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Top Incomes

A Global Perspective

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Preface

In Volume I, we assembled studies of top incomes covering ten OECD countries and focused on the contrast between continental Europe (France, Germany, the Netherlands, and Switzerland) and English-speaking countries (Australia, Canada, Ireland, New Zealand, the UK, and the USA). The present volume goes beyond this in several respects. Within Europe, the chapters in this volume cover both Nordic countries (Finland, Norway, and Sweden) and southern Europe (Italy, Portugal, and Spain). The Nordic countries have traditionally pursued more egalitarian policies and have typically lower levels of overall inequality. In contrast, overall inequality usually seems to rise as one moves further south in Europe. The chapters assembled here allow the reader to see whether the same geographical pattern is found at the top of the income distribution. Moreover, we can examine whether top income shares have risen in these countries in recent decades, as in the USA, or whether they have exhibited the relative stability found in a number of continental European countries.

A second important objective of the present volume is to widen the geographical coverage to include Asia (China, India, Indonesia, Japan, and Singapore) and Latin America, of which Argentina is the sole representative (we had hoped to include Brazil, but the data were not available at the time). Particular interest attaches to the impact of rapid growth in China and India on the top of the income distribution, and to the potential role of income taxation. The different growth history of Japan provides an interesting counterpoint. Indonesia and Singapore are contrasts of scale and post-colonial experience.

The series for top income shares in Volume I covered much of the twentieth century and are extended here in Chapter 13 to cover the early years of the twenty-first century. We have also extended the coverage back in time. One of the features of the chapters in this volume is that two go back to the nineteenth century: the data for Japan start in 1886 and those for Norway in 1875.

The book starts in Asia in Chapters 1 to 5, then comes to Argentina in Chapter 6, before turning to the Nordic countries in Chapters 7 to 9, and southern Europe in Chapters 10 to 12. In the final Chapter 13, we draw together the main findings from this volume and from Volume I. The data, covering twenty-two countries, and going back before the Second World War for all except three, provide a rich source of evidence about the long-run evolution of the upper part of the income distribution.

The project that has generated these two volumes is an unusual one in that it has no formal status and did not originate in a carefully planned research proposal to a funding agency. The chapters have been written by an informal network of academics, doctoral students, and members of research institutes and statistical offices. This network grew through a process of spontaneous diffusion

rather than by any intelligent design. A number of the chapters enjoyed funding for the work on the particular country, and these are acknowledged in each case.

The informal nature of the project has meant that we have not sought to impose a rigid straitjacket on the format of the chapters, which in any case reflect the differing institutions and historical experiences of the countries. The chapters were written at different dates, and this means that some of the cross-country comparisons in individual chapters are based on earlier versions of the top income data for other countries. Those interested in exploring further cross-country comparisons are urged to look at the data collected in Chapter 13, which are the most recent at the time of completing this volume.

At the same time, the informality of the network has added to the pleasure of working with the authors, and we should like to thank warmly all seventeen for their cooperation in producing these volumes.

A. B. Atkinson and T. Piketty

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