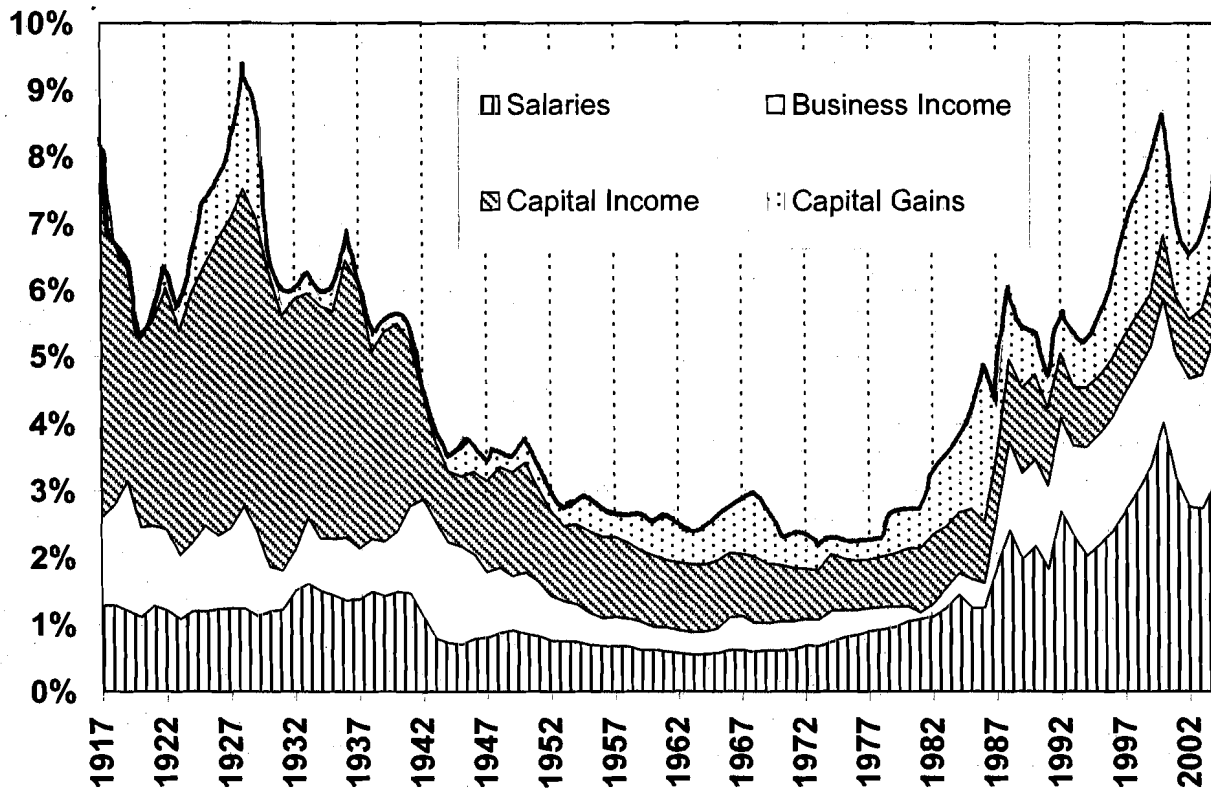


### CEO Compensation (in Millions), 2005

	<u>Median</u>	<u>Mean</u>
200 Large Companies	7.2	11.3
350 Large Companies	6.8	
Forbes 500 Largest		10.9

Study of 50 largest firms in 1940, 1960 or 1990 (total of 102 firms)  
Top 3 highest paid officers

	<u>1980</u>	<u>2004</u>	<u>Annual Growth</u>
Mean Executive Pay	1.6 Mill	7.6Mill	6.8%
Mean Worker Pay	36,000	43,000	0.8%

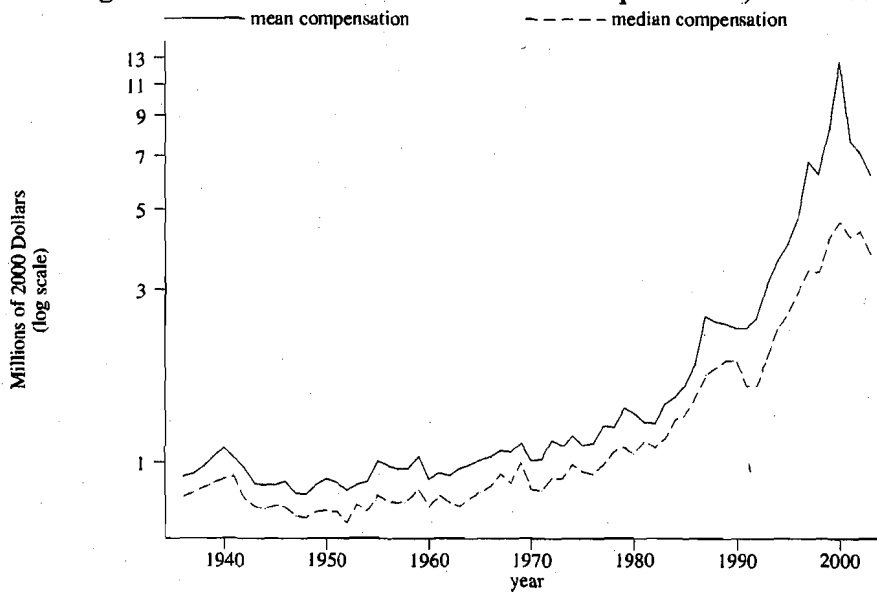


**FIGURE 4B**

The Top 0.1% Income Share and Composition, 1916-2004

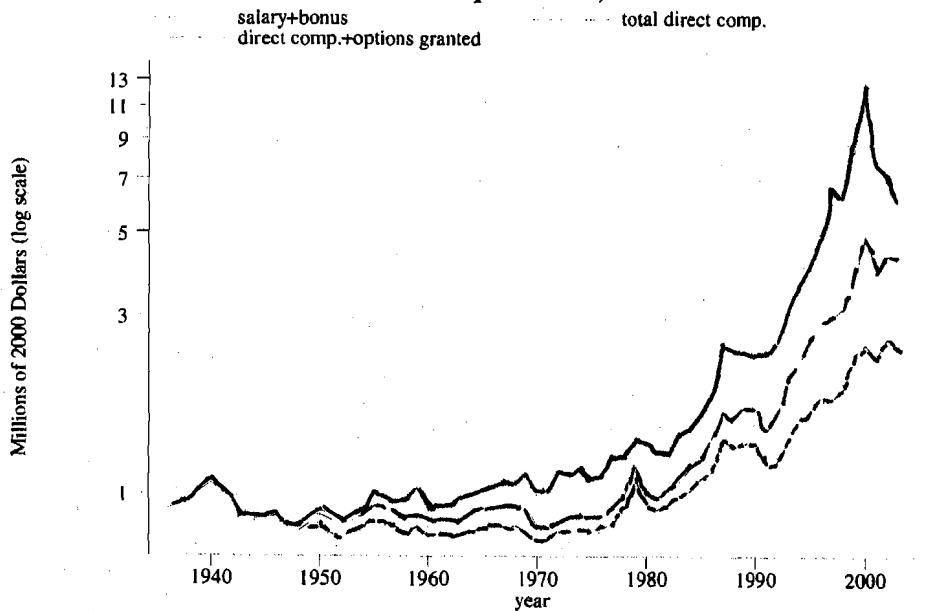
The Figure displays the top 0.1% income share and its composition.  
Source: Table A2, Table A7, and Table A8, col. P99.9-100.

**Figure 1**  
**Average and Median Real Value of Total Compensation, 1936-2003**



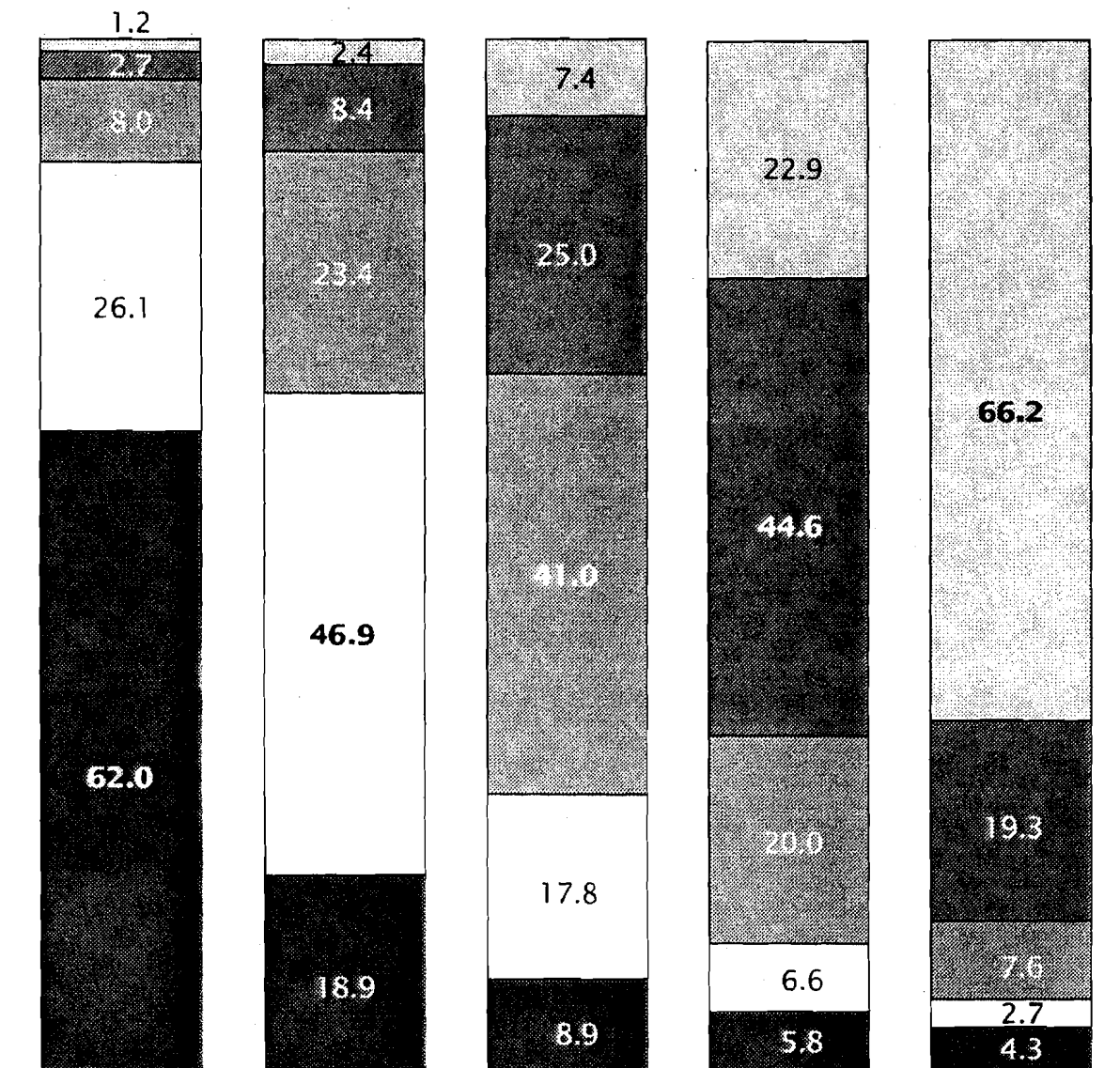
Note: Total compensation is composed of salary, bonuses, long-term bonus payments, and stock option grants. Based on the three highest-paid officers in the largest 50 firms in 1940, 1960 and 1990.

**Figure 4**  
**Structure of Total Compensation, 1936-2003**



Note: Total direct compensation is the sum of salaries, bonuses and long term incentive payments. The solid line is total direct compensation plus the Black-Scholes value of options granted. Based on the three highest-paid officers in the largest 50 firms in 1940, 1960 and 1990.

Figure 1.  
**Percent Distribution of Households by  
 Income Quintile: 1996 and 1999**



Bottom quintile in 1996 (\$16,220 or less)   
 Second quintile in 1996 (\$16,221-\$29,651)   
 Middle quintile in 1996 (\$29,652-\$45,363)   
 Fourth quintile in 1996 (\$45,364-\$68,648)   
 Top quintile in 1996 (\$68,649 or more)

Note: All incomes are adjusted to 1999 dollars using the CPI-U-RS. Bolded numbers indicate the percentage of households that remained in the same income quintile.  
 Source: U.S. Census Bureau, Survey of Income and Program Participation, 1996 panel.

### **Father in Bottom Quintile**

	<u>Son in Bottom</u>	<u>Son in Top</u>
U.S.	0.422	0.079
U.K.	0.303	0.122
Sweden	0.258	0.109
Norway	0.282	0.119
Finland	0.278	0.113
Denmark	0.247	0.144

### **Father in Top Quintile**

	<u>Son in Bottom</u>	<u>Son in Top</u>
U.S.	0.095	0.360
U.K.	0.107	0.297
Sweden	0.163	0.371
Norway	0.146	0.354
Finland	0.151	0.347
Denmark	0.153	0.363

### **Intergenerational Elasticity**

	<u>Study#1</u>	<u>Study#2</u>
U.S.	0.47	0.517
U.K.	0.50	0.306
France	0.41	
Germany	0.32	
Sweden	0.27	0.258
Canada	0.19	
Finland	0.18	0.173
Norway	0.17	0.155
Denmark	0.15	0.071