

Top Incomes

A Global Perspective

Edited by

A. B. ATKINSON

Nuffield College, Oxford

and

T. PIKETTY

PSE, Paris

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Preface

In Volume I, we assembled studies of top incomes covering ten OECD countries and focused on the contrast between continental Europe (France, Germany, the Netherlands, and Switzerland) and English-speaking countries (Australia, Canada, Ireland, New Zealand, the UK, and the USA). The present volume goes beyond this in several respects. Within Europe, the chapters in this volume cover both Nordic countries (Finland, Norway, and Sweden) and southern Europe (Italy, Portugal, and Spain). The Nordic countries have traditionally pursued more egalitarian policies and have typically lower levels of overall inequality. In contrast, overall inequality usually seems to rise as one moves further south in Europe. The chapters assembled here allow the reader to see whether the same geographical pattern is found at the top of the income distribution. Moreover, we can examine whether top income shares have risen in these countries in recent decades, as in the USA, or whether they have exhibited the relative stability found in a number of continental European countries.

A second important objective of the present volume is to widen the geographical coverage to include Asia (China, India, Indonesia, Japan, and Singapore) and Latin America, of which Argentina is the sole representative (we had hoped to include Brazil, but the data were not available at the time). Particular interest attaches to the impact of rapid growth in China and India on the top of the income distribution, and to the potential role of income taxation. The different growth history of Japan provides an interesting counterpoint. Indonesia and Singapore are contrasts of scale and post-colonial experience.

The series for top income shares in Volume I covered much of the twentieth century and are extended here in Chapter 13 to cover the early years of the twenty-first century. We have also extended the coverage back in time. One of the features of the chapters in this volume is that two go back to the nineteenth century: the data for Japan start in 1886 and those for Norway in 1875.

The book starts in Asia in Chapters 1 to 5, then comes to Argentina in Chapter 6, before turning to the Nordic countries in Chapters 7 to 9, and southern Europe in Chapters 10 to 12. In the final Chapter 13, we draw together the main findings from this volume and from Volume I. The data, covering twenty-two countries, and going back before the Second World War for all except three, provide a rich source of evidence about the long-run evolution of the upper part of the income distribution.

The project that has generated these two volumes is an unusual one in that it has no formal status and did not originate in a carefully planned research proposal to a funding agency. The chapters have been written by an informal network of academics, doctoral students, and members of research institutes and statistical offices. This network grew through a process of spontaneous diffusion

rather than by any intelligent design. A number of the chapters enjoyed funding for the work on the particular country, and these are acknowledged in each case.

The informal nature of the project has meant that we have not sought to impose a rigid straitjacket on the format of the chapters, which in any case reflect the differing institutions and historical experiences of the countries. The chapters were written at different dates, and this means that some of the cross-country comparisons in individual chapters are based on earlier versions of the top income data for other countries. Those interested in exploring further cross-country comparisons are urged to look at the data collected in Chapter 13, which are the most recent at the time of completing this volume.

At the same time, the informality of the network has added to the pleasure of working with the authors, and we should like to thank warmly all seventeen for their cooperation in producing these volumes.

A. B. Atkinson and T. Piketty

Contents

<i>List of Figures and Tables</i>	viii
<i>Contributors</i>	xx
1. Top Indian Incomes, 1922–2000 <i>Abhijit Banerjee and Thomas Piketty</i>	1
2. Income Inequality and Progressive Income Taxation in China and India, 1986–2015 <i>Thomas Piketty and Nancy Qian</i>	40
3. The Evolution of Income Concentration in Japan, 1886–2005: Evidence from Income Tax Statistics <i>Chiaki Moriguchi and Emmanuel Saez</i>	76
4. Top Incomes in Indonesia, 1920–2004 <i>Andrew Leigh and Pierre van der Eng</i>	171
5. Top Incomes in a Rapidly Growing Economy: Singapore <i>A. B. Atkinson</i>	220
6. The Rich in Argentina over the Twentieth Century, 1932–2004 <i>Facundo Alvaredo</i>	253
7. Top Incomes in Sweden over the Twentieth Century <i>Jesper Roine and Daniel Waldenström</i>	299
8. Trends in Top Income Shares in Finland <i>M. Jänntti, M. Riihelä, R. Sullström, and M. Tuomala</i>	371
9. Top Incomes in Norway <i>R. Aaberge and A. B. Atkinson</i>	448
10. Income and Wealth Concentration in Spain in a Historical and Fiscal Perspective <i>Facundo Alvaredo and Emmanuel Saez</i>	482
11. Top Incomes and Earnings in Portugal, 1936–2005 <i>Facundo Alvaredo</i>	560
12. Top Incomes in Italy, 1974–2004 <i>Facundo Alvaredo and Elena Pisano</i>	625
13. Top Incomes in the Long Run of History <i>A. B. Atkinson, Thomas Piketty, and Emmanuel Saez</i>	664
<i>Index</i>	761

List of Figures and Tables

FIGURES

1.1	The proportion of taxable tax units in India, 1922–2000	4
1.2	The top 0.01% income share in India, 1922–2000	7
1.3	The top 0.1% income share in India, 1922–2000	8
1.4	The top 1% income share in India, 1922–2000	8
1.5	The top 0.01% income share in India, France, and the USA, 1913–2000	11
1.6	The top 0.1% income share in India, France, the USA, and the UK, 1913–2000	12
1.7	The top 1% income share in India, France, and the USA, 1913–2000	12
1.8	The top 0.01% income share and the top marginal income tax rate in India, 1981–2000	14
2.1	Real per capita GDP in China and India, 1986–2003	45
2.2	The top 10% income share in China, 1986–2003	46
2.3	The top 1% income share in China and India, 1986–2003	46
2.4	The top 1% income share, indexed to 100 in 1986, in China and India, 1986–2003	47
2.5	Income tax exemption threshold, average income, and P99 income threshold in China, 1986–2008	51
2.6	Income tax exemption threshold, average income, and P99 income threshold in India, 1986–2008	51
2.7	The fraction of the population subject to the income tax in China and India, 1986–2008	52
2.8	Projected fraction of the population subject to the income tax in China, 1986–2015	53
2.9	Simulated versus actual income tax revenues as a fraction of GDP in China, 1996–2003	56
2.10	Income tax revenues as a fraction of GDP in China and India, 1986–2008	57
2.11	Projected income tax revenues (as a fraction of GDP), 1986–2010	58
3.1	Real GDP per capita in Japan and the United States, 1790–2005	77
3.2	Change in income inequality in Japan, 1890–2003	81
3.3	Average real income and consumer price index in Japan, 1886–2005	87
3.4	Top 1% and next 4% income shares in Japan, 1886–2005	88
3.5	Decomposition of top 1% income share in Japan, 1886–2005	89
3.6	Top 0.1% income shares in Japan, the United States, and France	90

3.7	Top 1% income share and composition in Japan, 1886–2005	91
3.8	Top 0.01% estate and top 1–0.5% estate in Japan, 1905–2005	93
3.9	Top 0.01% income share and marginal tax rate, Japan, 1886–2005	104
3.10	Top 5% wage income share in Japan and the United States, 1929–2005	106
3.11	Top 1% wage income share in Japan and the United States, 1929–2005	107
3.12	Top 0.1% wage income shares and marginal tax rates in Japan and the United States, 1960–2005	110
3A.1	Top 0.1% income share in Japan with and without capital gains	125
3A.2	Top 0.1% income share in Japan before and after correction, 1886–1947	125
3A.3	Composition of total personal income and top 1% income, Japan 1930–2005	126
3A.4	Top 0.1% income share in alternative specification of years, Japan 1886–1945	127
3B.1	Composition of aggregate estates in Japan, 1925–2005	146
4.1	Share of households assessed for income tax as % all households in Indonesia, 1920–2003	181
4.2	Income share of top 1% in Indonesia	186
4.3	Top 1% share and average incomes	186
4.4	Income share of top 0.1% in Indonesia	187
4.5	Income share of top 0.05% in Indonesia	188
4.6	Shares within shares Indonesia	189
4.7	Share of income from wages in Indonesia, 1935–1939	190
4.8	Top 1% share and after-tax share, Indonesia	191
4.9	Income share of the top 5% in Argentina, Indonesia, Japan, and the United States	196
4.10	Income share of the top 1% in Argentina, India, Indonesia, Japan, and the United States	197
5.1	Top income shares in Singapore, 1947–2005	230
5.2	Share of top 1% in Singapore, 1947–2005	231
5.3	Shares within shares of top income groups in Singapore, 1947–2005	232
5.4	Pareto–Lorenz coefficients for Singapore (and India), 1947–2005	233
5.5	Earnings distribution in Singapore, 1965–2007	234
5.6	Changes in earnings percentiles relative to 1970: comparison of Singapore and UK	235
5.7	Share of top 1% plotted against GDP per capita Singapore, 1950–2003	237
6.1	Average real income and consumer price index in Argentina, 1932–2004	265
6.2	The top 1%, top 0.5%, and top 0.1% income shares in Argentina, 1932–2004	266
6.3	The top 1% income shares in Argentina, USA, Australia, New Zealand, and Canada	269

6.4	The top 0.1% income shares in Argentina, USA, France, Spain, Italy, Portugal, Canada, and UK	270
6.5	The top 0.01% income shares in Argentina, USA, Spain, and France	271
6.6	Agricultural and livestock exports and income at the top, Argentina, 1932–1956	272
6.7	Composition of assessed income in Argentina, 1932–1958	273
6.8	The top 1% income share in Argentina and income-weighted marginal tax rate	275
6.9	The top 1% income share in Argentina and share of wages in GDP, 1932–2004	277
6.10	Gini coefficient 1980–2004 Greater Buenos Aires	279
7.1	The top 10% income share in Sweden (with and without capital gains), 1903–2006	307
7.2	The P90–95, P95–99, and P99–100 (top 1%) income shares in Sweden (with and without capital gains), 1903–2006	308
7.3	The top 0.01% income share in Sweden (with and without capital gains), 1903–2006	309
7.4	Income composition within the top decile in Sweden 1945, 1978, and 2004	312
7.5	The evolution of capital income shares in Sweden (excluding and including capital gains) within the top decile, 1912–2004	313
7.6	Total income shares vs. market income shares in Sweden of P99–100, 1950–2006	317
7.7	The capital share of value added as a share of GDP and the top 1% income share in Sweden, 1903–2003	318
7.8	Wealth in top income and wealth fractiles in Sweden, 1908–2004	320
7.9	Top marginal tax rates in Sweden, 1903–2004	323
7.10	Capital gains in some top income fractiles and real stock prices in Sweden, 1967–2004	326
7.11	Income shares of the top percentile in Western countries, 1903–2006	327
7B.1	Average gross capital gains income in classes of earned income in Sweden, 1991–2003	350
7B.2	Lowest taxable income and its share of average total income in Sweden, 1903–2003	350
7C.1	Tax returns and alternative population totals in Sweden, 1903–2006	359
7C.2	Ratios between tax returns and alternative reference populations in Sweden, 1903–2006	360
7C.3	Different reference totals for income as shares of GDP in Sweden, 1903–2004	360
7C.4	P90–95 and P99 series in Sweden using different reference totals	361
7C.5	Sensitivity of census-based top income shares in Sweden when switching tax unit definitions between individual and household	361

7C.6	Shares of population and total income of children under 16 years old in Sweden, 1951–2003	362
8.1	Gini coefficients in Finland, 1966–2004	372
8.2	Total income from tables relative to national accounts aggregate in Finland	382
8.3	The estimated proportion of tax units not covered by tables for taxable income across time and the minimum threshold for taxation in Finland	384
8.4	Growth in GDP per capita compared to growth in mean income in Finland	385
8.5	Average income: grouped data estimates in Finland	386
8.6	Median income: grouped data estimates in Finland	386
8.7	Gini coefficient: grouped data estimates in Finland	387
8.8	Share of top 5%: grouped data estimates in Finland	388
8.9	Share of top 1%: grouped data estimates in Finland	388
8.10	Share of top 5% in top 10% in Finland	389
8.11	Share of top 1% in top 5% in Finland	389
8.12	Real average disposable income, in deciles 1, 2, 9, and 10, total and in top 5% and 1% in Finland, 1966–2004	392
8.13	Real income growth by deciles, total and the top 5% and 1% in Finland	393
8.14	Top income shares in Finland, 1966–2004	395
8.15	The ratio of top 1% disposable income (at median and minimum) to median disposable income in Finland, 1966–2004	395
8.16a	Top 1% shares in Finland, 1966–2004	396
8.16b	Pareto–Lorenz coefficients calculated from share of top 1% within top 10% in Finland, 1966–2004	396
8.17	Income shares for top 1% and Gini coefficients in different income concepts in Finland, 1987–2004	398
8.18	Gross income items in deciles and in top 5% and 1% in Finland	400
8.19	Capital income items in deciles and in top 5% and 1% in Finland	401
8.20	Gross income decomposed by seven socio-economic groups in Finland	404
8.21	The growth rates of real wages, profits, dividends, and entrepreneurial income in Finland, 1975–2004	405
8.22	The share of corporations and their share of turnover in Finland, 1989–2004	406
8.23	Tax items in deciles and in top 5% and 1% in Finland	407
8.24	Average tax rates in the decile means and for percentiles in the top decile in Finland	408
8.25	Permanence in the same percentiles in 1990/1 and 2001/2 in Finland	410
9.1	Share of top income groups in total assessed income, Norway, 1875–2006	455

9.2	Shares within shares, Norway, 1875–2006	457
9.3	Pareto–Lorenz coefficients, Norway, 1875–2006	457
9.4	Share of top income groups in Norway: different income definitions, 1986–2005	461
9.5	Comparison of share of top 0.1%, Norway, Prussia/Germany, Sweden, and the UK, 1875–2006	462
9.6	Comparison of share of top 1%, Norway, Prussia/Germany, Sweden, and the UK, 1875–2006	463
9.7	Pareto–Lorenz coefficients for Norway, France, Prussia/Germany, Sweden, and the UK, 1875–2006	464
9B.1	Total taxpayers in tax data and control total, Norway, 1875–2007	472
9C.1	Total income in tax data and control total income, Norway, 1875–2006	476
10.1	Average real income and consumer price index in Spain, 1930–2005	491
10.2	The top 0.01% income share in Spain, 1933–2005	492
10.3	The top 0.01% income share in Spain, USA, and France, 1933–2005	495
10.4	The top 10–5%, top 5–1%, and top 1% income share in Spain, 1981–2005	496
10.5	The top 0.1% income share and composition in Spain, 1981–2005	497
10.6	Average net worth and composition, Spain, 1982–2005	498
10.7	Wealth composition of top groups within the top decile in Spain in 1982 and 2005	499
10.8	Top 1% wealth share in Spain, 1982–2005	500
10.9	The top 0.1% wealth share and composition in Spain, 1982–2005	500
10.10	The top 0.01% financial wealth share and composition in Spain, 1982–2002	502
10.11	Madrid stock market index and capital gains at the top, Spain, 1981–2004	507
11.1	Average real income and consumer price index in Portugal, 1936–2005	567
11.2	The top 0.01% and 0.1% income shares in Portugal, 1936–2005	568
11.3	The top 10–5%, top 5–1%, and top 1% income shares in Portugal, 1976–2005	571
11.4	The top 1–0.5%, top 0.5–0.1%, and top 0.1% income shares and income-weighted top marginal tax rate in Portugal, 1976–2005	572
11.5	Top 0.1% shares in Portugal, UK, Italy, France, Switzerland, United States, and Spain	573
11.6	The top 0.01% income share in Portugal and counterfactual effects of emigration	574
11.7	Top wage shares in Portugal from tax statistics, 1964–2000	575
11.8	Top wage shares in Portugal, 1964–2000	576
11.9	The top 10–5%, top 5–1%, and top 1% earnings shares in Portugal, 1985–2004	577

11.10	The top 1–0.5%, top 0.5–0.1%, and top 0.1% earnings shares in Portugal, 1985–2004	577
11.11	The top 1–0.5%, top 0.5–0.1%, and top 0.1% earnings shares in Portugal, 1985–2004: comparison between administrative records (<i>quadros de pessoal</i>) and income tax statistics	578
11.12	Shares within shares in Portugal, 1985–2004: comparison between administrative records (<i>quadros de pessoal</i>) and income tax statistics	578
11.13	P10 and P90 earnings levels as percentage of median wage in Portugal, 1985–2004	579
12.1	Gini coefficient in Italy, 1977–2004	626
12.2	Average real income and consumer price index in Italy, 1974–2004	633
12.3	The top 10–5%, top 5–1%, and top 1% income shares in Italy, 1974–2004	634
12.4	The top 1–0.5%, top 0.5–0.1%, and top 0.1% income shares in Italy, 1974–2004	635
12.5	Shares within shares in Italy, 1974–2004	636
12.6	The top 0.01% income share and composition in Italy, 1976–2004	637
12.7	The top 0.1% income share and composition in Italy, 1976–2004	637
12.8	The top 10% income share and composition in Italy, 1976–2004	638
12.9	The top 0.01% income share in Italy, Spain, USA, and France, 1974–2004	639
12.10	The top 0.01% income share in Italy, Spain, and France, 1974–2004	640
12.11	The Pareto coefficients in Italy, Spain, France, UK, and USA, 1974–2004	641
12.12	The top 0.01% income share in Italy and marginal tax rate, 1974–2004	642
13.1	Coverage of countries and years	665
13.2	Effect of capital gains on share of top 1%	673
13.3	Inverted-Pareto–Lorenz β coefficients, 1949–2005: ‘flat’ countries	683
13.4	Inverted-Pareto–Lorenz β coefficients, 1949–2005: ‘U-shape’ countries	683
13.5	Top 1% income shares, 1900–2005: ‘L-shape’ countries	692
13.6	Inverted-Pareto–Lorenz β coefficients, 1900–2005: ‘L-shape’ countries	693
13.7	Top 1% income shares, 1900–2005: ‘U-shape’ countries	693
13.8	Inverted-Pareto–Lorenz β coefficients, 1900–2005: ‘U-shape’ countries	694

TABLES

1.1	Top Indian incomes in 1999–2000	5
1.2	Top income growth in India during the 1990s: 1999–2000 vs. 1987–1988	9

1.3	Top income growth in India during the 1980s–1990s: 1999–2000 vs. 1981–1982	10
1.4	Top wage growth in India during the 1990s: 1999–2000 vs. 1987–1988	16
1A.1	References of official publications with India's income tax tabulations by income bracket, 1922–2000	20
1A.2	Reference totals for tax units and income, India, 1922–2000	25
1A.3	Top fractiles incomes levels in India, 1956–2000	28
1A.4	Top fractiles incomes levels in India, 1956–2000	31
1A.5	Top fractiles income shares in India, 1956–2000	34
1A.6	Top fractile wage levels in India, 1987–2000	36
1A.7	Top fractile wage levels in India, 1987–2000	37
2.1	Progressive income tax schedules in China, 1980–2008	48
2.2	Progressive income tax schedules in India, 1986–2008	50
2.3	Simulated versus actual income tax revenues in China, 1996–2003	55
2.4	Income tax revenue in historical and international perspective	59
2A.1	Reference totals for population, GDP, and survey income in China and India, 1986–2005	62
2A.2	China's urban household income surveys (NSB), 1986–2003: summary statistics	63
2A.3	China's urban household income surveys (NSB), 1986–2003: total income aggregates	64
2A.4	Top fractiles incomes levels in China, 1986–2003 (household distribution)	65
2A.5	Top fractiles incomes levels in China, 1986–2003 (individual distribution)	67
2A.6	Top fractiles incomes shares in total income in urban China, 1986–2003	69
2A.7	Simulating income tax receipts in China, 1986–2015 (I)	71
2A.8	Simulating income tax receipts in China, 1986–2015 (II)	73
3.1	Income inequality in OECD countries	79
3.2	Thresholds and average incomes for top income groups in Japan	84
3.3	Top estates composition in Japan, 1935, 1950, and 1987	94
3.4	Sensitivity analysis using the Japanese NSFIE data in 1999	97
3A.1	Reference totals for population, income, inflation, and marginal tax rates, Japan, 1886–2005	128
3A.2	Top income shares in Japan, 1886–2005	133
3A.3	Top 1% income share and composition in Japan, 1886–2005	137
3B.1	Levels of top estates in Japan, 1905–2005	147
3B.2	Estate composition in Japan, 1925–2005	151

3C.1	Reference totals for wage earners, wage income, and inflation, Japan, 1948–2005	157
3C.2	Top wage income shares in Japan, 1929–2005	160
3C.3	Wage income tax and marginal tax rates in Japan, 1951–2005	162
3D.1	Sensitivity analysis using the Japanese NSFIE data, 1979–1999	165
4.1	Top income shares in Indonesia, 1920–1939 and 1982–2004	184
4.2	Tax rates and top incomes in Indonesia (endogenous rate)	192
4.3	Tax rates and top incomes in Indonesia (IV specification)	193
4.4	Relationship between the income share of top 1% income earners in Indonesia and the income share of top 1% income earners in other countries	194
4.5	Wealth inequality at the top of the distribution, Indonesia and USA, 2006	198
4A.1	Total income earners assessed for income tax, Indonesia, 1920–1939	201
4A.2	Income cut-offs for given percentiles, Indonesia, 1920–1939	201
4B.1	Total income earners assessed for income tax, Indonesia, 1989–2003	203
4B.2	Income cut-offs for given percentiles, Indonesia, 1990–2003	203
4C.1	Overview of average household size in food consumption and expenditure surveys in Java, 1924–1961	205
4C.2	Total number of households, Indonesia, 1920–1939	206
4C.3	Total number of households, Indonesia, 1971–2005	207
4D.1	Total household income, Indonesia, 1920–1939	209
4D.2	Total pre-tax disposable household income, Indonesia, 1980–2004	209
4E.1	Susenas summary statistics, 1982–2004 (households)	213
4E.2	Comparing top share estimates based on total income and earned income, Indonesia (1996 only)	213
4E.3	Susenas inequality estimates, 1982–2004	214
4E.4	Income cut-offs for given percentiles, Indonesia, 1982–2004	214
5.1	Top income shares in Singapore, 1947–2005	228
5.2	Comparative top income shares in fourteen countries	243
5A.1	Sources of Singapore income tax data	246
5A.2	Control totals for adult population and household income in Singapore	247
5A.3	Sources of Singapore wage distribution data	249
5A.4	Distribution of earnings in Singapore (and UK)	250
6.1	Structure of tax revenues, Argentina, 1932–2004	258
6.2	Structure of tax revenues as % GDP, Argentina, 1932–2004	259
6.3	Reference totals for population, income, and inflation, Argentina, 1932–2004	262

6.4	Thresholds and average incomes in top income groups in Argentina in 2000	264
6.5	Top income shares in Argentina, 1932–2004	264
6.6	Country of origin of income tax payers, Argentina, 1932–1946	274
6.7	Income shares and composition in top Argentina income groups based on household survey, Greater Buenos Aires, 1982–2003	281
6.8	Composition in top income groups, Argentina, 2001–2004	282
6D.1	Under-reporting in income tax, Argentina, 1959	291
6E.1	Income tax tabulation and household survey, Argentina, 1997	294
7.1	Definitions and adjustments of the income data and reference totals in Sweden	304
7.2	Top income thresholds and average incomes in Sweden in 2004	305
7.3	Decomposition of changes in top income shares in Sweden into wage-, capital-, and other incomes over three sub-periods between 1912 and 1980	310
7.4	Contribution of changes in the top income earners' wealth shares on their income shares in Sweden, 1911–1991	321
7.5	Marginal tax effects on top incomes in Sweden, 1943–1990	325
7.6	Percentage change in top percentile income shares in Sweden during the Second World War	328
7A.1	List of sources for total incomes and income composition in Sweden, 1903–2006	333
7A.2	Total income shares (excluding capital gains) in Sweden, 1903–2006	335
7A.3	Total income shares (including capital gains) in Sweden, 1903–2006	339
7B.1	Income concepts, deductions, and taxes and their interrelationships	351
7B.2	The four income sources used in the compositional analysis in Sweden, 1912–2006	352
7C.1	Reference totals for tax units and income in Sweden, 1903–2006	363
8.1	Major changes to definition of income and taxation in Finland	374
8.2	Changes in the construction of income statistics in Finland	378
8.3	Top income shares (%) in Finland, 1966–2004	394
8.4	Mobility and permanence in the top 1% in Finland, 1990/1, 1993/4, 1994/5, and 2001/2	410
8A.1	Gini coefficients (%) in Finland from Statistics of Income and Property, 1920–2003	412
8A.2	Top income shares (%) in Finland from Statistics of Income and Property, 1920–2003	414
8A.3	Gini coefficients (%) with standard error in brackets in Finland, 1966–2004	416
8A.4	Inverted Lorenz curve (100 – Lorenz curve) in Finland, 1966–2004	417

8A.5	Gross income items in deciles and in top 5%, 1%, and 0.1% in Finland, 1966–2004	428
8A.6	Capital income items in deciles and in top 5%, 1%, and 0.1% in Finland, 1987–2004	433
8A.7	Tax items in deciles and top 5%, 1%, and 0.1% in Finland, 1987–2004	437
8A.8	Income tax tables 1920–2003 in Finland	441
8A.9	Reference totals for tax units and income, Finland, 1920–2003	442
8A.10	Income sources in Finland, 1966–2004	445
9.1	Top income shares, Norway, 1875–2006	454
9.2	Share of top income groups in Norway: different income definitions, 1986–2005	460
9A.1	Sources of Norwegian income tax data	467
9B.1	Control total for population, Norway, 1875–2007	470
9C.1	Control total for income, Norway, 1875–2006	474
10.1	Estimating behavioural responses from the 1994 wealth tax exemption in Spain	508
10A.1	Income tax rates, Spain, 1933–1973	513
10A.2	Total number of tax returns and inspections, Spain, 1933–1974	515
10A.3	Number of tax inspections, Spain, 1986–2002	516
10A.4	Structure of tax revenues, Spain, 1930–1979 and 1980–2005	517
10B.1	Data sources, Spain	521
10C.1	Aggregate net worth and composition, Spain, 1981–2005	527
10C.2	Reference totals for population, income, and inflation, Spain, 1981–2005	528
10C.3	Thresholds and average incomes in top income groups in Spain, 2005	529
10D.1	Top income shares in Spain (including capital gains), 1981–2005	535
10D.2	Top income shares in Spain (excluding capital gains), 1981–2005	536
10D.3	Top income shares in Spain from older income tax statistics, 1933–1971	537
10D.4	Top fractiles income levels (including capital gains) in Spain, 1981–2005	538
10D.5	Top fractiles income levels (excluding capital gains) in Spain, 1981–2005	539
10D.6	Composition of top incomes under old income tax, Spain	540
10D.7	Income composition in top income groups, Spain, 1981–2005	541
10D.8	Top wealth shares in Spain, 1982–2005	543
10D.9	Composition in top wealth groups, Spain, 1982–2005	544
10D.10	Top income shares in Spain (including capital gains) from income tax panel, 1982–1998, and survey, 2002	545

10D.11	Top income shares in Spain (excluding capital gains) from income tax panel, 1982–1998, and survey, 2002	546
10D.12	Top wage income shares in Spain from panel of tax returns, 1982–2002	547
10E.1	Marginal tax rates by income groups, Spain, 1982–2002	549
10F.1	Aggregate net worth and composition, households wealth survey in Spain, 2002, vs. tax statistics	551
11.1	Thresholds and average incomes in top income groups in Portugal in 2005	565
11A.1	The income tax in Portugal, 1922–2005	583
11A.2	Tax scales: income taxes in Portugal	591
11C.1	Reference totals for population, income, and inflation, Portugal, 1936–2005	604
11D.1	Top income shares in Portugal, 1936–2005	608
11D.2	Top fractiles income levels in Portugal, 1989–2005	611
11D.3	Composition of top incomes under old income tax, Portugal, 1946–1963	612
11D.4	Top earnings shares from tax statistics in Portugal, 1964–2000	613
11D.5	Fractiles of earnings from tax statistics in Portugal, 1989–2000	615
11D.6	Top earnings shares from administrative records in Portugal, 1985–2004	616
11D.7	Fractiles of earnings from administrative records in Portugal, 1985–2004	618
12.1	Thresholds and average incomes in top income groups in Italy, 2000 and 2004	630
12A.1	Reference totals for population, income, and inflation, Italy, 1974–2004	651
12A.2	Top income shares in Italy (excluding capital gains), 1974–2004	652
12A.3	Top fractiles income levels (excluding capital gains) in Italy, 1974–2004	653
12A.4	Income composition in top income groups, Italy, 1976–2004	654
12A.5	Effect of 10% under-reporting in self-employment income on top income shares, Italy, 1976–2004	656
12B.1	Income tax rates in Italy, 1974–2004	658
13.1	Summary of main findings from Chapters 1 to 12	666
13.2	Comparative top income shares	679
13.2B	Pareto–Lorenz α coefficients vs. inverted Pareto–Lorenz β coefficients	680
13.3	Summary of changes in shares of top 1% and 0.1% between 1949 and 2005	682
13.4	Summary of changes in shares of top 1% and 0.1% before 1949	685
13.5	Summary of changes in shares of top ‘next 4%’ and ‘second vintile’	688

13.6	Summary of major political changes over period covered for countries in Volumes I and II	704
13A.1	Shares in total before tax income, France	711
13A.2	Shares in total before tax income, UK	713
13A.3	Shares in total before tax income, USA	715
13A.4	Shares in total before tax income, Canada	717
13A.5	Shares in total before tax income, Australia	719
13A.6	Shares in total before tax income, New Zealand	721
13A.7	Shares in total before tax income, Germany	723
13A.8	Shares in total before tax income, the Netherlands	725
13A.9	Shares in total before tax income, Switzerland	727
13A.10	Shares in total before tax income, Ireland	728
13A.11	Shares in total before tax income, India	730
13A.12	Shares in total before tax income, China	731
13A.13	Shares in total before tax income, Japan	732
13A.14	Shares in total before tax income, Indonesia	734
13A.15	Shares in total before tax income, Singapore	736
13A.16	Shares in total before tax income, Argentina	737
13A.17	Shares in total before tax income, Sweden	738
13A.18	Shares in total before tax income, Finland	741
13A.19	Shares in total before tax income, Norway	742
13A.20	Shares in total before tax income, Spain	745
13A.21	Shares in total before tax income, Portugal	747
13A.22	Shares in total before tax income, Italy	748
13A.23	Pareto-Lorenz α coefficients	750
13A.24	Pareto-Lorenz β coefficients	754

Contributors

Rolf Aaberge, Research Department, Statistics Norway; rolf.aaberge@ssb.no.

Facundo Alvaredo, University of Oxford, Manor Road Building, Manor Road, OX1 3UQ, Oxford, and CONICET; facundo.alvaredo@economics.ox.ac.uk.

Anthony B. Atkinson, Nuffield College, Oxford OX1 1NF; tony.atkinson@nuffield.ox.ac.uk.

Abhijit Banerjee, Department of Economics, MIT; banerjee@mit.edu.

Markus Jäntti, Swedish Institute for Social Research, Stockholm University, S-10961 Stockholm; markus.jantti@iki.fi.

Andrew Leigh, Research School of Social Sciences, ANU College of Arts and Social Sciences, Australian National University; <http://econrsss.anu.edu.au/~aleigh/>; andrew.leigh@anu.edu.au.

Chiaki Moriguchi, Northwestern University, Department of Economics, 2001 Sheridan Road, Evanston, IL 60208, USA; chiaki@northwestern.edu.

Thomas Piketty, Paris School of Economics, piketty@ens.fr; www.jourdan.ens.fr/piketty.

Elena Pisano, Department of Public Economics, University of Rome La Sapienza, Via del Castro Laurenziano n. 9—00161 Rome, Italy; elena.pisano@gmail.com or Elena.Pisano@uniroma1.it.

Nancy Qian, Department of Economics, Brown University; Nancy.Qian@brown.edu.

Marja Riihelä, Government Institute for Economic Research, PO BOX 1279, FI00101 Helsinki; marja.riihela@vatt.fi.

Jesper Roine, SITE, Stockholm School of Economics, PO Box 6501, SE-11383 Stockholm, + 46-8-7369000; Jesper.Roine@hhs.se.

Emmanuel Saez, University of California-Berkeley and NBER, Department of Economics, 549 Evans Hall #3880, Berkeley, CA 94720; saez@econ.berkeley.edu.

Risto Sullström, Government Institute for Economic Research, PO BOX 1279, FI-00101; risto.sullstrom@vatt.fi.

Matti Tuomala, University of Tampere, 3014 Tampereen yliopisto; matti.tuomala@uta.fi.

Pierre van der Eng, School of Management, Marketing and International Business, ANU College of Business and Economics, Australian National University; <http://ecocomm.anu.edu.au/people/pierre.vandereng>; pierre.vandereng@anu.edu.au.

Daniel Waldenström, Research Institute of Industrial Economics, PO Box 55665, SE-102 15 Stockholm, Sweden; danielw@ifn.se.