The Elusive Middle in America—What Has Happened to Middle-Class Income?

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This analysis looks at how the characteristics and income of the middle class have changed over time.

The middle class today is older, better educated, and more diverse racially than in past decades. It is also shrinking. The segment of adults considered middle class dropped by about 10 percentage points from 1970 to 2010—from about 61 percent to 51 percent.¹

The median household income for all Americans in 2011 (adjusting for inflation) was less than it was in 1997. And the middle class has experienced only modest growth in average household income over the last four decades.

- From 1979 to 2007, average household income for the middle class grew by about 16 percent—one-third the growth (48 percent) for households with the highest income. From 1979 to 2011, average income for the middle class grew by only about 8 percent.

- The percentage of middle-class adults with less than a high school degree dropped from 35 percent to 10 percent between 1970 and 2010, while the percentage of middle-class adults with a college degree increased from 10 percent to 26 percent.²

- Non-Hispanic whites decreased from 80 percent of middle-class adults in 1970 to 70 percent in 2010.³

- Adults 65+ in the middle class increased from 9 percent in 1970 to 16 percent in 2010, a sign of the growing importance of Social Security.⁴

- Median income was flat from 2000 and 2007 and then sank during the Great Recession, creating a decline of about 8 percent over the decade.

2 Ibid.

3 Ibid.

4 Ibid.