

Socio-Economic Inequality & the Democratization of Europe: Toward a New Budgetary Regime

Thomas Piketty

Academy of European Law, October 14 2022



Manifesto for the **DEMOCRATIZATION OF EUROPE**

MANIFESTO

BUDGET

TREATY

QUESTIONS AND ANSWERS

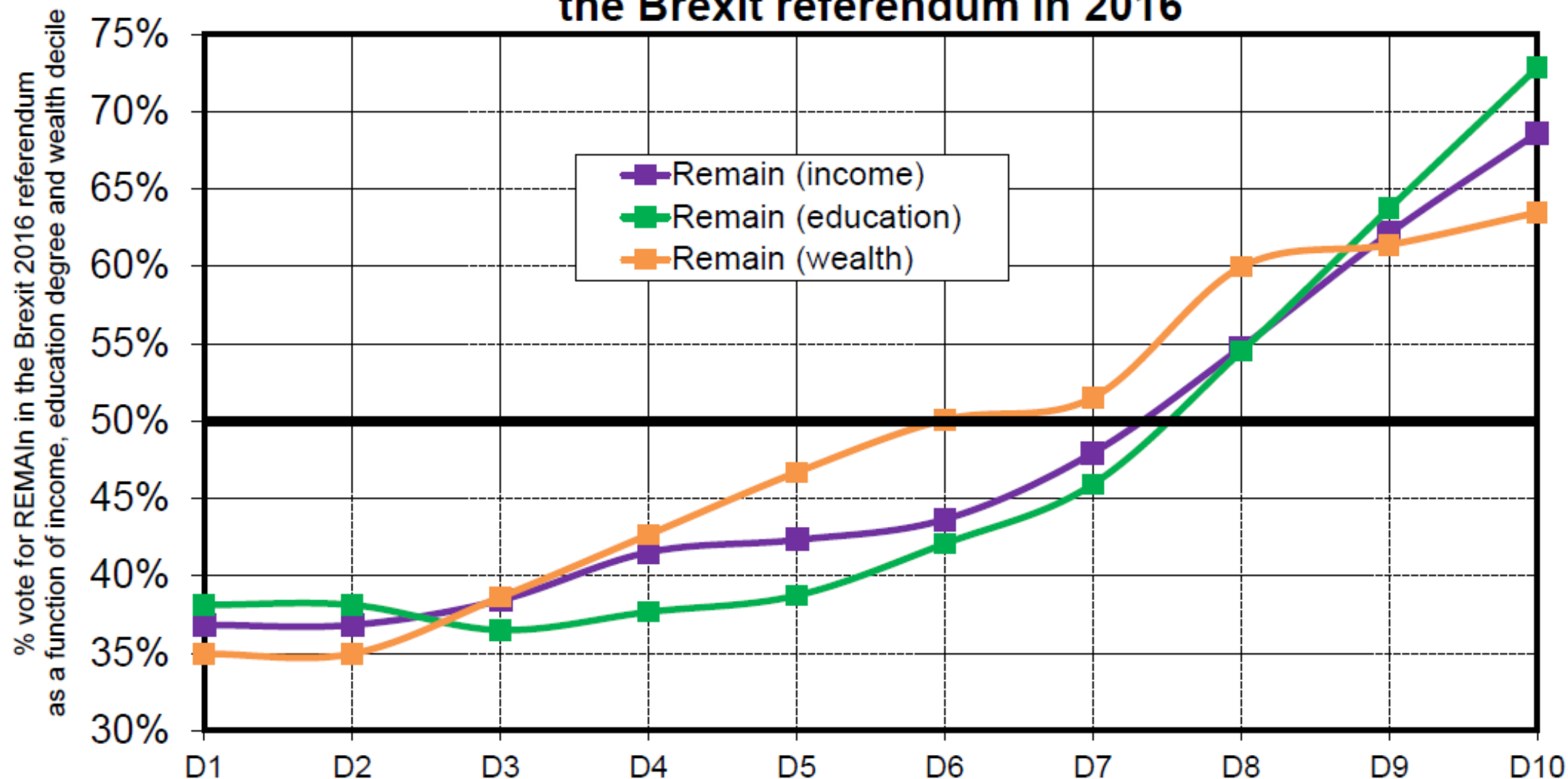
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The European cleavage in Britain: the Brexit referendum in 2016

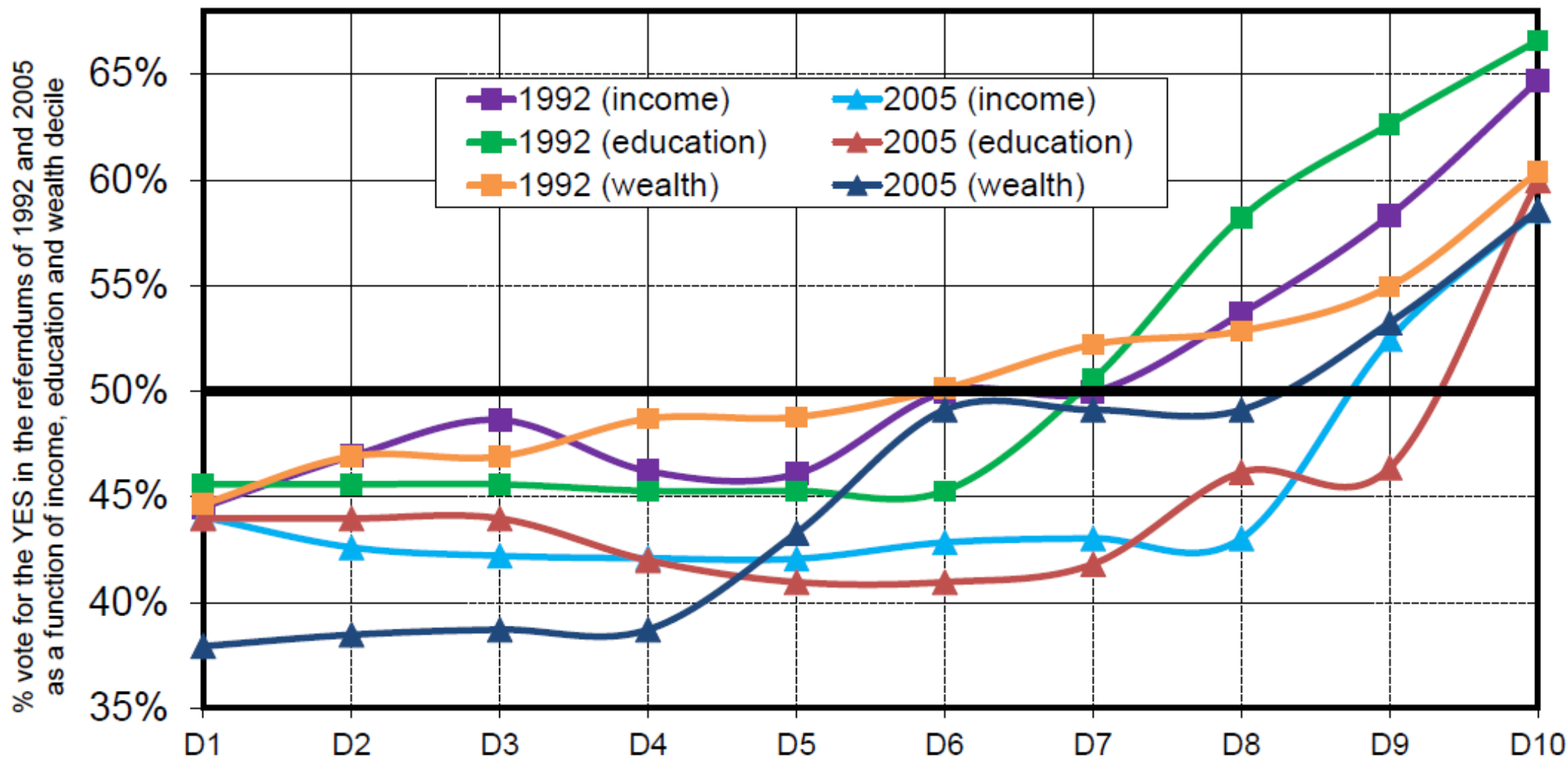


Interpretation. In the 2016 referendum over Brexit (victory of Leave with 52%), one observes a very strong social cleavage of the vote: the top deciles of income, education and wealth vote strongly for Remain, while bottom deciles vote for Leave.

Note: D1 refers to the bottom 10% (either for income, education or wealth), D2 for the next 10%, etc., and D10 for the top 10%.

Sources and series: see piketty.pse.ens.fr/ideology (figure 15.18).

The European cleavage in France: the referenda of 1992 and 2005



Interpretation. In the 1992 referendum over the Maastricht treaty ("yes" won with 51%) as well as in the 2005 referendum on the European constitutional treaty ("yes" lost with 45%), one observes a very strong social cleavage: top deciles of income, educational degrees and wealth vote strongly for the "yes", while bottom deciles vote for the "no". **Note:** D1 represents the bottom 10% (for the distribution of income, education or wealth), D2 the next 10%,..., and D10 the top 10%. **Sources and series:** see piketty.pse.ens.fr/ideology (figure 14.20).


WORLD
INEQUALITY
REPORT
2022



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WORLD
INEQUALITY
LAB

wir2022.wid.world

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WORLD

BY COUNTRY ▾

DATA

WORLD INEQUALITY DATABASE

METHODOLOGY ▾

ABOUT US ▾

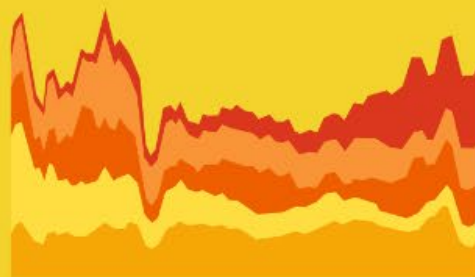
NEWS

WORLD VIEW



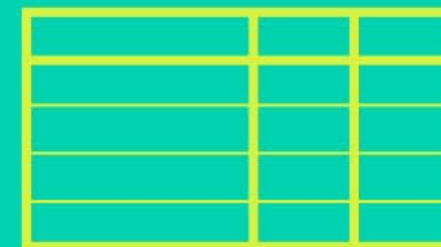
Compare inequality between countries on an interactive world map

COUNTRY GRAPHS



Follow the evolution of inequality within countries with user-friendly graphs

DATA TABLES



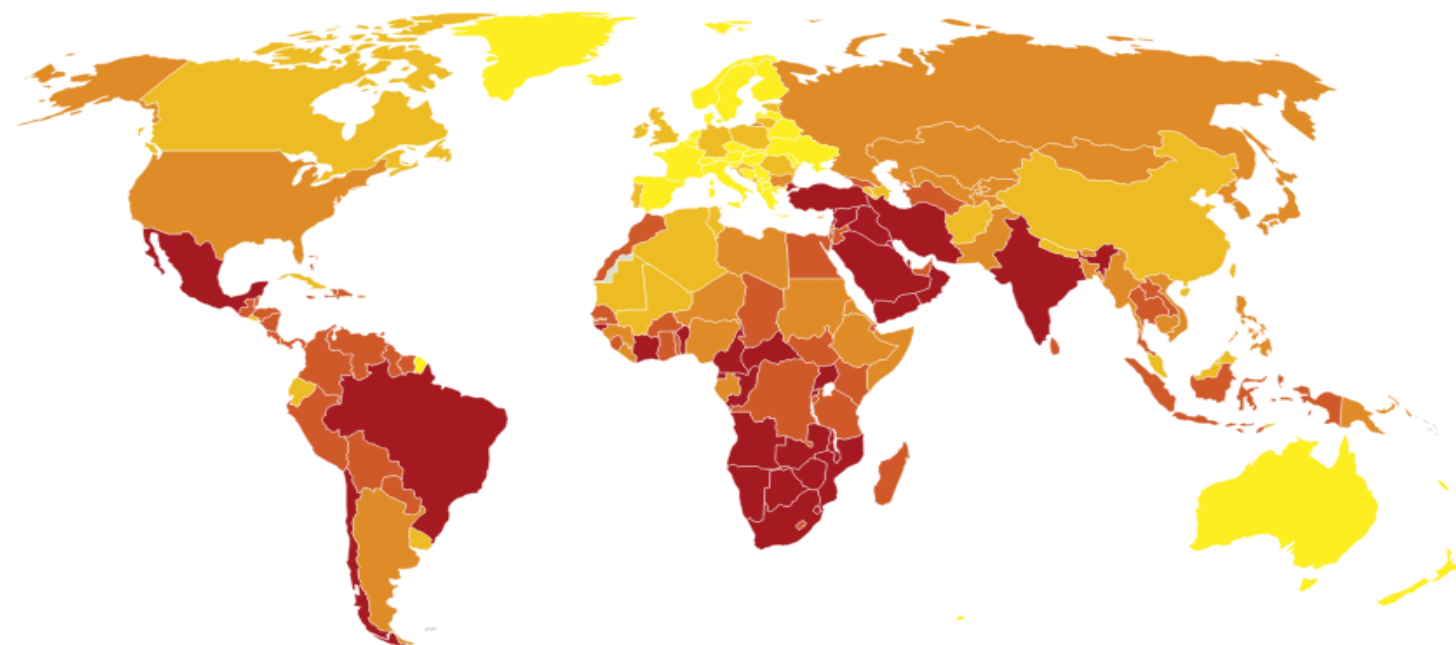
Download our open-access datasets

- COUNTRY & REGION >
- KEY INDICATORS ▾
- AVERAGE INCOME
 - Per adult national income
 - Per adult GDP
- INCOME INEQUALITY
 - Top 10% share
 - Bottom 50% share
 - Top 1% share
- AVERAGE WEALTH
 - Per adult national wealth
 - Wealth-income ratio
- WEALTH INEQUALITY
 - Top 10% share
 - Bottom 50% share
 - Top 1% share
- CARBON INEQUALITY [NEW]
 - Top 10% carbon emitters
- GENDER INEQUALITY [NEW]
 - Female labor income share
- MORE INDICATORS >

Top 10% national income share

Region View Country View

Latest year ▾



-
-
-
-
-
-

COUNTRY & REGION >

KEY INDICATORS ▾

AVERAGE INCOME

- Per adult national income
- Per adult GDP

INCOME INEQUALITY

- Top 10% share
- Bottom 50% share
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AVERAGE WEALTH

- Per adult national wealth
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WEALTH INEQUALITY

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CARBON INEQUALITY [NEW]

- Top 10% carbon emitters

GENDER INEQUALITY [NEW]

- Female labor income share

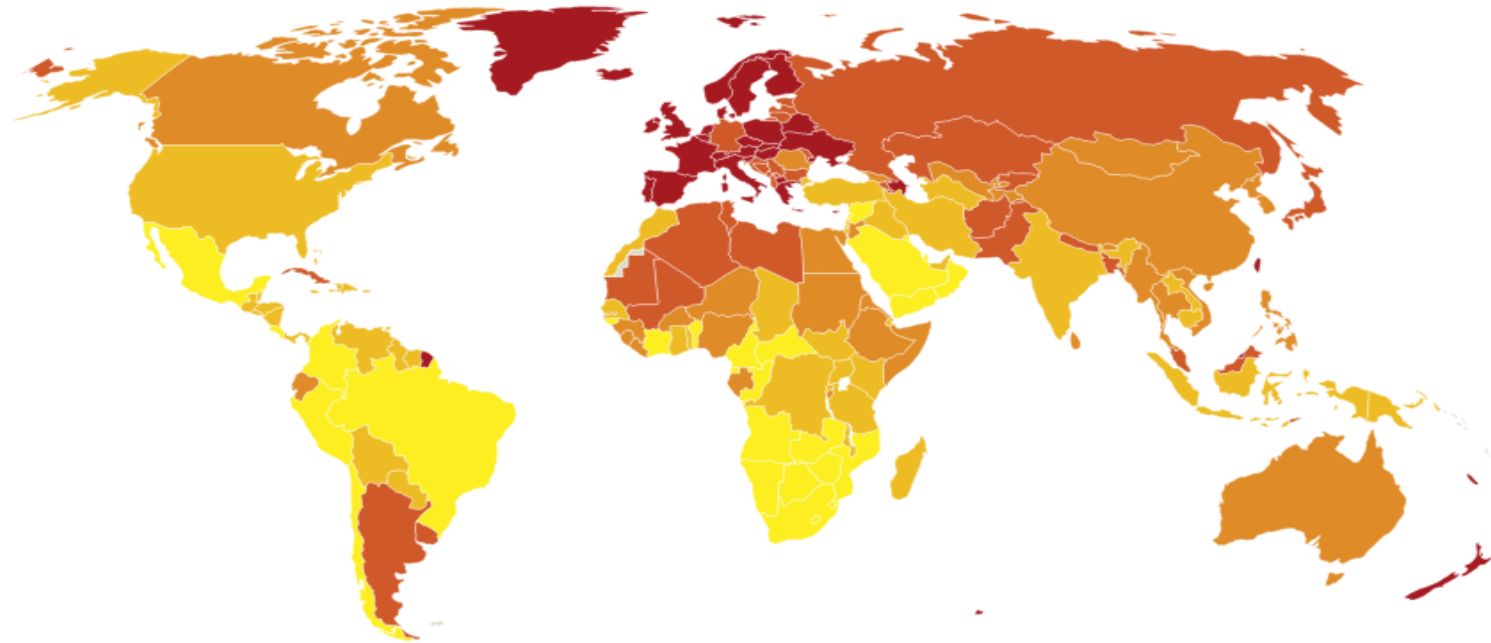
MORE INDICATORS >

Bottom 50% national income share

Region View

Country View

Latest year ▾



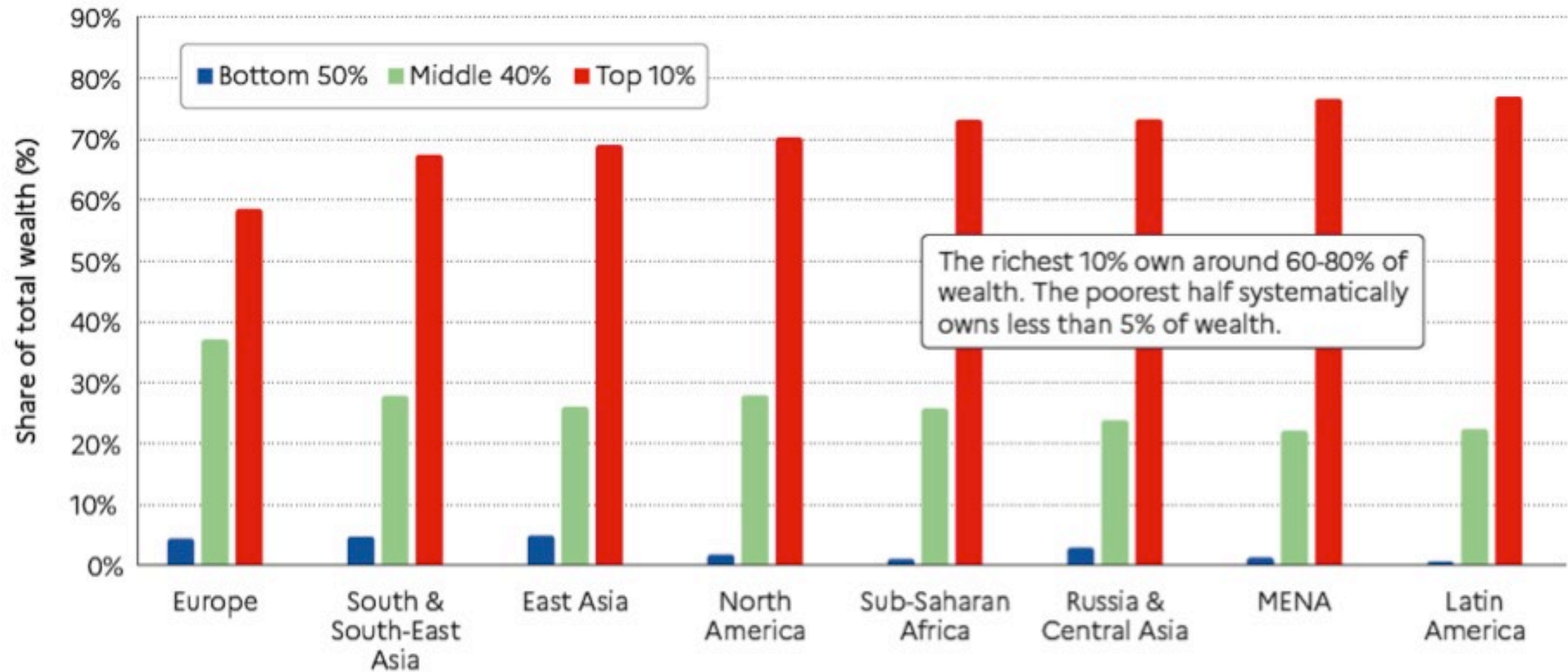
Share of total (%)



Navigation icons:

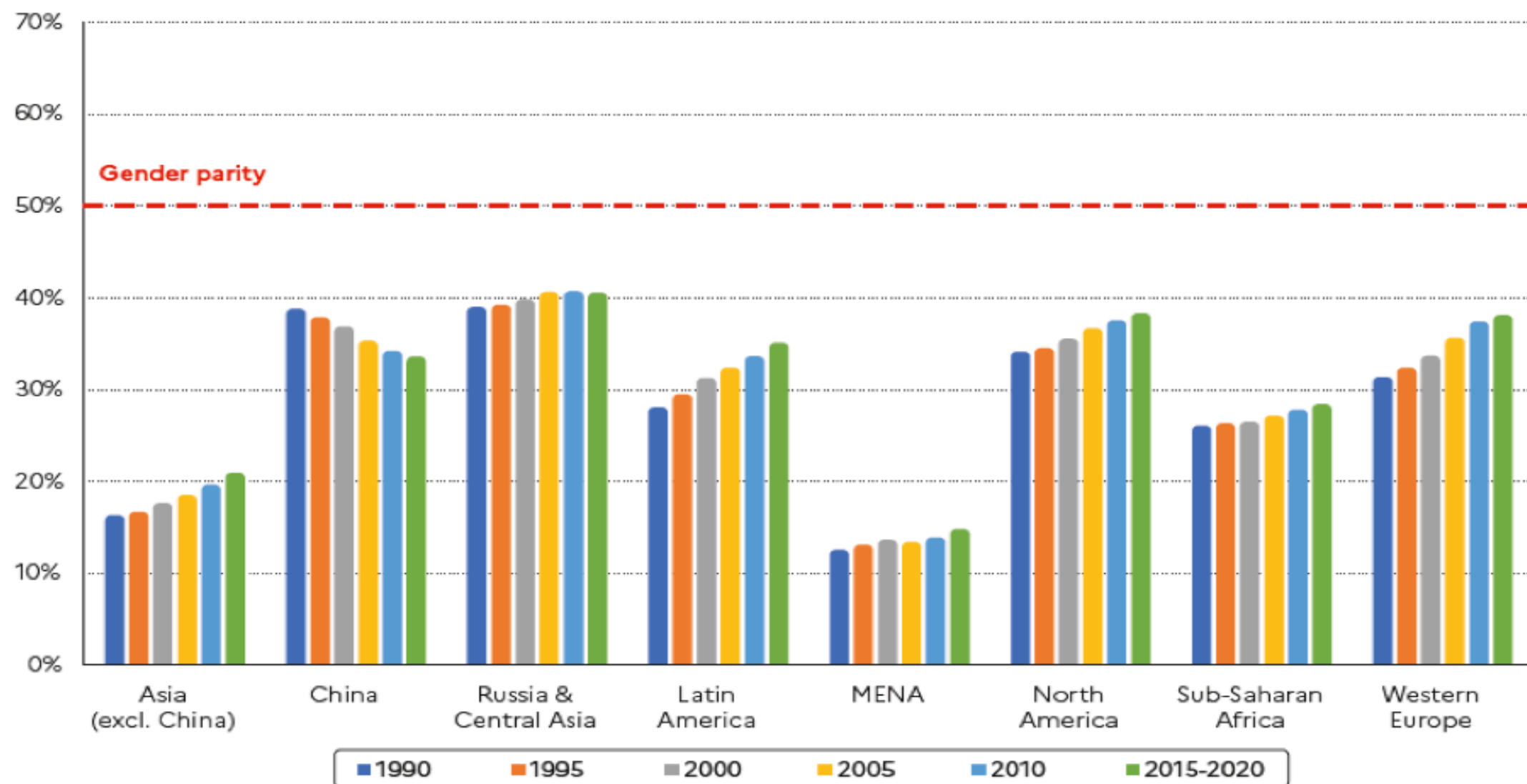
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- Zoom out (-)

Figure 4 The extreme concentration of capital: wealth inequality across the world, 2021



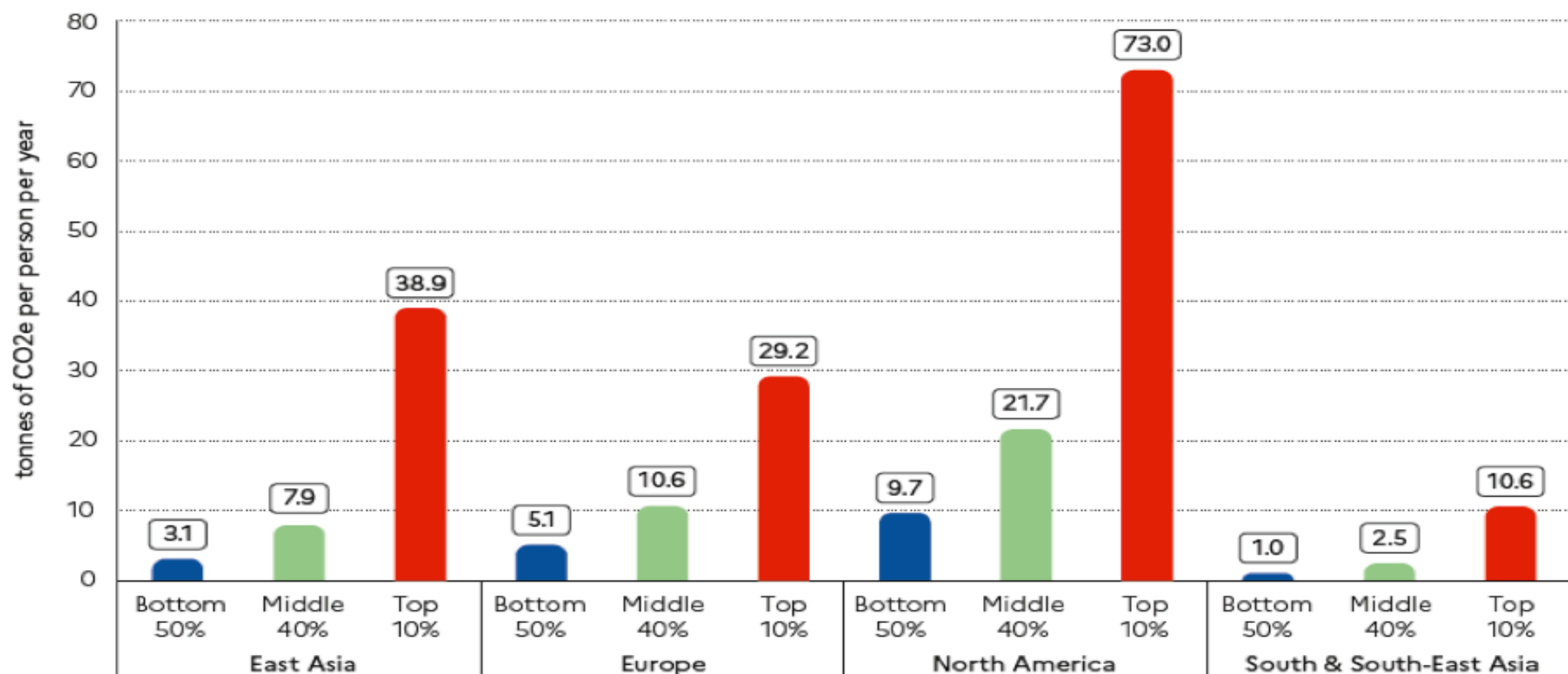
Interpretation: The Top 10% in Latin America captures 77% of total household wealth, versus 22% for the Middle 40% and 1% for the Bottom 50%. In Europe, the Top 10% owns 58% of total wealth, versus 38% for the Middle 40% and 4% for the Bottom 50%. **Sources and series:** wir2022.wid.world/methodology.

Figure 13 Female labor income share across the world, 1990-2020



Interpretation: The female labour income share rose from 34% to 38% in North America between 1990 and 2020. **Sources and series:** wir2022.wid.world/methodology and Neef and Robilliard (2021).

Figure 15 Per capita emissions across the world, 2019



Interpretation: Personal carbon footprints include emissions from domestic consumption, public and private investments as well as imports and exports of carbon embedded in goods and services traded with the rest of the world. Modeled estimates based on the systematic combination of tax data, household surveys and input-output tables. Emissions split equally within households. **Sources and series:** wir2022.wid.world/methodology and Chancel (2021).

A
BRIEF
HISTORY
of
EQUALITY
THOMAS
PIKETTY

*Author of the New York Times Bestsellers
Capital and Ideology and Capital in the Twenty-First Century*



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- ▶ **WHAT IS THE AIM OF THE TREATY FOR DEMOCRATIZATION, AND WHY DO WE NEED TO CREATE A EUROPEAN ASSEMBLY?**
- ▶ **WILL THIS PROJECT NOT BE VETOED BY SOME COUNTRIES?**
- ▶ **HOW MANY COUNTRIES HAVE TO ADOPT THE TDEM FOR IT TO ENTER INTO FORCE?**
- ▶ **CAN THIS PROJECT BE ADOPTED QUICKLY?**
- ▶ **WHY SHOULD WE CREATE COMMON TAXES?**
- ▶ **WHY RE-ALLOCATE A CONSIDERABLE SHARE OF THE INCOME FROM THESE NEW TAXES TO STATES?**
- ▶ **DOES THE FEAR OF TRANSFERS BETWEEN COUNTRIES NOT RISK LEADING TO REJECTION OF THE PROJECT?**

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