with earnings of US$28,800/year.*
- *Our research discovery suggest that for a family of four, the middle-class families households should be between US$28,800/year (US$20/day pppd) and US$175,200/year (US$120/day).*
- *Still with US$20/day pppd, the low middle class (LMIC) endure some kind of poverty.*
- *The rest of the global population (84%) is poor, regardless if it is low-income or extreme poor.*

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