On the Measurement of Wealth: New Issues and Evidence from WID.world

Thomas Piketty EHESS and Paris School of Economics Banque de France, December 14 2017

- World Wealth and Income Database (WID.world): continuation of Kuznets 1953, Atkinson-Harrison 1978 and the World Top Incomes Database 2011. Main novelties:
- Extension to emerging countries
- Coverage of full distribution, from bottom to top
- → first global inequality study in World Inequality Report 2018
- Extension to wealth inequality (and not only income inequality)

 → unfortunately data sources are more limited on wealth than on income. HFCS = major progress, but not enough.
Self-reported wealth data needs to be supplemented with proper administrative/fiscal data. Major measurement and policy issue.

WORLD WORLD WORLD WORLD METHODOLOGY ABOUT US VIEWS VIEWS

WORLD VIEW



Compare inequality between countries on an interactive world map

COUNTRY GRAPHS



Follow the evolution of inequality within countries with user-friendly graphs

DATA TABLES

Download our open-access datasets

- The WID.world project: more than 100 researchers over the five continents. All the data is entirely open source + transparent to feed public debates.
- This report: first systematic assessment of globalization in terms of inequality. Global top 1% captured twice as much growth as bottom 50% since 1980. Under Business as usual, even with optimistic growth assumptions in the emerging world, global inequality will continue to rise.
- Rising inequality is not inevitable: different types of policies can be implemented to promote equitable growth pathways in the coming decades.





Top 10% national income share across the world, 2016

Source: World Inequality Report 2018, Figure 2.1.1. See wir2018.wid.world for data sources and notes.



Top 10% income shares across the world, 1980-2016

Source: World Inequality Report 2018, Figure 2.1.1. See wir2018.wid.world for data sources and notes.





Top 10% income shares across the world, 1980-2016

Source: World Inequality Report 2018, Figure 2.1.1. See wir2018.wid.world for data sources and notes.





Total income growth by percentile across all world regions, 1980–2016: Scaled by population

Source: World Inequality Report 2018, Appendix Figure A1. See wir2018.wid.world for data sources and notes.

Total income growth by percentile across all world regions, 1980–2016: Scaled by share of growth captured



Source: World Inequality Report 2018, Appendix Figure A1. See wir2018.wid.world for data sources and notes.



Total income growth by percentile across all world regions, 1980–2016



Source: World Inequality Report 2018, Figure 2.1.4. See wir2018.wid.world for data sources and notes.



Total income growth by percentile in US-Canada and Western Europe, 1980–2016

Source: World Inequality Report 2018, Figure 2.1.2. See wir2018.wid.world for data sources and notes.



Asset composition by wealth group in France, 2012

Wealth group (percentile)



Source: World Inequality Report 2018, Figure 4.2.1. See wir2018.wid.world for data sources and notes.





The rise of private capital and the fall of public capital in rich countries, 1970–2016

Source: World Inequality Report 2018, Figure E6. See wir2018.wid.world for data sources and notes.