Issue No. 38 (June 2026)

Inequality Matters

Quarterly updates on inequality research, LIS micro data releases, and other developments at LIS

MESSAGE FROM THE EDITOR

Dear readers,

We have added 44 new datasets across the Luxembourg Income Study (LIS) and Luxembourg Wealth Study (LWS) Databases! We are especially pleased to welcome two new countries: **Czechia** has been added to the LWS Database with the dataset CZ21, and the **Philippines** joined the LIS Database with an extensive new series of fourteen datasets, from PH85 to PH23.

Beyond these new countries, Belgium's series grew by three new datasets (BE22, BE23, and BE24). Finland's LWS series was extended with five new datasets (FI87, FI88, FI94, FI98, and FI04). The Lithuanian LIS series now includes LT22 and LT23, the Swiss LIS series contains CH01, CH03, and CH05, and the Mexican LIS data were extended with MX24. Last but not least, the Swedish LIS data were annualised for the period SE84–SE99 and extended with SE22 and SE23, with major additions also made to the annual series SE00–SE21.

This issue's Inequality Matters section features three articles that examine inequality from different angles. The first article, by Keon Kim (Seoul National University) and Kun Lee (LIS & Luxembourg Institute of Socio-Economic Research (LISER)), examines the household division of paid and unpaid work among Korean couples aged 25–49 over the period 2004–2024, using five waves of the Korean Time Use Survey. Drawing on a typology of six couple types, it analyses how these arrangements have evolved over two decades and explores their association with housework allocation and general life satisfaction. The second article, by Carmen Petrovici (LIS), turns to household income, analysing the evolution of household disposable income across Belgium's three regions (Brussels, Flanders, and Wallonia) over the period 2004–2024, with a particular focus on the Covid-19 crisis. It examines how disposable income, social benefits, and market income evolved differently across regions, and explores the extent to which government measures, notably temporary unemployment schemes, may have cushioned the impact of the crisis on household living standards. The third article, by Gintare Mazeikaite (Luxembourg Institute of Socio-Economic Research (LISER)), shifts the focus to consumption, analysing consumption inequality across nine countries spanning low- to high-income economies. Using the Lerman-Yitzhaki decomposition, it breaks down the Gini coefficient into individual expenditure components to examine which categories drive inequality most and whether these patterns differ systematically across national contexts.

Note this year's LIS Summer Lecture will be delivered by Prof. Frank Cowell on "Demographic Change, Wealth Transmission and Inequality". The lecture will take place on Monday, June 29, 2026, please find more information in our news section.

Enjoy reading! Jörg Neugschwender

IN THIS ISSUE

A Slow Convergence? Intra-couple Division of Labour and Related Perceptions in South Korea, 2004–2024[1]

Keon Kim ✉, Seoul National University

Kun Lee ✉, LIS & Luxembourg Institute of Socio-Economic Research (LISER)

Key Messages

- While the patterns of unpaid and paid work division among South Korean couples have changed significantly over time – shown in a sharp decline in the share of male-breadwinner couples – egalitarian arrangements remain rare.
- The dominance of female-overperformance couples and a simultaneous rise in male-overperformance couples are partly explained by stubbornly long paid work hours especially among men.
- Egalitarian arrangements correlate with women's higher housework satisfaction but not their life satisfaction under Korea's restrictive norms and limited institutional support.

Introduction

South Korea presents a prototype of the East Asian developmental, familialistic welfare state, where gender equality has not caught up with its rapid economic development and rising female educational attainment. Among advanced economies, the country consistently ranks among the most gender-unequal advanced economies both in the sphere of paid and unpaid work. While young women's employment rate has increased steadily over the past two decades, men's share of household and care work remains among the lowest in the world (Charmes, 2019). This imbalance of unpaid and paid work within couples is increasingly recognized as one of the key drivers of historically low marriage and fertility rates in Korea (Raymo et al., 2015; Yoon, 2016).

From a macro-social perspective, scholars have considered the intra-couple allocation of unpaid and paid work as a core indicator capturing societal progress of 'gender revolution' across post-industrial economies (Esping-Andersen and Billari, 2015; Goldscheider et al., 2015). In societies where this revolution stalls, rising female labour force participation is not matched by men's increased burden-sharing in unpaid work. Women would then respond by postponing or forgoing family formation as they perceive the situation as 'inequitable' (McDonald, 2013). Yet the extent to which couples perceive unequal arrangements as unfair or inequitable , and the extent to which a more equal division translates into greater well-being , depends not only on objective shares of work, but also on individual preferences, absolute hours spent on paid work and prevailing social norms. For instance, in certain contexts, unequal divisions of housework are perceived by women as fair when combined with part-time arrangements (Koster et al., 2022).

In this study, we document the evolution of the household division of labour among Korean couples aged from 25 to 49 years from 2004 to 2024, using five waves of the Korean Time Use Survey (n = 12,447 dyadic observations). We classify couples into six types based on their relative shares of time spent on paid and unpaid work, and examine how these typical patterns are associated with two subjective measures: satisfaction with housework allocation and general life satisfaction.

How are Korean couples dividing paid and unpaid work?

To move beyond simple averages, we classify couples' time-use patterns into six mutually exclusive groups based on men's share of unpaid and paid work within couples. Drawing on a multiple-equilibria framework proposed by Esping-Andersen et al. (2013), we first identify couples within a symmetric band – where neither partner bears a disproportionate combined burden of paid and unpaid work. Note that these symmetric burden-sharing patterns are not always perceived as fair or equitable by individuals. Therefore, these couples are further classified as traditional, adaptive, egalitarian, or subversive based on how they divide unpaid work specifically. Couples outside this symmetric band are labelled as female overperformance (when women are overburdened in the combined share) or male overperformance (when men are overburdened). Figure 1 illustrates this typology.

Figure 2 illustrates changes in the distribution of couples' allocation types over the past two decades. Throughout the period, the female-overperformance group – where women bear dual responsibilities in work and family – has constituted the largest share among Korean couples, stably at around 39 to 44 percent. On the other hand, the traditional type, representing the male-breadwinner arrangement, has substantially declined from nearly 46 percent of all couples in 2004 to around 27 percent in 2024. However, this decline has not given way to a rise in egalitarian households: these account for only around 6 percent of couples and have plateaued since 2019. Instead, the fastest-growing group is the male-overperformance type, rising sharply in the past five years to nearly 23 percent. This shift is partly explained by a slow convergence of women's and men's time spent on unpaid work but more so by men's stubbornly long paid work hours. The share of adaptive couples has also grown but only marginally, from 1 percent to 3 percent over the last two decades.

Figure 3 displays the relative share of paid work, unpaid work and combined working time within couples, partly revealing the mechanism behind these trends. Rather than a significant reallocation of the intra-couple time use, what is happening is a slow and partial convergence at best. Men's share of unpaid work within couples has roughly doubled, from around 9 to 20 percent, while their share of paid work has declined modestly, from about 79 to 73 percent. Women's shares have changed symmetrically as the indicators capture the intra-couple share – unpaid work time from around 91 to 80 percent and paid work time from around 22 to 27 percent. Meanwhile, the total time spent on both unpaid and paid work has remained largely flat: men at around 52 percent and women at 48 percent. One might find this pattern counterintuitive, since the female-overperformance group has been the dominant type throughout the period but at the same time men's total time share has been above 50 percent. This is largely explained by men's excessive hours spent on paid work in absolute terms.

Figure 1. Classification of intra-couple allocation of paid and unpaid work hours

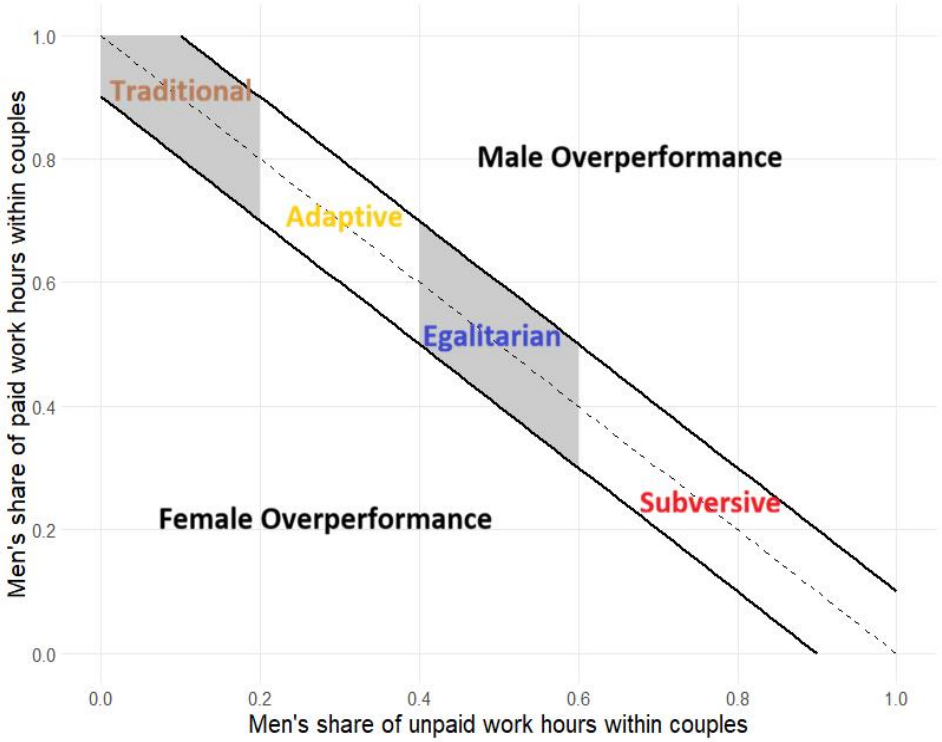
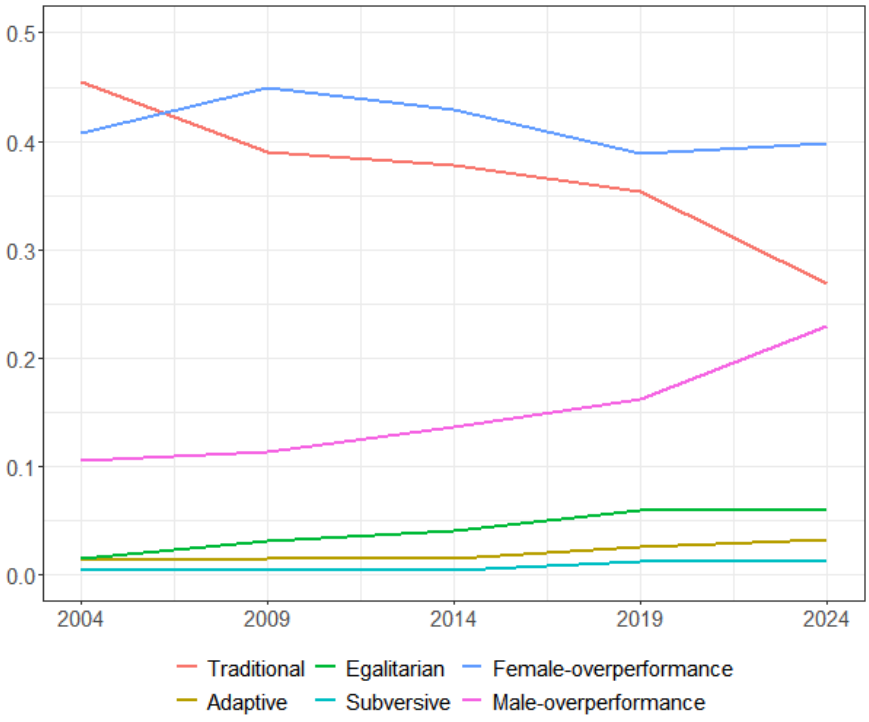


Figure 2. Changes in the share of allocation types in Korea, 2004–2024 (weighted)

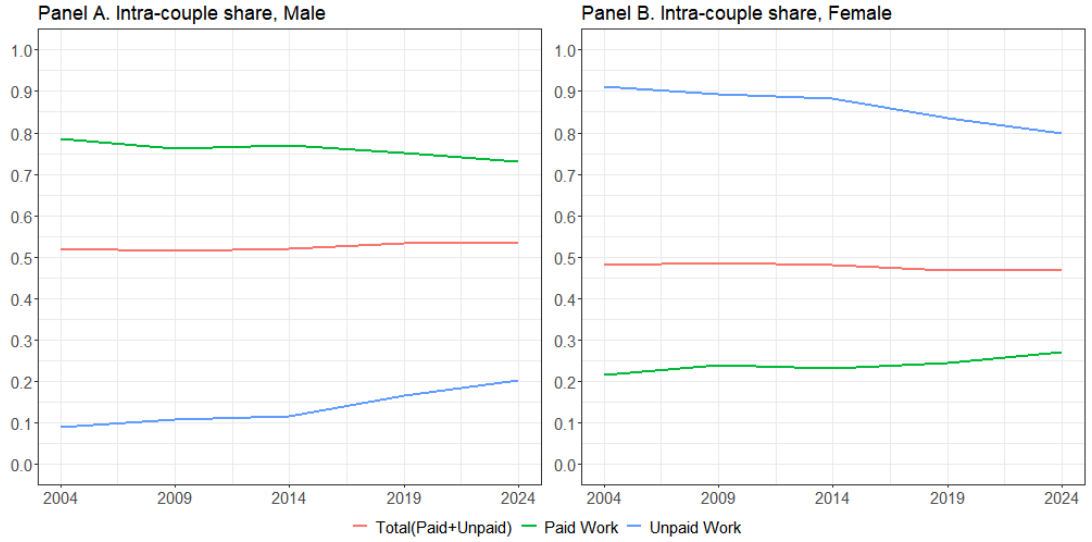


Source: own calculations based on Korean Time Use Survey.

How does the division translate into subjective perceptions?

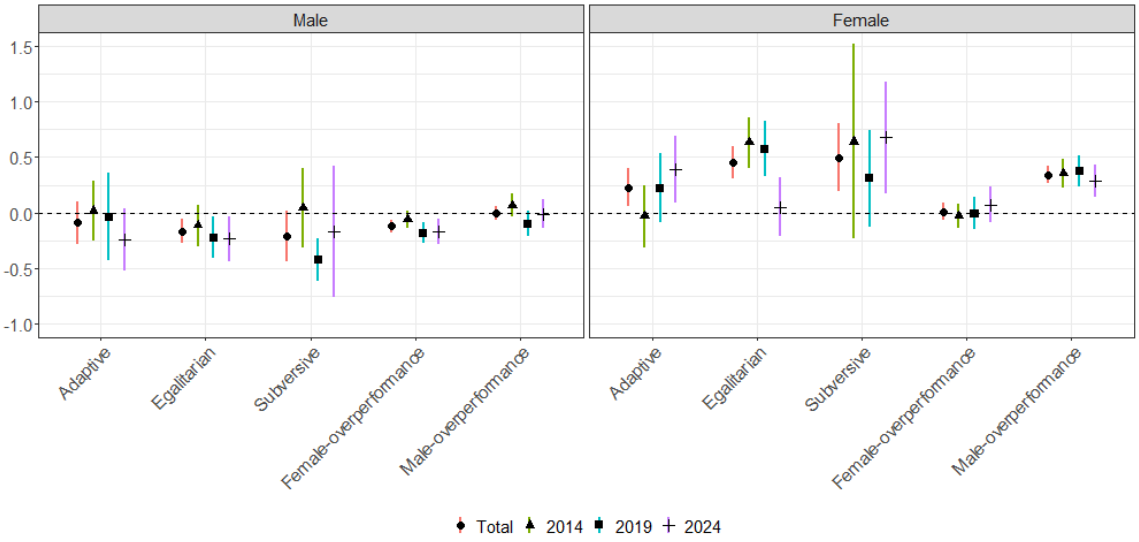
Does the type of intra-couple time allocation matter for subjective perceptions and well-being? In Figures 4 and 5, we present results from regression analyses of how these allocation types are associated with two subjective outcomes – *allocation satisfaction* and *life satisfaction* – controlling for education, age, household income, care needs (mostly for children), number of children, gender attitudes, bad health, overwork status and region of residence. The coefficients represent the marginal difference in the two outcomes between the type of interest and the traditional type – the reference group. As these outcome variables are available from 2014, we compare the effects based on the full sample since then and year-by-year estimates to detect changes in perceptions over time.

Figure 3. Changes in couples' intra-couple share of paid and unpaid work, 2004–2024 (weighted)



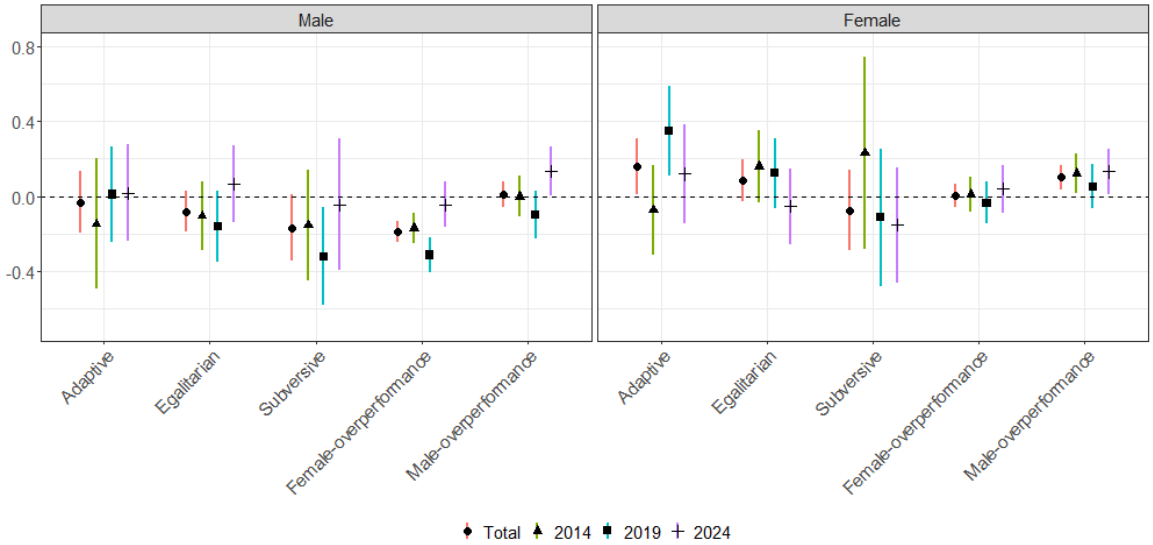
Source: own calculations based on Korean Time Use Survey

Figure 4. Marginal effects of allocation types on allocation satisfaction, 2014–2024 (ref. Traditional)



Source: own calculations based on Korean Time Use Survey

Figure 5. Marginal effects of allocation types on life satisfaction, 2014–2024 (ref. Traditional)



Source: own calculations based on Korean Time Use Survey

Regarding allocation satisfaction – how satisfied individuals are with how housework is divided — the results differ by gender (Figure 4). Among men, those in egalitarian arrangements tend to report modestly negative satisfaction, in contrast to the expectation that equality benefits both partners equally. Being in a female-overperformance arrangement is associated with significantly lower allocation satisfaction. Among women, those in adaptive, egalitarian, subversive, and male-overperforming arrangements report higher allocation satisfaction than those in traditional arrangements.

The picture changes substantially when we turn to life satisfaction (Figure 5). Among men, only a female-overperformance arrangement, which also showed lower allocation satisfaction, is associated with significantly lower life satisfaction. Among women, there also appears to be a gap between allocation and life satisfaction. Women in egalitarian and subversive arrangements report higher satisfaction with their housework division but not higher life satisfaction. By contrast, women in adaptive and male-overperforming arrangements report higher levels of both allocation and life satisfaction. Notably, women in adaptive arrangements showed the highest life satisfaction overall. This 'adaptive advantage', despite not yielding the highest perceived fairness, suggests that societal norms and limited institutional support hinder the full benefits of equality.

Concluding remarks

Two decades of change in Korean households tell a story of partial and uneven transformation. The traditional male-breadwinner model is clearly waning, but egalitarian arrangements have not filled the gap. The rapidly growing male-overperformance pattern, driven by men's persistently long paid working hours rather than a genuine redistribution of care, suggests that Korea's gender revolution remains incomplete. Female-overperformance, the most burdensome arrangement for women, has proven durable at around 40 percent of couples.

These findings yield several key policy implications. First, enforcing strict working-time limits may be just as vital for domestic equality as expanding childcare and promoting parental leave uptake. Second, the muted life satisfaction gains from egalitarian arrangements among women may reflect normative and institutional constraints. Therefore, structural reforms must be paired with cultural change to fully realize the well-being benefits of greater equality. Third, the rise of male-overperformance creates a new dimension of precarity, and policies focusing solely on women's labour force participation risk overlooking this issue.

[1] *This article is an outcome of a research visit carried out in the context of the (LIS)²ER initiative which received funding from the Luxembourg Ministry of Higher Education and Research.*

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Two Decades of Income Evolution in Belgium: Regional Disparities and the Impact of Covid-19

Carmen Petrovici ✉, LIS

Notwithstanding being heavily hit by the health crisis of Covid-19, Belgium seemed to have managed to maintain a stable economic situation. The first lockdown was in March 2020 and the last one in April 2021; therefore, most of 2020 and the first part of 2021 were affected by the crisis. As expected, in 2020 there was a decline in real GDP of -5.7% (source: BDA & NBB, 2022a). However, in 2021 the Belgian economy made an impressive post-pandemic recovery with annual economic growth in real GDP of 6.2% (source: BDA & NBB, 2022b). How did the disposable income of households evolve?

Given that Belgium is a federal state with regional governments and different social policies being implemented in different regions, we look separately at the three federal regions: Brussels-Capital region, Flanders, and Wallonia. Furthermore, the Belgian labour market is characterised by substantial and persistent disparities over time between the three regions, especially in terms of unemployment (Duprez et al., 2019; OECD, 2022). The region with the highest GDP per capita is the Brussels region, followed by Flanders (OECD, 2022). However, as we can see from Fig. 1 below, the region with the highest disposable household income (*dhi*) is by far the Flemish region in all years. This could be explained by the large share of commuters living in other regions, especially Flanders, and working in the Capital region (Strale, 2019).

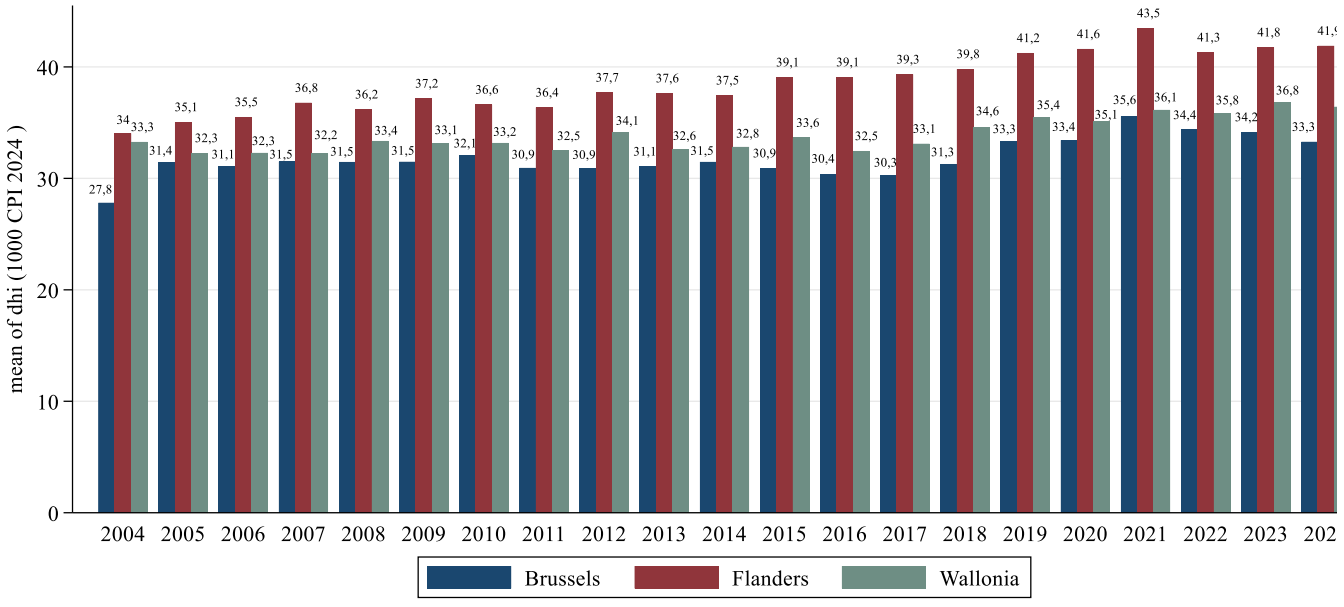
Over the last 20 years, *dhi* mostly increased, though at a different pace across regions and not always in a linear way. Despite small decreases or stagnations in *dhi* between some years, over this long period *dhi* increased by 23 percent in Flanders, followed by the Brussels region with a significant increase of almost 20 percent, while in Wallonia, which has the second highest *dhi*, the increase was only 9.5 percent over the entire period. Contrary to what we might have expected, we observe rather a stagnation or even a slight increase at the beginning of the Covid crisis, and only between 2021 and 2022 do we observe a slight decline in *dhi*, mostly in Flanders with 5 percent, followed by the Brussels region with 3 percent, while for Wallonia the decrease in *dhi* was minimal (less than 1 percent). This was followed by a slight recovery for Wallonia and Flanders in the next year, while Brussels region continued on a descending trend and was followed by Wallonia in a slightly descending trend in 2024. This recent evolution is most likely explained by the energy crisis caused by Russia's invasion of Ukraine in early 2022, which had a significant effect on European economies that are still heavily reliant on fossil fuels, despite efforts made towards a green energy transition (IEA, 2022).

The fact that Belgian households were not significantly affected by the health crisis in terms of income is most probably due to the measures put in place as part of the Belgian Government's Covid strategy. Therefore, in Figure 2 we examine the evolution of social benefits during the period considered.

The evolution over time of the social benefits averaged over all beneficiaries in each region is not linear, with a significant drop in the level of benefits between 2004 and 2005, especially for the Brussels region, which has the most generous social benefits in almost all years — except immediately after the Covid crisis, when Wallonia experienced a less sharp decrease in benefits following the crisis peak.

In the first year impacted by the crisis, we observe the highest increase in social benefits in Wallonia with about 25 percentage points, followed by the Capital region and Flanders with around 20 percentage points each. In 2021, the level of benefits decreased in all regions, with a more substantial decrease in Brussels region; nevertheless, they remained above the pre-crisis level. In the following

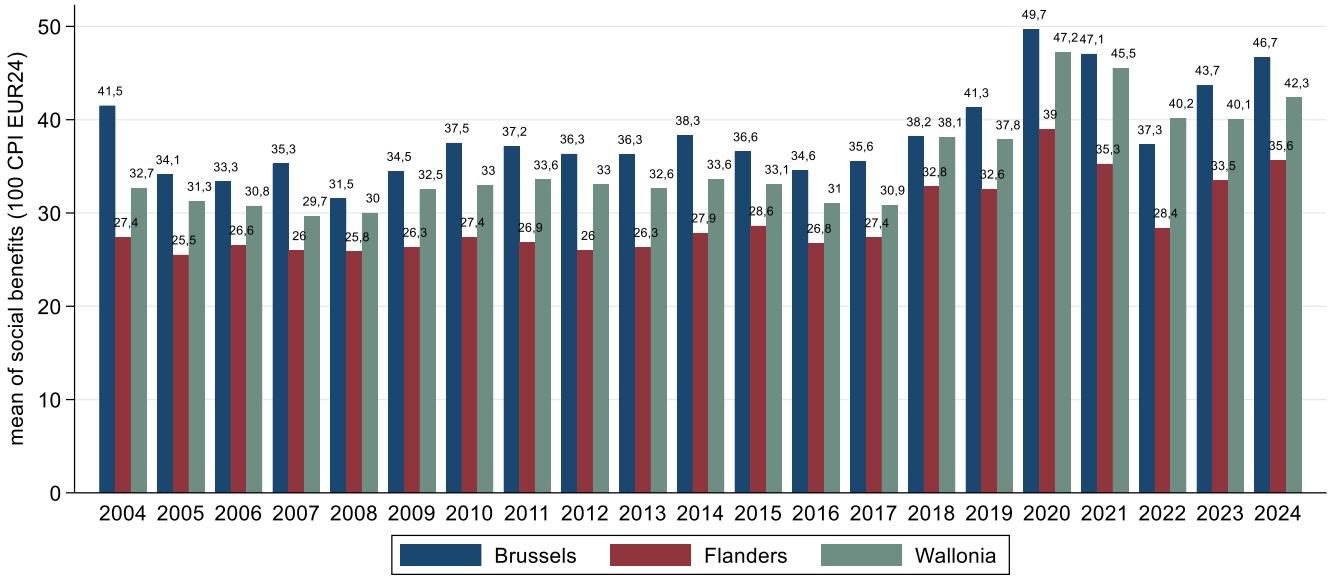
Fig. 1: Evolution of disposable household income (*dhi*) by region over time: 2004–2024



Note: Disposable household income (dhi) is calculated as the sum of all regular incomes minus taxes and contributions. The value was equivalised by the square root of household members and bottom-coded (with negative values set to 0) and top-coded (at 10× the median). It is expressed in 1,000 EUR adjusted with the Consumer Price Index (CPI) at the 2024 price index.

Source: own calculation using Luxembourg Income Study (LIS) data.

Fig. 2: Evolution of social benefits by region over time: 2004–2024



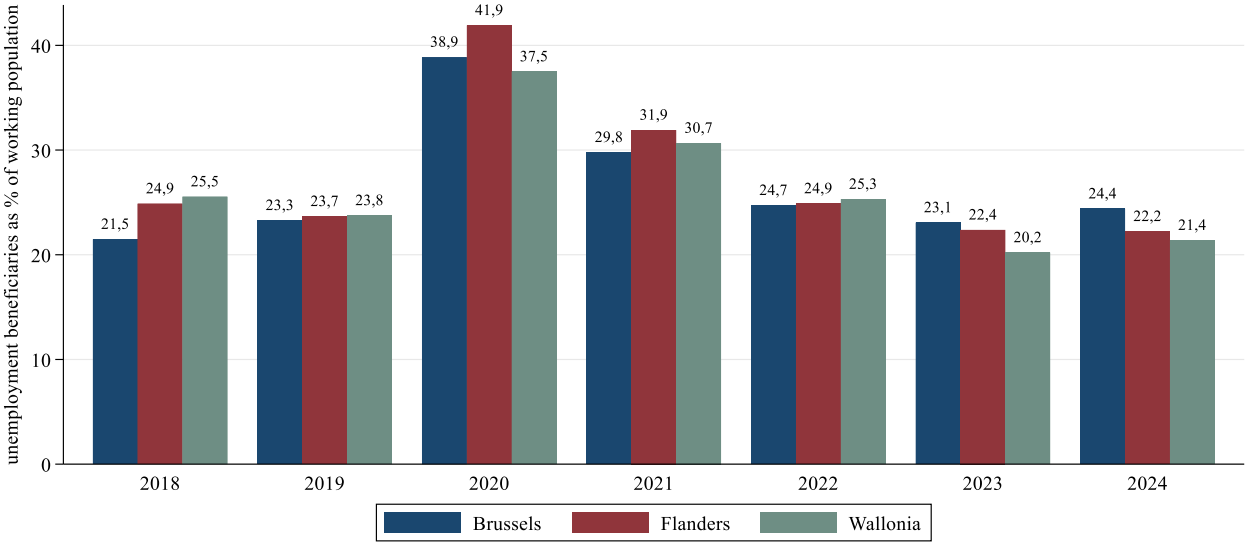
Note: Social benefits exclude contributory pensions and are equivalised (per capita, since the number of child benefits depends on the number of children, for example). Only recipients of social benefits are considered. They are expressed in 100 EUR adjusted with the CPI at the 2024 price index.

Source: own calculation using Luxembourg Income Study (LIS) data.

years there was an increasing trend, with social benefits becoming on average, substantially larger and/or reaching more people than even in the pre-Covid period. A contribution to this increase can be attributed to the fossil fuel subsidies that peaked in 2022 to counterbalance the energy crisis, being estimated at 2.4% of GDP (Federal Inventory of Fossil Fuel Subsidies, 2025). Although the Brussels region has the highest benefits, the gap tends to narrow over time, since the increase over the last 20 years was only 12.5 percent in the Capital region compared with around 30 percent for the other two regions.

This was accompanied by an increase in the number of beneficiaries, as illustrated in Fig. 3. During the Covid crisis, Belgium implemented special unemployment benefits for technical and partial unemployment, such as temporary unemployment and bridging payments for the self-employed, to preserve the jobs of those affected by the lockdowns (Service public fédéral Sécurité sociale, 2022). The special Covid measures reached more people in order to mitigate the labour market effects of the crisis (Coppens et al., 2021).

Fig. 3: Beneficiaries of unemployment benefits as proportion of the working population by region, 2018–2024



Note: It represents the number of beneficiaries of the different unemployment measures as percentage of the working population (defined as people aged 18 to 64 and not enrolled in education for those aged 18 to 24).

Source: own calculation using Luxembourg Income Study (LIS) data.

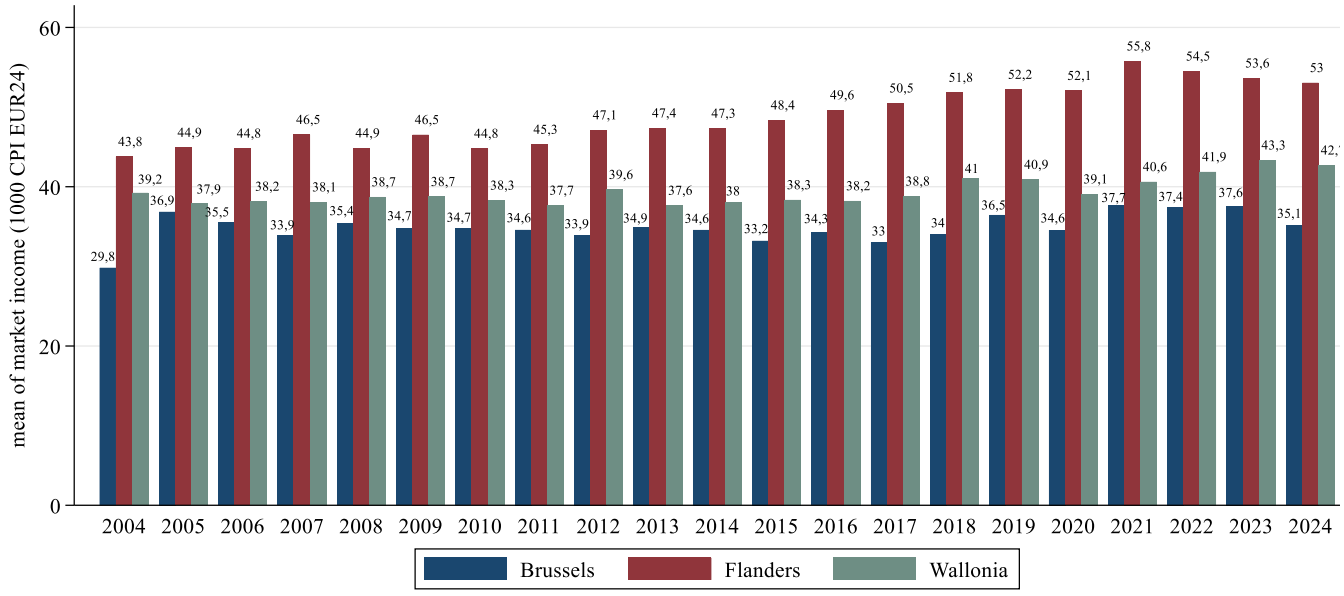
The number of beneficiaries relative to the working population shows a convergence across regions just before the Covid period, at around 23% of the workforce, compared to the previous year in which Wallonia, followed closely by Flanders, had relatively more beneficiaries than the Capital region. However, this does not reflect the actual unemployment rates, which were relatively low (under 7% throughout the whole period) (source: Statbel), since the unemployment measures also included other benefits such as early retirement.

The introduction of special Covid measures such as the Covid allowance (*prime Covid / Covid premie*), including a regional one (*prime Covid-régionale / Covid premie-regionaal*) in 2020, resulted in a substantial increase in the number of beneficiaries relative to the working population, especially in Flanders, where it reached almost 42% of the labour force, with Brussels following 3 percentage points difference and Wallonia just 1.5 percentage points behind the Capital region. The benefit was given to people who could not temporarily perform their job or run their business due to Covid (including those who had to care for their children when schools and care facilities were closed), and therefore contributed to job preservation. At the height of the Covid crisis, in April 2020, about 40% of employees in the private sector received temporary unemployment benefits and about half of the self-employed received bridging right benefits (Coppens B. et al., 2021). After the temporary measures were discontinued, we observe that the number of beneficiaries reverted to levels similar to those of the pre-Covid period, followed by a slightly descending trend in the following year. In 2024, Flanders continued on a (slightly) descending trend, while the number of beneficiaries in the Capital region and Wallonia increased slightly. This is explained by the fact that during this period unemployment rates increased in the Capital region from 10.2% in the last quarter of 2022 to 12.3% in the second quarter of 2024, while in Flanders there was only a slight increase in the last quarter of 2024 of less than 1 percentage point, reaching 4.3% — the lowest unemployment rate of all regions. Wallonia, despite a non-linear evolution during the year, had the same unemployment rate at the end of 2024 as in the previous year: 8% for those aged 15–64 (source: Statbel, 2026).

As seen in Figs. 1 and 2, Flanders has the lowest level of benefits in all years while having the highest disposable household income. This is possible because the region has the highest extended market income in all years, as shown in Fig. 4 below. Market income does not appear to have been considerably impacted by the Covid crisis: between 2019 and 2020 there was only a very small decline — more of a stagnation — while in 2021 we observe an increase in market income in all three regions, more pronounced in Flanders. The 2021 levels of market income are above pre-crisis levels, except for Wallonia, for which they remain slightly below. Over the years, the gap between Flanders and Wallonia has been widening, from 10 percent in 2004 to almost 20 percent in 2024.At the same time, the Brussels region has been narrowing the gap with Wallonia in market income over the past two decades, as shown in Fig. 4 below This pattern is consistent with the findings of the OECD (2022).

To conclude, the disposable income of Belgian households was not significantly impacted by the Covid crisis as a result of the measures put into place — especially temporary unemployment schemes allowed employees to keep their jobs and the self-employed to maintain their businesses. Disparities between regions are still observed, with households in Flanders having by far the highest disposable income, largely due to extended market income rather than social benefits, while the gap between the Brussels region and Wallonia tends to narrow. These conclusions are supported by other studies, which highlight that despite the initial economic shock caused by the Covid crisis and lockdowns, the long-term impact on the labour market was very limited, thanks to the successful social policy measures implemented by the Government (Coppens et al., 2021).

Fig. 4: Evolution of extended market income by region over time: 2004–2024



Note: Extended market income is calculated as the sum of labour income, capital income (including private pensions), all contributory pensions, and private transfers. The value was equivalised by the square root of household members and bottom-coded (with negative values set to 0) and top-coded (at 10× the median). It is expressed in 1,000 EUR adjusted with the CPI at the 2024 price index.

Source: own calculation using Luxembourg Income Study (LIS) data.

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The Anatomy of Consumption Inequality: What Drives Differences Across Countries?

Gintare Mazeikaite ✉, Luxembourg Institute of Socio-Economic Research (LISER)

Key messages:

- Consumption inequality is not driven by the same expenditure categories everywhere: food matters most in poorer and more vulnerable economies, while housing plays a larger role in many richer economies.
- Looking beyond broad development patterns reveals important country-specific differences, such as the large role of transport in Georgia and recreation and restaurants in the United Kingdom.
- The upcoming Luxembourg Consumption Study will make it possible to examine these patterns in greater depth, including differences within countries and across the consumption distribution.

Household budgets tell a story about inequality that income alone cannot fully reveal. Many countries conduct high-quality consumption surveys, but unlike income data, harmonized consumption data remain relatively scarce. The upcoming Luxembourg Consumption Study (LCS) will open new opportunities to examine not only how unequal consumption is across countries, but also which parts of the household budget drive that inequality.

What do consumption data tell us that income data do not? While income tells us what households receive, consumption shows how those resources are translated into food, housing, transport, leisure, and other elements of daily life. Detailed expenditure data also reveal differences in living standards, from diet quality to access to durable goods and services. Because households can smooth consumption through savings, borrowing, and informal support, consumption is often more stable than current income and more informative for studying long-run welfare (Friedman, 1957; Deaton & Zaidi, 2002).

This article examines consumption inequality and its drivers across nine countries with different levels of development, from low-income, represented by Mali, to high-income economies such as France, Italy, the United Kingdom, and the United States. The lower-middle-income group is particularly heterogeneous: Laos had only recently transitioned out of the low-income category at the time of the survey, while Palestine was approaching upper-middle-income status. The upper-middle-income group is equally varied, combining Peru, a rapidly developing Latin American economy, with Georgia, a post-transition economy characterized by strong links between Europe and Asia. Together, these countries allow us to compare consumption inequality across very different economic and institutional contexts.

Rather than focusing solely on inequality levels, we ask which expenditure categories account for the largest shares of consumption inequality and whether those patterns differ systematically across national contexts. To address this question, we apply the Lerman-Yitzhaki decomposition (Lerman & Yitzhaki, 1984, 1985), where the Gini coefficient of consumption inequality is expressed as the sum of contributions from individual expenditure components:

$$G = \sum_{k=1}^{K} R_k \, G_k \, S_k$$

where (S_k) is the share of expenditure category (k) in total consumption, (G_k) is the Gini coefficient of that category, and (R_k) is the Gini correlation between expenditure in that category and total consumption.

The appeal of this approach is that it not only identifies the expenditure categories that contribute most to overall inequality, but also explains why they matter. A category may emerge as an important source of inequality because it accounts for a large share of household budgets, because spending on it is itself highly unequal, or because it is disproportionately concentrated among households at the upper end in the overall consumption distribution. This method has been widely used to analyse the sources of income inequality within and across countries, and has been more recently applied to consumption data in a number of country studies (Garner 1993, Garner et al. 2024; Oliveira et al. 2016; Mookodi 2021). While these studies have generated important insights into the structure of consumption inequality within individual countries, much less is known about how the drivers of consumption inequality differ across countries at different stages of development. The harmonized consumption data assembled in preparation for the LIS Consumption Study (LCS)[1] provided a rare opportunity to examine these differences in a comparative setting.

The anatomy of consumption inequality

In most countries, housing or food are the largest contributors to consumption inequality (Table 1). Georgia is an exception. There, transport contributes to nearly one-third of measured consumption inequality, more than either housing or food. This finding illustrates a broader lesson from comparing nine countries spanning low-, middle-, and high-income settings: consumption inequality is not generated by the same expenditure categories everywhere.

The fact that food is the dominant contributor to consumption inequality in low and low-middle income countries Mali, Laos and Palestine can be partly understood through Engel's law, which states that the share of household expenditure devoted to food declines as income rises. In low-income and agriculture-dependent economies such as Mali, many households spend a large share of their budgets on basic food needs, making overall living standards highly sensitive to fluctuations in food prices, harvest conditions, and household purchasing power. Differences in households' ability to cope with droughts, inflation, or income instability can therefore translate directly into large disparities in food consumption.

Just as with food, housing contributes substantially to consumption inequality due to its budget importance, and not because it is the most unequal among expenditure categories. As Figure 1 shows, the contribution of housing to consumption inequality is broadly proportional to its share in total consumption in most countries. We observe housing-centered consumption inequality[2] in higher-income countries such as Italy, France and the US as well as Peru. This likely reflects the growing importance of housing costs as countries urbanize and living standards rise, with disparities in housing quality, ownership, and location becoming increasingly important dimensions of household welfare (OECD, 2021).

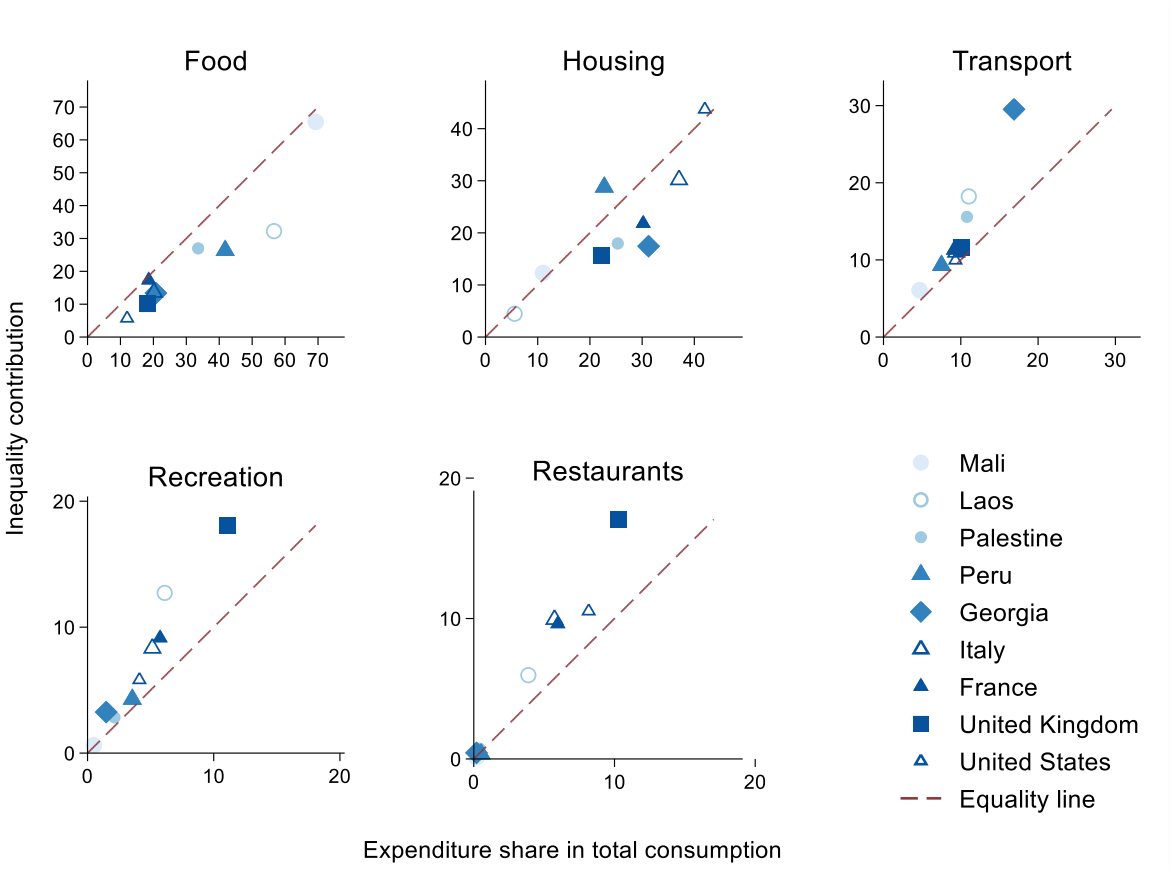
Table 1. A ranked comparison of top three contributors to consumption inequality by country, from largest to smallest

Food-centered inequality			
Mali	Food (65.5%)	Housing (12.3%)	Transport (6.1%)
Laos	Food (32.2%)	Transport (18.2%)	Recreation (12.7%)
Palestine	Food (27%)	Housing (18%)	Transport (15.6%)
Housing-centered inequality			
US	Housing (44%)	Restaurants (10.6%)	Transport (10%)
Italy	Housing (30.2%)	Food (13.6%)	Transport (11%)
Peru	Housing (28.8%)	Food (26.4%)	Education (9.6%)
France	Housing (21.8%)	Food (17.3%)	Transport (11.3%)
Leisure-centered inequality[1]			
U.K.	Recreation (18.1%)	Restaurants (17.1%)	Housing (15.6%)
Mobility-centered inequality			
Georgia	Transport (29.5%)	Housing (17.4%)	Food (13.4%)

Note: Table 1 shows the three expenditure categories that contribute most to consumption inequality in each country. The percentages indicate each category's share of total consumption inequality (not its share of household expenditure). Countries are grouped according to the expenditure category that plays the largest role in explaining overall consumption inequality.

Source: Author's calculations based on harmonized consumption datasets prepared by the LIS team for France 2010, Georgia 2021, Italy 2016, Laos 2012, Mali 2020, Palestine 2017, Peru 2019, and the United Kingdom 2021. The U.S. results are based on the 2022 Consumer Expenditure Survey, harmonized by the U.S. Bureau of Labor Statistics.

Figure 1. Expenditure shares and contributions to consumption inequality, by category and country



Note: Each panel plots an expenditure category's share in total consumption against its contribution to overall consumption inequality. The dashed line marks equality between the two. Points above the line indicate categories that contribute more to inequality than their budget share would suggest; points below the line indicate categories that contribute less.

Source: Author's calculations based on harmonized consumption datasets prepared by the LIS team for France 2010, Georgia 2021, Italy 2016, Laos 2012, Mali 2020, Palestine 2017, Peru 2019, and the United Kingdom 2021. The U.S. results are based on the 2022 Consumer Expenditure Survey, harmonized by the U.S. Bureau of Labor Statistics.

Georgia complicates the development story. Transport, rather than food or housing, is the largest contributor to consumption inequality. Unlike housing, transport lies well above the equality line in Figure 1: it accounts for 16.9% of overall household expenditure, yet it contributes to 29.5% of total consumption inequality. This pattern may reflect unequal access to private mobility and transport-intensive consumption within Georgia's transition economy. Existing evidence further suggests that transport-related subsidies in Georgia disproportionately benefit higher-income urban households, pointing to persistent inequalities in access to mobility and transport infrastructure (World Bank, 2025). However, Georgia's transport result should still be interpreted cautiously. Its large contribution to consumption inequality reflects both the strong concentration of transport spending among better-off households and transport's relatively large share in total expenditure (Figure 1). Moreover, the transport category may capture different forms of mobility expenditure across countries, as well as urban–rural differences in access, infrastructure, and commuting patterns.

Recreation and restaurants are other examples of categories that contribute more to inequality than their budget shares alone would suggest. In the United Kingdom, both categories lie above the equality line in Figure 1: together they account for 21.4% of overall consumption expenditure, yet contribute to 35.1% of total consumption inequality. These categories contribute disproportionately to inequality because spending on leisure, dining, and recreational activities is highly differentiated across households and strongly associated with disposable income and lifestyle. The United Kingdom stands out as a highly service-oriented economy, where welfare differences are increasingly reflected not only in access to basic goods, but also in the ability to participate in consumption-intensive social and cultural activities (OECD, 2019).

Taken together, these results show that consumption inequality is not driven by the same expenditure categories everywhere. While food contributes more to consumption inequality in poorer and more vulnerable countries, housing often becomes more prominent in richer economies, reflecting the growing importance of housing costs, quality, ownership, and location. However, the examples of Georgia and the United Kingdom show why it is useful to look beyond this broad development pattern. The upcoming Luxembourg Consumption Study will provide more opportunities to examine these patterns in greater depth, including differences between urban and rural households, household types, and different parts of the consumption distribution.

[1] *The results presented here build on the broader LIS harmonization effort described in Building a Comparable Measure of Consumption: Concepts and Measurement Challenges Faced by Emerging and Advanced Economies (Garner et al., 2025). As part of this work, the LIS team harmonized household survey datasets from France (fr10), Georgia (ge21), Italy (it16), Laos (la12), Mali (ml20), Palestine (ps17), Peru (pe19), and the United Kingdom (uk21), while the Bureau of Labor Statistics (BLS) team harmonized the U.S. Consumer Expenditure Survey (CE) dataset (us22). This effort enables cross-country comparisons of the underlying drivers of inequality.*

[2] *The contribution of housing to consumption inequality is likely under-estimated in the United Kingdom and Laos due to the absence of imputed rent data.*

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Data News / Data Release Schedule

Belgium *(3 new **LIS** datasets and 4 revised)* – three new datasets (**BE22**, **BE23**, and **BE24**) added to the **LIS** Database.

Czechia *(1 new **LWS** dataset)* – NEW country added to the **LWS** Database, one dataset (**CZ21**)

Finland *(5 new **LWS** datasets)* – five new datasets (**FI87**, **FI88**, **FI94**, **FI98**, and **FI04**) added to the **LWS** Database.

Lithuania *(2 new **LIS** datasets)* – addition of **LT22** and **LT23** to the **LIS** Database.

Mexico *(1 new and 14 revised **LIS** datasets)* – addition of **MX24** to the **LIS** Database.

Philippines *(14 new **LIS** datasets)* – NEW country added to the **LIS** Database – **PH85** to **PH23**.

Sweden *(15 new and 26 revised **LIS** datasets)* – annualisation from **SE84**–**SE99** and extension of the annual series by **SE22** and **SE23** to the **LIS** Database, and major updates to the annual series **SE00**–**SE21**.

Switzerland *(3 new and 3 revised **LIS** datasets)* – addition to the annual series through **CH01**, **CH03**, and **CH05**.

Data Releases and Revisions – Luxembourg Income Study (LIS)

Belgium

Three new datasets from Belgium (**BE22**, **BE23**, and **BE24**) have been added to the LIS Database. The datasets are based on the respective waves 2023 to 2025 of the Survey on Income and Living Conditions (EU-SILC) carried out by Statistics Belgium (Statbel).

In addition, four datasets of the Belgian series (**BE18**–**BE21**) have been re-harmonised to incorporate the latest revisions carried out by Statistics Belgium (Statbel), notably updated weighting factors and revised education variables.

Lithuania

Two new datasets from Lithuania (**LT22** and **LT23**) have been added to the LIS Database. The datasets are based on the Lithuanian Survey on Income and Living Conditions (EU-SILC) carried out by Statistics Lithuania (State Data Agency).

Mexico

One more dataset (**MX24**) has been added to the LIS Database. The dataset is based on the National Survey of Household Income and Expenditure (ENIGH – Nueva Serie) carried out by the National Statistical Institute (INEGI).

In addition, 14 earlier datasets of the Mexican data series have been revised for consistency. For the datasets **MX98**–**MX22**, the variable *ptime1* (part-time employment) was reviewed: part-time employment is now defined as working less than 40 hours per week (previously: less than 31 hours). For **MX05**–**MX22**, the variables *wage1* (monthly wage) and *hwage1* (hourly wage) are now based on the wage in the main job in the month prior to the interview (previously averaged over the last six months). For the same datasets the education variable *educ_c* (*highest grade/level of education completed)* now provides new codes for vocational education; while the variable *edyrs* (years of education) was entirely reconstructed to reflect actual years of education attended, including incomplete cycles.

For **MX12**–**MX22**, a small number of additional income cases were added to fringe benefits (*pi13*), with negligible impact on the LIS Key Figures. For the same datasets the section of non-consumption expenditure was reviewed. Other minor changes concern the variables *ethnic_c* (**MX08** - **MX22)** and *health_c* (**MX20** and **MX22**).

Philippines

The Philippines has been added as a NEW country to the LIS Database! Fourteen datasets spanning from **1985** to **2023** (**PH85**, **PH88**, **PH91**, **PH94**, **PH97**, **PH00**, **PH03**, **PH06**, **PH09**, **PH12**, **PH15**, **PH18**, **PH21**, and **PH23**) have been added to the LIS Database. The datasets are based on the Family Income and Expenditure Survey (FIES) from the Philippine Statistics Authority (PSA).

Sweden

Fifteen new datasets covering the period **SE84**–**SE99** and two additional datasets **SE22** and **SE23** have been added to the LIS Database, all provided by Statistics Sweden. The series **SE84**–**SE99** is based on the Household Income Survey (HINK/HEK), while the datasets **SE22** and **SE23** use the Swedish Living Conditions Survey (ULF/SILC) sample. In addition, 26 datasets of the annual series **SE00**–**SE21** have been revised for major consistency improvements; the three previously available datasets **SE87**, **SE91**, and **SE95** have been fully replaced in line with the latest harmonisation practices and available data.

The Swedish data series consists of two parts: **SE75–SE12**, based on the HEK survey, and **SE13** onwards, based on SILC/ULF combined with IoT data. For both series, various additional linkages to administrative registers have been carried out, enabling the provision of a wider range of variables.

The variable *nrooms* (number of rooms available to the household) is now provided throughout the entire series. New content has been added for the variables *edmom_c* and *eddad_c* (education of mother and father). The availability of the person pointers *momnum*, *dadnum*, and *partnum* (pointer to the mother, father, and partner, respectively) allows for improved precision in the variables *relation* (relationship to household reference person), living arrangements variables, and *typehh* (household type).

More detailed information on region is now provided in the series from **SE13** onwards, aligned with the HEK series. Likewise, the industry variable *ind1_c* (economic activity) now follows 4-digit codes rather than 2-digit codes. Annual information on parents' immigration background (*immigr_c*) has also been added and information on *ctrybrth* (country of birth), *citizen* (citizenship), and *immigr* (immigrant status) is now also available for persons aged below 16.

For the HEK series, the variable *hourstot* (total weekly hours worked) is now available for **SE96–SE12**, and the occupation variable *occ1_c* (occupation) now provides 4-digit codes for **SE01–SE12**.

Switzerland

Three new datasets from Switzerland (**CH01**, **CH03**, and **CH05**) have been added to the LIS Database, extending the annual series. The datasets are based on the Swiss Statistics on Income and Living Conditions (SILC) from the Swiss Federal Statistical Office (FSO). In addition, three earlier waves (**CH00**, **CH02**, and **CH04**) of the Swiss data series have been slightly revised.

Data Releases and Revisions – Luxembourg Wealth Study (LWS)

Czechia

Czechia has been added as a NEW country to the LWS Database! One dataset (**CZ21**) has been added. The dataset is based on the Czech Household Finance and Consumption Survey (HFCS), conducted by the Czech Statistical Office in cooperation with the Czech National Bank under the national survey name Financial Situation of Households (FSD), and coordinated by the European Central Bank's Household Finance and Consumption Network (HFCN).

Finland

Five new datasets from Finland (**FI87**, **FI88**, **FI94**, **FI98**, and **FI04**) have been added to the LWS Database. The datasets are based on the Household Wealth Survey carried out by Statistics Finland.

Consistency Revisions for the LWS Database

A few updates have been implemented in the LWS database. Following the latest HFCS data releases, some LWS files based on HFCS now include information in variables *area_c* (degree of urbanisation) for **EE21** and **GR21** and in *rural* (rural area) for **AT21**, **EE21**, and **GR21**. For the full series in Austria, Estonia, Greece, Luxembourg, and Slovenia, a new variable *boef_c* (future income expectations) is now provided. The section "assets acquired in the past" has also been slightly reworked in the case of Estonia and Greece.

LIS/LWS Data Release Schedule

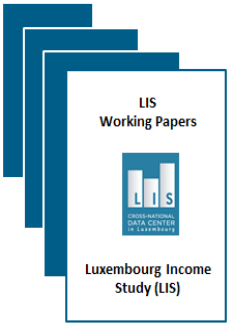
	Autumn 2026	Winter 2026
LIS Database		
Finland	FI89-FI24	
Peru		PE22, PE23, PE24
Slovenia	SI05-SI23	
Spain	ES23, ES24	
United Kingdom	UK22, UK23, UK24	
LWS Database		
Ireland	IE13, IE18, IE20	
Ivory Coast		CI18, CI21
Ghana		GH12, GH17

Luxembourg Consumption Study (LCS)

The LIS team is currently finalising a beta version of the Luxembourg Consumption Study (LCS) Database. Building on the valuable insights from the LCS expert workshop held earlier this year, the project will be introduced in the end of June, coinciding with a call for papers for the next III-LIS conference held in London in February 2027. Access to the data will follow later this year.

Researchers interested in learning more about the project are encouraged to contact Jörg Neugschwender at neugschwender@lisdatacenter.org. We look forward to connecting with you and providing further information.

Working Papers & Publications



Focus on Welfare Inequality in Spain: A Three-Dimensional Approach
LWS WP No. 54 by Alejandra Pérez

This paper provides the first multidimensional analysis of welfare inequality in Spain by constructing a synthetic micro-dataset that jointly observes household income, consumption and net wealth for the same households. The results show that Spain's three welfare dimensions overlap imperfectly and display different inequality profiles: consumption is least unequal, income is intermediate, and wealth is by far the most concentrated. Three-dimensional analysis reveals that deprivation concentrates across dimensions far more than affluence does, a finding with direct implications for the social policy. A weighted composite welfare index yields a Gini coefficient of 0.336, below the income but above the consumption Gini, suggesting that income alone modestly overstates welfare inequality in Spain. Overall, the findings show that a multidimensional approach substantially changes both the estimated level of welfare inequality and the ranking of households across the distribution.

LIS working papers series

LIS working papers series - No. 915
Racial Inequalities in Health and Social Policy: Examining the Relationship between Medicaid Spending and Self-Assessed Health among Poor Single Mothers
by Amie Bostic

LIS working papers series - No. 916
Equal Pay for (Un)Equal Education? A Cross-Country Comparison of the Gender Earnings Gap & Inequality
by Alexander J. Parton

LIS working papers series - No. 917
Can Earned Income Tax Credits Earn Their Keep?: EITCs and In-Work Poverty in Comparative Perspective
by Daniel Fredriksson
Published: Social Forces, April 2026,
https://doi.org/10.1093/sf/soag032

LIS working papers series - No. 918
Progressivity, Taxing for Growth, and Gender Differences in Tax Payment Patterns and Post-Tax Income
by Morgan Richards-Melamdir

LIS working papers series - No. 919
Excessivist Social Welfare: An Axiomatic Characterization and Application
by Vito De Sandi, Federico Fiorani

LIS working papers series - No. 920
To What Extent Do Childcare Enrolment Rates of Children Aged Three Impact the Motherhood Income Penalty? A Comparative Analysis of Ireland's Liberal Welfare State and Sweden's Social-Democratic Welfare State
by Lily Hearne

LIS working papers series - No. 921
Minimum Wages, Household Inequality, and Predistributive Patterns in Latin America
by Oswaldo Mena Aguilar

LWS working papers series

LWS working papers series - No. 53
Economic Vulnerability, Anxiety, and Self-Rated Health among Women and Men in Japan
by Dina Maskileyson, Piotr Paradowski

LWS working papers series - No. 54
Welfare Inequality in Spain: A Three-Dimensional Approach
by Alejandra Perez

News, Events and Updates

Invitation to the 2026 LIS Summer Lecture on "Demographic Change, Wealth Transmission and Inequality"

LIS is happy to invite you to its 2026 Summer Lecture on **"Demographic Change, Wealth Transmission and Inequality"** by Prof. Frank Cowell, London School of Economics and Political Science

The lecture will take place on **Monday, June 29, 2026, from 17:30 to 18:30 [Luxembourg Local Time]** at the Blackbox, Ground Floor, Maison des Sciences Humaines (MSH), 11, Porte des Sciences, L-4366 Esch-Belval, Luxembourg. **This is an in-person event with no virtual attendance option.**

In this lecture, Professor Frank Cowell will explore how major demographic changes over the past two centuries—declining child mortality, increasing life expectancy, and falling fertility—have shaped the distribution of wealth. Drawing on a model of wealth accumulation and inheritance, he shows that fertility decline has played a pivotal role in shaping wealth inequality, while changes in life expectancy have had a more limited effect. The discussion combines theoretical insights with evidence from a large-scale real-world demographic transition involving more than one billion people.

More information about the summer lecture is available here.

You can register via this link.

LIS Announces the 2025 Aldi Award Winners

This year's winners of the LIS Aldi Award are Xincheng Qiu (Peking University) and Nicolo Russo (Goethe University Frankfurt) for the LIS Working Paper No. 906 entitled "Income Taxation Across Countries".
The winning paper underwent a rigorous evaluation process, with six reviewers assessing its merits, and it was unanimously voted as the best among the qualified LIS and LWS Working papers. Every year, the award is granted to the writer under age 40 whose LIS or LWS Working Paper from the previous year best demonstrates the qualities of good scholarship that Aldi exhibited.
Nicolo Russo will be presenting the winning paper at the upcoming LIS Summer Workshop.

LIS Participates in Major Events on Socio-Economic Inequality at the University of Hong Kong

LIS participated in two major events on socio-economic inequality hosted by the Social Sciences Research Centre (SSRC) and the James M. and Cathleen Stone Centre on Socio-Economic Inequality in Asia (HKU Stone Centre) at the University of Hong Kong.

On March 25, 2026, a workshop on inequality in China and the world brought together leading researchers across four thematic sessions; LIS was represented by Peter Lanjouw, who presented on income inequality and social mobility, and Philippe Van Kerm, who presented on wealth accumulation and transmission.

On March 26, 2026 Prof. Peter Lanjouw and Prof. Janet C. Gornick (Stone Center on Socio-Economic Inequality at the City University of New York) provided an overview of research applications of the LIS and LWS databases. Teresa Munzi and Philippe Van Kerm then guided participants through hands-on demonstrations of the databases, the harmonisation process, and the LISSY remote execution system, fostering knowledge exchange and international collaboration between LIS and the SSRC/HKU Stone Centre community.

More information about the event is available here.

LIS Team Participation in Conferences/ Workshops

- On March 25, Jörg Neugschwender contributed to the European Symposium on Policy Modelling: Carbon Tax, Cross-border social security, Inequality, and Pension systems at Luxembourg Institute of Socio-Economic Research (LISER). His presentation gave an overview about the Luxembourg Consumption Study (LCS) Database and its upcoming beta-release.
- On April 14, Gonçalo Marques and Taylor Kroezen gave an introductory online webinar on the use of the LIS databases, dedicated to UK-based researchers who may access LIS data through the UK SafePod Network (SPN).
- On April 27-28, Piotr Paradowski contributed to the Expert Group on Distributional Household Wealth (EG DHW) in Paris, where he gave two presentations; in the first one, he discussed the LWS Database, the scope of the database, micro-macro gaps, and the treatment of complex wealth items. The second one focused on pension wealth.
- On May 12-May 14, Heba Omar contributed to the International Association for Official Statistics (IAOS) 2026 Conference which was held in Vilnius, Lithuania. She contributed to the discussions with a presentation on the growing transition from traditional survey-based systems towards multisource statistical systems combining surveys and administrative registers. The abstract and presentation can be accessed here.

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