

# Trends in wealth concentration from a comparative perspective

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# An underresearched dimension of comparative & wealth research

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Most of the wealth literature focused on single-country longitudinal analyses or cross-sectional comparisons

# Outline

1. How do trends in wealth concentration compare across countries?
  - ▶ Descriptive evidence from LWS and WID

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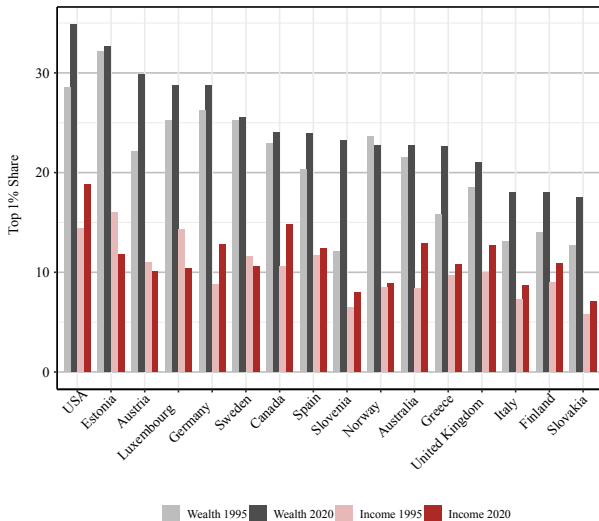
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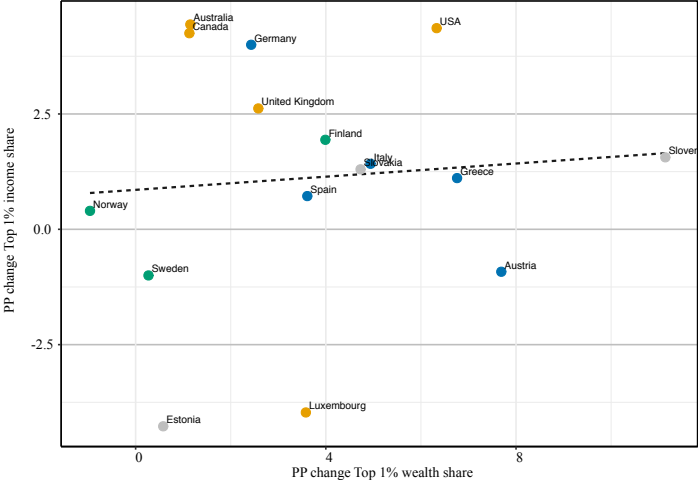
## World Inequality Database (WID)

- ▶ Long-run administrative data (1995-2020), harmonized with National Financial accounts
- ▶ But: no micro data and limited indicators

# Income and wealth concentration in comparison

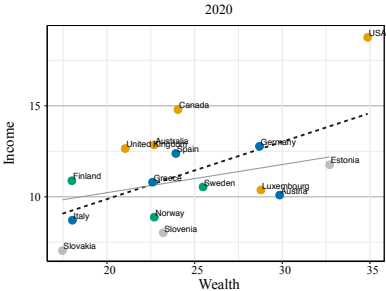
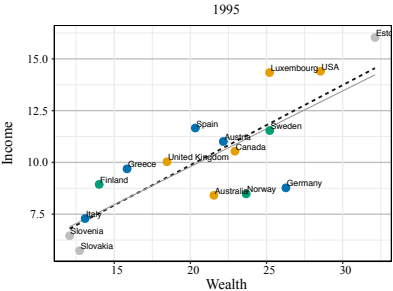


# Change of income and wealth concentration in comparison

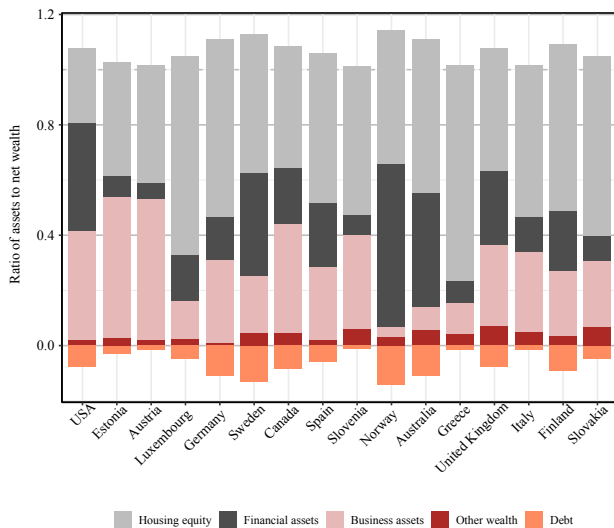


● Christian Democratic ● Liberal ● Social Democratic ● unclear

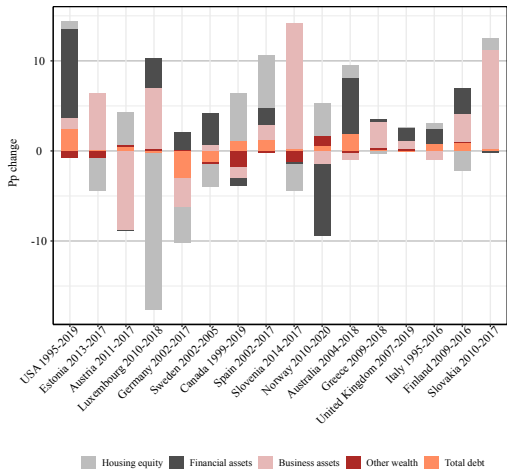
# Income and wealth concentration in comparison 1995-2020



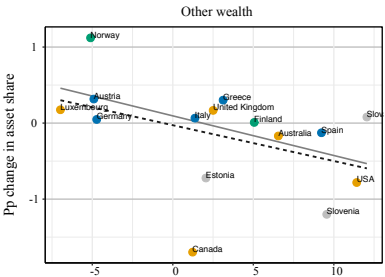
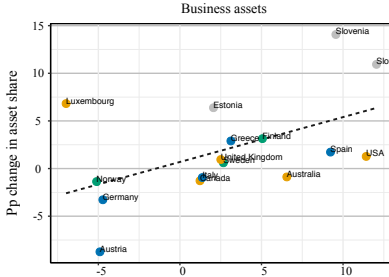
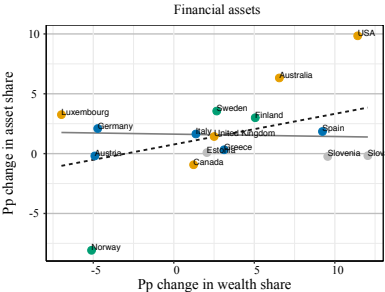
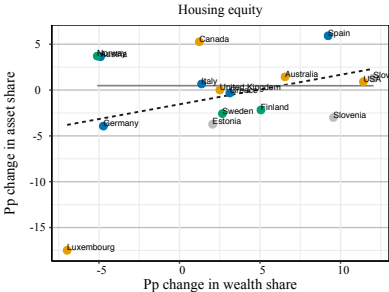
# Average portfolio of the top 5% 2012-2014



# Decomposition of changes in top 5% wealth shares



# Changes in top 5% wealth shares and asset shares





## Country level panel regressions

	Top 1% (1)	(2)	Gini (3)	(4)
Top 1% Income share	-0.10 (0.09)	-0.09 (0.08)		
Gini Income			-0.13 (0.12)	-0.11 (0.10)
Stock market capitalization to GDP	-0.01 (0.11)	-0.02 (0.11)	0.03 (0.12)	0.02 (0.14)
Real house prices	-0.27* (0.10)	-0.28** (0.09)	-0.45* (0.16)	-0.36** (0.12)
Homeownership rate	-0.01 (0.11)	-0.18 (0.11)	-0.11 (0.06)	-0.30*** (0.09)
GDP	-0.05 (0.15)	0.24* (0.11)	-0.03 (0.23)	0.31* (0.16)
10-year bond yield	0.05 (0.15)	-0.25 (0.13)	0.20 (0.20)	0.01 (0.11)
Country fixed effects	Yes	Yes	Yes	Yes
Year fixed effects	Yes	No	Yes	No
Num. obs.	262	262	262	262
R2	0.50	0.23	0.42	0.13
Num. groups: country	15	15	15	15
Num. groups: years	26		26	

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The importance of the national context?

- ▶ But: there are some similar patterns -> do we need new comparative typologies?