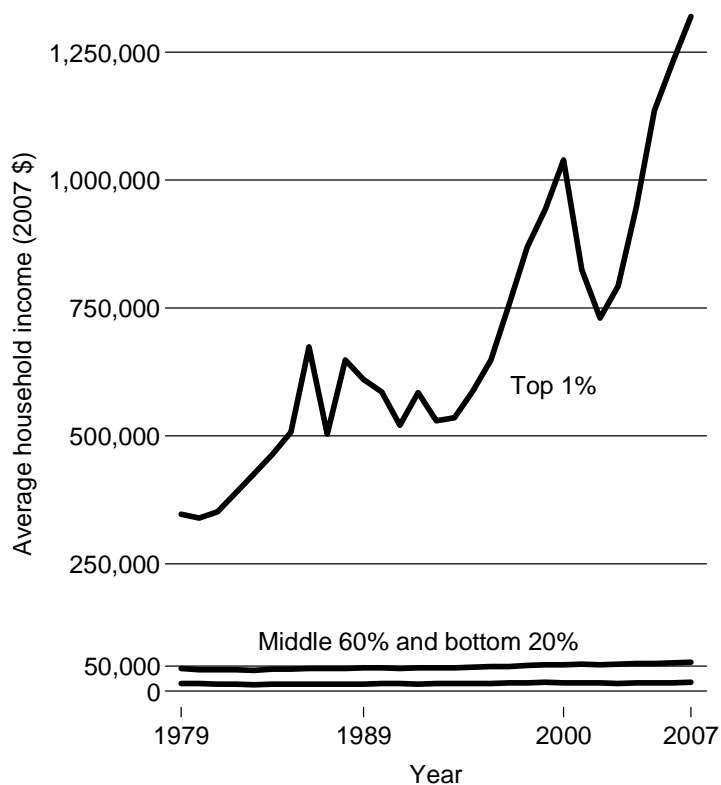


Inequality rising: inflation-adjusted household incomes, 1979-2007



Note: Inflation-adjusted posttransfer-posttax incomes. The data are averages within each group. Incomes in 1979 and 2007: \$15,500 and \$17,500 for the bottom 20%; \$44,000 and \$57,000 for the middle 60%; \$350,000 and \$1,300,000 for the top 1%. The years listed on the horizontal axis are business-cycle peaks.

Source: Lane Kenworthy, using data from the Congressional Budget Office, www.cbo.gov/publications/collections/collections.cfm?collect=13.