



Economics

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## Income distributions in the OECD

Sep 16th 2010, 15:25 by R.A. | WASHINGTON

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MARK THOMA reproduces (<http://economistsview.typepad.com/economistsview/2010/09/the-distribution-of-income-in-oecd-countries.html>?

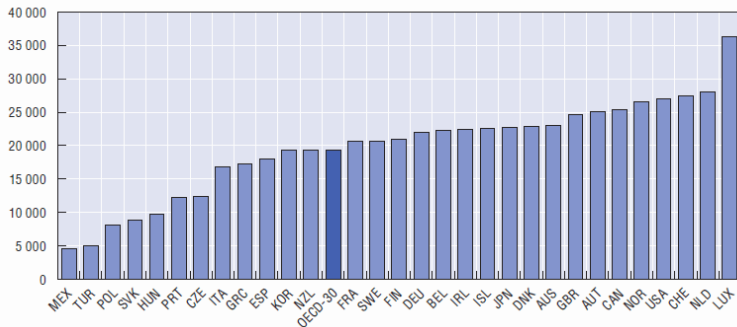
utm\_source=feedburner&utm\_medium=feed&utm\_campaign=Feed%3A+EconomistsView+%28Economist%27s+View

several charts from the OECD ([http://www.contorno.org.mx/pdfs\\_reporte/diciembre08/growing\\_unequal\\_ocde.pdf](http://www.contorno.org.mx/pdfs_reporte/diciembre08/growing_unequal_ocde.pdf)), illustrating the distribution of average disposable income across the developed world:

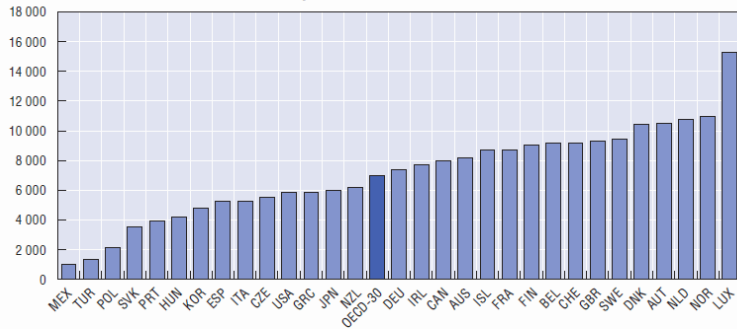
Figure 1.7. Income levels for people at different points in the distribution, mid-2000s

US dollars at PPP rates

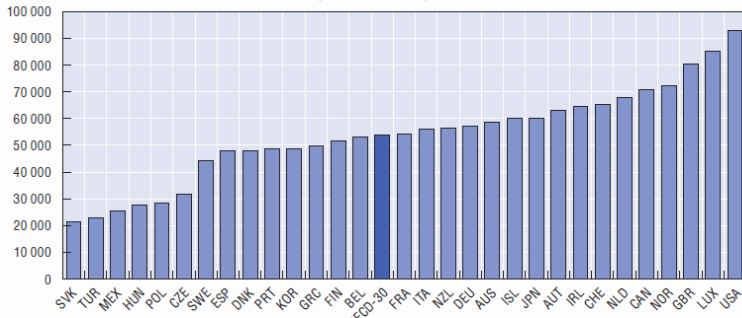
Median income



Average income of the bottom decile



Average income of the top decile





StatLink  <http://dx.doi.org/10.1787/420757110442>

Source: OECD income distribution questionnaire and other OECD databases.

As you can see, America's median income is among the highest in the rich world, on a par with that in Switzerland and the Netherlands, a shade above the median in Britain and Canada. The average income of the top decile, by contrast, is easily the highest in the OECD, and nearly twice the OECD average.

The bottom ten percent, on the other hand, have incomes comparable to the poorest residents of Greece and the Czech Republic—below the OECD average. All the other of the richest rich countries do far better.

I'll just note that from these figures, at least, it seems difficult to justify the claim that prosperity *requires* an unequal income distribution. Further discussion and analysis I'll leave to you all.

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