

**On Bi-Polarization and the Middle Class in Latin America:  
A Look at the First Decade of the Twenty First Century**

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This paper looks at socio-economic mobility and the middle class in several middle income countries in Latin America during the first decade of the twenty first century. The first part takes an ordinal approach to analyze the intergenerational transmission of opportunities for standard of living. Such an ordinal approach allows one to rank matrices giving, for example for various countries, the distribution of individuals by level of education of their parents and the standard of living category to which they belong. Such comparisons are based on the concepts of rank and Generalized Lorenz dominance. The second part of the paper proposes a new index and graphical representation of the change in bi-polarization that took place in a given country during a given period. These tools extend in fact the concepts of interdistribution income inequality and Lorenz curves. The empirical illustration is based on the data of the 2000 and 2009 Latinobarómetro surveys and the standard of living of individuals (children) was derived from an algorithm allowing one to compute the order of acquisition of durable goods and access to services.