

The Pareto Distribution

The distribution of the wealthiest Americans, Chinese, and Russians on the Forbes billionaires list (2021), by rank in distribution. Wealth and rank are expressed as natural logarithms. Rank is inverse, so the ranks nearest the top are on the right.

The curves approximate a straight line, as Pareto's Law expects.

Note that this regularity only applies to top-end incomes, often just the top 5% or 1% or those on the Forbes lists.

But for top-end incomes of every country that has been studied, the distribution has a similar form.

