



WID.WORLD
THE SOURCE FOR
GLOBAL INEQUALITY DATA

ACTIVITY REPORT 2020



INTRODUCTION

The year 2020 was marked by the global economic downturn due to the Covid-19 outbreak that has had a devastating impact on the populations worldwide: 114 million job losses according to the International Labour Organization, and 272 million people facing acute food insecurity, a number almost twice as high as in 2019. The aftermath of the crisis further highlights the need for timely and accurate inequality data to shape adequate policy responses to this global challenge.

With the objective of contributing to the research on global inequality dynamics, the World Inequality Lab released new inequality data for fifty more countries, and now covers 173 countries worldwide. Fifty working papers and issue briefs were published, providing the most recent analysis on the evolution of income and wealth inequality. The Lab also continued its collaborations with national and international organizations such as the UNDP, ECLAC and ICRICT, to design international norms to better measure inequality and to reform international corporate

taxation, among other topics.

The World Inequality Lab is grateful to the public institutions and non-profit organizations that financially support its efforts to foster better quality data. The Lab stays committed to working with the research community and all social partners to shape a more sustainable future.

*On behalf of Facundo Alvaredo, Lucas Chancel,
Thomas Piketty, Emmanuel Saez and*

Gabriel Zucman

SUMMARY

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One of the core missions of the World Inequality Lab is the publication of papers based on the most advanced income and wealth data available on the [World Inequality Database](#). The intention is to make the WID.world community's findings available to every researcher and to the general public. In 2020, the WIL issued 27 working papers, 9 issue briefs and 14 technical notes (see page 15), thanks to the collaborative work of the lab and of the WID.world network (over a hundred researchers worldwide). 2 notable books were also published this year.

Distributional National Accounts (DINA) Guidelines, 2020 update

The [2020 Distributional National Accounts \(DINA\) guidelines](#) is the first major update of the document presenting the concepts, data sources and methods used in the [World Inequality Database](#). In recent years, the WIL has been leading efforts in creating “distributional national accounts.”, with the objective of providing estimates of the distribution of income and wealth that are harmonized over time and across countries. They are also consistent with the macroeconomic aggregates produced by national statistical institutes. Therefore, they can be viewed as a distributional extension of the existing international [System of National Accounts \(SNA\)](#).

In the 2020 version, the guidelines have been extended with new and revised material. They have also been reorganized for clarity, with a clear separation between the concepts and the methods:

- * The first part deals with the theoretical conceptualization of income and wealth, the definition of the different subcomponents of income and wealth, and how they should be distributed to individuals.
- * The second part focuses on practical methods, on how to deal with the different types of data.



Read the document online: [2020 Distributional National Accounts \(DINA\) guidelines](#)



Global Inequality Data: 2020 update

On November 10th, the World Inequality Lab released a major update of global inequality data for 173 countries, making up 97% of the world population and 7.5 billion people. The data published distributes economic growth within each country making it possible to track inequality and poverty over time, countries and regions. These results are based on the [Distributional National Accounts methodology](#) developed by the World Inequality Lab and its international network of researchers, in collaboration with the United Nations.

The World Inequality Database incorporated new estimates for almost 50 additional countries, bringing the total to 173 nations covered. Our global inequality data also covers a more extended period of time, as well as, for each country income estimates for the entire distribution, from the poorest 1% to the richest 0.001%. The data goes up to late 2019, giving a precise picture of the state of global inequality right before the pandemic.

>> General [overview of Inequality worldwide and regional analysis](#)

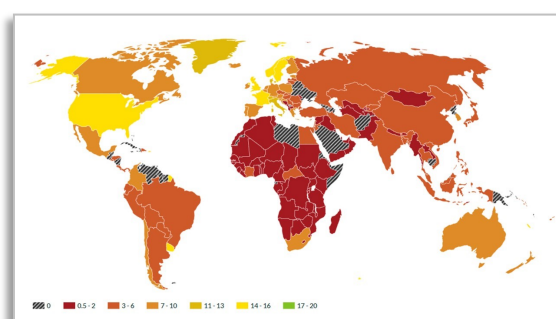
>> Regions and countries inequality data: <https://wid.world/world/>

Inequality Transparency Index

WID.world's [Inequality Transparency Index](#) gives an overview of the challenges ahead to end financial opacity by describing the availability and quality of income and wealth data for each country.

As for 2020:

- * 8 countries have scores between 13 and 16.5
- * 28 countries have a score of "0", which means that neither survey data nor fiscal data is available in this country. They appear in a striped pattern on the map.



Inequality transparency map on [WID.world/transparency](https://wid.world/transparency)

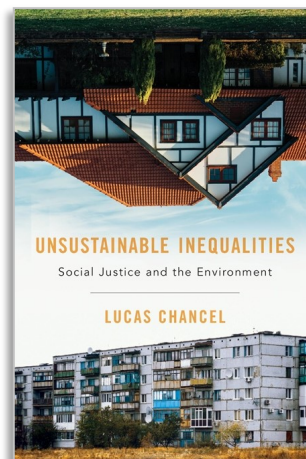
>> Download the [technical note 2020/12](#) for a detailed insight on the construction of the index

>> Download our [transparency data table 2020](#) to understand how the index is calculated

“Unsustainable inequalities. Social Justice and the Environment”, by Lucas Chancel

In the book [*Unsustainable inequalities: Social Justice and the Environment*](#), published by Harvard University Press in October 2020, Lucas Chancel explores the links between environmental protection and social justice, and discusses how environmental inequalities are becoming the new frontier of social injustices. The book argues that it is possible to reconcile social justice and environmental protection, provided substantial changes in how governments design their social policies as well as tax and investments policies.

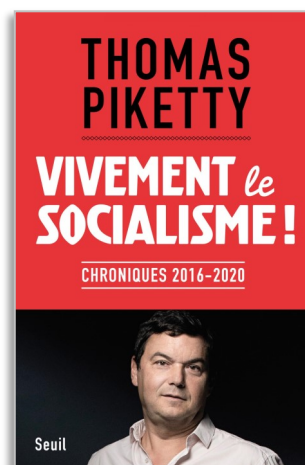
The book features in the Financial Times' 2020 list of [best books in Economics](#), in Nature's pick of [top Science books](#) as well as in [Science Magazine](#) which describes it as a "sobering but essential" contribution to the inequality and sustainability debate.



“Vivement le socialisme!”, by Thomas Piketty

"It has become common to say that the current capitalist system has no future, as it deepens inequalities and depletes the planet. This is not wrong, but one cannot be satisfied with being “against” capitalism or neoliberalism: one must also be “in favor of” something else, because in the absence of a clearly articulated alternative, the current system still has a long way to go."

[*Vivement le socialisme!*](#), by Thomas Piketty (Seuil, October 2020), is a collection of his columns published in *Le Monde* (2016-2020). They provide analysis on current socio-political events, in English and in French. The columns in English are available [here](#)



COLLABORATIONS

The World Inequality Lab works in close collaboration with high-level national and international organizations, such as the U.N., the OECD, the ICRICT, with the objective of addressing various challenges related to the implementation of international norms for a better measurement of inequality, a reform of international corporate taxation policy, etc.

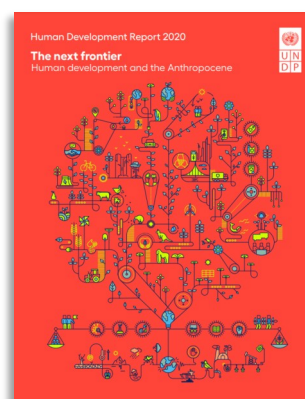
Partnership with the United Nations Development Program



*Empowered lives.
Resilient nations.*

The partnership between the UNDP and the WIL, centered on the production and analysis of inequality data, entered its second year. Within this framework, the WIL contributed the 2020 Human Development Report with two Spotlight contributions on how the governments' responses to the Covid-19 pandemic address inequality and the environment, and on the global inequality in carbon emissions.

The scientific collaboration with the UNDP policy team has taken place through continuous joint work on comparative policy analysis and on the new types of inequality emerging across the globe.



Access the 2020

[Human Development Report](#)

Independent Commission for the Reform of International Corporate Taxation

The Independent Commission for the Reform of International Corporate Taxation (ICRICT) aims to promote the international corporate tax reform debate through a wider and more inclusive discussion of international tax rules, along with civil society and labor organizations. They advocate for more transparency and tracking of assets, through the development of a Global Asset Registry (GAR).

In this context, Thomas Piketty and Gabriel Zucman participated in working groups sessions and



provided scientific support to the activities carried out by ICRICT. They also participated to conferences and to the webinar series "Europe Calling".

In addition, Gabriel Zucman and Emmanuel Saez published a working paper in July 2020, with Kimberley Clausen: ["Ending Corporate Tax Avoidance and Tax Competition: A Plan to Collect the Tax Deficit of Multinationals"](#)

Collaboration with the French National Institute of Statistics and Economic Studies, INSEE



The WIL has participated in a joint working group on the measurement of inequality and redistribution, chaired by Jean-Marc Germain (INSEE). The report was co-written by Mathias André (INSEE) and Thomas Blanchet (WIL). The Steering Committee was also composed of Lucas Chancel (WIL). The report seeks to advance our understanding of the measurement of income and its distribution, clarifies the reasons for the divergence between various approaches, and presents a set of recommendations for how to distribute national income and its components.

French Agricultural Research Centre for International Development (CIRAD)



CIRAD is a French agricultural research and international cooperation organization working for the sustainable development of tropical and Mediterranean regions. The collaboration between the WIL and CIRAD is based on the study of inequality and the emergence of a “green welfare state” in developing countries. A WID working paper was published in April 2020 with a focus on Nigeria, [“The quest for green welfare state in developing countries”](#). The collaboration also materialized in a contribution to the UNDP Human Development Report with a spotlight on inequality and policy responses to COVID in low and middle-income countries. The project is conducted by Tancrede Voituriez.

Collaboration with United Nations' Economic Commission for Latin America and the Caribbean (UN-ECLAC, CEPAL in Spanish)

Following the agreement signed in 2019, CEPAL and WIL continue to exchange information on household surveys and tax registries related to Latin American countries, to improve inequality statistics in the region. The project is conducted by Ignacio Flores, Marc Morgan and Mauricio De Rosa, with the participation of Facundo Alvaredo.



NACIONES UNIDAS

CEPAL

European Research Council Grant



European Research Council

Established by the European Commission

The project “Towards a System of Distributional National Accounts”, led by the World Inequality Lab, along with the University of Oxford, the University of California Berkeley, and in association with the OECD, has been awarded the [ERC](#)

[Synergy Grant from the European Research Council](#) in 2019. Thomas Piketty serves as principal investigator (PI) and Facundo Alvaredo and Lucas Chancel (World Inequality Lab) as co-PIs.

This project follows on from the methodology developed at the World Inequality Lab - Distributional National Accounts - describing how the growth of different percentiles of the distribution evolve over time and across countries: Consequently, this grant, which aims at supporting the highest quality research in Europe, is considered as an acknowledgement of the need for improved measurement of the distribution of income and wealth, and of the relevance of WIL’s methodological framework to do so.

In 2020, the WIL released its new DINA Guidelines (see page 5), and expanded its income inequality data to the entire world (see page 6), two milestones in the context of the ERC Grant.

International Land Coalition project

INTERNATIONAL LAND COALITION

As part of the agreement signed in 2019 with the ILC, the WIL published this year a working paper with novel and consistent estimates of agricultural land inequality for over 15 developing countries. WIL’s estimates use the concept of land ownership (i.e. not agricultural holding) and include estimates of both land-area and land-value inequality. As part of the agreement, the working paper and the corresponding estimates have been published in the 2020 ILC’s report on agricultural land inequality “[Uneven Grounds: Land Inequality in the Heart of Unequal Societies](#)”. Luis Bauluz, Yajna Govind, Filip Novokmet and Daniel Sánchez conduct this project.

Rockefeller foundation

This collaboration enabled the World Inequality Lab to expand its data production work on economic inequality in the Global South and better understand the synergies and tradeoffs between inequality reduction and environmental protection.

See [Voituriez 2020](#) and WID 2020 Income inequality update (see page 6).

CONFERENCES

Debates on equality

This cycle of debates, launched in 2018, aims at renewing and strengthening the discussion around inequality issues. 7 debates took place in 2020, despite the Covid situation. They addressed a wide variety of topics related to inequality, such as democracy, gender, inheritance, lobbying, etc.

- « **Où est l'argent** », **Regards croisés sur l'économie journal, Issue 24.**

February 4th, 2020

- **The Triumph of Injustice**, Gabriel Zucman

February 13, 2020

- **La science comme nouvelle frontière du lobbying ?**, Sylvain Laurens

March 3, 2020

- **Le genre du capital**, Sybille Gollac et Céline Besière

October 7, 2020

- **L'Inde de Modi**, Christophe Jaffrelot

November 4, 2020

- **Libres et égaux en voix**, Julia Cagé

December 1, 2020

- **L'économie féministe**, Hélène Périvier

December 15, 2020



Christophe Jaffrelot, November 4th, 2020.

Access the [program on WID.world](https://www.wid.world)

External conferences

In addition to the Debates on Equality, the World Inequality Lab participates in various discussions and conferences, held by universities, research centers, and national and international organizations. Here is a selection of the contributions for the year 2020.

United Nations Secretariat: Economy of the Future



Lucas Chancel, February 5th, 2020.

In February 2020, Lucas Chancel was invited to participate in a discussion with the UN Senior Management Group and different UN representatives, chaired by the Secretary-General António Guterres.

The panelists outlined what the “Economy of the Future”, more sustainable and compatible with the SDGs, would look like. Lucas Chancel stressed the need for a strong improvement of inequality measurement, namely for a new economic indicator, displaying how growth is distributed across income groups, in line with the methodology developed at the World Inequality Lab: the “Distributional National Accounts”. This indicator would enable countries to understand which groups of the population benefit from economic progress, and to adapt their policies in order ensure that all the population does, and especially the bottom 40% of the distribution, in accordance with the SDG inequality target 10.1.

The U.N. has a critical normative role to play in the implementation of a new economic indicator. António Guterres acknowledged the efforts done at the World Inequality Lab in this direction.

UNDP Human Development Report.

Lucas Chancel participated in the presentation of the release of the French edition in March 2020, at the French Ministry of Foreign Affairs.

NBER Conference on Measuring and Understanding the Distribution and Intra/Inter-Generational Mobility of Income and Wealth.

Facundo Alvaredo was invited to present two papers:

- (1) On the Distribution of Estates and the Distribution of Wealth: Evidence from the Dead, with Berman Y., Morelli S. ;
- (2) The Concentration of Personal Wealth in Italy: 1995-2016, with Acciari P., Morelli S.

UNDP seminar for the Regional Human Development Report.

Participation of Facundo Alvaredo, May 2020.

Capital and ideology

Throughout the year, Thomas Piketty presented his book in numerous universities in Europe (Amsterdam, Madrid, Berlin, Vienna, etc), in North and West African countries (Mali, Morocco), in North America (Quebec, Chicago), as well as at the International Monetary Fund. The list of his lectures and presentations is available [on his website](#).



Thomas Piketty, Sorbonne University, January 2020

MEDIA

With the objective of filling a democratic gap and equipping various actors of society with the necessary facts to engage in informed public debates on inequality, the World Inequality Lab's team works closely with the media. The numerous incoming media requests led to over 700 interviews in major international TV, radio, and newspapers.

In addition, as of September 2020, Thomas Piketty is debating weekly economic issues on the most popular French radio morning show on France Inter.

Access our selection of [media interventions](#)



Datos de la DIAN no dan suficiente transparencia para evaluar desigualdad: Ignacio Flores

"La desigualdad no se puede concretar en una simple cifra en términos monetarios. La desigualdad tiene dimensiones raciales, históricas, educacionales y políticas", dijo el experto en Mañanas BLU 10:30.

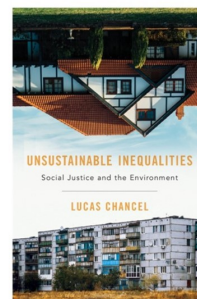
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Le Monde

LIVE

Vidéoconférence | « Etats-Unis : moments de vérité », un duplex entre Thomas Piketty et Joseph Stiglitz



Unsustainable Inequalities
Lucas Chancel (transl. Malcolm DeBevoise) *Harvard Univ. Press* (2020)

When the United States announced its withdrawal from the 2015 Paris

nature

ngnting poverty ana inequality? His brief and moderately hopeful global analysis mentions Sweden, where poor households get assistance to replace obsolete heating equipment, and Indonesia,

which swapped large fossil-fuel subsidies for "a vast program of social protection aimed at reducing inequalities".



MAIN FUNDERS



PARIS SCHOOL OF ECONOMICS
ÉCOLE D'ÉCONOMIE DE PARIS



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Established by the European Commission



Alfred P. Sloan
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Research jointly supported by the ESRC and DFID

Institute for
New Economic Thinking



World Inequality Lab

The World Inequality Lab is a research laboratory focusing on the study of income and wealth distribution worldwide, within and between countries. The WIL hosts the World Inequality Database, the most complete public database on global inequality dynamics.

Editors: Lucas Chancel and Olivia Ronsain

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Reach out to us

General requests: info@wid.world

Media contact: press@wid.world; +337 63 91 81 68

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COMPLETE LIST OF PUBLICATIONS

Working papers

- [Examining the Great Leveling: New Evidence on Midcentury American Inequality](#). WP 2020/01
Fisher-Post, M.
- [House Price Cycles, Wealth Inequality and Portfolio Reshuffling](#). WP 2020/02
Martínez Toledano, C.
- [Factor Shares in the Long Run](#). WP 2020/03
Fisher-Post, M.
- [The Concentration of Investment in Education in the US \(1970-2018\)](#). WP 2020/04
Bonneau, C.
- [Accounting for Wealth Inequality Dynamics: Methods, Estimates and Simulations for France](#). WP 2020/05
Garbinti, B., Goupille-Lebret, J., Piketty, T.
- [Estimating the Distribution of Household Wealth in South Africa](#). WP 2020/06
Chatterjee, A., Czajka, L., Gethin, A.
- [The Quest for Green Welfare State in Developing Countries](#). WP 2020/07
Voituriez, T.
- [What Determines the Capital Share over the Long Run of History?](#) WP 2020/08
Bengtsson, E., Rubolino, E., Waldenström D.
- [Capital Gains and UK Inequality](#). WP 2020/09
Advani, A., Summers, A.
- [Global Land Inequality](#). WP 2020/10
Bauluz, L., Govind, Y., Novokmet, F.
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Govind, Y.
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Gethin, A.
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- [Social Inequality and the Dynamics of Political and Ethnolinguistic Divides in Pakistan, 1970-2018](#). WP 2020/16
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Berman, Y.
- [Distributional National Accounts \(DINA\) Guidelines: Concepts and Methods used in the World Inequality Database](#). WP 2020/18
Alvaredo, F., Atkinson, A. B., Blanchet, T., Chancel, L., Bauluz, L., Fisher-Post, M., Flores, I., Garbinti, B., Goupille-Lebret, J., Martínez-Toledano, C., Morgan, M., Neef, T., Piketty, T., Robilliard, A-S., Saez, E., Yang, L., Zucman G.,
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- [The Rise of Income and Wealth Inequality in America: Evidence from Distributional Macroeconomic Accounts](#). WP 2020/20
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- [Trends in US Income and Wealth Inequality: Revising After the Revisionists](#). WP 2020/21

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- [Predistribution vs. Redistribution: Evidence from France and the U.S.](#) WP 2020/22

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- [Distributional National Accounts \(DINA\) For Austria](#). WP 2020/23

Jestl, S., List, E.

- [The Distributional Impact of the Pandemic](#).

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- [Political Conflict, Social Inequality and Electoral Cleavages in Central-Eastern Europe, 1990-2018](#).

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- [How have inequalities in educational spending in the United States evolved over the past five decades?](#) IB 2020/01

Bonneau, C.

- [Coronabonds with or without Germany](#).

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- [What's New About Income Inequality in Africa?](#)

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- [What's New About Income Inequality in Europe \(1980-2019\)?](#) IB 2020/04

Morgan, M., Neef, T.

- [What's New About Income Inequality in Russia \(1980-2019\)? Trends in Comparison to Eastern Europe](#). IB 2020/05

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- [Income Inequality in the Middle East](#). IB 2020/06

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- [What's New About Inequality in Australia, Canada, New Zealand and the United States?](#) IB 2020/07

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De Rosa, M., Flores, I., Morgan, M.

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TN 2020/02

De Rosa, M., Flores, I., Morgan, M.

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- [2020 DINA Update for Europe](#). TN 2020/04

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- [2020 DINA Update for the Russian Federation](#).

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Neef, T.

- [Income Inequality Series for the Middle East](#).

TN 2020/06

Moshrif, R.

- [US Distributional National Accounts: Updates.](#)

TN 2020/07

Zucman, G.

- [2020 DINA Update for Asia.](#) TN 2020/08

Jenmana, M., Moshrif, R., Yang, L.

- [Indian Inequality updates \(2015-2019\).](#)

TN 2020/09

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- [Simplified DINA for Australia, Canada and New Zealand.](#) TN 2020/10

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- [Update of global income inequality estimates on WID.world.](#) TN 2020/11

Chancel, L., Moshrif, R.

- [Inequality Transparency Index Update.](#)

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Chancel, L., Burq, F.

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- [2020 Wealth Aggregate series.](#) TN 2020/14

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External publications

- [Income inequality under colonial rule. Evidence from French Algeria, Tunisia, Cameroon, and Vietnam, and comparison with the British Empire 1920-1960](#)

Alvaredo, F., Cogneau D., Piketty T. CEPR DP 14969. R&R Journal of Development Economics. 2020.

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