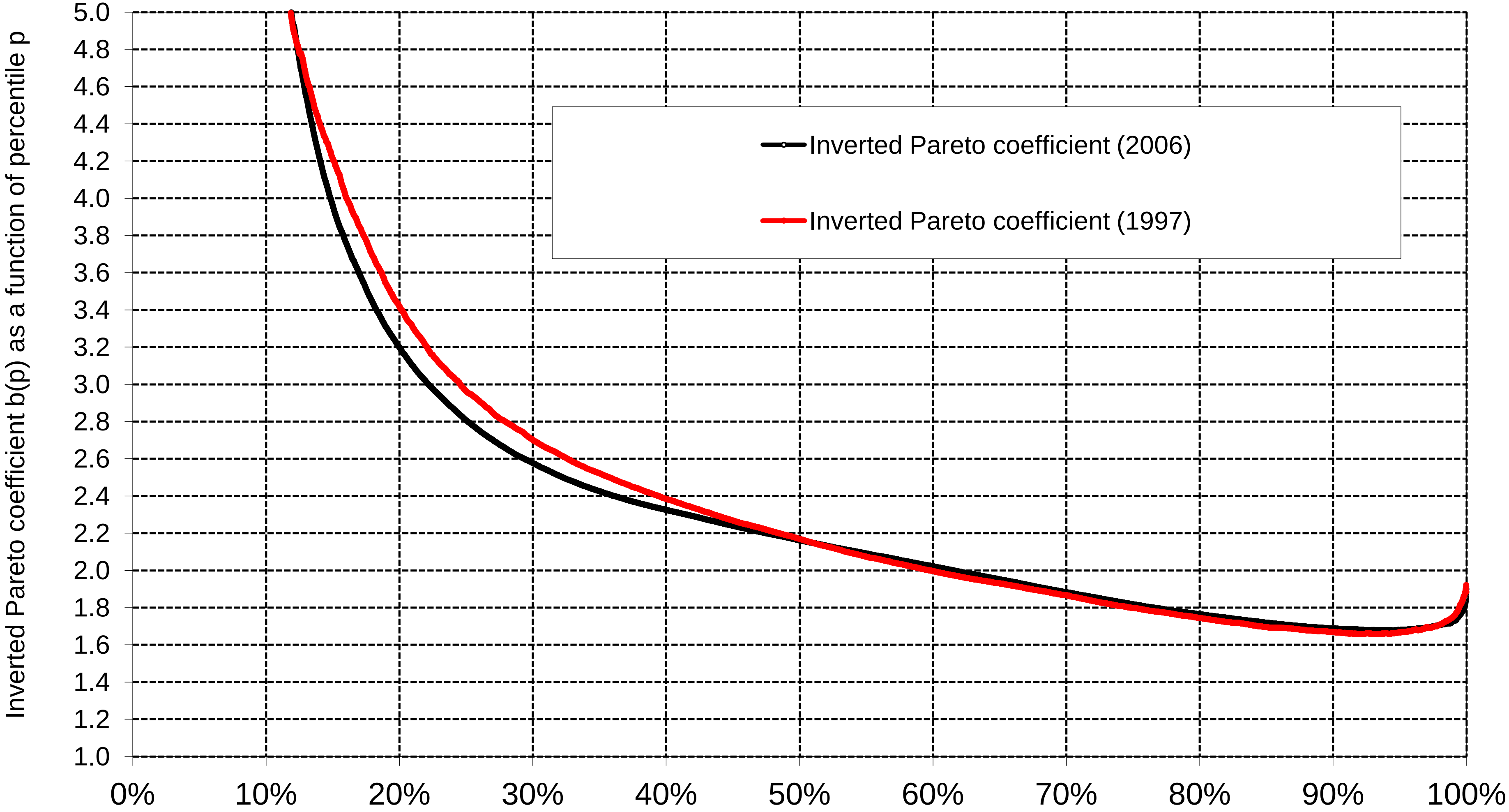
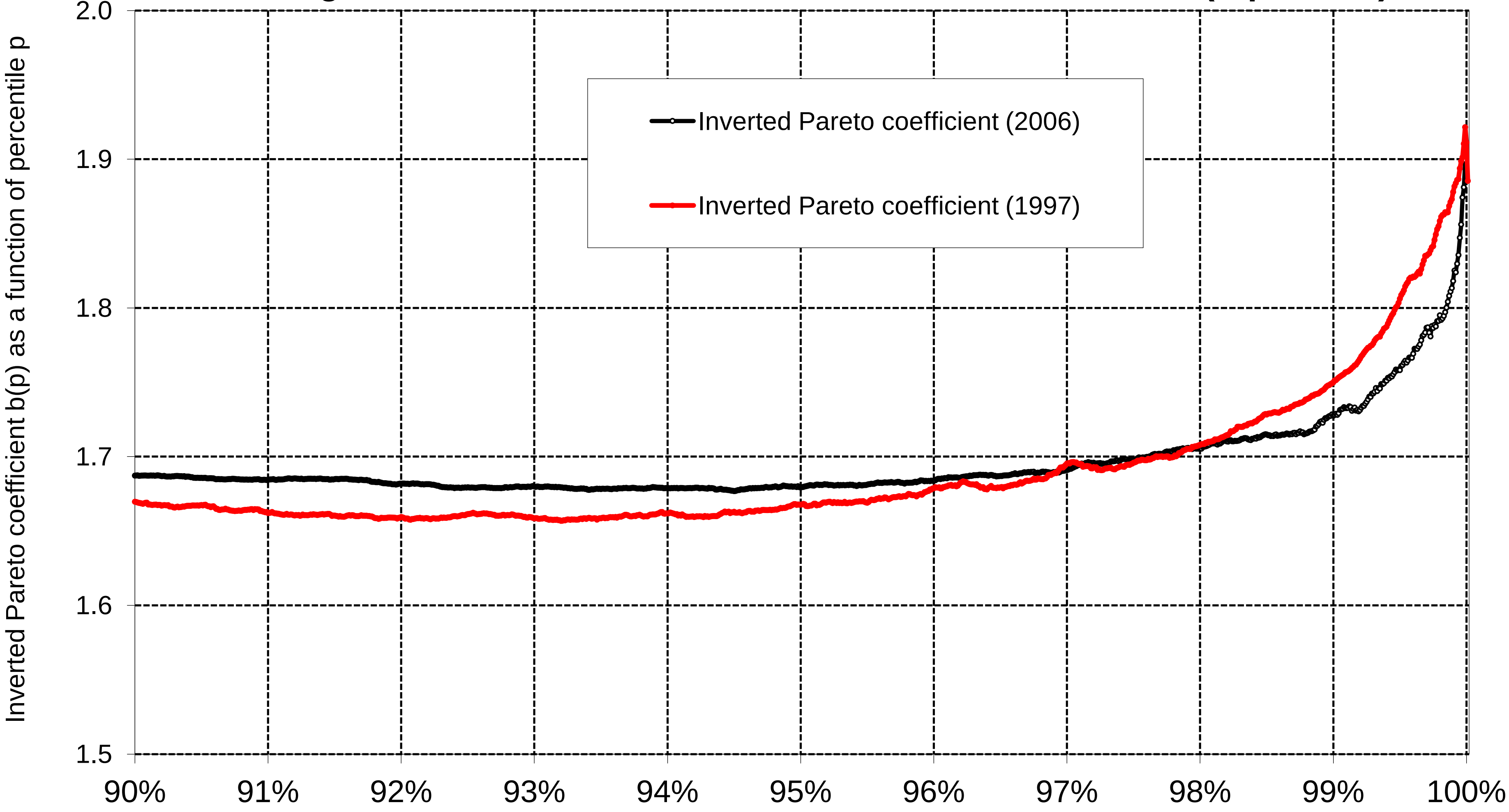
Figure 7a. Pareto curves for the distribution of income: 1997 vs.2006



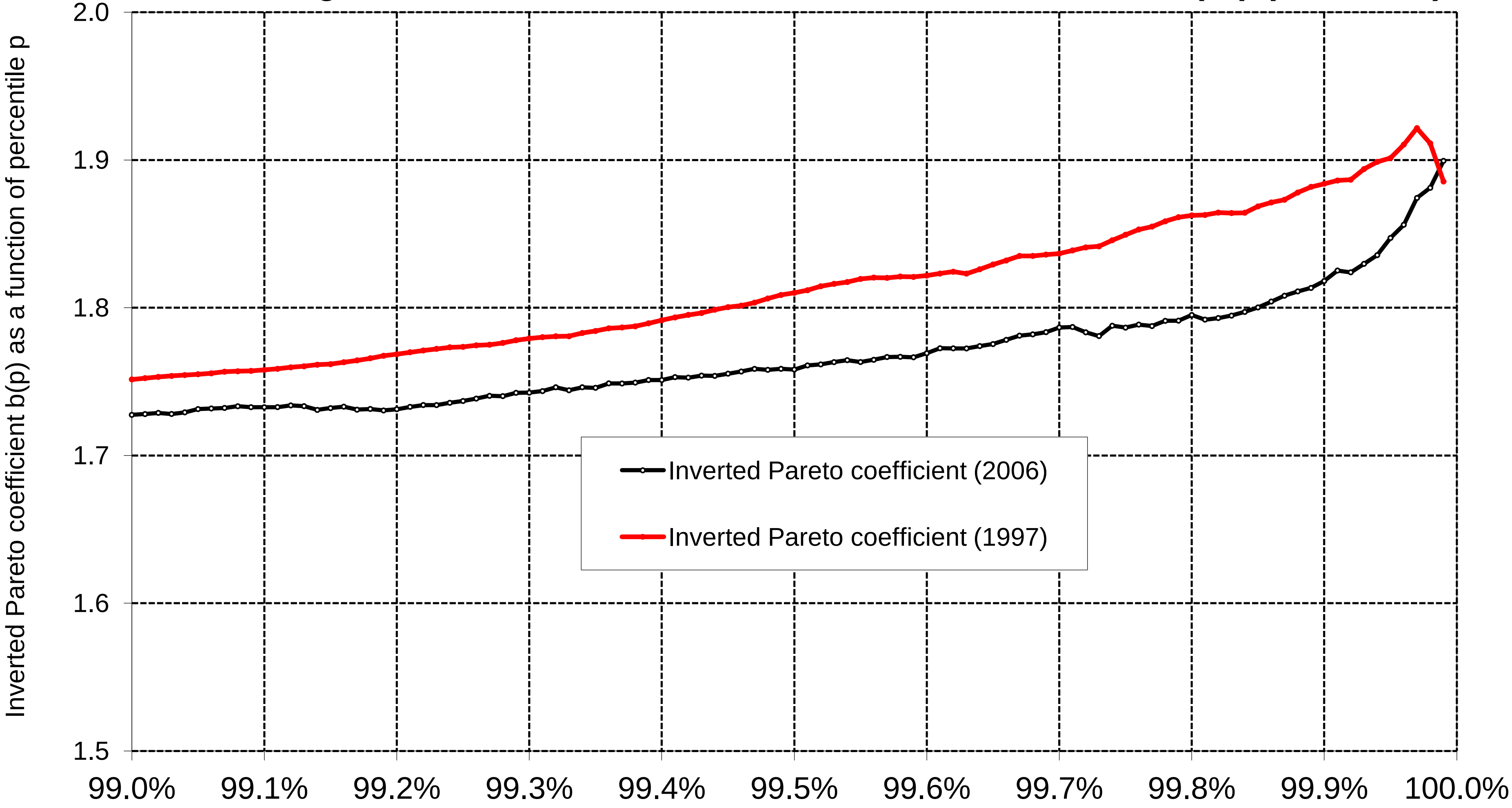
In 1997, the average income within the top decile is 1.67 times larger than the income threshold that one needs to pass in order to enter the top decile. I.e. $b(p)=E(y|y>y_p)/y_p=1.67$ if p=0.9. In 2006, b(p)=1.69 if p=0.9.

Figure 7b. Pareto curves for the distribution of income (top decile)



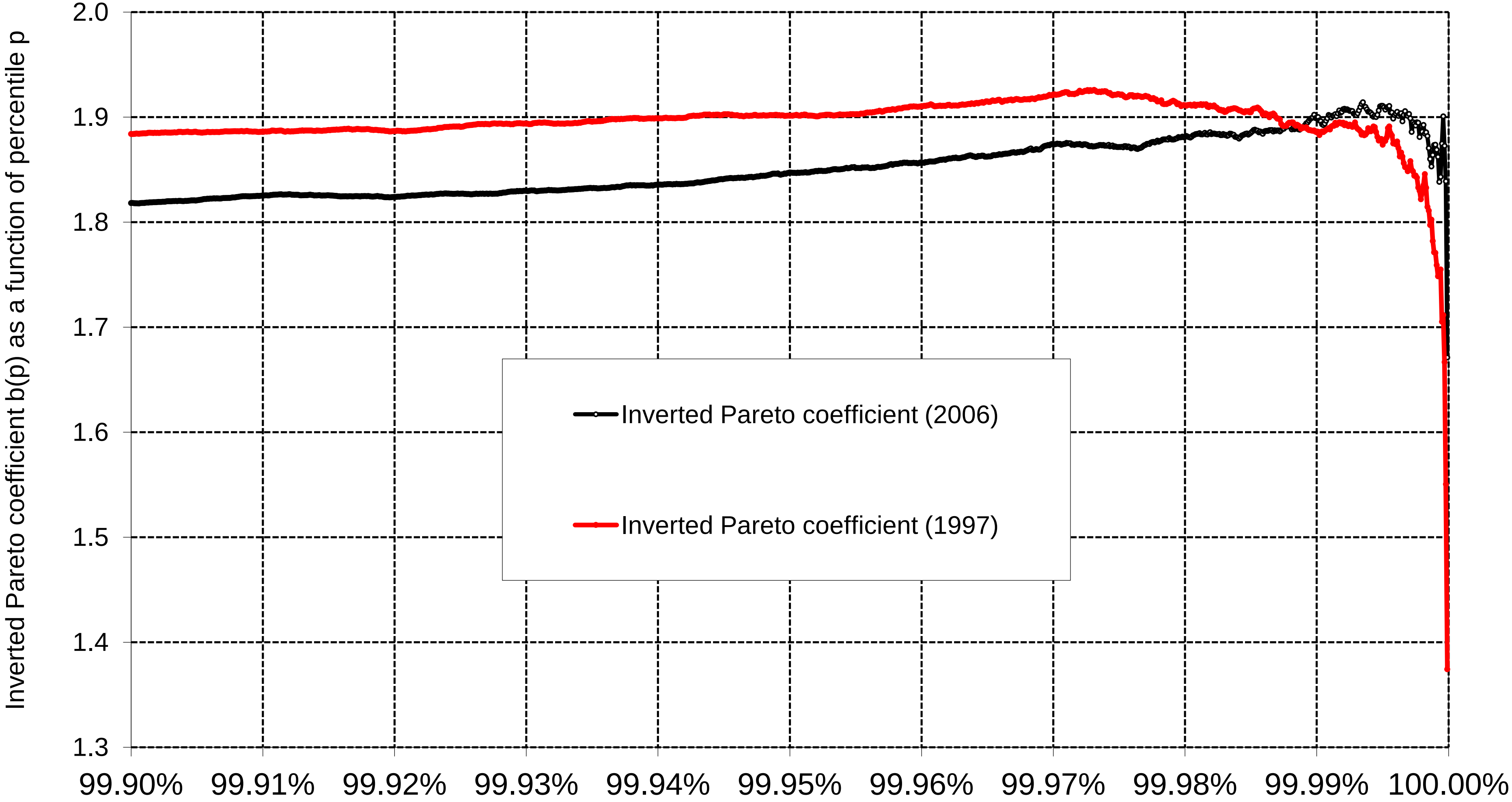
In 1997, the average income within the top decile is 1.67 times larger than the income threshold that one needs to pass in order to enter the top decile. That is, $b(p)=E(y|y>y_p)/y_p=1.67$ if $p=0.9$. In 2006, $b(p)=1.69$ if $p=0.9$.

Figure 7c. Pareto curves for the distribution of income (top percentile)



In 1997, the average income within the top percentile is 1.75 times larger than the income threshold that one needs to pass in order to enter the top percentile. That is, $b(p)=E(y|y>y_p)/y_p=1.75$ if $p=0.99$. In 2006, $b(p)=1.73$ if $p=0.99$.

Figure 7d. Pareto curves for the distribution of income (top 0.1%)



In 1997, the average income within the top 0.1% is 1.88 times larger than the income threshold that one needs to pass in order to enter the top 0.1%. That is, $b(p)=E(y|y>y_p)/y_p=1.88$ if $p=0.999$. In 2006, $b(p)=1.82$ if $p=0.999$.