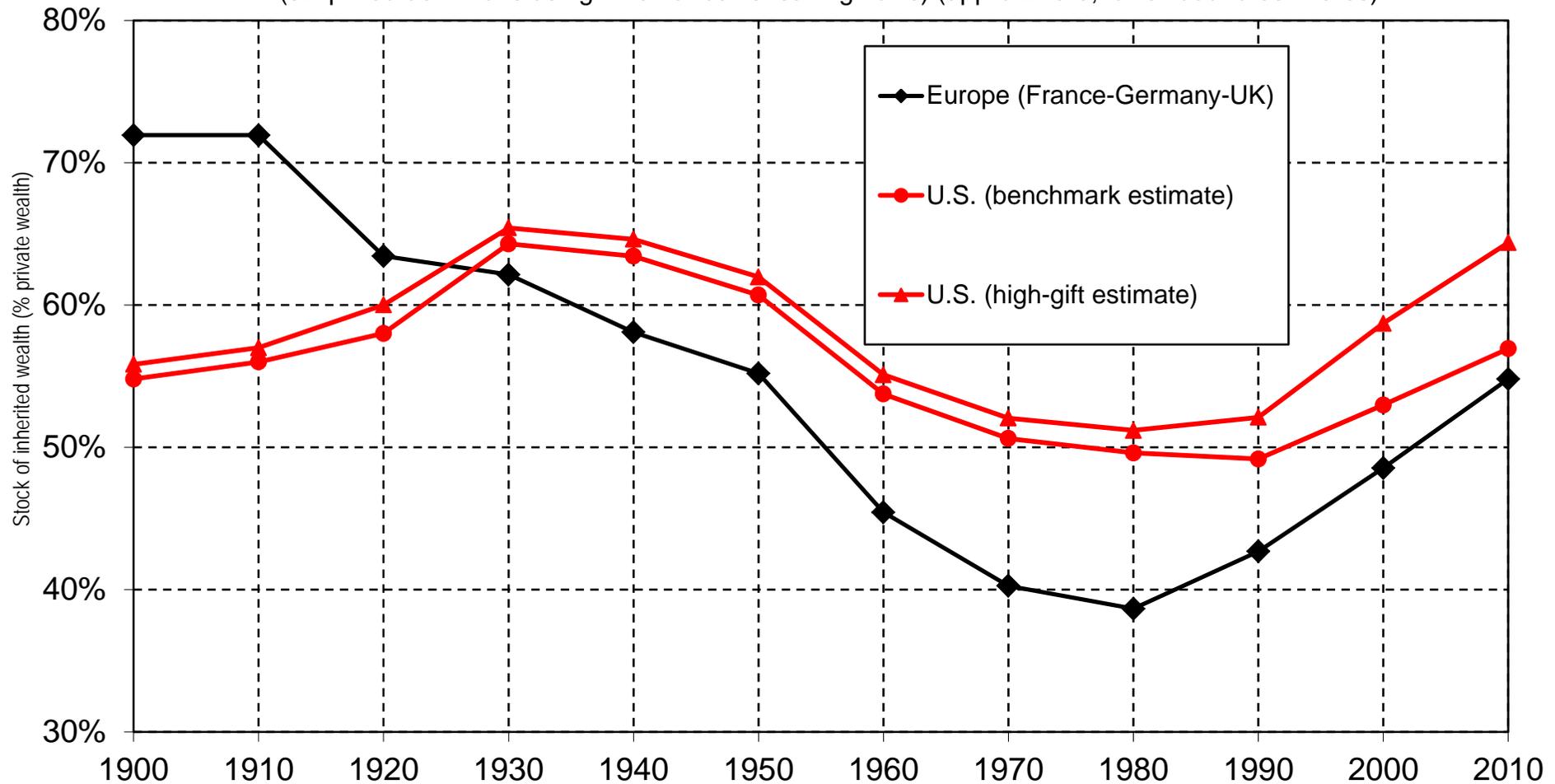


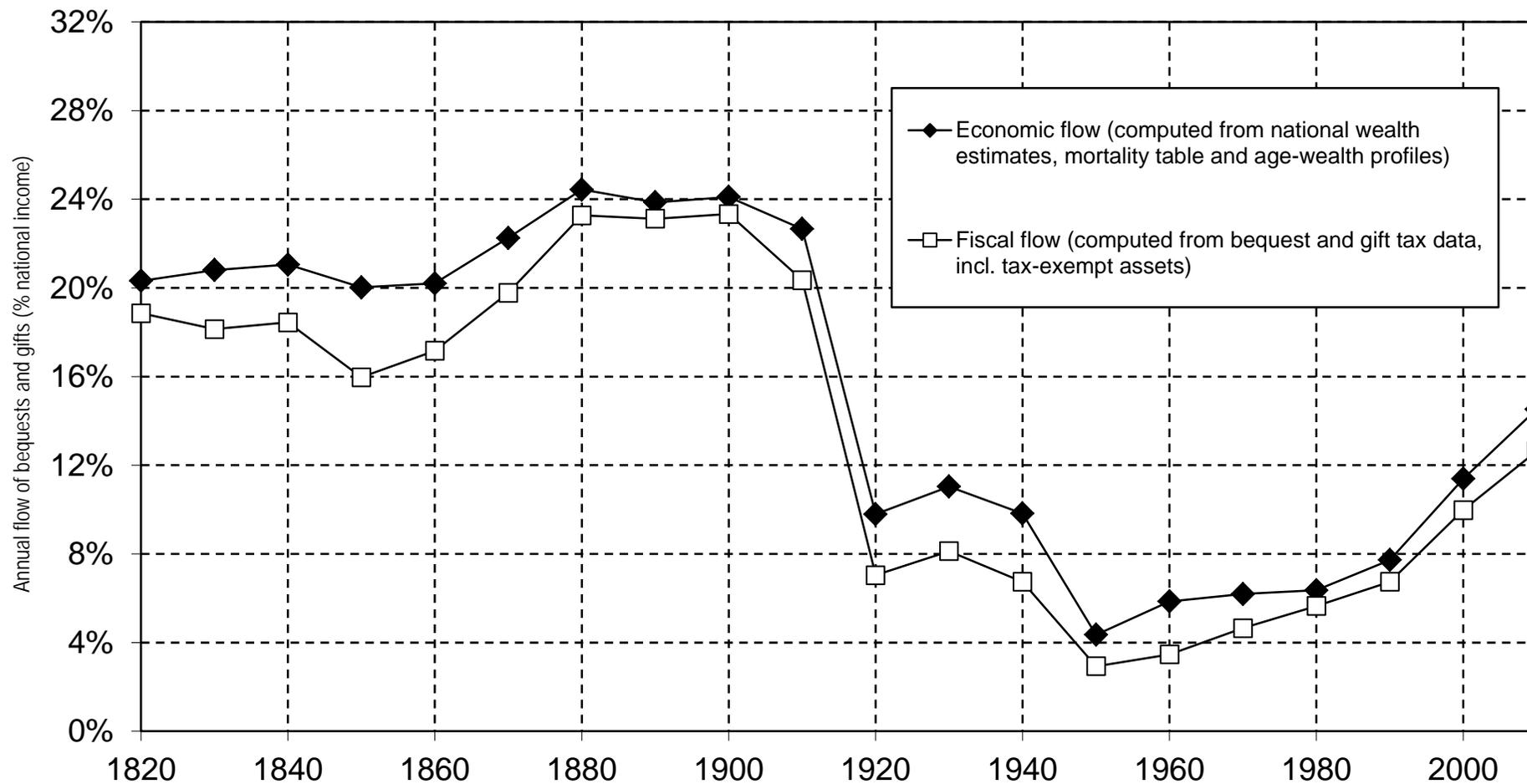
Figure 1. The share of inherited wealth. Europe and the U.S. 1900-2010

(simplified definitions using inheritance vs. saving flows) (approximate, lower-bound estimates)



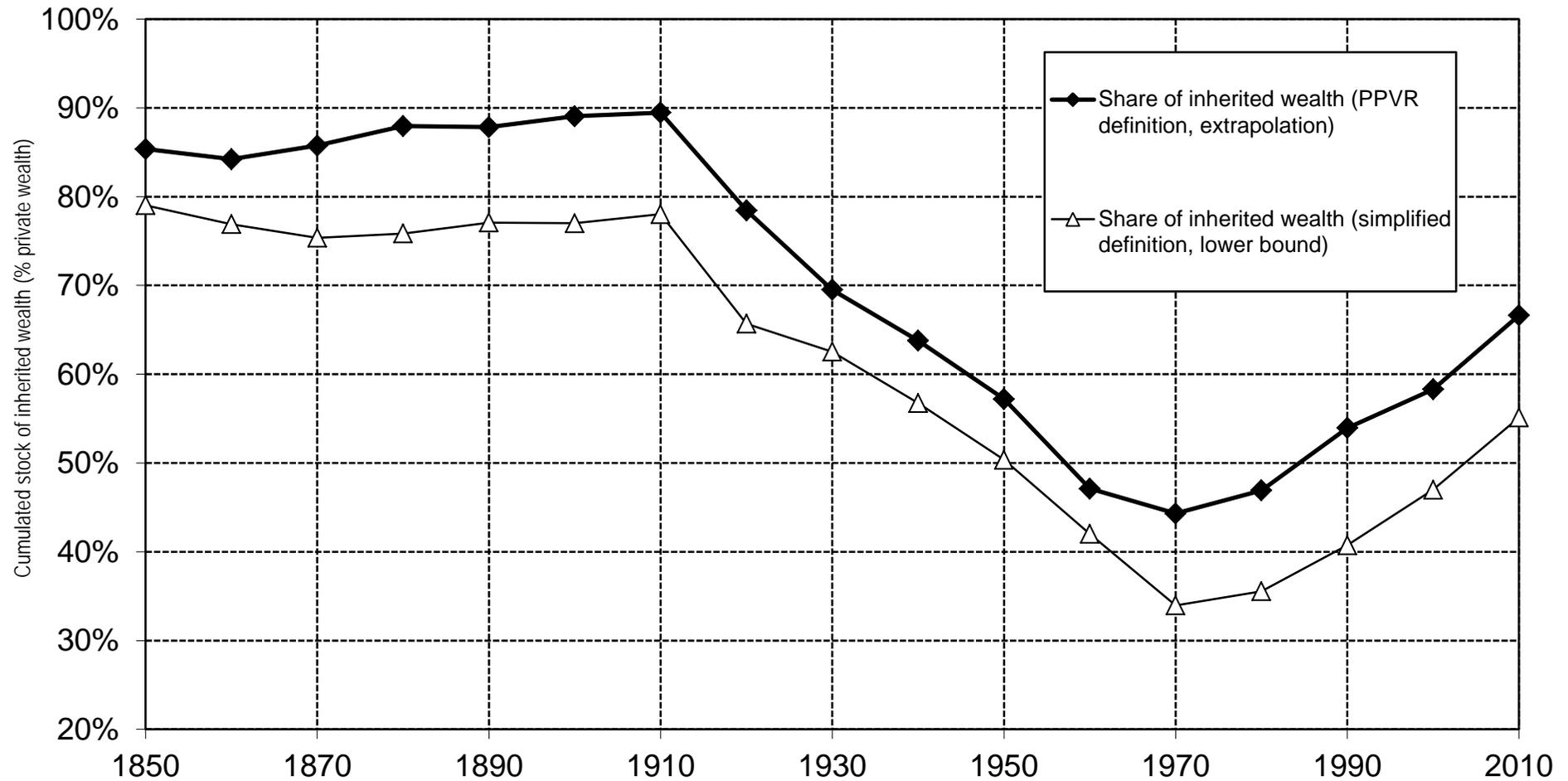
The inheritance share in aggregate wealth accumulation was over 70% in Europe in 1900-1910. It fell abruptly following 1914-1945 shocks, down to 40% in 1970-1980 period. It is back to about 50-60% in 2000-2010 and rising. The U.S. pattern also appears to be U-shaped but less marked, and with significant uncertainty regarding recent trends, due to data limitations.

Figure 2. The annual inheritance flow as a fraction of national income, France 1820-2010



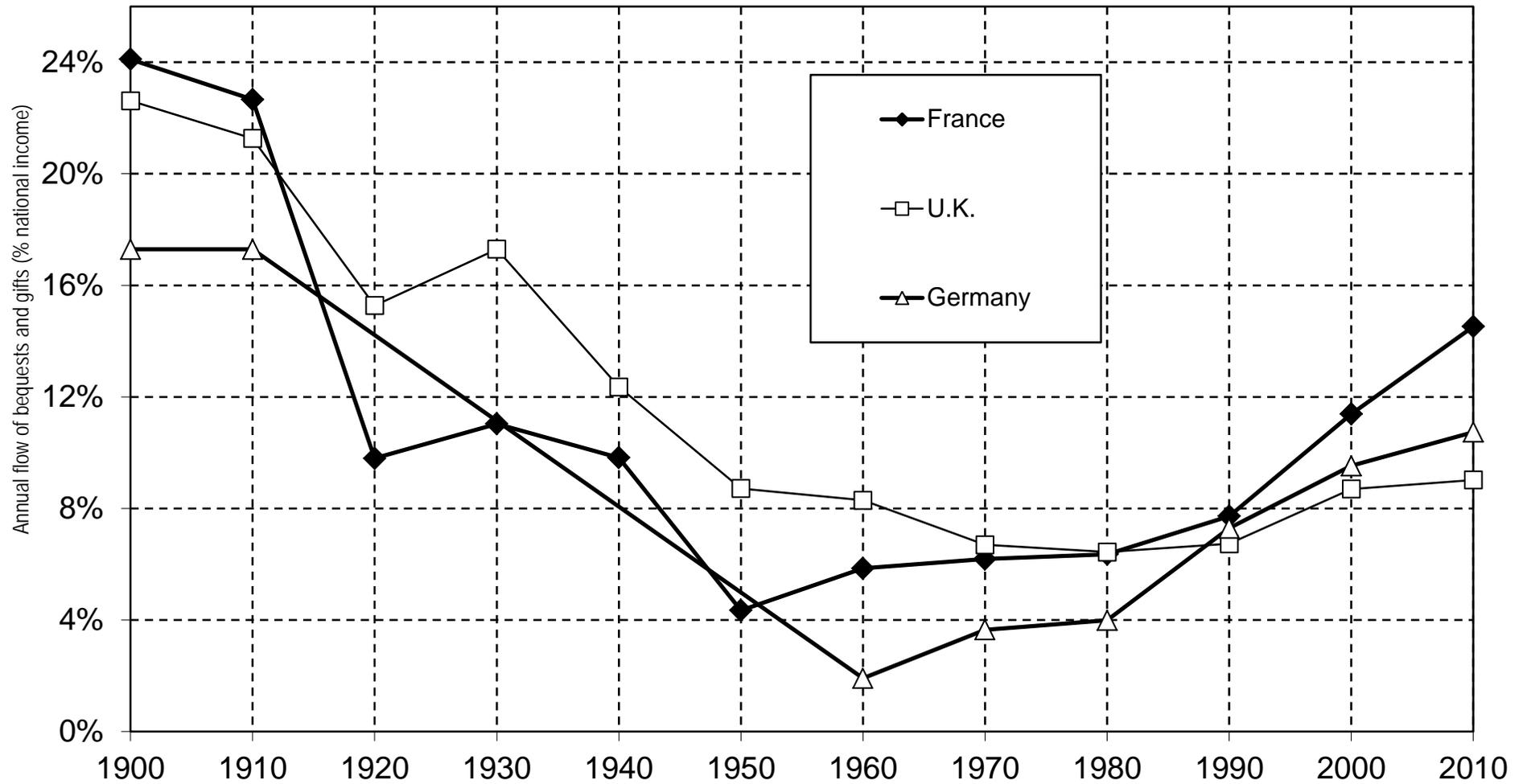
The annual inheritance flow was about 20-25% of national income during the 19th century and until 1914; it then fell to less than 5% in the 1950s, and returned to about 15% in 2010.

Figure 3. The share of inherited wealth as a fraction of aggregate private wealth, France 1850-2010



Inherited wealth represents 80-90% of total wealth in France in the 19th century; this share fell to 40%-50% during the 20th century, and is back to about 60-70% in the early 21st century.

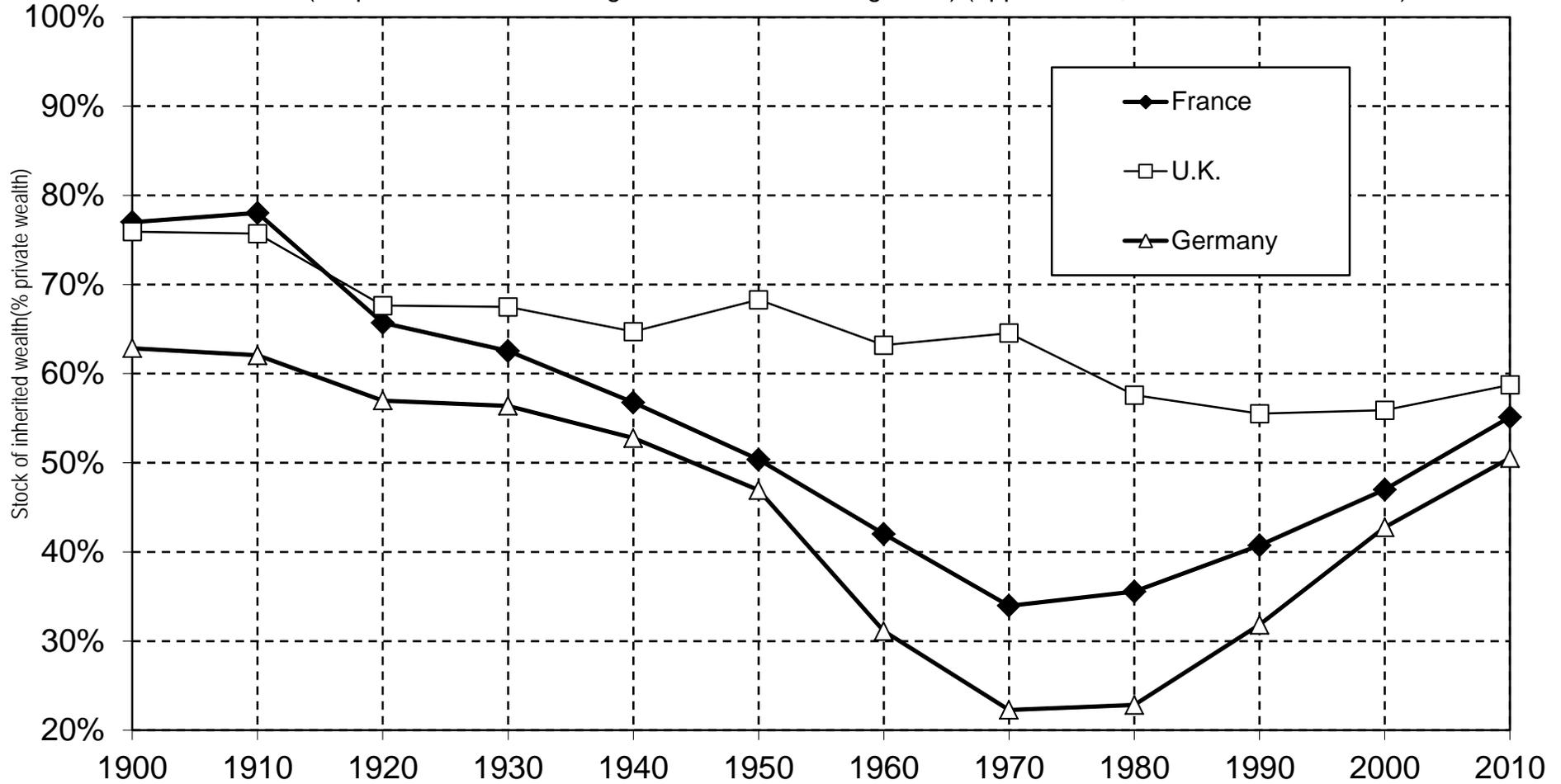
Figure 4. The inheritance flow in Europe 1900-2010



The inheritance flow follows a U-shaped in curve in France as well as in the U.K. and Germany. It is possible that gifts are under-estimated in the U.K. at the end of the period.

Figure 5. The share of inherited wealth in Europe 1900-2010

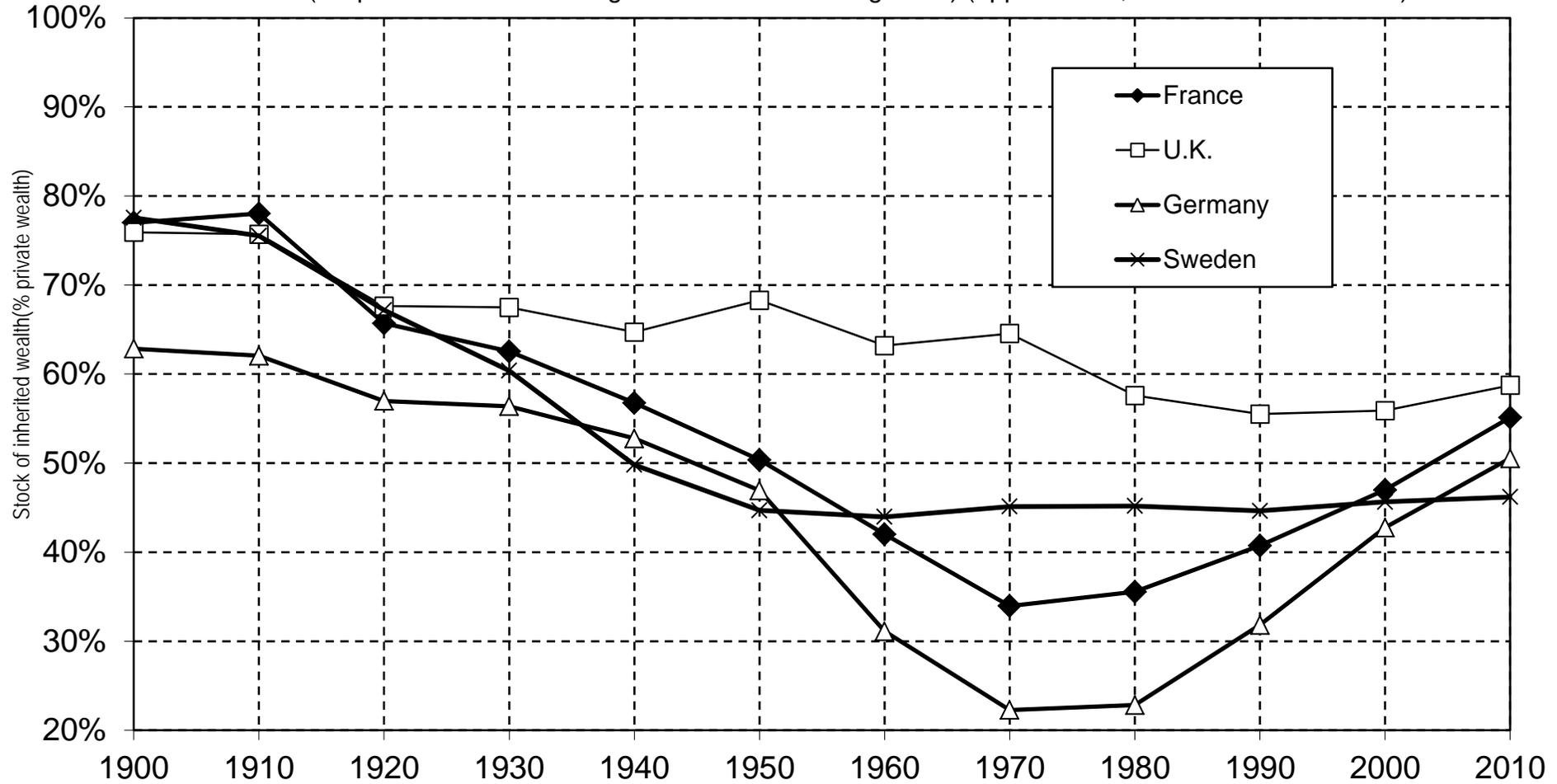
(simplified definitions using inheritance vs. saving flows) (approximate, lower-bound estimates)



The inheritance share in aggregate wealth accumulation follows a U-shaped curve in France and Germany (and to a more limited extent in the U.K. and Germany. It is possible that gifts are under-estimated in the U.K. at the end of the period.

Figure 6. The share of inherited wealth: the case of Sweden

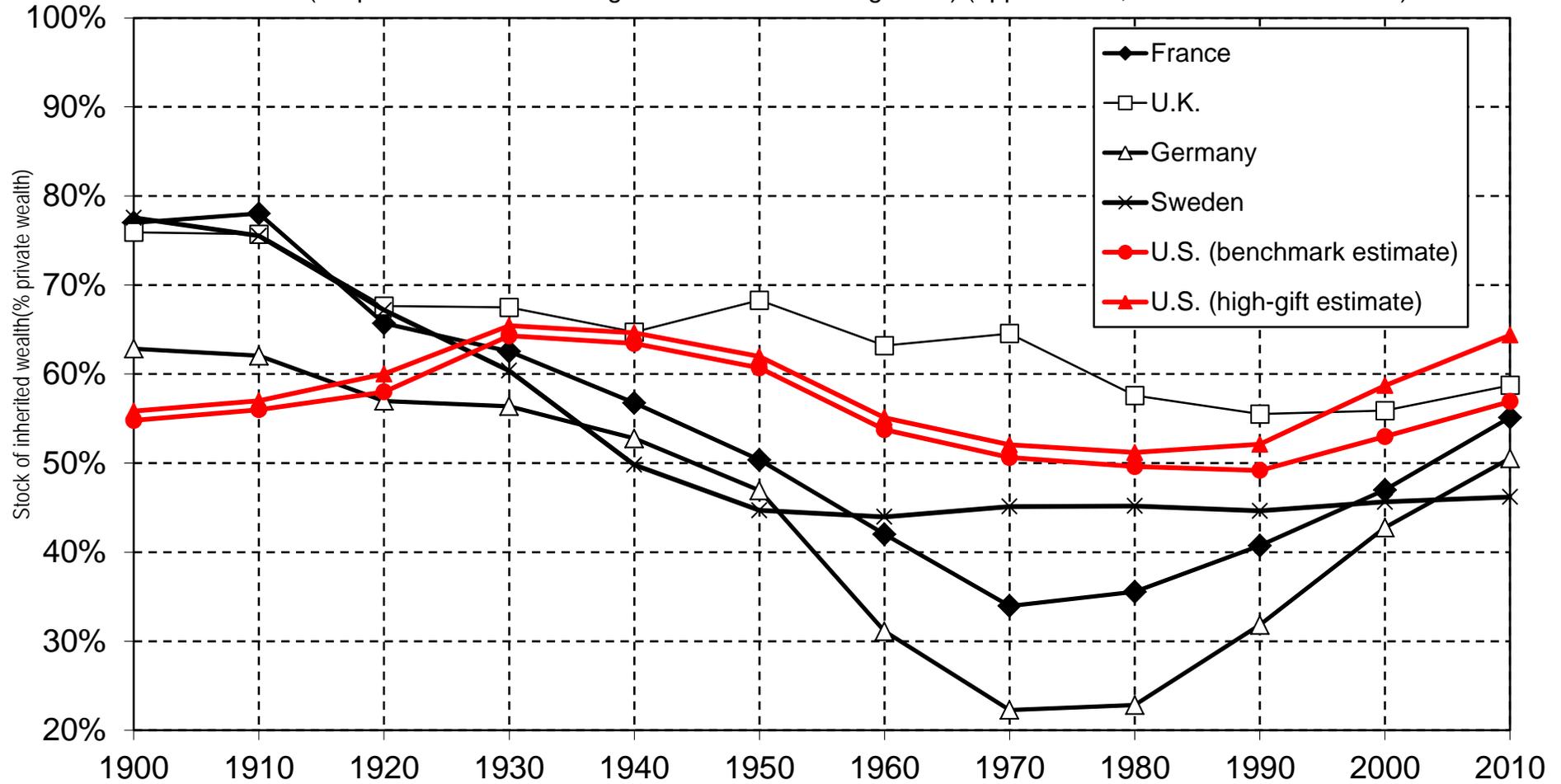
(simplified definitions using inheritance vs. saving flows) (approximate, lower-bound estimates)



The inheritance share in aggregate wealth accumulation follows broadly similar evolutions in Sweden and France over 1900-1960 period, but in recent decades the Swedish inheritance share shows little increase, due a large rise of the saving rate.

Figure 7. The share of inherited wealth: the case of the U.S.

(simplified definitions using inheritance vs. saving flows) (approximate, lower-bound estimates)



The inheritance share in aggregate wealth accumulation seems to follow a U-shaped curve in the U.S. over the past century, but it is less marked than France and Germany. There is significant uncertainty regarding recent trends, due to data limitations.

Table 1. Evidence of under-reporting of inherited wealth in household surveys

		Self-reported flow of inheritance and gift receipts (% of benchmark estimates of total economic flow of inheritance and gift)
France (INSEE Wealth Survey)	2003	29%
	2009	21%
United States (Survey of Consumer Finances)	1989	44%
	1992	31%
	1995	58%
	1998	26%
	2001	20%
	2004	27%
	2007	20%
	2010	22%
	2013	25%

In 2003, the self-reported flow of inheritance and gift receipts in the French household wealth survey equals 29% of the total estimated economic flow.

Note. The self-reported flow was computed as the average receipts reported for the 6 years before survey year (the results are similar if we take a 3-year or 1-year window). The benchmark economic flow was computed using macroeconomic data on aggregate wealth, mortality rates and age-wealth profiles (see text).