## Figure 23-1: Isowelfare curves



## Figure 23-2: Income received by quintile

## Share of Aggregate Income Received by Quintile, 1967-2007

| Income | 1967 | 1975 | 1980 | 1985 | 1990 | 1995 | 2000 | 2007 |
| :--- | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: |
| Lowest $20 \%$ | 4.0 | 4.4 | 4.3 | 4.0 | 3.9 | 3.7 | 3.6 | 3.4 |
| Second $20 \%$ | 10.8 | 10.5 | 10.3 | 9.7 | 9.6 | 9.1 | 8.9 | 9.7 |
| Third 20\% | 17.3 | 17.1 | 16.9 | 16.3 | 15.9 | 15.2 | 14.8 | 14.8 |
| Fourth 20\% | 24.2 | 24.8 | 24.9 | 24.6 | 24.0 | 23.3 | 23.0 | 22.4 |
| Highest $20 \%$ | 43.8 | 43.2 | 43.7 | 45.3 | 46.6 | 48.7 | 49.8 | 49.7 |

In 1967, the poorest $20 \%$ of households received 4\% of the national income, and the richest 20\% received almost 44\%. Forty years later, the poorest $20 \%$ received $3.4 \%$ of the national income, and the richest $20 \%$ received nearly $50 \%$.

## Figure 23-3: Income distribution in the OECD

Share of Aggregate Income Received by Quintile of Households for OECD Nations

| Country (Year) | Income Quintile |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | Lowest | Second | Third | Fourth | Highest |
| Austria (2000) | 8.6\% | 13.3\% | 17.4\% | 22.9\% | 37.8\% |
| Belgium (2000) | 8.5 | 13.0 | 16.3 | 20.8 | 41.1 |
| Canada (2000) | 7.2 | 12.7 | 17.2 | 23.0 | 39.9 |
| Czech Republic (1996) | 10.3 | 14.5 | 17.7 | 21.7 | 35.9 |
| Denmark (1997) | 8.3 | 14.7 | 18.2 | 22.9 | 35.8 |
| Finland (2000) | 9.6 | 14.1 | 17.5 | 22.1 | 36.7 |
| France (1995) | 7.2 | 12.6 | 17.2 | 22.8 | 40.2 |
| Germany (2000) | 8.5 | 13.7 | 17.8 | 23.1 | 36.9 |
| Greece (2000) | 6.7 | 11.9 | 16.8 | 23.0 | 41.5 |
| Hungary (2000) | 9.5 | 13.9 | 17.6 | 22.4 | 36.5 |
| Italy (2000) | 6.5 | 12.0 | 16.8 | 22.8 | 42.0 |
| Korea (1998) | 7.9 | 13.6 | 18.0 | 23.1 | 37.5 |
| Luxembourg (2000) | 8.4 | 12.9 | 17.1 | 22.7 | 38.9 |
| Mexico (2002) | 4.3 | 8.3 | 12.6 | 19.7 | 55.1 |
| New Zealand (1997) | 6.4 | 11.4 | 15.8 | 22.6 | 43.8 |
| Norway (2000) | 9.6 | 14.0 | 17.2 | 22.0 | 37.2 |
| Poland (2002) | 7.5 | 11.9 | 16.1 | 22.2 | 42.2 |
| Portugal (1997) | 5.8 | 11.0 | 15.5 | 21.9 | 45.9 |
| Slovak Republic (1996) | 8.8 | 14.9 | 18.7 | 22.8 | 34.8 |
| Sweden (2000) | 9.1 | 14.0 | 17.6 | 22.7 | 36.6 |
| Turkey (2003) | 5.3 | 9.7 | 14.2 | 21.0 | 49.7 |
| United Kingdom (1999) | 6.1 | 11.4 | 16.0 | 22.5 | 44.0 |
| Unweighted average | 7.7 | 12.7 | 16.8 | 22.3 | 40.5 |
| United States (2004) | 3.4 | 9.7 | 14.8 | 22.4 | 49.7 |

## Figure 23-4: Poverty line

## Poverty Lines by Family Size (2009)



| 1 | $\$ 10,830$ |
| :---: | :---: |
| 2 | $\$ 14,570$ |
| 3 | $\$ 18,310$ |
| 4 | $\$ 22,050$ |
| 5 | $\$ 25,790$ |
| 6 | $\$ 29,530$ |
| 7 | $\$ 33,270$ |
| 8 | $\$ 37,010$ |
| For each additional <br> person, add | $\$ 3,740$ |

A family of four with an income of less than $\$ 22,050$ per year is considered to be living below a minimum acceptable standard in the United States.

Figure 23-5: Poverty rates over time


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Figure 23-6: Impact of tax and transfer


Figure 23-7: Labor market


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