

Press release

Launching of WID.world The source for global inequality data

Paris, January 9, 2017 - The World Wealth and Income Database ([WID.world](#)) launches today a new website and database to track global inequality trends. WID.world allows the general public, the media, researchers, business and political communities to follow the evolution of income and wealth inequality in their own country and throughout the world on interactive online tools. WID.world is currently available in English and will soon be also available in Chinese, Spanish, Arabic and French.

This launching takes place on the occasion of the American Economic Association Annual Conference in Chicago, USA (January 6-8) (see [slides](#) and [article](#) presented at the Conference). Sadly enough, it occurs a few days after the death of **Prof. Tony Atkinson** on January 1st, one of the co-founders and co-directors of the project and leader figure in the field of inequality studies.

The project gathers over a hundred researchers covering seventy countries from the five continents, who have combined the best available data sources in a transparent manner, in order to come up with socially and economically meaningful concepts to track global inequality trends - filling the gap which has been partly left out by official statistical institutions.

Methods: Combining the best available inequality sources

WID.world is the continuation of The World Top Incomes Database. This historical database was popularized in 2014 following the publication of *Capital in the 21st Century* (Harvard University Press), by **Thomas Piketty**, co-director of WID.world.

According to **Facundo Alvaredo**, co-director of WID.world: « *On top of new data visualization tools, WID.world improves into three directions. First, WID.world includes novel estimates for key developing or emerging countries -such as China, South Africa, and, in the near future India, Brazil, and Mexico- and not only for rich countries. Next, we now track the evolution of incomes at all levels of the distribution, not only at the top. Finally, we also study the inequality of wealth as well as the evolution of public vs. private wealth, not only income.* »

The data presented on WID.world differs from other existing inequality databases, which rely essentially on household surveys. Such surveys suffer from well-known limitations, including the under-estimation of top income shares and the more limited time span. Instead, WID.world attempts to combine in a systematic manner national accounts and survey data together with fiscal data, which are known to be much more precise for capturing top income and top wealth dynamics, and which enable a systematic tracking of inequality over very long periods of time.

Lucas Chancel, coordinator of WID.world explains: « *With previously available data for China, based on surveys, the top 1% income share was thought to be 6.5%. China was therefore seen as one of the most equal country in the world. New estimates on WID.world show that top 1% income share is in fact 13% – and this should be viewed a lower bound.* »

Results: WID.world shows a rise in income and wealth inequality in almost every country

Thomas Piketty co-director of WID.world states that: « Novel inequality data available on WID.world show that top income shares are increasing in nearly all countries in recent decades, developing and developed nations alike. In the US, or South Africa, top 1% income shares doubled since the late seventies, from about 10% to 20% today. It also doubled in China, starting from much lower levels. The rise was less marked in continental Europe, but the trend is similar. »

WID.world also presents the evolution of private wealth vs. public wealth income ratios. These trends highlight the global decline of public property since the late seventies. Public wealth sharply decreased in China, from nearly 70% to 35% of national wealth today. In rich countries, net public wealth has become negative in the US, Japan and the UK (i.e. public debt exceeds public assets), and is only slightly positive in Germany and France.

Thomas Piketty adds: «The decline of public property has been associated to a rise in private property, and this has important consequences for the levels and dynamics of inequality of income and wealth. Negative public wealth limits the ability of government to implement adequate policies. In addition, the concentration of private property rose significantly. In France and the UK, the top 1% wealth share moved from 15% in the mid-eighties to about 20% today. In the US, it increased from 25% to 42%. In China, the top 1% wealth share doubled since 1995, moving from 16% to 30%.»

« The magnitude of the increase in inequality varies substantially from country to country, suggesting that different policy and institutions across countries matter considerably in explaining these trends. In the US, the bottom 50% income share is now twice as small as the top 1% share. Other educational, fiscal and labor market policies could contribute to reverse the trend », stresses **Lucas Chancel**.

Emmanuel Saez, co-director of WID.world explains: « Higher income inequality and severe bottom income stagnation mechanically contribute to higher wealth inequality in the US. In China unequal privatization and access to equity in China contribute to the rise. In France and in the UK, the mitigating impact of high real estate prices, which increased wealth of middle class, partly explains the relatively moderate increase – for now. »

Access to more and better data is critical to monitor the social sustainability of globalization

« High growth rates in emerging countries reduce between-country inequality, but this in itself does not guarantee acceptable within-country inequality levels; it does not ensure the social sustainability of globalization either » stresses **Emmanuel Saez**.

In recent years WID.world researchers were able to gain improved access to income and wealth fiscal data in a number of countries in Asia, Latin America, Africa, Europe and North America. But this is still insufficient; better data will be continuously uploaded to WID.world.

« In the future we will also add new estimates on offshore wealth, and on how the lack of financial transparency contributes to rising global inequality » adds **Gabriel Zucman**, co-director of WID.world. « Access to more and better data is critical to monitor global inequality dynamics, as this is a key building brick both to properly understand the present, as well as the forces which will dominate in the future, and to design adequate policy responses » stresses **Gabriel Zucman**.

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Social Media:  [@wid_inequality](https://twitter.com/wid_inequality)  [World Wealth and Income Database](https://www.facebook.com/WorldWealthandIncomeDatabase)

WID.world is a global research project, entirely financed by public and non-profit institutions. WID.world fellows are located over the 5 continents; the coordination team is based at the World Inequality Lab at the Paris School of Economics. <http://wid.world/>