Wealth inequality of Korea, 1970-2021

By JIWEI YANG*†

This paper constructs the first long-run series of top wealth concentration for South Korea (1970-2021), addressing a critical omission in the experience of major non-Western economies. The series is compiled by applying a simplified mortality multiplier method - whose validity for historical data has been established - to previously unused inheritance tax records, systematically navigating severe data discontinuities, most notably the unusable statistics of the 1990s. The findings reveal a post-war trajectory that deviates from the gradual resurgence seen in Western economies. It is better described as a stylized step-function defined by two distinct regimes: an era of low and stable inequality (1970-1990), when the top 0.1% share fluctuated between 3-5%, followed by a new, higher equilibrium from 1999 onwards, with the top 0.1% share stabilizing around 10%. This upward shift, a "Great Unleveling" that occurred between 1990 and 1999, is plausibly catalyzed by the 1997 Asian Financial Crisis. This structural break is mirrored in the composition of elite portfolios, which transformed from being land-dominated to highly financialized. Internationally, Korea's path transitions from a low-inequality model comparable to developmental-era India to a moderately high equilibrium similar to contemporary France and Japan, distinct from the continuously escalating inequality in the United States and China. The results reveal a history of a single, rapid, and plausibly crisis-induced structural transformation, offering a new comparative benchmark that emphasizes the powerful role of institutional regime shifts in shaping the long-run distribution of wealth.
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I. Introduction

As the research of wealth inequality over extended historical periods has re-emerged as a central question in the discipline of economics, this devel-

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opment has been propelled largely by new research through which long-run distributional series for the major Western economies have been constructed. This body of literature, in turn, has established a significant narrative which is centred upon a U-shaped trajectory of wealth concentration, a pattern that describes the extremely high levels of concentration existing before the First World War, a subsequent trough of egalitarianism in the middle of the twentieth century, and a final, sharp resurgence which commenced in the 1980s. Although this pattern has become a principal comparative benchmark for countries such as the United States and France, the historical experience of major non-Western economies, particularly of those that underwent rapid, state-directed industrialization, remains far less comprehended.

This research gap is particularly apparent in the case of South Korea, because despite the country's ascent from post-war devastation to a position among the leading global economies, a comprehensive, long-term history of its wealth distribution has yet to be written. Although seminal works have indeed mapped its macroeconomic aggregates and its recent levels of concentration, the crucial developmental decades of the 1970s and 1980s, which constitute the very centre of the "Miracle on the Han River", remain a statistical void. In the absence of a consistent series that connects the period preceding liberalization to the present, fundamental questions remain speculative, such as whether the explosive growth of Korea followed the classic Kuznets curve, or if its unique model of a developmental state produced a distinct trajectory.

This paper, therefore, addresses this significant gap by constructing the first continuous, long-run series of top wealth shares for South Korea, a series which covers the disparate historical periods of 1970-1990 and 1999-2021. The contribution of this research is not merely to address a geographical omission, but to provide the empirical foundation for analyzing a post-war trajectory that complicates and refines the prevailing U-shaped narrative, a trajectory which reveals a distinctive path for a major non-Western economy. We achieve this result by systematically navigating severe discontinuities in the available data, the most notable being the unusable inheritance tax records of the 1990s, so that a coherent series can be produced from sources previously unexploited.

The central finding of this paper is that the post-war history of wealth inequality in South Korea describes not a gradual evolution, but a stylized step-function which is characterized by two distinct regimes. The first of these regimes, which extended from 1970 to 1990, was a period of remarkably low and stable wealth concentration, an "artificial equilibrium" that the developmental state had created through foundational land reforms and severe financial repression, policies which together suppressed the accumulation of large private fortunes. The second regime, in contrast, emerged from a rapid and massive increase in inequality that occurred between 1990 and 1999. This "Great Unlevelling" was plausibly catalyzed by the Asian Financial Crisis of

1997, an event which functioned as a critical juncture, because through it the old state-led model was dismantled and financial liberalization was accelerated. Since this structural rupture, wealth concentration has stabilized at a new, higher plateau, its level now being comparable to that of continental European countries such as France and Japan.

To establish these findings, this study employs the simplified mortality multiplier method, a technique whose validity for estimating top shares from fragmented historical data has been robustly established in recent literature. The primary source consists of historical inheritance tax statistics which, despite presenting significant challenges related to consistency and coverage that we meticulously document, are the only available source of data on top wealth for the greater part of the twentieth century. By combining these data with historical mortality statistics and a consistent external wealth total, we therefore produce a new series that permits the experience of South Korea to be situated, for the first time, within the global comparative framework.

The remainder of this paper is organized in the following manner. First, Section II reviews the global literature on long-run wealth inequality, discusses the evolution of the mortality multiplier methodology, and situates this study within the extant research on Korea. Following this, Section III and Section IV detail the methodological choices and data sources respectively, with particular attention given to the severe data challenges that necessitated the approach adopted. The subsequent sections, Section V and Section VI, present the principal empirical results concerning wealth concentration, the evolution of average top estates, and the changing composition of estate over time, along with a triangulation using other data sources and a comparison to other countries. Subsequently, Section VII provides a discussion of these results, in which an institutional explanation for the unique two-regime history of Korea is offered, and Section VIII concludes the paper.

II. Literature Review

A. The Global Resurgence of Wealth Inequality Studies

The investigation of long-run wealth inequality, having for some time received less attention, has recently experienced a resurgence of academic interest, and therefore has been re-established as a central topic in modern economics. This scholarly re-evaluation, which proceeds beyond a conventional analysis limited to income, was initiated by certain foundational studies, in which long-run distributional series for the major economies were constructed. Among such studies, the research conducted by Saez and Zucman (2016), applying a novel method of capitalization, revealed a distinct U-shaped trajectory for wealth concentration within the United States from the year 1913, which has become an indispensable benchmark for comparative analyses. The international research programme initiated by Thomas Piketty

and his collaborators has subsequently expanded into a global and collaborative effort, which is supported by such infrastructure as the World Inequality Database (WID).

From this initial impetus, a considerable body of studies specific to individual nations has emerged, which has delineated the historical wealth trajectories for numerous Western countries. Investigations concerning the United Kingdom, for instance, have documented a significant reduction in the wealth shares of the top wealth groups during the twentieth century, which was followed by a more recent recovery (Alvaredo et al., 2018), while new estimations for the Netherlands (Toussaint et al., 2022) and Italy (Acciari et al., 2024; Gabbuti and Morelli, 2023) have confirmed analogous U-shaped dynamics, although these were shaped by unique national factors, such as colonial investments or differential patterns of saving. The analytical scope of these studies has, moreover, been advanced beyond simple measures of concentration. Inquiries into the composition of wealth, such as the discovery that Paris before the First World War was a "rentier society" in which inherited capital predominated (Piketty et al., 2014), and analyzes of the "return of inheritance" within modern Europe (Alvaredo et al., 2017), have provided a more structural comprehension of wealth dynamics.

This research programme has, in more recent times, extended its geographical scope beyond the developed nations of the West. New long-run series for Canada have been constructed through the reconciliation of disparate data sources (Davies and Di Matteo, 2021), while historical studies of the Nordic countries have challenged conventional accounts, demonstrating, for example, that pre-industrial Sweden experienced an escalation of inequality (E. Bengtsson et al., 2018), and that Finnish industrialization was associated with a decrease in wealth concentration, contrary to the Kuznets hypothesis (E. Bengtsson et al., 2019). Of particular importance, the field is now producing comprehensive estimations for major emerging economies. Recent work has documented the ascent of a "Billionaire Raj" in India, where inequality is now found to exceed the levels of the colonial period (Kumar Bharti et al., 2024), and has also established the first consistent wealth series for a South American country, this being Uruguay (De Rosa, 2025). This global expansion, therefore, not only demonstrates the vitality of the field but also establishes a rich comparative context, into which a new long-term study of Korean wealth inequality may be suitably integrated.

B. The Mortality Multiplier Method and Its Recent Development

For the construction of long-run series of wealth, and particularly for historical periods which lack direct surveys of wealth, the mortality multiplier method has been established as a cornerstone. This technique, having been first systematized in an eponymous approach, utilizes mortality rates for the purpose of extrapolating from the wealth of deceased individuals an estima-

tion of the wealth distribution among the living. And certain seminal studies, such as the influential analysis of wealth concentration in the United States from 1916-2000 by Kopczuk and Saez (2004), have demonstrated the efficacy of this method for extracting insights from historical records of inheritance tax.

The application of this method, however, presents numerous challenges, from which a central debate concerning the selection of appropriate multipliers has arisen. In principle, the most precise approach requires differentiated multipliers which are specific to the age, gender, and socio-economic status (SES) of the decedent. The rationale for this differentiation, being based on substantial demographic evidence, is that mortality rates are not uniform across the population. Indeed, research has established a distinct "health gradient" and demonstrated that higher SES is associated with lower mortality, a differential which in recent decades has widened significantly in the United States (Bosworth, 2018). Additionally, this mortality gradient has been demonstrated to be historically contingent, emerging for different social classes and genders at different periods (T. Bengtsson et al., 2020). To neglect these differentials is consequently to risk the introduction of systematic bias into the wealth estimations.

In practice, however, the data required for fully differentiated multipliers are rarely available. Researchers, seeking to address these limitations, have therefore developed sophisticated techniques. In their foundational study of the United States, for instance, Kopczuk and Saez (2004) imputed mortality multipliers for several years during which data for age were absent. Others have adopted mortality differentials or age distributions from other countries, a practice observed in long-run studies of France (Piketty et al., 2006), of Canada (Davies and Di Matteo, 2021), and of Finland (E. Bengtsson et al., 2019). For Korea itself, a prior study examining the period 2000-2013 pioneered a method for calculating differentiated multipliers, which used educational attainment as a proxy for SES; this solution, however, was dependent upon modern auxiliary survey data (N. N. Kim, 2018). These examples underscore the observation that even the most rigorous applications of the differentiated method frequently rely upon significant, although transparent, imputations and assumptions.

When the available data are even more fragmented, lacking, for example, any information concerning the age of the decedent, a simplified mortality multiplier method becomes a necessary and legitimate alternative, an alternative which uses a single, population-wide average multiplier. And this approach has been employed with success in several studies which confronted severe data scarcity, these including analyzes of historical India (Kumar, 2020) and Uruguay (De Rosa, 2025).

Crucially, the validity of this simplified approach for the estimation of top wealth shares has been established, both formally and empirically. Recent

methodological research demonstrates that for the wealthiest segment of the population, the opposing effects of age, which increases mortality, and of wealth, which decreases it, tend to neutralize one another, rendering the appropriate multiplier for this group surprisingly similar to the population average (Berman and Morelli, 2021). Consequently, estimations which are derived from the simplified method co-move strongly with those that use complex, differentiated multipliers, and they do not differ in level from them substantially (Alvaredo et al., 2025; Gabbuti and Morelli, 2023). This significant finding provides a robust justification for the simplified method employed in this paper, positioning it not as a compromise, but rather as a validated instrument for the production of reliable estimations from fragmented historical data.

C. Wealth Inequality in the East Asian and Korean Context

Although the global literature on wealth provides a rich comparative and methodological backdrop, a comprehension of the trajectory of wealth inequality in South Korea requires that this phenomenon be situated within its specific regional and national context. In this context, examinations of other major East Asian economies supply certain crucial benchmarks. Research concerning Japan, as one such instance, reveals a history which diverges starkly from the U-shaped curve observed in the West, because an extremely high concentration of income and wealth prior to the Second World War was succeeded by a dramatic and permanent "de-concentration" during the conflict, a process that established an egalitarian wealth structure which persisted for many decades (Moriguchi and Saez, 2008). A more contemporary research on Taiwan, employing detailed property registration data for the years 2004-2014, estimates that the uppermost 1% possesses approximately 23% of the total wealth, a proportion that is judged to be comparable to that in South Korea (Lien et al., 2021). The most comprehensive regional analysis to date, a long-run study of income inequality, demonstrates that after the financial crisis of 1997 the income shares of the highest earners in Korea rose to exceed those in Taiwan, an escalation which was propelled by a growing concentration of capital income (S. Hong et al., 2024). These studies, therefore, constitute the immediate comparative context in which any new long-run series on Korean wealth must be considered.

And within South Korea itself, an expanding literature has commenced the task of mapping the principal contours of wealth and its accumulation. Foundational investigations, which have made use of national accounts, established the macroeconomic "stylized facts", revealing a capital-to-income ratio that was not only high but also rising steadily from the 1960s onward, a trajectory propelled for the most part by capital gains that originated in real estate (W. Lee and Yoon, 2017). This analysis of the aggregate "pie" is complemented by research into its very formation, which identifies a U-shaped trend in the importance of intergenerational transfers. This is because inheritance

flows, which had been relatively low during the high-growth developmental era, have since the year 2000 risen sharply, a pattern which suggests a structural transition towards a society in which inherited capital has come to play a more dominant role (N. N. Kim, 2017).

The most direct precedent for the present study is the first systematic estimation of Korean wealth inequality for the period 2000-2013, which applied the mortality multiplier method to data from inheritance tax records (N. N. Kim, 2018). This investigation determined that the wealth share of the top 1% was approximately 25% and, as a matter of critical importance, it also demonstrated that official household surveys significantly underestimate wealth at the highest levels, a fact which justifies the use of tax data. Although these national studies provide a foundation of considerable value, they at the same time reveal a significant historical void. Consequently, with the exception of certain exploratory work concerning income in the colonial era (S. Hong et al., 2024), quantitative estimations of personal wealth distribution for the pivotal developmental decades of the 1970s and 1980s, and likewise for the Japanese colonial period, remain absent from the literature.

D. Research Gap and Contribution

Although the preceding review demonstrates the existence of a extensive global literature concerning long-term wealth inequality, and also of a established methodologies, the understanding of the Korean case, however, continues to be incomplete. Indeed, while foundational studies have established the macroeconomic aggregates (W. Lee and Yoon, 2017), clarified the increasing importance of inheritance (N. N. Kim, 2017), and measured the level of wealth concentration in the 21st century (N. N. Kim, 2018), a significant research gap nevertheless persists. This gap is the absence of a consistent, long-term series for top wealth concentration in South Korea, one which would connect the period after the financial crisis with the developmental decades of the 1970s and 1980s, and ideally also with the pre-war colonial period. This omission has persisted because the severe fragmentation of data, compounded by issues of quality, has to date prevented the construction of such a series.

The present study, therefore, seeks to address this critical omission, its contribution being threefold. First, it constructs the first continuous series of top wealth shares for South Korea, which covers the disparate historical periods of 1970-1990 and 1999-2021. Second, its primary innovation resides in the systematic addressing with and navigation of severe data discontinuities, among which the unusable data of the 1990s and the inconsistencies between different periods are the most notable, hence permitting the production of a coherent series from previously unused sources. Third, by undertaking these data procedures, this study provides an empirical foundation required to analyze the unique post-war trajectory of wealth inequality in a major global economy, consequently allowing the experience of South Korea to be positioned

for the first time within an international comparative framework.

III. Methodology

A. Mortality Multiplier Method

For the estimation of wealth concentration during the historical periods under examination, this study employs the simplified mortality multiplier method, a procedure which relies upon a single, population-wide mortality multiplier. Since recent academic inquiry has demonstrated the reliability of this method for the estimation of top wealth shares, particularly when confronted with such limitations in data typical of historical sources, its use is well substantiated (Alvaredo et al., 2025; Berman and Morelli, 2021).

The adoption of this method is necessitated by particular constraints in the historical statistics regarding Korean inheritance tax. A fully differentiated multiplier procedure, which represents the theoretical ideal, requires detailed information concerning the age distribution of decedents; since, however, as N. N. Kim (2018) has observed, such data are present in the Korean estate tax records only from the year 2007 onwards, this ideal procedure cannot be applied. For the historical periods that constitute the centre of this study (1934-1942, 1970-1990), this information is entirely unavailable, an omission that renders the construction of age-specific multipliers infeasible.

Differentiated multipliers, in addition, require mortality rates that are stratified by socioeconomic status (SES), yet data of this description are for Korea similarly unavailable. Mortality rates differentiated by wealth have never been recorded, while those classified by education or occupation are available only from 1983 onwards, a limitation which precludes their application for most of the period of analysis. And although mortality rates by nationality do exist for certain parts of the colonial period (1908-1938) and could potentially function as a proxy for SES, their application would introduce a significant methodological inconsistency, because no comparable proxy exists for the post-independence era. To ensure a consistent methodology across the entire long-run series, this study therefore avoids using such proxies specific to a particular period.

The simplified mortality multiplier method fundamentally reconstructs the distribution of wealth among the living through the application of a single weight to the estates of the deceased. This weight, which is designated the "mortality multiplier", is the reciprocal of the average mortality rate for the adult population, i.e. those aged 20 and over, for a particular year. Under the hypothetical condition that mortality rates were identical across all groups, the wealth distribution of the living would mirror that of the deceased. The simplified method approximates this condition through the assumption that, for the purpose of estimating top shares, the biases which are introduced by differential mortality are of a sufficiently small magnitude, an assumption that, as

was previously mentioned, has received validation from the literature. Consequently, the wealth of the top p% of decedents, when it is multiplied by the average mortality multiplier, yields a robust estimation of the wealth possessed by the top p% of the living population.

B. Mean-split Histogram

Concerning historical tax records, it is a frequent characteristic that the data are presented in a tabulated format, which provides the number of decedents and the average value of estates within predefined brackets. Because the estimation of the highest wealth fractiles, such as the top 1% and 0.5%, requires interpolation within the particular bracket that contains the wealth threshold for a given fractile, this study employs the mean-split histogram method for this purpose. This procedure operates by dividing each wealth bracket into two sub-intervals at the known mean of that bracket, and by then assuming a uniform distribution of persons inside each of these two new sub-intervals; this process permits a more precise allocation of the population within the bracket than would a simple assumption of uniform distribution across the entire range.

The selection of this method, in preference to more complex parametric alternatives, is determined by two principal considerations. The first is that the mean-split histogram is a non-parametric approach renowned for its robustness and simplicity, qualities which are particularly desirable when working with the inherent limitations of historical tabulated data. The second consideration is that its adoption ensures methodological consistency with the benchmark estimations for modern South Korea produced by N. N. Kim (2018), which facilitates direct comparison and isolating the effect of historical change from that of methodological divergence.

IV. Sources of Data

The method of the mortality multiplier, in its comprehensive form, requires the acquisition of several categories of data, which include the distribution of the deceased according to age and estate, mortality rates disaggregated by both age and socio-economic characteristics, and, as an optional supplement, series of external wealth totals. A simplified variant of this method, however, employing a single, average mortality multiplier for each year, eliminates the need for the collection of data concerning the age distribution of decedents and differentiated mortality rates. This article, therefore, having adopted this simplified procedure, obtains its material principally from inheritance tax statistics, data concerning mortality and population, and an external wealth total which was calculated by W. Lee and Yoon (2017).

A. *Inheritance Tax Statistics*

The principal source from which historical top wealth shares are estimated consists of tabulated inheritance tax statistics, a tax which was first introduced to Korea in 1934 under the Japanese colonial administration and later re-established in South Korea in 1950. Because significant discontinuities have been observed in both the publication and the quality of these records, this study utilizes data drawn from three distinct periods: 1934-1942, 1970-1990, and 1999-2021.

The application of these historical data to a long-run analysis, however, presented several significant challenges, which in turn necessitated significant data processing and a number of methodological decisions. For the period preceding 1995, the statistics covered exclusively those decedents who were taxed, a circumstance requiring the assumption that this group constitutes the wealthiest fraction of all individuals deceased in those years. The data from 1975 to 1990, moreover, demanded a careful procedure of harmonization, this being necessary to reconcile inconsistencies in the methods by which estates were categorized. The most severe problem pertaining to the data, however, related to the 1990s, during which a large-scale initiative for supplementary data collection undertaken by the tax authorities produced a backlog of cases and severe distortions in the statistics, rendering the data for the 1991-1998 period unusable for any meaningful analysis. These issues, together with other matters affecting data quality, such as the evolving methods for the valuation of land, are documented in detail in Appendix A.A1.

The data from the colonial period, that is from 1934 to 1942, present their own distinct set of limitations, because these statistics are characterized by highly volatile tax coverage and other inconsistencies, which together constrain the scope of the analysis that is possible for this period. A full discussion of the specific challenges which are associated with the colonial data has been provided in Appendix A.A1.

B. *Mortality and Population*

The application of the simplified mortality multiplier method requires an average mortality rate for the adult population, which is defined in this study as the group of individuals aged 20 and over. This rate is itself constructed from two distinct data series, with the annual number of deaths for this demographic group constituting the numerator, and the total mid-year population of the same group as the denominator.

For the post-independence period, which extends from 1970 to 2023, these series are derived from the official publications and databases provided by Statistics Korea and the Korean Statistical Information Service (KOSIS) (Statistics Korea, 2023a,b, 2024b). The reliability of these vital statistics has, however, been the subject of scholarly and public debate, particularly for the 1970s

and early 1980s, because of concerns relating to volatility and potential inaccuracies in death registration.

For the colonial period, which lasted from 1934 to 1942, the necessary data are obtained from the statistical yearbooks that were published by the Japanese colonial authorities (Government-General of Korea, 1925, 1930, 1935, 1937, 1940, 1943b, 1944a,b, 1940-1942). These historical records are known to exhibit significant and systematic underregistration, a deficiency caused by the particular institutional framework of the colonial administration.

In consideration of these substantial deficiencies in data quality, a sourcing protocol was implemented, accompanied by an assessment of the limitations inherent in these data. Accordingly, a detailed description of the sourcing procedures, an analysis of the debate concerning the quality of vital statistics from the 1970s, and an examination of the institutional reasons for the unreliability of colonial-era data are presented in Appendix A.A2.

C. Wealth Total

The calculation of top wealth share necessitates, by definition, a denominator, which constitutes a comprehensive total against which the wealth of top fractiles is measured. Within the literature relevant to the mortality multiplier, two principal methodologies for the establishment of this total have been recognized. The first involves the application of an "external" total, derived from aggregate macroeconomic statistics such as national balance sheets, while the second concerns the construction of an "internal" total, which is endogenously derived through the multiplication of the total value of all identified estates by the average mortality multiplier. As has been recently clarified, when an external total is employed, the denominator remains fixed and independent of the estimation procedure; consequently, any adjustments to the mortality multiplier for a specific cohort affect solely the numerator, which represents the estimated wealth of that cohort. When, however, an internal total is utilized, the denominator itself becomes a function of the multipliers, meaning that such adjustments can alter both the numerator and the denominator, potentially producing effects upon the final top shares that are more complex and occasionally counter-intuitive (Alvaredo et al., 2025).

For its primary series, this study utilizes an external wealth total, a choice which ensures greater comparability with the standard practice adopted in international databases, as exemplified by the World Inequality Database. This external total is constituted by net private wealth, because within the national balance sheets of South Korea a disaggregation between households and nonprofit institutions serving households (NPISH) is not available, a circumstance which precludes the calculation of a series for pure net personal wealth. For the purpose, however, of ensuring the robustness of the findings and of illustrating the effect of this methodological choice, a parallel series that utilizes an internal wealth total has also been constructed; this series is presented in

Figures B10 through B17.

The denominator for South Korea, which covers the period from 1970 to 2023, is based upon the foundational long-run net private wealth series that was constructed by W. Lee and Yoon (2017), a series in which the official Korean National Balance Sheet was harmonized with historical data. This series has been updated and extended to the year 2023 by the present study, using the latest official data (Statistics Korea, 2024a) and maintaining strict methodological continuity, the precise details of which are documented in Appendix A.A3.

With respect to the colonial period, the absence of a reliable series for total private wealth presents a significant obstacle. Although colonial authorities initiated a survey of national wealth in the 1920s, this effort seems not to have resulted in any published aggregate account, and an extensive investigation of other potential historical sources, including those compiled by the post-war Japanese government, has also failed to identify a credible series. This critical omission in the data prevents the calculation of wealth shares, and consequently restricts the analysis for this period to the evolution of average top estates, a full account of the search for a colonial denominator is provided in Appendix A.A3.

V. Results

A. Concentration of Wealth

The principal estimates for top wealth shares indicate a history for post-war South Korea which is composed of two distinct regimes, a pattern resembling a step-function rather than a gradual progression. This trajectory is illustrated by Figure 1, in which all available top fractiles are presented, and also by Figure 2, which concentrates upon the highest fractiles for the purpose of a consistent long-term comparison.

The first of these regimes, which extended over the developmental period from 1970 to 1990, was characterized by a notably low and stable concentration of wealth. During this period, the wealth share of the top 0.1%, for instance, oscillated within a restricted range of 2–4%. Although the series peaked in 1975 (4.5%) and 1981 (4.2%), the share subsequently stabilized, keeping a level around 3-4% for the period between 1982 and 1990, forming the first stable period.

This stable regime concluded during the 1990s with a rapid and substantial structural alteration, a period during which the share of the top 0.1% increased more than threefold, from 3.9% to 13.4% between 1990 and 1999. This development signifies the transition to the second regime, which is a new equilibrium characterized by a high degree of inequality. From 1999 to 2021, the top 0.1% share has persisted at this elevated level around 10%, while it has oscillated between a post-crisis minimum of 8.0% in 2013 and a maximum of

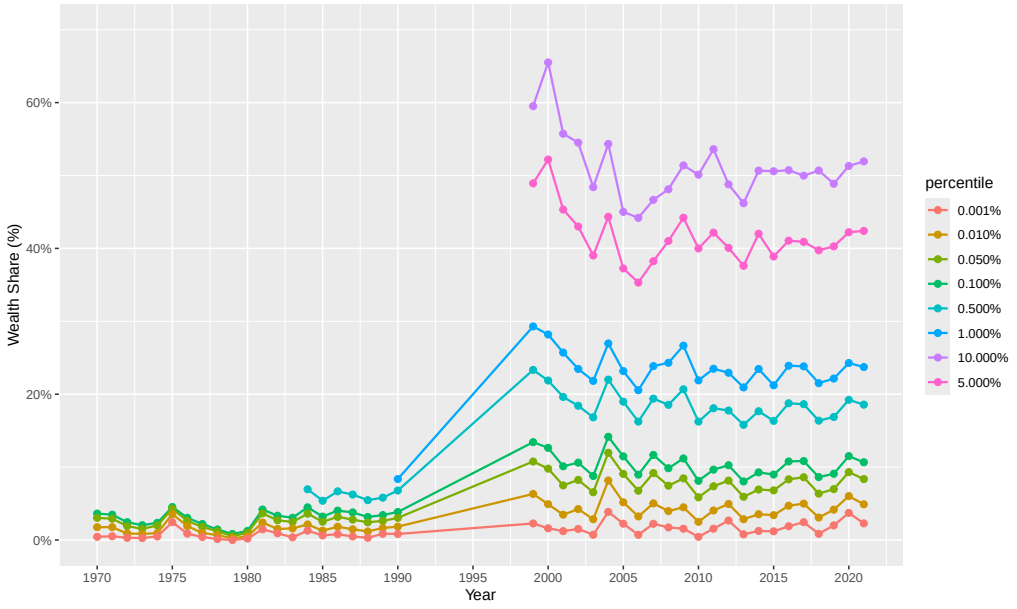

FIGURE 1. TOP WEALTH SHARES IN SOUTH KOREA, 1970-2021 (NET PRIVATE WEALTH)

Note: The series illustrates the estimated shares of total net private wealth that are held by the highest fractiles of the adult population. The estimations are derived through the simplified mortality multiplier method, with the numerator originating from historical inheritance tax statistics. The denominator is the external series for net private wealth which was constructed by W. Lee and Yoon (2017) and subsequently updated for this study. For the period after 1999, the series is calculated using data for all reported decedents; for the period before 1991, data exclusively for taxed decedents are used. Data for the period 1991-1998 have been excluded, a procedure which the severe quality deficiencies identified in the tax records for those years required. The estimations for certain fractiles, such as the top 10% and 5%, are not available for the full period before 1999, a circumstance which results from limitations in tax data coverage.
Sources: The sources are the official inheritance tax and vital statistics of South Korea, and also the net private series from W. Lee and Yoon (2017); the calculations are the author's own.

14.2% in 2004.

The pattern of a step-function, as Figure 1 demonstrates, is consistent across all top fractiles for which long-term data could be constructed. Similarly, the available series for the top 1% and top 0.5% exhibit the same pronounced discontinuity between the period preceding 1991 and the period subsequent to 1999, which was followed by relative stability during the twenty-first century. The principal empirical conclusion, therefore, is that the data do not describe a gradual increase, but rather indicate a single, rapid transition from one stable level of inequality to another that is substantially higher.

B. Estate per Capita

In the estimation of top wealth shares, a wealth total is a critical element, being employed as the denominator for such calculations. However, it is avail-

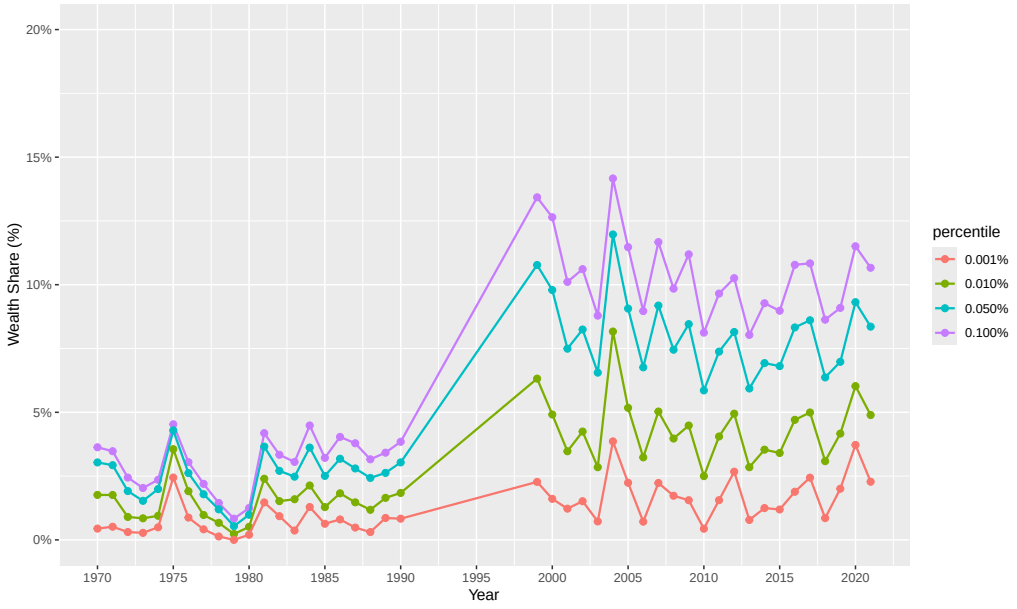

FIGURE 2. WEALTH SHARES OF THE HIGHEST FRACTILES IN SOUTH KOREA, 1970-2021 (NET PRIVATE WEALTH)

Note: This figure, for the purpose of facilitating a clearer comparison over the extended historical period, restricts its presentation to those highest fractiles (Top 0.1%, 0.05%, 0.01%, and 0.001%) for which a more continuous series could be constructed before the year 1999. The prominent elevations which are observable in the estimations for 1975 and 1981 should be considered with a degree of caution, because they are plausibly attributable in part to documented improvements in the procedures of tax investigation and not exclusively to authentic fluctuations in wealth concentration. The methodology and the sources of data are identical to those that were employed for the construction of Figure 1, and the data for the 1991-1998 period are, for reasons previously articulated, excluded from the analysis.
Sources: The sources are the official inheritance tax and vital statistics of South Korea, and also the net private series from W. Lee and Yoon (2017); the calculations are the author's own.

able for colonial Korea from neither external nor internal sources, a viable alternative is to observe the dynamics of the average amount of the top estates, instead of their shares, over the preceding century. An examination of such trends is then undertaken in comparison with those of the top wealth shares, with the objective of determining whether any information might be acquired that could facilitate a qualitative judgment regarding the status of wealth concentration during the colonial period.

The average top estates from 1934 to 2021 are presented on a logarithmic scale in Figure 3, a presentation in which the data for the top 1% and 5% estates are less available than the others, this situation resulting from the previously mentioned problem associated with tax coverage. Although the peak observed in 1975 principally reflected the changes in the practice of estate investigation which are irrelevant to the actual dynamics of wealth inequality (National Tax Service, 1996, 2006), the subsequent decrease in per capita top estates during the second half of the 1970s is nevertheless a phenomenon that cannot be ignored. Despite this particular fluctuation, a gradual increase in the magnitude of top estates is observed when the matter is considered over a longer term. A comparison of these trends with those of the top wealth shares reveals that although the year-by-year directions of movement are for the most part consistent between the two series, those periods in which the top wealth shares demonstrated relative stability were accompanied by a slow and long-term increase in the average amount of top estates; this increase is likely a reflection of natural economic growth. Such observation implies that, due to the gradually increasing per capita amount of top estates, the concentration of wealth may have remained stable during the period from 1934 to 1942.

C. Composition of Estates

An analysis of the composition of estates offers certain insights into the variable nature of wealth at the top of the distribution, although this investigation is constrained by a significant reservation, because the fundamental data pertain exclusively to those decedents who were subject to taxation. The proportion of these individuals relative to the total decedent population has varied substantially over time (see Figure A1), and this variation has consequently shaped the perspective from which top wealth is observed. Before 1990, the extent of taxation was limited and inconsistent, encompassing at its maximum the wealthiest 1% of the population and often a considerably smaller fraction. Following an omission in the data, coverage remained stable at a comparable level of approximately 1% between 1999 and 2007. From 2008 onwards, however, the taxation base expanded substantially, including nearly 6% of all decedents by the year 2023. These changes must therefore be considered during the interpretation of the evolution of asset composition, which is detailed below and also illustrated in Figure 4.

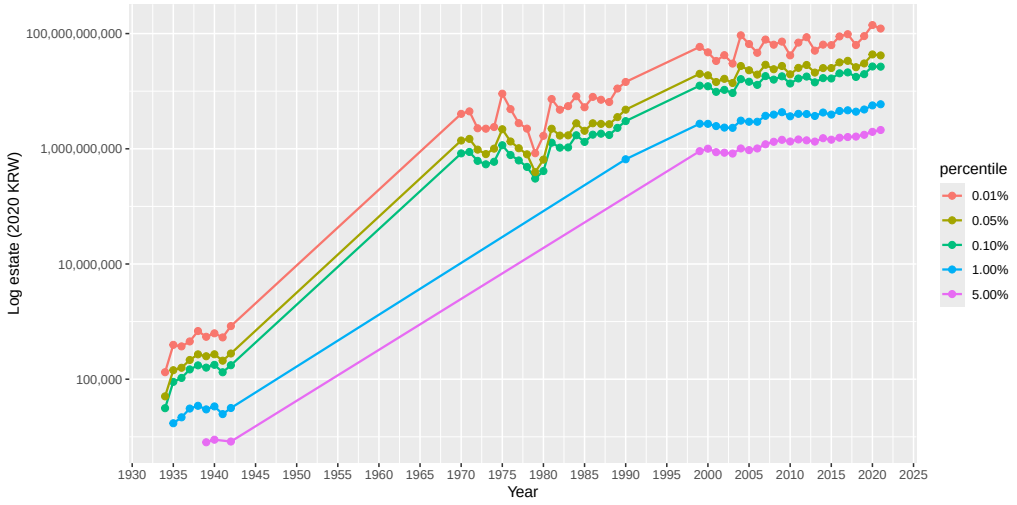

FIGURE 3. AVERAGE VALUE OF TOP ESTATES, 1934-2021 (2020 KRW)

Note: The series is presented on a logarithmic scale, and all monetary values are denominated in constant 2020 Korean Won. A discontinuity exists for the period 1991-1998, because the data for these years were determined to be unusable. Estimations for the top 1% and 5% are not continuous for the period preceding 1999, a circumstance which results from limitations in the tax coverage. The peak observed in 1975 is principally an artefact of an intensive fiscal investigation performed in that year.
Sources: The data are derived from the inheritance tax statistics of the colonial and post-independence periods; the calculations are the author's own.

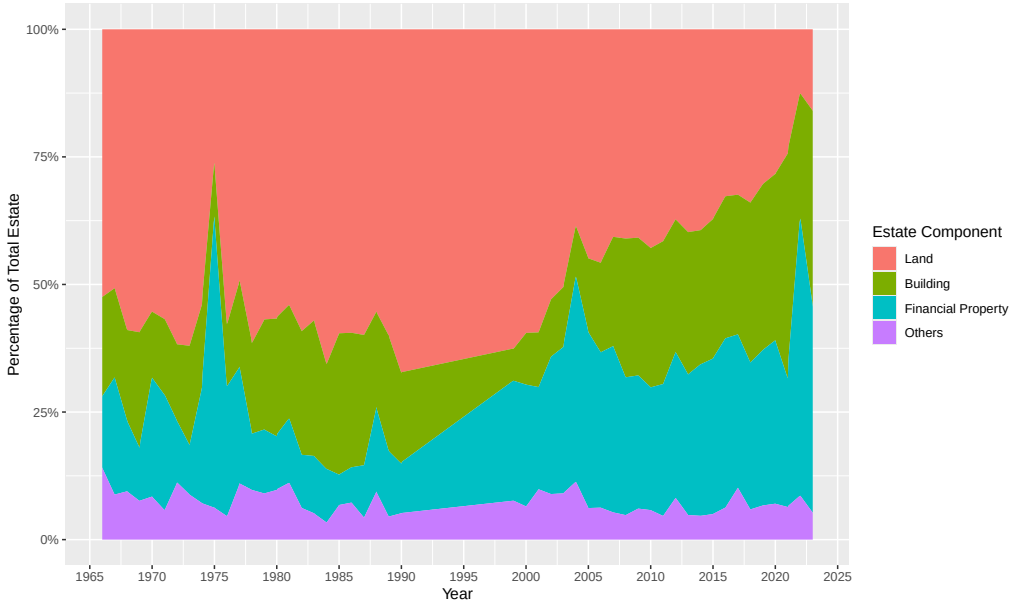

FIGURE 4. RELATIVE COMPOSITION OF TAXED ESTATES BY ASSET TYPE, 1966-2023

Note: The figure illustrates the percentage share of each principal asset class within the total value of taxed estates. The category of "Financial Property" constitutes an aggregation of securities, deposits, and other financial instruments. A significant variation exists in the proportion of decedents subject to taxation over the period, a fact which influences the interpretation of compositional changes. Data for the years 1991-1998 have been excluded, because of severe deficiencies in the quality of the source statistics.
Sources: The data are derived from official inheritance tax statistics; the calculations are the author's own.

The period extending from 1966 to 1990 was distinguished by the predominance of land within the portfolios of the top wealth groups, which continuously constituted more than half of the total value of estates and trended upwards from 52.5% in 1966 to an top of 67.3% in 1990. During this same period, buildings represented a stable and secondary asset, typically comprising between 15% and 27% of estate value, while financial property was, by comparison, a minor and volatile component, its proportion generally fluctuating between 10% and 23%. A significant exception occurred in the year 1975, during which the recorded proportion of financial assets increased abruptly to 57.1%, coincided with an intensive fiscal investigation of wealthiest individuals (National Tax Service, 1996, 2006). This irregularity suggests that the actual significance of financial wealth was systematically underestimated in other years, but it is nonetheless evident that real property, and principally land, constituted the foundation of top wealth in the period preceding the crisis.

The period between 1990 and 1999 is distinguished by a fundamental structural break in the composition of the highest estates. This transformation is not a consequence of a variable tax base, because the proportion of taxed decedents was nearly identical in 1990, at 1.00%, and in 1999, at 0.84%. The data consequently suggest a genuine and rapid realignment of assets, which occurred in the aftermath of the Asian Financial Crisis of 1997. For while the proportion of land remained elevated at 62.6% in 1999, the share of buildings collapsed from 17.8% to only 6.3%, and concurrently the proportion of financial assets more than doubled, increasing from 9.8% in 1990 to 23.5% in 1999. This alteration, therefore, may signal the inception of a sustained financialization of wealth among the elite.

In the 21st century, the composition of estates continued to evolve along novel trajectories. Land initiated a long-term structural decline, its proportion falling below 50% in 2005 and reaching a historic minimum of 12.6% by 2022. In its place, buildings experienced a significant resurgence, particularly after 2008, which increased to a peak of 44.0% in 2021 and replaced land as the principal form of real property wealth. The role of financial assets, meanwhile, continued to expand in both prominence and volatility; after attaining a peak of 40.2% in 2004, its proportion stabilized for nearly a decade before experiencing another substantial increase, which culminated in an unprecedented maximum of 54.3% in 2022. The analysis, in its essence, reveals a transformation of top wealth from the stable, land-dominated structure that existed before 1990, to the dynamic and rebalanced portfolio of the modern period, a portfolio that is distinguished both by the displacement of land by buildings as the primary real asset and by the ascendant and volatile function of financial capital.

VI. Triangulation and International Comparison

A. Concentration of Wealth

In order to assess the estimates and place them within their appropriate domestic and global context, a comparison comprising two distinct stages has been undertaken. In the first of these stages, the results for the wealth share of South Korea's top 1% are triangulated against other available domestic series, an action which validates the plausibility of this paper's results; and in the second stage, the long-run trajectory of the wealth share of the nation's top 0.1% is positioned within a comparative international perspective, which emphasizes its unique path relative to other major economies.

Since the credibility of any new historical series is contingent upon its consistency with other reliable benchmarks, the primary estimates of the top 1% wealth share have been plotted against four other prominent series for South Korea, a procedure which is demonstrated in Figure 5. The triangulation reveals a strong consensus on the level of wealth concentration which has existed during the 21st century, while it simultaneously demonstrates the particular methodological choices that have been adopted in this present analysis.

Our own estimates, which have been derived through the application of the simplified mortality multiplier method, indicate that the share of the top 1% was 8.4% in 1990, before it experienced a structural alteration, ascending to 29.3% in 1999; subsequently, the share has for the most part fluctuated within a range of 21-27%. This level finds strong corroboration from three other sources, each of which is methodologically distinct. The benchmark academic study by N. N. Kim (2018), which utilizes a differentiated mortality multiplier, identifies a share within an almost identical range of 22-27% for the period 2000-2013; the World Inequality Database (2022) series, which was itself constructed with the comprehensive Distributional National Accounts (DINA) framework, remains quite stable between 23% and 27% from 1995 onwards; and the Credit Suisse (2022), employing a proprietary modeling approach, also reports a top 1% share within the plausible range of 20-28%. A consequence of this is that the broad agreement which is apparent across these estimates, which are based respectively on taxation, national accounts, and models, confirms the robustness of this paper's results for the period after 1999, which fall squarely within the established range of concentration. With respect to the minor differences between my series and that of N. N. Kim (2018), these can be attributed largely to the use of an external net private wealth total as the denominator in this study. This is because, as is demonstrated in Figure B24, the use of an internal wealth total, a practice common in the work of Kim, produces a series that exhibits a nearly identical trend, a fact which reinforces the conclusion that both methods capture the same underlying distribution from the taxation data.

This triangulation also provides a significant methodological justification

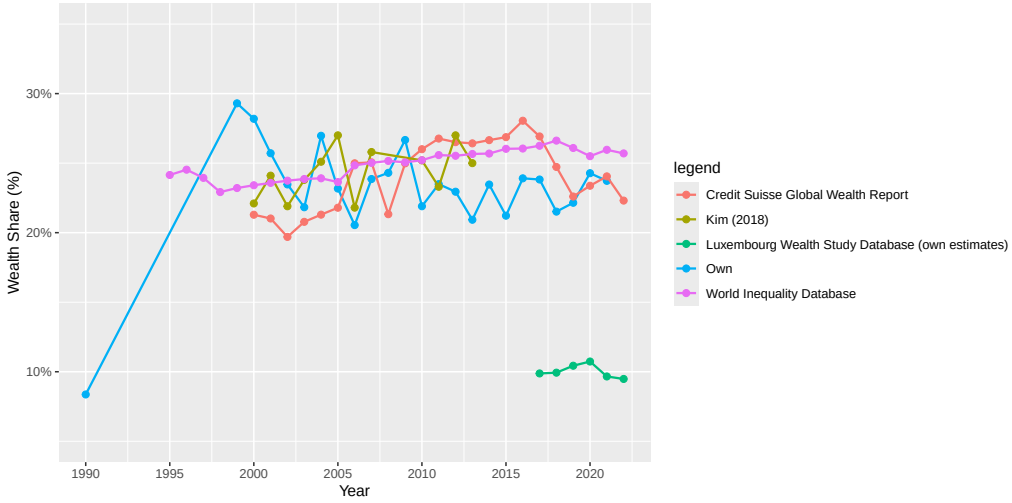

FIGURE 5. TRIANGULATION OF TOP 1% WEALTH SHARE ESTIMATES FOR SOUTH KOREA (NET PRIVATE WEALTH)

Note: The figure provides a comparison of this study's primary estimation for the wealth share of the top 1% with several other prominent series, each of which was constructed through a distinct methodology. The "Own" series is the main result of this paper, and it is derived through the simplified mortality multiplier method with an *external* wealth total. The other series originate from N. N. Kim (2018), the World Inequality Database (2022), the Credit Suisse (2022), and the Luxembourg Wealth Study Database (LIS, 2022).
Sources: The sources consist of the author's calculations, which are based upon official inheritance tax statistics, vital statistics, and the net private series from W. Lee and Yoon (2017); and of data obtained from N. N. Kim (2018), the World Inequality Database, the Credit Suisse (2022), and the Luxembourg Wealth Study Database (LIS, 2022).

for this study's reliance upon taxation statistics. This is because the fifth series, originating from the Luxembourg Wealth Study Database (LIS, 2022), presents itself as a considerable outlier. Since it is derived from household surveys, it positions the share of the top 1% at a substantially lower level, specifically between 9.5% and 10.7%. This figure, being less than half of that which is suggested by all other sources, serves as an empirical illustration of the critique articulated by N. N. Kim (2018), according to which household surveys are systematically incapable of capturing wealth at the highest point of the distribution. The data from the LWS, therefore, possesses its value not as a plausible estimate, but rather as a demonstration of a measurement bias, the existence of which necessitates the utilization of methods based on taxation for any study of the wealthiest bracket of the population.

When this trajectory is placed into a broader international context, the unique path of wealth accumulation in South Korea is revealed. For this purpose, as is depicted in Figure 6, a comparison is made between the evolution of the top 0.1% wealth share in Korea and the corresponding evolution in the United States, France, Japan, China, and India, for which latter five countries, data from the World Inequality Database have been used.

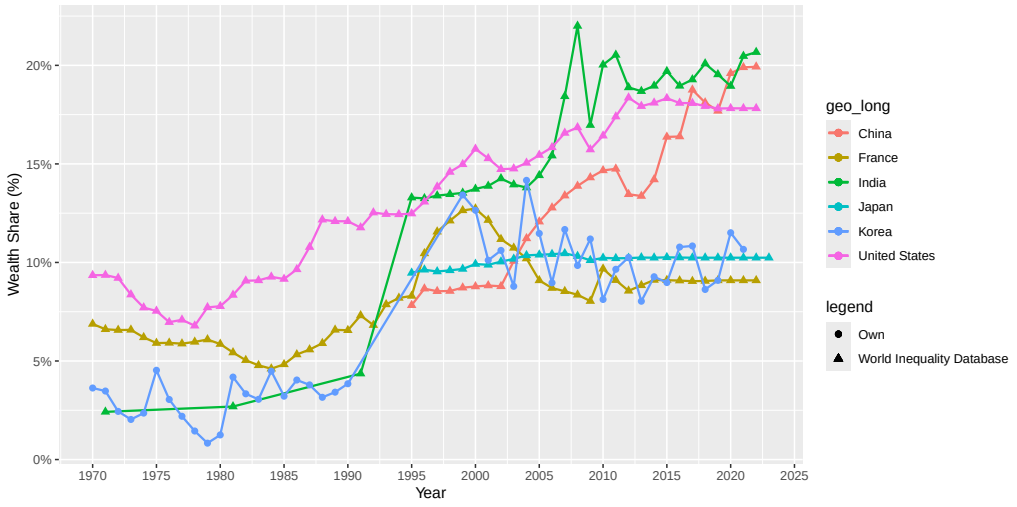

FIGURE 6. INTERNATIONAL COMPARISON OF THE WEALTH SHARE OF THE TOP 0.1%, 1970-2021

Note: The series displays the share of total net private wealth that the top 0.1% of the adult population possesses. The estimation for South Korea proceeds from the author's calculations, which are founded upon inheritance tax statistics, while the data for all other countries are derived from the World Inequality Database (2022). The unit of observation is the adult individual, with wealth equally divided between spouses.
Sources: The data for South Korea originate from the author's calculations; for all other countries, the source is the World Inequality Database (2022).

The most illuminating comparison is with India during its developmental

period. This is because during the 1970s and 1980s, the two countries exhibited a considerable similarity in both the level and the trend of wealth concentration at the top. Specifically, in 1971, the top 0.1% of India held 2.4% of wealth while the corresponding group in Korea held 3.5%; by 1981, these figures had altered to 2.7% and 4.2% respectively. Both nations, which were at that time engaged in state-led industrialization, sustained a highly egalitarian distribution of wealth at the very highest level. This shared history of low inequality appears to constitute a distinct feature of a developmental phase which, for both countries, concluded towards the end of the 20th century.

The post-war trajectory of South Korea, however, diverges substantially from the archetypal U-shaped pattern that is observed in the United States. Instead of experiencing a gradual decline and a subsequent resurgence, Korea underwent a structural alteration between 1990 and 1999, transitioning from a regime of low inequality to a new and higher plateau. During the 21st century, its path has converged to a significant degree with the paths of France and Japan, because my estimates show the share of Korea's top 0.1% stabilizing around an average of 10%. This level is quite similar to the notably stable 10% share of Japan and to the average of approximately 9% observed in France during the same period. This pattern of relative stability at a moderately high level of inequality presents a considerable contrast to the continuously rising shares in the United States, which have increased from 7% in the 1970s to over 18% at present, and also to the rapid increases observed in China and India, where the shares of the top 0.1% have ascended towards 20%.

In summary, therefore, the post-war history of wealth in South Korea can be characterized by a single and substantial transformation. The country transitioned from a developmental state of low inequality, in which respect it was comparable to India during the 1970s, to an advanced economy of moderately high inequality. Its contemporary level of wealth concentration is most similar to that of France and Japan, while at the same time it remains significantly below the extreme levels of concentration that are now characteristic of the United States, China, and India.

B. Further Analysis of Korea and Japan

Having considered the matter of relative shares, the analysis now proceeds to the examination of two additional metrics, which are the real value of the average estates of the highest stratum and the ratio of the total wealth of this stratum to net national income (NNI). Through these measures, it is possible to acquire a more precise insight into not only the absolute scale of the greatest fortunes but also their corresponding economic significance. A comparison with the case of Japan is instructive, because it reveals profoundly dissimilar historical dynamics which have, however, culminated in a recent convergence.

The evolution of the average estate for the top 0.01% in both Korea and Japan, denominated in constant 2020 Korean Won, is illustrated in Figure 7. The Japanese trajectory is one characterized by substantial variation: the average top estate, having been very large before the Second World War, experienced a sharp decline in the immediate post-war years, and subsequent to a period of gradual recovery, increased to a level previously unobserved during the asset bubble of the late 1980s, before commencing a protracted period of decline. The developmental trajectory of Korea presents a manifest contrast. Commencing from a substantially lower foundation, the real value of the highest estates exhibited consistent appreciation during the developmental period of the 1970s and 1980s. Subsequent to the structural discontinuity of the 1990s, however, this value experienced a significant upward shift, with the consequence that the average estate of the top 0.01% in Korea has consistently surpassed its Japanese counterpart from approximately 2005.

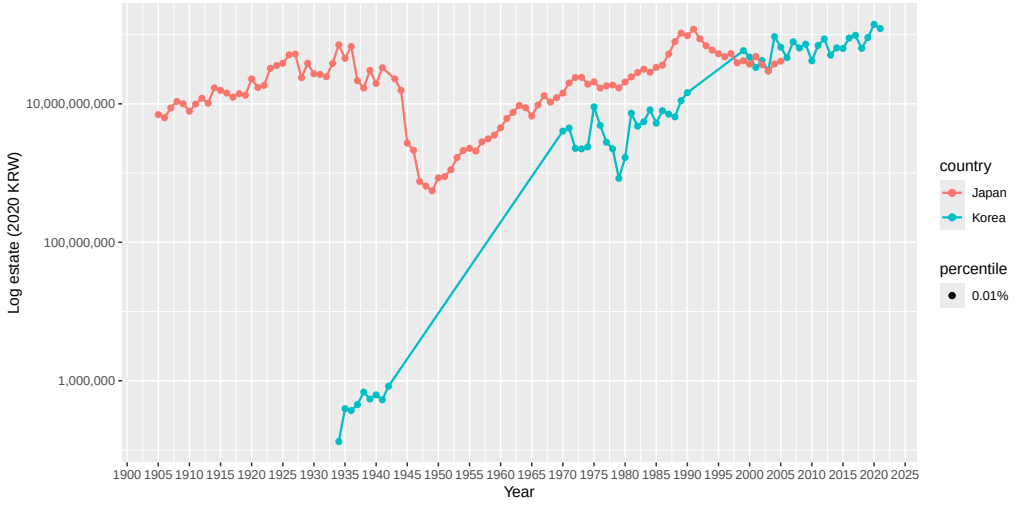

FIGURE 7. AVERAGE ESTATE OF THE TOP 0.01% IN KOREA AND JAPAN, 1934-2021 (IN 2020 KRW, PPP)

Note: The series, which illustrates the average estate of the top 0.01% for both Korea and Japan, is denominated in constant 2020 Korean Won. This conversion was accomplished through the application of purchasing power parity (PPP) exchange rates.
Sources: The currency exchange rates are from the World Inequality Database (2022), and the GDP deflator series is from N. N. Kim (2015); the calculations are the author's own.

This dynamic receives further clarification from an examination of the ratio of the total wealth of the top 0.01% to Net National Income, as is demonstrated in Figure 8. This ratio serves as a measure of the economic significance of the greatest fortunes relative to the overall magnitude of the economy. In the case of Japan, the peaks corresponding to the pre-war and bubble periods are more pronounced, with the wealth of the top 0.01% having surpassed 100%

and 30% of NNI in these respective periods, a situation which indicates a very high concentration of economic power. The post-war de-concentration is no less considerable, as the ratio declined to less than 5% of NNI and persisted at this level for three decades. For Korea, this same ratio persisted at an exceptionally low level throughout the developmental period, on few occasions exceeding 10% of NNI. Consequent to the "unleveling" after 1999, however, the ratio ascended to a new plateau, where it has fluctuated between 20% and 40% of NNI. This level is, in fact, comparable to the range observed in Japan subsequent to its asset bubble, a fact which suggests a convergence of the economic significance of the most affluent individuals in the two nations during the 21st century.

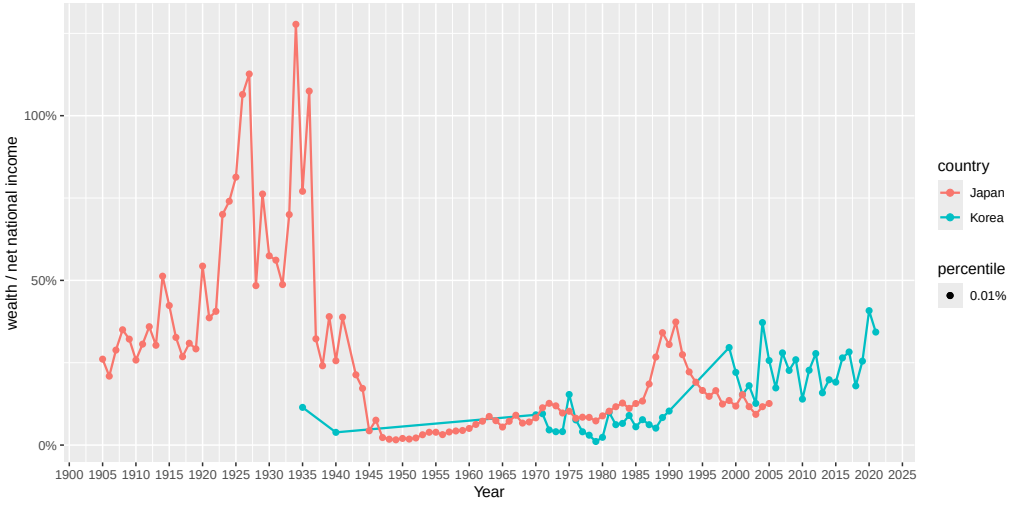

FIGURE 8. RATIO OF TOP 0.01% WEALTH TO NET NATIONAL INCOME IN SOUTH KOREA AND JAPAN, 1935-2021

Note: The series illustrates the ratio of the total wealth possessed by the top 0.01% of the adult population to the Net National Income (NNI). This ratio serves as a measure of the economic significance of the greatest fortunes relative to the aggregate magnitude of the national economy.
Sources: The series for Net National Income (NNI) for Korea originates in the work of N. N. Kim (2015), while that for Japan is obtained from the World Inequality Database (2022); the calculations are the author's own, which are derived from official inheritance tax and vital statistics of Korea.

VII. Discussion

The long-run series concerning wealth concentration, which has been constructed for this paper, reveals for South Korea a post-war trajectory with two distinctive stages. Although the absence of wealth share data from before 1970 precludes a full test of the classic U-shaped pattern, the period for which data are available is more accurately described by a stylized step-function; this

is because a long period of low and stable inequality during the era of high-growth development was succeeded by an abrupt and substantial upward shift in the 1990s, after which a stabilization at a new, higher equilibrium occurred. This section, consequently, explains the institutional and economic forces that formed the basis for this unique history of two regimes, for which purpose it is organized into two parts: the first analysing the manufactured stability of the developmental state, and the second investigating the causes and consequences of the "Great Unleveling" and the new equilibrium that succeeded it.

A. Low and Stable Inequality In The Compressed Developmental State (1970-1990)

A central question emerges from the empirical results, which is the question of how South Korea sustained a low and stable concentration of top wealth during its "miracle" decades of rapid economic expansion. My estimates indeed demonstrate that the wealth share of the top 0.1%, if one discounts the spikes attributable to data quality, fluctuated within a narrow band between 3% and 5% throughout the 1970s and 1980s, despite the concurrent rapid industrialization. This trajectory, which is illustrated in Figure 2, not only contrasts sharply with the experience of other economies that are undergoing rapid growth today, but also is quantitatively similar to the path of post-independence India during the same period. This resemblance consequently suggests that the low inequality of this era was not a natural outcome of growth, but was instead the manufactured result of a specific institutional configuration, one that was designed by the developmental state and which operated to suppress the accumulation of financial wealth while anchoring the fortunes of the elite in land.

One must, however, avoid directly determining that South Korea's development was with *extremely* low wealth inequality in this period, without considering the known limitations of the historical tax data, because the estimates for the 1970s, which indicate consistently low inequality, plausibly constitute a conservative upper limit. The methods of tax collection and valuation during this early period were less efficient than in subsequent decades, a condition which suggests a degree of under-reporting at the highest levels of the wealth distribution, and therefore follows that the true level of wealth concentration was likely higher than the figures indicate. Additionally, the notable peaks which appear in the data series for 1975 and 1981 should not be interpreted as authentic fluctuations, because they correspond respectively to an intensified tax investigation and to improvements in the estate investigation practices of the NTS, which included the computerization of inheritance disclosure data and modifications to the valuation method for undeclared estates (National Tax Service, 1996, 2006). These abrupt increases are thus more correctly understood as artefacts which demonstrate the state's increasing capacity to identify wealth when it elected to do so, rather than as evidence of

any underlying instability in the structure of wealth itself.

The foundations for the relatively egalitarian structure of this era, were, in fact, established many decades prior, when the post-liberation land reforms of the late 1940s and early 1950s constituted a foundational "de-concentration" event that radically reshaped the distribution of assets (J. H. Hong and D. Kim, 2020). These reforms, by dissolving the landed aristocracy of the colonial era and redistributing assets to tenant farmers, established a more egalitarian set of initial conditions from which the period of high growth commenced. This structural change, being similar in its de-concentrating effect to the changes that occurred during the war in Japan (Moriguchi and Saez, 2008), prevented an entrenched landed elite from persisting into the industrial era. The developmental state, building upon this egalitarian base, subsequently suppressed the primary engine of wealth concentration through a policy of severe "financial repression."The state-led drive for industrialization of the 1970s was fueled by a system in which the government exerted strict control over the financial sector, directing capital through policy loans at artificially low, and often negative in real terms, interest rates (D. Cho et al., 2013); and this institutional arrangement, which involved state-controlled banks and the monetization of deficits, functioned not only as a powerful instrument for industrial policy but also created an environment in which the opportunities for private individuals to accumulate vast financial fortunes were severely limited (Y. J. Cho, 2002). The system, because of this, effectively prevented the emergence of a powerful rentier class living from financial returns, a dynamic that would have otherwise driven the concentration of wealth upwards during a period of such rapid economic expansion.

The composition of estates derived from this paper's results is highly consistent with this hypothesis. Figure 4 indicates that the portfolio of the elite during the period from 1966 to 1990 was overwhelmingly dominated by land, an asset class which consistently constituted between 50% and 67% of total assets. Financial property, by contrast, represented a component that was both minor and volatile. This observation offers direct evidence that the institutional environment of financial repression did, in fact, successfully channel the capital of the elite away from liquid financial instruments and toward real assets. In summation, therefore, the low wealth inequality of the developmental era was an "artificial equilibrium", which was the product of a powerful state that, through foundational land reform and sustained financial repression, effectively imposed a limit upon the accumulation of financial wealth and consequently prevented the dynamics of concentration observed in other contexts.

B. The Great Unleveling (1990-1999) and the New Equilibrium (1999-2021)

The second and more conspicuous characteristic of South Korea's wealth trajectory is the structural discontinuity which manifested between the years

1990 and 1999. The data series, as presented in Figure 2, documents a phase transition during which the wealth share of the top 1% increased substantially, from approximately 8% to more than 25%. This event, which can be termed the "Great Unleveling", constituted not a gradual ascent but an accelerated transition, driven by the Asian Financial Crisis of 1997; this crisis effected the dissolution of the previous developmental state model and substituted for it a new, liberalized economic regime. The subsequent stabilization of inequality upon this elevated plateau, instead of its continued escalation, indicates the formation of a hybrid economic model which integrates principles of market liberalization with compensatory social policies.

A Crisis-Induced Structural Discontinuity: The Great Unleveling

The crisis of 1997 functioned as the critical juncture that facilitated the mechanisms of wealth concentration. The restructuring subsequently mandated by the IMF produced a fundamental reorientation away from the antecedent state-led model and toward neoliberalism, a system centred upon financial liberalization and the flexibilization of the labour market (K.-K. Lee, 2017). This deconstruction of the architecture of financial repression also generated opportunities, which had previously been unavailable, for the accumulation of private financial wealth. The micro-level consequences of this macro-level transformation are evident in the data. As Figure 4 demonstrates, the composition of top wealth experienced an accelerated realignment between 1990 and 1999, the precise period in which these reforms were implemented; indeed, the proportion of financial assets within the top estates more than doubled, increasing from 9.8% to 23.5%, an alteration signifying the decisive financialization of elite portfolios.

This escalation in financial wealth was itself amplified by a pronounced bifurcation which emerged between the trajectories of capital and labour during the post-crisis recovery. For while the rebound in the prices of stocks and property conferred disproportionate benefits upon extant asset owners, a dynamic reflected in the rapid appreciation in the real value of the foremost fortunes as shown in the analysis of average top estates, the majority of the population was simultaneously confronted with severe distress within the labour market. The crisis, having induced a substantial increase in unemployment and a proliferation of low-wage, non-regular employment, consequently produced wage stagnation and a significant expansion of income inequality, with the poorest households experiencing the most acute reductions in income (Coe and S.-J. Kim, 2002). This schism, therefore, between a rapidly appreciating asset market for the rich and a depressed labour market for the majority, constituted the core mechanism which propelled the abrupt and substantial increase in the concentration of wealth.

Stabilization and Convergence Subsequent to the Crisis

After the substantial increase in inequality which followed the crisis, a second analytical problem emerges: why wealth inequality in South Korea subsequently stabilized instead of continuing to increase? An international comparison, as presented in Figure 6, indicates that South Korea's trajectory ceased its ascent after the year 2000 and proceeded in parallel with the trajectories of France and Japan, while it simultaneously diverged from the continually rising shares observed in the United States, China, and India. This phenomenon suggests that South Korea, although it implemented measures of market liberalization, did not consequently adopt the Anglo-Saxon model in its entirety; a hybrid system was instead established, one in which the forces that increase inequality were attenuated by countervailing institutional responses.

A principal explanation for this stabilization is that the same crisis which facilitated the operation of market forces also precipitated a significant expansion of the South Korean welfare state. This expansion was politically necessary for the government, which sought to secure social stability and public consent for the difficult economic restructuring (Yang, 2000). The crisis, functioning as a "critical juncture" for social policy as well as for the economy, necessitated the creation of a more institutionalized welfare state, which superseded the "residual" model of the developmental period (Bae, 2014; Park, 2008). The implementation of "productive welfare" reforms, which entailed a substantial augmentation of social insurance and the introduction of a new social safety net, consequently served as an institutional mechanism against unconstrained inequality. This combination of neoliberal economic reform with social democratic welfare policy helps explain the convergence of South Korea's trajectory with a "Continental European" equilibrium and not with an American one.

This new and higher equilibrium has, additionally, been sustained by dynamics inherent to the liberalized financial system. In the contemporary period, differential access to credit has become a primary mechanism through which inequality is reproduced. Wealthier households, because they possess a greater capacity to leverage debt for the acquisition of housing and other assets, obtain possessions that in turn generate capital gains and income, a process that reinforces their position at the apex of the distribution (S. Kim and Hwang, 2024). This specific channel, consequently, helps to explain the persistence of the high-inequality plateau that emerged from the 1997 crisis.

The history of wealth inequality in South Korea can, therefore, be characterized as a single transition induced by crisis. The nation moved from a low-inequality model, which was based upon land and suppressed by state policy, to a liberalized and financialized model of moderately high inequality. The nature of this transition, and indeed the specific level at which its inequality stabilized, was shaped by a unique political response that combined the opening of markets with a compensatory expansion of the welfare state. This

experience, as a consequence, situates South Korea among such advanced economies as France and Japan, distinguishing its path from both the Anglo-Saxon world and from its peers among the emerging markets in Asia.

VIII. Conclusion

This paper, having constructed the first long-run series for the concentration of top wealth in South Korea, charts its evolution through the colonial era, the decades of high-growth development, and the period after the financial crisis; and by systematically confronting and navigating severe discontinuities within historical inheritance tax records, this study addresses an omission in the international literature concerning wealth inequality. The primary empirical finding is that the post-war trajectory of South Korea deviates sharply from the gradual resurgence of inequality observed in many Western economies, because its path is more accurately described as a stylized step-function, in which a long period of low and stable wealth concentration during the developmental state era (1970-1990) was followed by an abrupt and large upward shift after the 1997 Asian Financial Crisis, which culminated in a new, higher, and thereafter stable equilibrium from 1999 onwards.

This study provides several key contributions, demonstrating empirically that the wealth share of the top 0.1% remained within a low band of 3-5% during the 1970s and 1980s, a level which is comparable to that of dirigiste India in the same period. Subsequent to the structural break which was induced by the crisis, this share rose to a plateau of approximately 10%, a level of concentration analogous to contemporary France and Japan and markedly below the escalating inequality observed in the United States, China, and India after its liberalization. This regime shift is also mirrored in the portfolios of the wealthy, as these portfolios, which were transformed from a stable, land-dominated structure before 1990, assumed a dynamic and financialized composition in the 21st century, a development which provides direct micro-level evidence of those macro-institutional changes that propelled the “Great Unleveling”.

Concerning the methodology, the novelty of this paper is its creation of a coherent long-run series from sources that were both fragmented and previously unexploited. A robust empirical foundation has been provided through the use of the simplified mortality multiplier method, a selection which was necessitated by the constraints of the data but has been validated by recent scholarship, and through the documentation and resolution of such issues as the unusable data of the 1990s and inconsistencies in valuation.

This study, however, is not without its limitations, as the severe quality issues in the official inheritance tax data for the 1991-1998 period, which we have excluded in the analysis, prevent a year-by-year charting of the “Great Unleveling”; consequently, my interpretation of a rapid, crisis-induced break must rely on the triangulation of evidence presented in this paper. The anal-

ysis for the colonial period is furthermore restricted to average estates rather than to shares due to the absence of a reliable wealth total for that era. These challenges, nevertheless, indicate avenues for future research, as the discovery of new archival sources which could illuminate the transition of the 1990s or permit the construction of a wealth total for the colonial period would be a significant contribution. Further research might also explore sub-national wealth inequality or more formally connect this work's findings to the long-run patterns of social mobility and intergenerational wealth transfers.

In conclusion, South Korea presents a distinctive case study in the global history of wealth accumulation, because its path was not one of gradual evolution but was instead a rapid, crisis-induced transformation from a developmental state of low inequality to an advanced economy of moderately high inequality. And by providing the first long-term empirical evidence of this distinctive trajectory, this paper allows the experience of South Korea to be placed for the first time within the core international comparative framework, an integration through which our understanding of the forces that shape the distribution of capital in the 21st century is enriched.

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Appendix A: Data Sources and Construction

A1. Inheritance Tax Statistics

This section provides a detailed account on the inheritance tax data used in this study, documenting the specific challenges encountered and the procedures implemented to construct a consistent long-run series.

South Korea (1970-1990, 1999-2023)

The inheritance tax data for South Korea are compiled from a series of official publications from the National Tax Service (NTS), which are available through the Korean Statistical Information Service (KOSIS). Specifically, the

data for 1966–1986 are from National Tax Service (1986); for 1987–1990 from National Tax Service (1990a) and National Tax Service (1990b); for the period 1991–2004 from National Tax Service (2004a) and National Tax Service (2004b); and for the period from 2005 onwards from National Tax Service (2024b). Data concerning the composition of estates by asset type are sourced from National Tax Service (1990c), National Tax Service (2004c), and National Tax Service (2024a,c).

Because they include decedents both taxed and untaxed, and thus theoretically all deceased individuals, the inheritance data of South Korea are considered to possess a major advantage (N. N. Kim, 2018). Such comprehensive coverage, however, only begins from the year 1995, because neither the Japanese colonial authorities nor the Korean regimes which succeeded them compiled statistics for untaxed individuals. Although data on the latter have been available with respect to the schedule of estate by value since 1995, which is to say the total value of the estate rather than its taxable value, they remain unavailable for statistics on matters such as the composition of estates. A complete distribution of the estates of the dead is necessary for the recovery of the wealth distribution of the living; however, if interest is confined solely to the most affluent population, then the uppermost portion of deceased individuals is sufficient for this purpose. This paper, consequently, relies upon a significant assumption for calculating top wealth shares prior to 1995, which is that the decedents who were taxed are inherently wealthier than the remainder, and therefore constitute the top p% wealthiest among all who are deceased. For Korea, the proportion of taxed individuals relative to all decedents fluctuated around 0.5% between 1970 and 1990, as is displayed in Figure A1. This proportion then increased to approximately 1.5% in 1991, and after it had remained at that level for several years, it experienced a precipitous decline at the end of the 20th century, the cause of which will be discussed later. Following this, the tax coverage increased gradually, rising from less than 1% in the year 2000 to approximately 6% by 2023. On the basis of the aforementioned assumption, therefore, the estimation of wealth shares must be restricted to less than the top 0.5% for the period prior to 1995. Such assumption may, however, produce an underestimation of top wealth shares, because the wealthiest individuals possess greater likelihood and more substantial resources to engage in tax avoidance (Kwak and J. H. Kim, 2024). It has therefore been tested using data from 1995 onwards, which include both taxed and untaxed decedents. Top wealth shares were first calculated in the customary manner, by employing the most affluent individuals among the dead regardless of their taxation status. The same procedure was then repeated, but this time using only the taxed decedents as if they were hypothetically the wealthiest. The results of these two calculations were quite similar, with only slight differences throughout the observed period.

An unavoidable problem associated with inheritance tax statistics is the

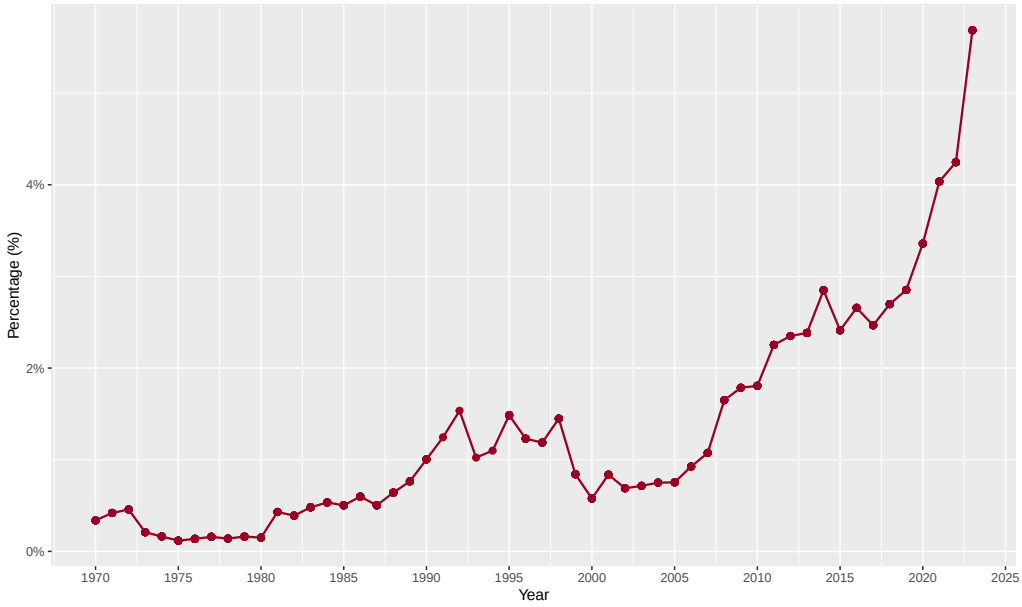

FIGURE A1. PROPORTION OF TAXED DECEDENTS TO ALL ADULT DEATHS, 1970-2021

Note: The series illustrates the proportion of decedents subject to inheritance tax relative to the total number of deaths for the population aged 20 and over. Because severe issues of data quality affect the years 1991-1998, this period has been excluded. The proportion fluctuated at a level of approximately 0.5% during the period 1970-1990, after which it commenced a gradual ascent, attaining nearly 6% by the year 2023.
Sources: The data are derived from the official statistics of the National Tax Service and of Statistics Korea; the calculations are the author's own.

temporal discrepancy that exists between the actual year of death and the year of tax assessment. The year of death is generally equivalent to the year of inheritance commencement in the Korean inheritance tax system, because the inheritance of an estate commences automatically upon an individual's death; the year of assessment, however, which is either the same as or more frequently later than the year of death, is the one utilized in the tax records. This divergence possesses complex causes and may result in a lagged reflection of real-time wealth concentrations. Among these causes is the declaration period for inheritance tax, which was consistent with common practice in other countries that levy such taxes. This period, which was initially established at three months during the period of Japanese colonial rule and was subsequently adopted in 1950 by the tax authorities of South Korea, was later extended to a six-month interval in 1981. It inevitably introduces lags between the event of death and the declaration of inheritance, with the declaration itself representing only the initial step in the tax assessment procedure.

Further issues exist, namely tax evasion, omission, and late declaration, the prevention of which requires additional measures to motivate taxpayers to declare estates accurately and punctually, and to capture a greater number of estates for tax assessment. Two principal measures, the statute of limitations on tax assessment and the supplementary collection of inheritance data, are themselves significant sources of the inconsistency between the actual year of death and the year of tax assessment. The statute of limitations, which was initially five years, was gradually extended during the period 1990-1994 to ten years for underreported declarations, and to fifteen years for inheritors who made either no declaration or a fraudulent one. As a consequence, a single year's inheritance tax record might be expected to contain tax returns pertaining to deaths that occurred substantially earlier. The Korean tax authorities also launched a large-scale supplementary collection of inheritance data in 1990, which principally targeted cases of inheritance that were previously undeclared or omitted. This collection, which was followed by a series of additional actions, particularly affected the consistency of inheritance tax data during the 1990s, a matter to which this analysis will return.

Despite these problems, information about the actual year of death is not entirely absent from the tax records, because all tax returns from 1975 to 1990 are categorized not only by taxable estate values, which is the usual practice, but also by the date of inheritance commencement. The standard for this temporal categorization, however, is exceedingly rough and unstable, and it cannot, therefore, be employed to rearrange the inheritance cases according to the date of death for assignment to distinct years. In the data for the year 1986, for instance, all inheritance tax returns are divided into three categories, "inherited before 1979-12-31", "inherited between 1980-1-1 and 1981-12-31", and "inherited after 1982-1-1", and are not arranged by individual year. This severe lack of granularity, combined with the termination of this practice after

1990, compels this article to integrate these temporal categories within each year of tax assessment for its analytical purposes, even though they might otherwise have provided useful information for a more refined temporal allocation. Because the ranges of the brackets defined by estate value vary across the different temporal categories within a single year's data, a process of combination is undertaken. This process, which is founded upon the assumption that decedents are uniformly distributed within each bracket, starts by reallocating inheritance cases to merge all brackets in a given year according to their overlap. The brackets in the most recent temporal category, which in the 1986 example would be "inherited after 1982-1-1", are used as the standard; accordingly, in a given year of tax assessment, all decedents in older categories containing non-standard brackets are reallocated to new, standardized brackets based on the proportional overlap between the old brackets and the new ones. For the year of tax assessment 1980, as an example, one third of the decedents in the old bracket between 2 million KRW and 5 million KRW are reallocated to the new bracket [1 million KRW, 3 million KRW), while the remainder are moved to the bracket [3 million KRW, 5 million KRW). By this method, the inheritance tax statistics for the period from 1975 to 1990 are made generally comparable to the data available for other years, although they remain subject to other minor issues of data quality.

The most significant issue with the data concerns the period 1991-1998, which has been excluded from the analysis because of severe quality concerns that stem from the aforementioned large-scale supplementary collection of inheritance data. This collection was performed by the Korean tax authorities in 1990 through the acquisition of data on cancellations of resident registrations for deceased and missing persons aged thirty and over, and on the status of golf club memberships. The collection continued into 1991, and it resulted in a 205% increase in the number of inheritance cases that required processing in the data for that year (National Tax Service, 1996, 2006). Records of death certificate issuance from general hospitals in the six major cities were additionally collected in 1992. The resulting increase in workload created a large overstock of inheritance cases awaiting processing in the subsequent years, which consequently kept the processing rate below 90% until 1995 and left tens of cases unprocessed each year during that period. Although direct data showing the processing status of inheritance cases are unavailable, it is highly probable that this overstock persisted until approximately 1999. Evidence for this may be observed in both Figure A2, which shows a comparison between internal and external wealth totals, and Figure A3, which displays the proportion of reported decedents to all decedents aged over 20. Both figures display abnormal trends from 1995 to 1998, a period during which the identified wealth and the number of decedents declared to the tax authorities were simultaneously greater than the net private wealth and the total number of decedents aged 20 and over, as recorded by KOSIS. Qualitative ev-

idence also indicates that from the year 2000, the number of cases subject to processing was reduced by more than 60% relative to the number in 1995; this reduction was attributable to the employment of a computerized batch processing program, which greatly decreased the workload and consequently increased the processing rate to 96.7% by 2000 (National Tax Service, 2006). Because numerous decedents who had deceased in previous years, and possibly much earlier than the 1990s, were incorporated into the inheritance tax records for the years 1991 to 1995, and very possibly until 1998, as a result of these supplementary data collections and the subsequent overstock of cases; and because the practice of temporal categorization by actual year of death had ceased in 1990, after which time not even a minimal degree of information to distinguish a decedent's year of death was available; the inheritance tax data from 1991 to 1998 cannot provide any meaningful reflection of the dynamics of wealth inequality during this period. These data are therefore not used in this paper.

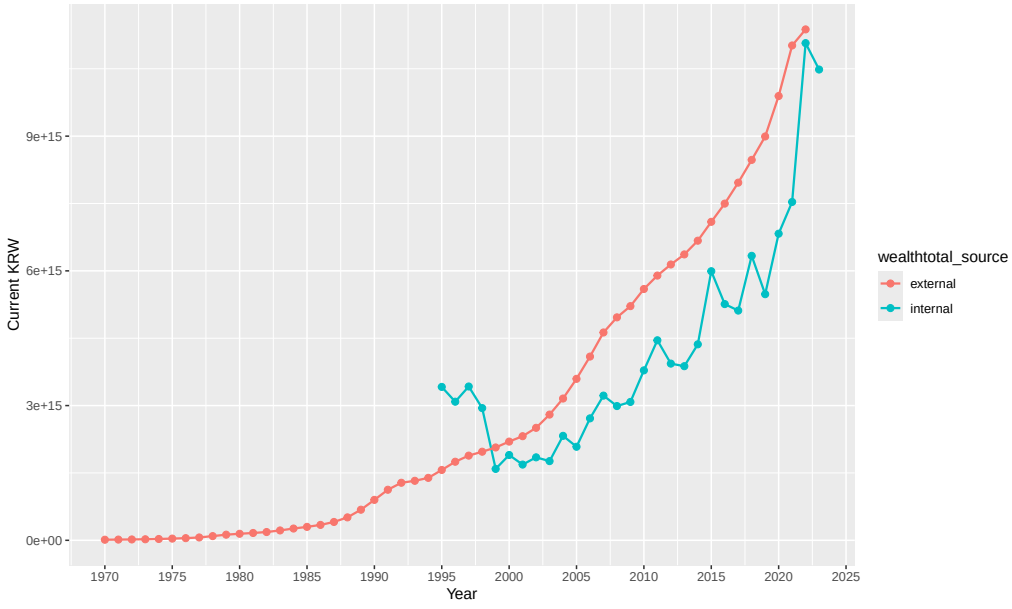

FIGURE A2. INTERNAL AND EXTERNAL WEALTH TOTALS FOR SOUTH KOREA, 1970-2023

Note: The figure presents two series for total private wealth: an "internal" total, which is derived from inheritance tax statistics, and an "external" total, which is constructed from national balance sheets. The abnormal divergence from 1995 to 1998, during which the internal total surpasses the external total, supplies evidence for the severe issues of data quality that required the exclusion of this period from the principal analysis. All values are presented in current Korean Won.
Sources: The data for the internal total originate from inheritance tax records, with the calculations being the author's own. The external total is based upon the series of W. Lee and Yoon (2017), which has been updated with data from KOSIS.

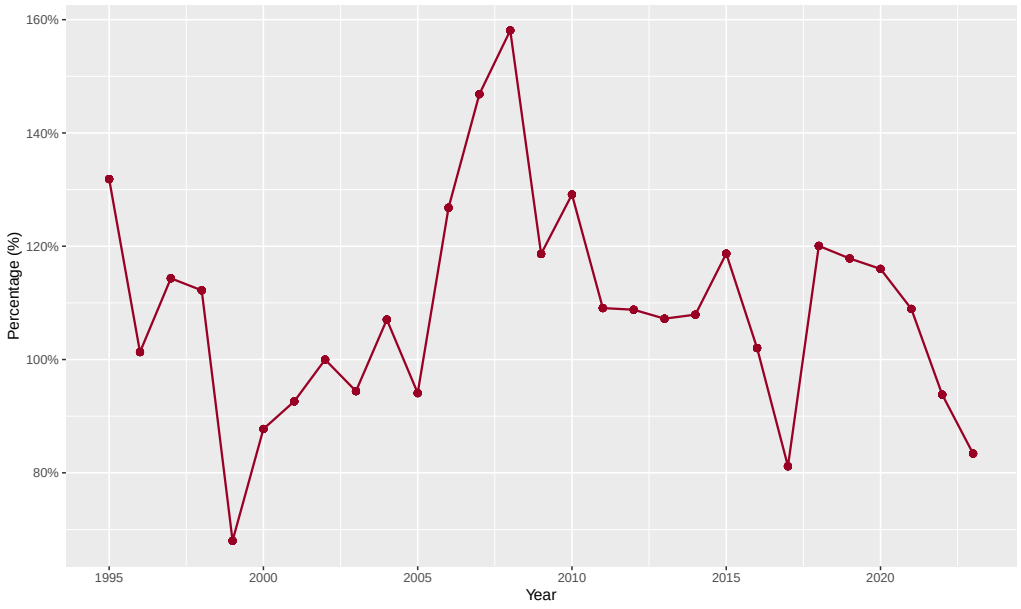

FIGURE A3. PROPORTION OF REPORTED DECEDENTS TO ALL ADULT DEATHS, 1995-2023

Note: The series displays the ratio of decedents identified in inheritance tax records to the total number of deaths for the population aged 20 and over. The anomalous proportions, which exceed 100% during the period 1995-1998, constitute a principal justification for the exclusion of these years from the analysis. This distortion was a consequence of a large-scale data collection initiative and the subsequent processing backlog, which incorporated deaths from many previous years into the statistics for this period.
Sources: The numerator is derived from the inheritance tax statistics of the National Tax Service, and the denominator from the vital statistics of Statistics Korea; the calculations are the author's own.

Several other general matters concerning the quality and temporal consistency of the employed inheritance tax data merit consideration. The capacity of the inheritance tax records to capture all estates completely has increased over the years. The previously mentioned computerization was not an isolated event occurring in the year 2000, but was instead a gradual process that, as mentioned in Section VII.A, may be traced back to 1981. This 20-year period consequently witnessed a continuous improvement in the capacity of the tax authorities to capture estates, and therefore in the quality of the data. In addition, an increasing focus on decedents of high net worth, both in the collection of inheritance data and in tax assessment, led to intensified investigations of high-value inheritances from 1990 onwards (National Tax Service, 1996, 2006). An intensive investigation that targeted wealthy individuals had previously been performed in 1975 (National Tax Service, 1996, 2006). These efforts therefore provide a superior reflection of wealth concentration when compared to data from years prior to 1990, particularly those of the 1970s, because various improvements in inheritance investigations materialized during the 1980s.

Land prices also present a concern when data produced before 1990 are connected with data produced after that year, because the valuation method was changed in 1990 to officially assessed land prices from the previously diversified prices measured by different approaches. This unification of land price valuation is arguably an additional reason for the abnormally high number of estates and inheritance cases observed in the data for 1991-1998. It also causes the inheritance statistics collected before 1991 to be subject to an underestimation of land values when they are compared to later data, a factor which must be considered when data from these periods are combined.

The Colonial Period (1934-1942)

The inheritance tax, first introduced by the Japanese colonial authorities in 1934 after 24 years of administration had passed, was accompanied by the commencement of corresponding statistical records - which are used in this paper - within the same year (Government-General of Korea, 1943a). These statistics, however, exhibit many of the same deficiencies which are also observable in the data from the subsequent period of South Korean independence. Taxpayers, who were in truth the taxed decedents and who constituted the sole component of these records, represented a proportion of total deaths that demonstrated significant variability, changing with a rapidity significantly exceeding that observed after independence. This share expanded from 0.31% in 1934 to 5.74% by 1940, after which it experienced a decrease to 3.77% in 1941, before recovering to 5.37% in 1942. A direct consequence of this variability is the imposition of limits upon the use of top estate data for estimation. For the year 1943, the calculation of this proportion is impossible, because the requisite data on the total number of deaths are absent, even

though the inheritance tax data for that year exist. In addition to this, the contemporaneous tax statistics are subject to a temporal discrepancy between the year of death and the year of tax assessment, a condition which resulted from the three-month period allocated for declaration. The absence of any supplementary data collection during the colonial period, moreover, likely reduced the reliability of the tax statistics, because no other instruments were available to counteract tax evasion and omissions. Finally, the temporal consistency of the data is also compromised by a series of tax reforms which were implemented during this period (Koiso, 1944; Minami, 1937, 1938a,b, 1940a,b, 1942; National Tax Agency, National Tax College, Tax Information Center, Tax History Archives, 2014).

A2. Mortality and Population Data

South Korea (1970-2021)

An average mortality rate for the adult population, this being defined as persons aged 20 and over, has been calculated using two principal series of data. The first of these series, which serves as the numerator for the calculation, is the total number of deaths recorded for individuals within this specified age group, while the second, constituting the denominator, is the total mid-year population of this same group. The sources for these series, however, and consequently their quality, are observed to exhibit significant variation throughout the entire period of this study.

With respect to the denominator, annual statistics concerning the population have been published consistently only from the year 1993 onwards (Statistics Korea, 2023a). For the preceding period, which extended from 1970 until 1992, this paper therefore relies on the official population projections that were produced by Statistics Korea, these projections having been constructed through interpolations between the quinquennial population censuses (Statistics Korea, 2024b). This particular approach is one that maintains consistency with the methodology employed for the construction of the official Korean life tables (Woo et al., 2021).

Regarding the numerator, the death statistics have been sourced from several different publications, the selection of which depends upon the specific period under consideration. For the years from 1983 to the present, the data were obtained directly from the official publication titled “Causes of Death Statistics”, which is available electronically through the Korean Statistical Information Service (KOSIS) portal. For the earlier period, however, which spans from 1970 to 1982, detailed data are not available in an electronic format. The historical death statistics for these particular years were additionally subject to frequent revision in subsequent publications, an action that occurred as more recent information became available. Consequently, in order to ensure the utilization of the most accurate figures possible, this study adheres to a

meticulous sourcing protocol, whereby the data for each individual year are collected from the latest available printed statistical record that contains their revision (Bureau of Statistics, Economic Planning Board, 1980, 1982, 1983, 1984, 1986, 1987, 1988, 1989, 1990; Statistics Korea, 1991, 1992). The number of deaths for the year 1970, for instance, is sourced from the 1980 publication of the "Report on Vital Registration", because this specific volume contains the most recent official revision for the 1970 data that could be located.

A significant caveat must be addressed, however, concerning the reliability of the death registration data from the 1970s and the early 1980s, an issue that has become a subject of both public and academic debate. Critics have indicated several problems suggesting that these early statistics are of inferior quality (Ahn, 2017). The data, in the first place, exhibit a high degree of volatility between consecutive years; for example, the crude death rate per 1,000 persons, after it had declined from 8.0 in 1970 to 6.3 in 1972, rose abruptly again to 7.8 in the following year, 1973. The average crude death rate for the 1970s, which stood at 7.16, is furthermore considerably elevated in comparison to the rates of subsequent decades, a circumstance that has prompted certain scholars to assert that these data are "unbelievable" and should not be employed for long-term demographic projections (Ahn, 2017).

Statistics Korea, while it has acknowledged that these earlier records possess a lower degree of precision, has defended their utilization on several grounds (Ahn, 2017; Korea, 2017). Its officials argue, first, that the average death rate in the 1970s was not of an abnormal magnitude when it was considered within an international context, noting that this rate was comparable to the rate of 6.9 per 1,000 that existed in Japan during the same period. Second, they contend that year-to-year fluctuations represent a normal phenomenon that is observable in many countries. And of principal importance for the present study, these same officials have affirmed that they do not use the raw historical data directly, but rather that they apply "reasonable" adjustments and corrections before such data are incorporated into the official long-term series (Ahn, 2017; Korea, 2017).

While the scholarly debate surrounding the quality of the vital statistics from the 1970s is fully acknowledged, the official death counts, which have been published and sourced according to the procedure previously described, are used in this paper. This decision rests upon two considerations: first, that these adjusted series represent the best available data, and indeed the only continuous data, for the period in question; and second, that they constitute the same data that the national statistical office itself employs for its official historical records and projections. The documented imperfections in the underlying raw data, nevertheless, warrant a certain degree of caution. The results that are derived for the 1970s must consequently be interpreted with the understanding that they are founded upon data of a lesser quality than are available for subsequent decades.

Colonial Period (1934-1942)

The deficient reliability of the vital statistics which the Japanese colonial authorities published from 1911 onwards presents a significant challenge to historical research. The origin of this problem, as recent scholarship indicates, lies in the institutional divergences between the colonial administrations that Japan established in Korea and in Taiwan (Suzuki, 2022). The Japanese, having successfully integrated a modern police force with the pre-existing household registration system in Taiwan, the *hōkō* (保甲), were able to collect data of remarkable accuracy; in Korea, however, because a comparable institutional inheritance was absent, the colonial administration depended more upon a military police oriented towards security, the Kenpeitai, which was integrated to a lesser degree into the daily civil administration necessary for the accurate registration of vital events.

Consequently, the registration rates for both births and deaths remained low throughout the entire period; and although from the year 1938 a nominal improvement in the collection of data resulted from the implementation of the "Vital Statistics Survey Regulation" (人口動態調査規則) in the preceding year, a significant underregistration nevertheless persisted, because scholarly estimates indicate that even in the later years of the 1930s, a substantial fraction of vital events was not recorded (Suzuki, 2022). This quality of data, however, was short-lived, because from 1943 detailed tabulations of deaths according to age ceased to be published.

And this general condition of deficient data presents two direct implications for the present study. The first implication is that the cessation of detailed tabulations of death by age from 1943 precludes the construction of a mortality multiplier for that year, a circumstance which in turn renders the inheritance tax data for 1943 unusable for the purposes of this analysis. The second is that the data for the years 1934-1937, because they are antecedent to the limited improvements of 1938, must be judged to possess even less reliability than the data of the later colonial years. This fundamental weakness in the demographic data must therefore be taken into consideration during the interpretation of the results for this period.

A3. Wealth Total Series

South Korea (1970-2021)

For the period extending from 1970 to 2008, the denominator is an updated version of the foundational series for net private wealth which was constructed by W. Lee and Yoon (2017). These authors constitutes the first systematic harmonization of the official Korean National Balance Sheet (KNBS) with historical data on land values and financial flows, and has consequently produced the most consistent and comprehensive long-run estimation of ag-

gregate wealth for South Korea, which is particularly important because the KNBS itself was released only in the year 2014.

Consistent with the conceptual framework established in Alvaredo et al. (2021), and indeed as defined by W. Lee and Yoon (2017), net private wealth is understood to be the aggregate of non-financial and net financial assets held by that institutional sector which comprises households and non-profit institutions serving households (NPISH). In the construction of this aggregate, their definition of wealth included produced non-financial assets, such as dwellings, machinery, and intellectual property, and also the most significant component of non-produced non-financial assets, namely, land. From this total, however, all other categories of non-produced, non-financial assets were explicitly excluded, a decision which is justified by the fact that land constitutes more than 99% of all such assets within the data of the KNBS.

Concerning the years after 2008, this study has updated (2009-2019) and extended (2020-2022) the aforementioned series for net private wealth up to the year 2022, a procedure that was executed to ensure a strict methodological consistency with the precedent established by W. Lee and Yoon (2017). This extension was accomplished by using the most recent data from the national balance sheet, which are available from the Korean Statistical Information Service (KOSIS); from this dataset, however, this study explicitly removed those same asset categories that W. Lee and Yoon (2017) had excluded in their original construction, namely "mineral and energy reserves" and "standing timber assets," which are among the categories still reported in the contemporary data. Through this adherence to the established methodology, therefore, a denominator is produced which is consistent throughout the entire period of study, from 1970 to 2023, and which provides a benchmark against which the top wealth shares might be measured.

Colonial Period

The estimation of top wealth shares for the colonial period is confronted by a key challenge, this being the absence of a continuous and reliable series for total private wealth that might serve as a denominator. Although the Japanese colonial authorities appear never to have published an official national balance sheet, evidence from the period confirms the existence of an attempt to produce such an account. A newspaper article from 1924 reported that the tax division of the colonial authorities was conducting the first comprehensive survey of national wealth in Korea, an investigation which was modelled upon a similar survey previously performed in Japan (Nippō, 1924). The same report, however, quoted an official who expressed uncertainty regarding the final completeness of the endeavour, and no finished product of this survey has been identified in subsequent historical records. Any attempt, therefore, to construct such a total would still require the meticulous aggregation of disparate historical sources, an effort which, although not intrinsically impossi-

ble, extends beyond the scope of this paper.

For such a reconstruction, the most promising body of sources, which upon examination nonetheless proves insufficient, comprises two voluminous postwar compilations produced by the Japanese government: the final, multivolume report, *Historical Survey of the Overseas Activities of Japanese People* (日本人の海外活動に関する歴史的調査), and its previous collection of draft materials, the *Research Survey on the Overseas Activities of Japanese People* (日本人の海外活動に関する研究調査). As previous bibliographic research has demonstrated, these surveys were compiled between 1946 and 1947 by the Overseas Assets Investigation Committee of the Ministry of Finance, their principal objective being the documentation and valuation of assets accumulated by Japanese nationals and corporations in the former colonies, partly in anticipation of future claims for reparation (Namiki, 1997a).

Within the draft materials of the *Research Survey*, a preliminary attempt at a wealth estimation is located (Namiki, 1997b), where a manuscript titled *National Income of Korea* (朝鮮の国民所得) contains a single-point estimate of national wealth for the year 1930 (Emura, n.d.). This estimate, however, is presented as a solitary figure, and because it lacks any explicit methodological explanation or a detailed decomposition of its constituent parts, it is too crude and insufficiently transparent for direct use in this study. Furthermore, although the literature upon which this estimation was based has been enumerated, the precise method of its derivation remains unclear.

While it is conceivable that a comprehensive examination of the final, ten-volume *Historical Survey* on Korea could reveal a more systematic and detailed estimation of aggregate wealth, one perhaps expanding upon the preliminary work of Emura, a preliminary investigation of this source's catalogue has not uncovered any such estimate. At the present moment, therefore, no credible external wealth total for the colonial period can be readily employed. The construction of a reliable "internal" wealth total is, moreover, rendered equally infeasible, because the inheritance tax data for this period encompass only the taxed population and for this reason provide an incomplete representation of the total decedent population. This critical omission in the data consequently compels an adjustment to the analytical approach, restricting the investigation for the colonial period to an analysis of the evolution of average top estates, this being a measure which, despite being less comprehensive than a wealth share, does not require a total wealth denominator.

Appendix B: Additional Figures

B1. Top Wealth Shares (External Total)

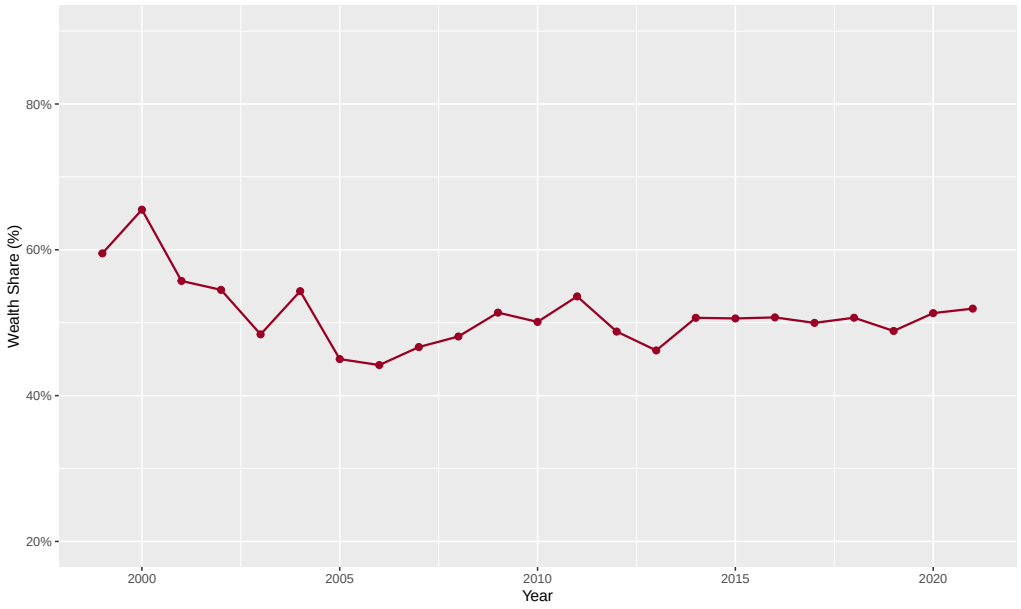

Figure B1. Wealth Share of the Top 10% in South Korea, 1999-2021 (Net Private Wealth)

Note: The series illustrates the estimated share of total net private wealth which is held by the uppermost decile of the adult population. The estimations are derived through the simplified mortality multiplier method, with the numerator originating from historical inheritance tax statistics. The denominator is the external series for net private wealth which was constructed by W. Lee and Yoon (2017) and subsequently updated for this study. The temporal scope of this series commences in the year 1999, because the comprehensive data that include untaxed decedents, which are required for the estimation of fractiles as broad as the top 10%, are available in a consistent form only from that point. Data for the period 1991-1998 have been excluded, a procedure which the severe quality deficiencies identified in the tax records for those years required.
Sources: The sources are the official inheritance tax and vital statistics of South Korea, and also the net private series from W. Lee and Yoon (2017); the calculations are the author's own.

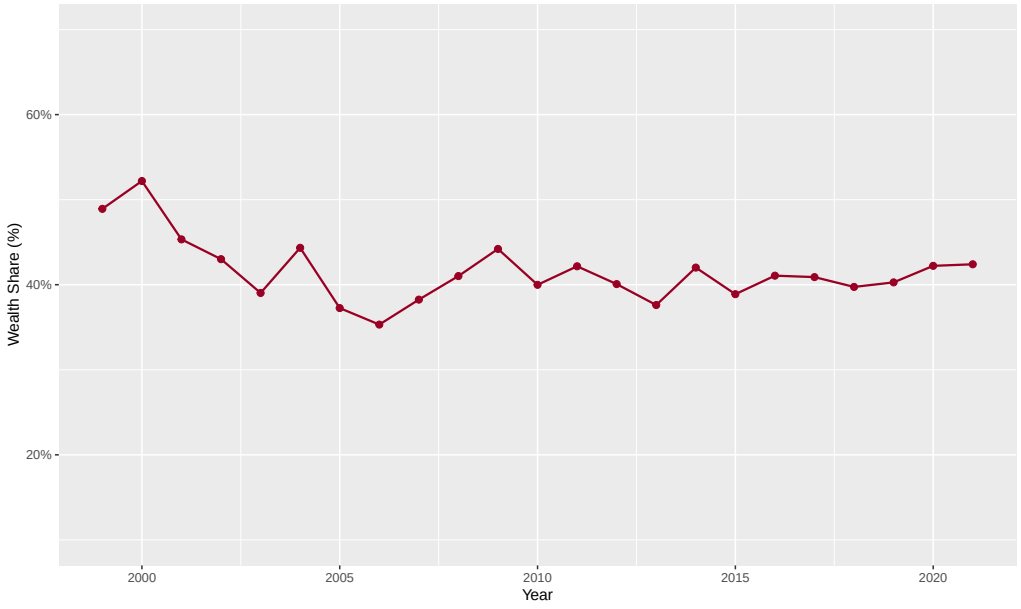

FIGURE B2. WEALTH SHARE OF THE TOP 5% IN SOUTH KOREA, 1999-2021 (NET PRIVATE WEALTH)

Note: The series illustrates the estimated share of total net private wealth which is held by the top 5% of the adult population. The estimations are derived through the simplified mortality multiplier method, with the numerator originating from historical inheritance tax statistics. The denominator is the external series for net private wealth which was constructed by W. Lee and Yoon (2017) and subsequently updated for this study. The temporal scope of this series commences in the year 1999, because the comprehensive data that include untaxed decedents, which are required for the estimation of fractiles as broad as the top 5%, are available in a consistent form only from that point. Data for the period 1991-1998 have been excluded, a procedure which the severe quality deficiencies identified in the tax records for those years required.
Sources: The sources are the official inheritance tax and vital statistics of South Korea, and also the net private series from W. Lee and Yoon (2017); the calculations are the author's own.

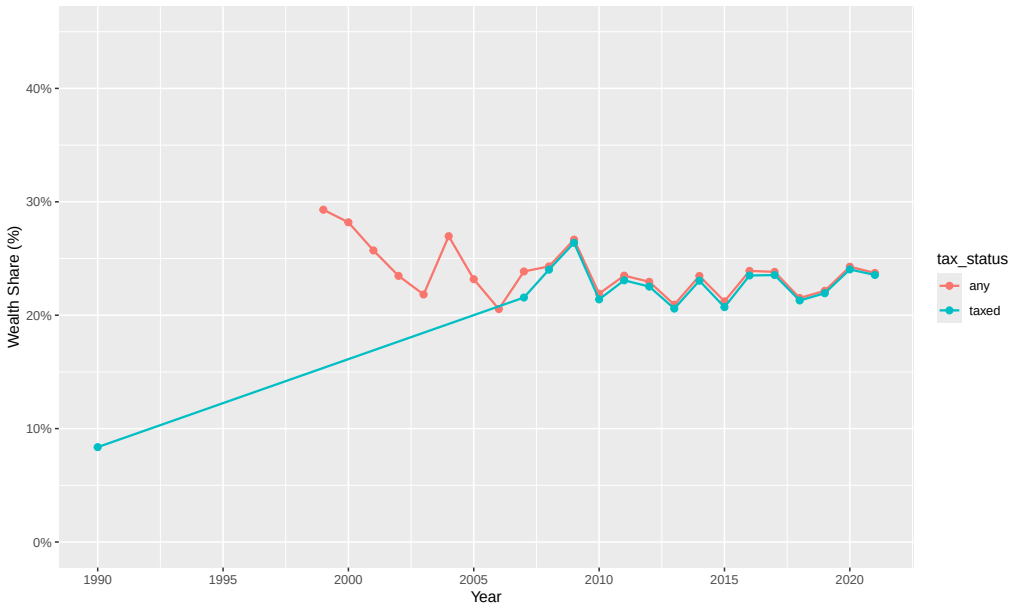

FIGURE B3. WEALTH SHARE OF THE TOP 1% IN SOUTH KOREA, 1990-2021 (NET PRIVATE WEALTH)

Note: The series illustrates the estimated share of total net private wealth which is held by the top 1% of the adult population. The estimations are derived through the simplified mortality multiplier method, with the numerator originating from historical inheritance tax statistics. The denominator is the external series for net private wealth which was constructed by W. Lee and Yoon (2017) and subsequently updated for this study. The temporal scope of this series commences in the year 1990, because the data required for the estimation of fractiles as broad as the top 1% are available only from that point. For the period after 1999, two distinct series are presented, a presentation which demonstrates the effect of data coverage: the series designated "any" is calculated using data for all reported decedents, whereas the series designated "taxed" is calculated using data exclusively for taxed decedents. For the period before 1991, only the "taxed" series is available. Data for the period 1991-1998 have been excluded, a procedure which the severe quality deficiencies identified in the tax records for those years required.
Sources: The sources are the official inheritance tax and vital statistics of South Korea, and also the net private series from W. Lee and Yoon (2017); the calculations are the author's own.

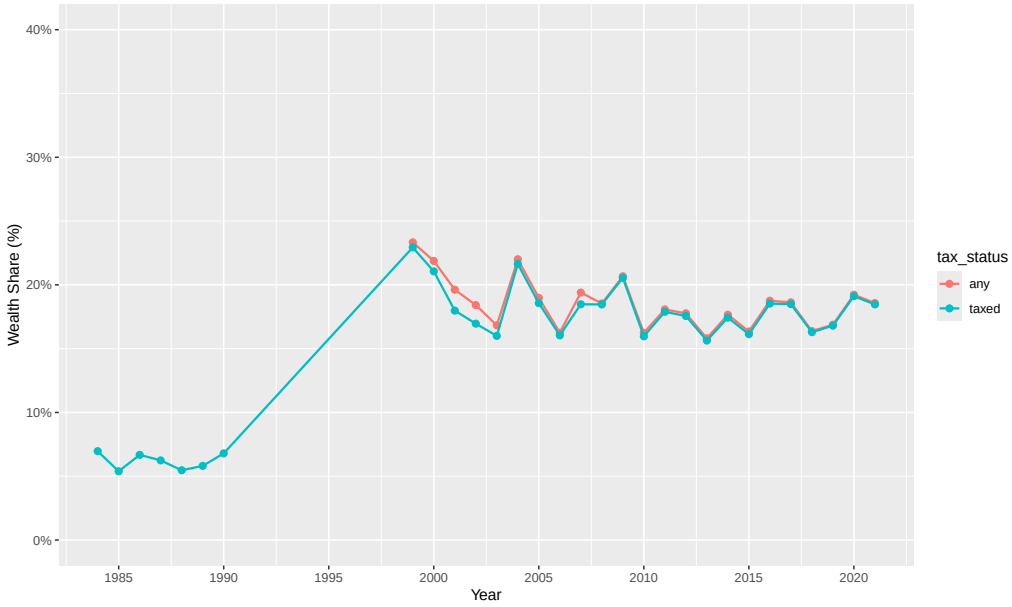

FIGURE B4. WEALTH SHARE OF THE TOP 0.5% IN SOUTH KOREA, 1984-2021 (NET PRIVATE WEALTH)

Note: The series illustrates the estimated share of total net private wealth which is held by the top 0.5% of the adult population. The estimations are derived through the simplified mortality multiplier method, with the numerator originating from historical inheritance tax statistics. The denominator is the external series for net private wealth which was constructed by W. Lee and Yoon (2017) and subsequently updated for this study. The temporal scope of this series commences in the year 1984, because the data required for the estimation of fractiles as broad as the top 0.5% are available only from that point. For the period after 1999, two distinct series are presented, a presentation which demonstrates the effect of data coverage: the series designated "any" is calculated using data for all reported decedents, whereas the series designated "taxed" is calculated using data exclusively for taxed decedents. For the period before 1991, only the "taxed" series is available. Data for the period 1991-1998 have been excluded, a procedure which the severe quality deficiencies identified in the tax records for those years required.
Sources: The sources are the official inheritance tax and vital statistics of South Korea, and also the net private series from W. Lee and Yoon (2017); the calculations are the author's own.

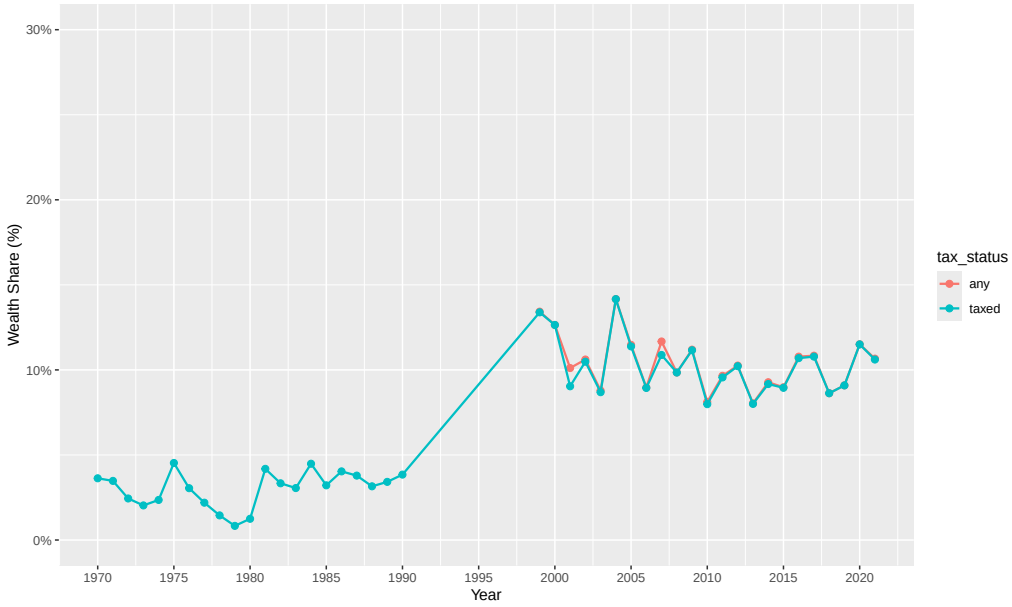

FIGURE B5. WEALTH SHARE OF THE TOP 0.1% IN SOUTH KOREA, 1970-2021 (NET PRIVATE WEALTH)

Note: The series illustrate the estimated share of total net private wealth which is held by the top 0.1% of the adult population. The estimations are derived through the simplified mortality multiplier method, with the numerator originating from historical inheritance tax statistics. The denominator is the external series for net private wealth which was constructed by W. Lee and Yoon (2017) and subsequently updated for this study. For the period after 1999, two distinct series are presented, a presentation which demonstrates the effect of data coverage: the series designated "any" is calculated using data for all reported decedents, whereas the series designated "taxed" is calculated using data exclusively for taxed decedents. For the period before 1991, only the "taxed" series is available. Data for the period 1991-1998 have been excluded, a procedure which the severe quality deficiencies identified in the tax records for those years required. The pronounced increases observed in 1975 and 1981 are plausibly attributable to intensified fiscal investigations and improvements in the practice of collection of inheritance data.
Sources: The sources are the official inheritance tax and vital statistics of South Korea, and also the net private series from W. Lee and Yoon (2017); the calculations are the author's own.

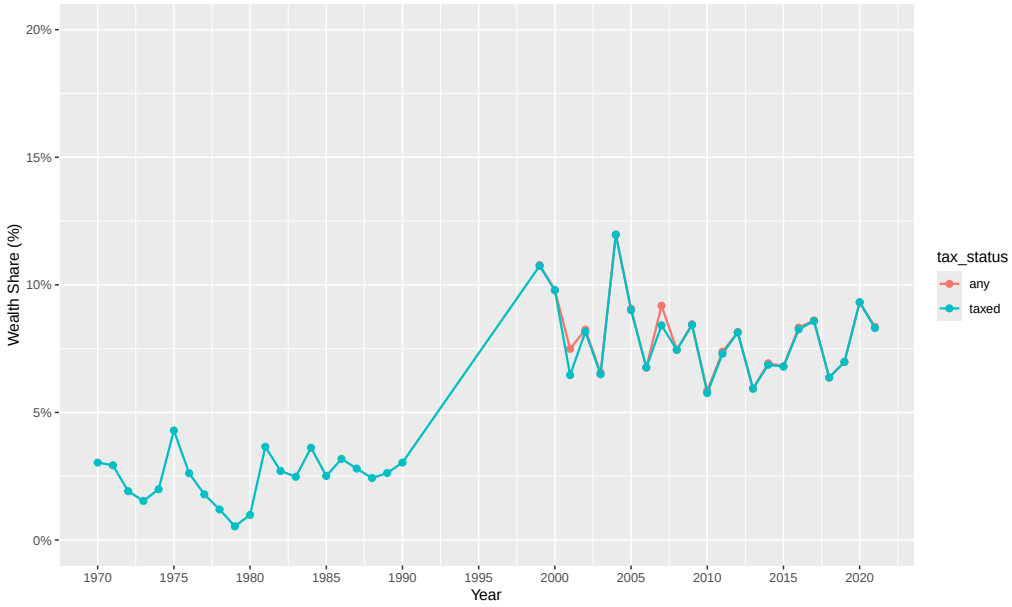

FIGURE B6. WEALTH SHARE OF THE TOP 0.05% IN SOUTH KOREA, 1970-2021 (NET PRIVATE WEALTH)

Note: The series illustrate the estimated share of total net private wealth which is held by the top 0.05% of the adult population. The estimations are derived through the simplified mortality multiplier method, with the numerator originating from historical inheritance tax statistics. The denominator is the external series for net private wealth which was constructed by W. Lee and Yoon (2017) and subsequently updated for this study. For the period after 1999, two distinct series are presented, a presentation which demonstrates the effect of data coverage: the series designated "any" is calculated using data for all reported decedents, whereas the series designated "taxed" is calculated using data exclusively for taxed decedents. For the period before 1991, only the "taxed" series is available. Data for the period 1991-1998 have been excluded, a procedure which the severe quality deficiencies identified in the tax records for those years required. The pronounced increases observed in 1975 and 1981 are plausibly attributable to intensified fiscal investigations and improvements in the practice of collection of inheritance data.
Sources: The sources are the official inheritance tax and vital statistics of South Korea, and also the net private series from W. Lee and Yoon (2017); the calculations are the author's own.

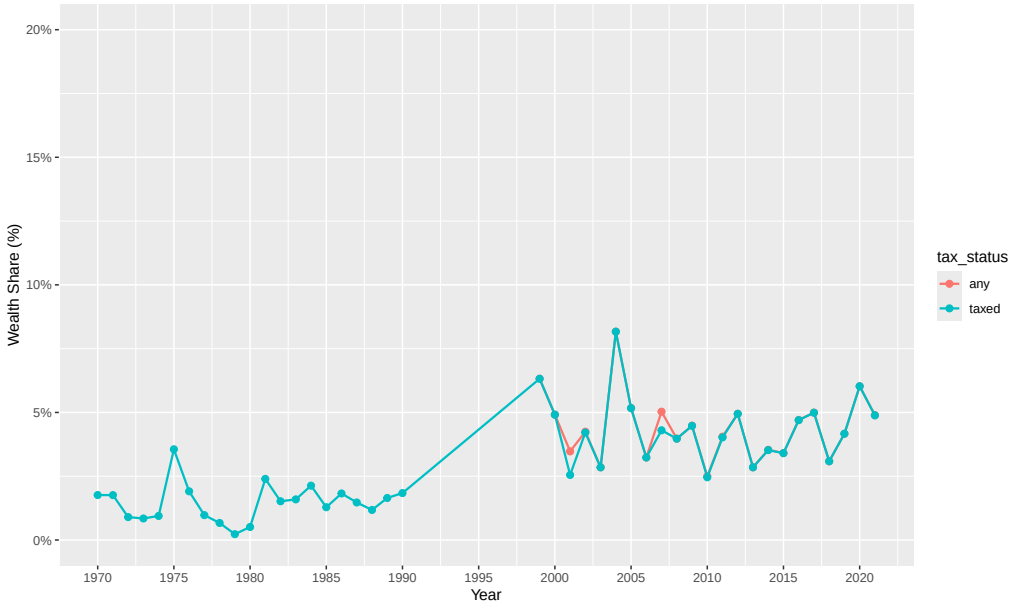

FIGURE B7. WEALTH SHARE OF THE TOP 0.01% IN SOUTH KOREA, 1970-2021 (NET PRIVATE WEALTH)

Note: The series illustrate the estimated share of total net private wealth which is held by the top 0.01% of the adult population. The estimations are derived through the simplified mortality multiplier method, with the numerator originating from historical inheritance tax statistics. The denominator is the external series for net private wealth which was constructed by W. Lee and Yoon (2017) and subsequently updated for this study. For the period after 1999, two distinct series are presented, a presentation which demonstrates the effect of data coverage: the series designated "any" is calculated using data for all reported decedents, whereas the series designated "taxed" is calculated using data exclusively for taxed decedents. For the period before 1991, only the "taxed" series is available. Data for the period 1991-1998 have been excluded, a procedure which the severe quality deficiencies identified in the tax records for those years required. The pronounced increases observed in 1975 and 1981 are plausibly attributable to intensified fiscal investigations and improvements in the practice of collection of inheritance data.
Sources: The sources are the official inheritance tax and vital statistics of South Korea, and also the net private series from W. Lee and Yoon (2017); the calculations are the author's own.

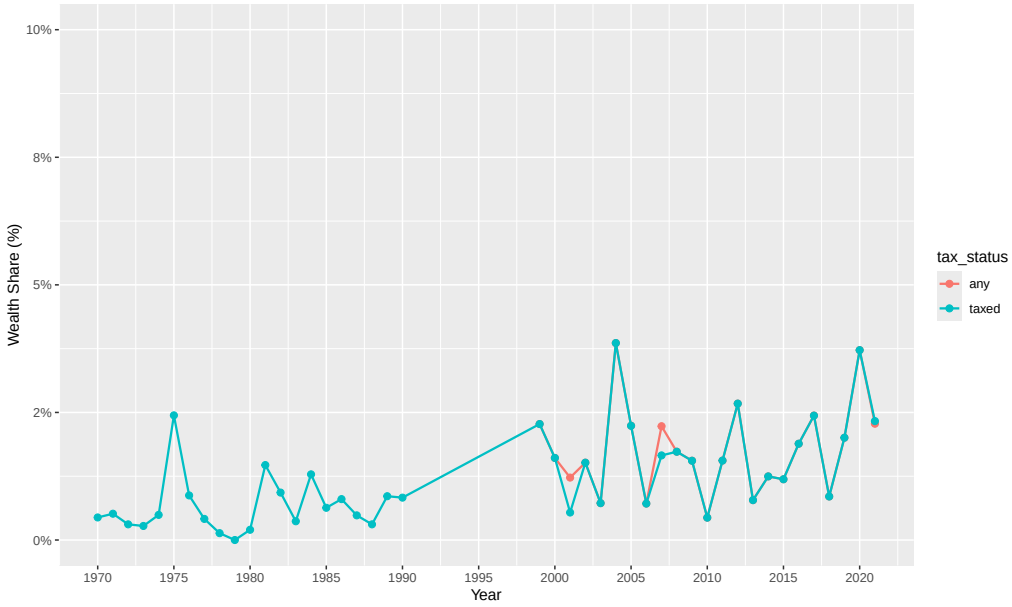

FIGURE B8. WEALTH SHARE OF THE TOP 0.001% IN SOUTH KOREA, 1970-2021 (NET PRIVATE WEALTH)

Note: The series illustrate the estimated share of total net private wealth which is held by the top 0.001% of the adult population. The estimations are derived through the simplified mortality multiplier method, with the numerator originating from historical inheritance tax statistics. The denominator is the external series for net private wealth which was constructed by W. Lee and Yoon (2017) and subsequently updated for this study. For the period after 1999, two distinct series are presented, a presentation which demonstrates the effect of data coverage: the series designated "any" is calculated using data for all reported decedents, whereas the series designated "taxed" is calculated using data exclusively for taxed decedents. For the period before 1991, only the "taxed" series is available. Data for the period 1991-1998 have been excluded, a procedure which the severe quality deficiencies identified in the tax records for those years required. The pronounced increases observed in 1975 and 1981 are plausibly attributable to intensified fiscal investigations and improvements in the practice of collection of inheritance data.
Sources: The sources are the official inheritance tax and vital statistics of South Korea, and also the net private series from W. Lee and Yoon (2017); the calculations are the author's own.

B2. Top Wealth Shares (Internal Total)

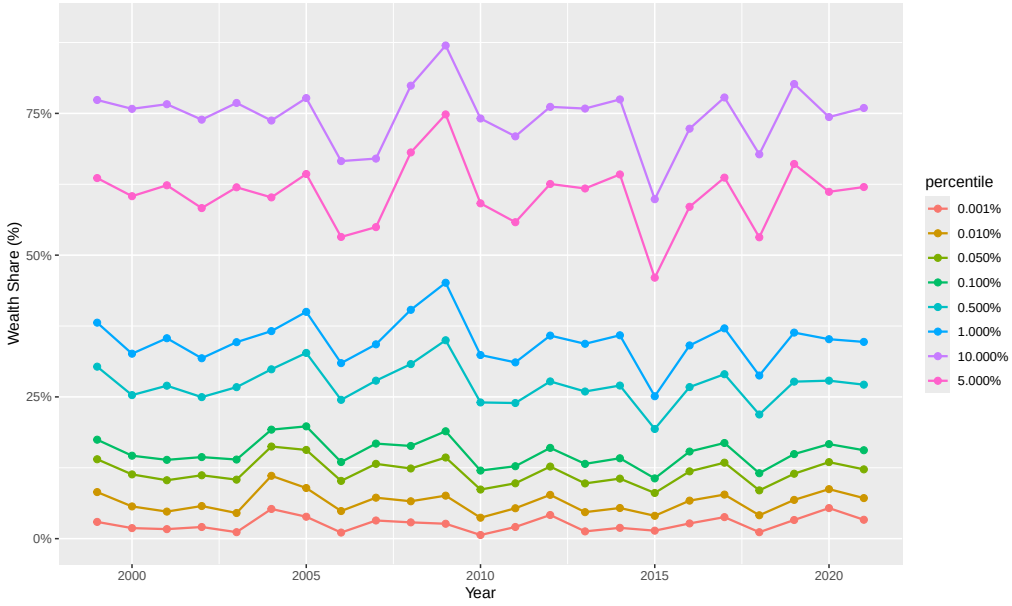

FIGURE B9. TOP WEALTH SHARES IN SOUTH KOREA, 1999-2021 (INTERNAL WEALTH TOTAL)

Note: The series illustrates the estimated shares of total personal wealth that are held by the highest fractiles of the adult population. The estimations are derived through the simplified mortality multiplier method. The denominator is an *internal* wealth total, which is constructed by multiplying the total value of all identified estates by the average mortality multiplier. The series commences in the year 1999, because the comprehensive data that include both taxed and untaxed decedents, which are required for the construction of an internal total, are available in a consistent form only from that point.
Sources: The sources are the official inheritance tax and vital statistics of South Korea; the calculations are the author's own.

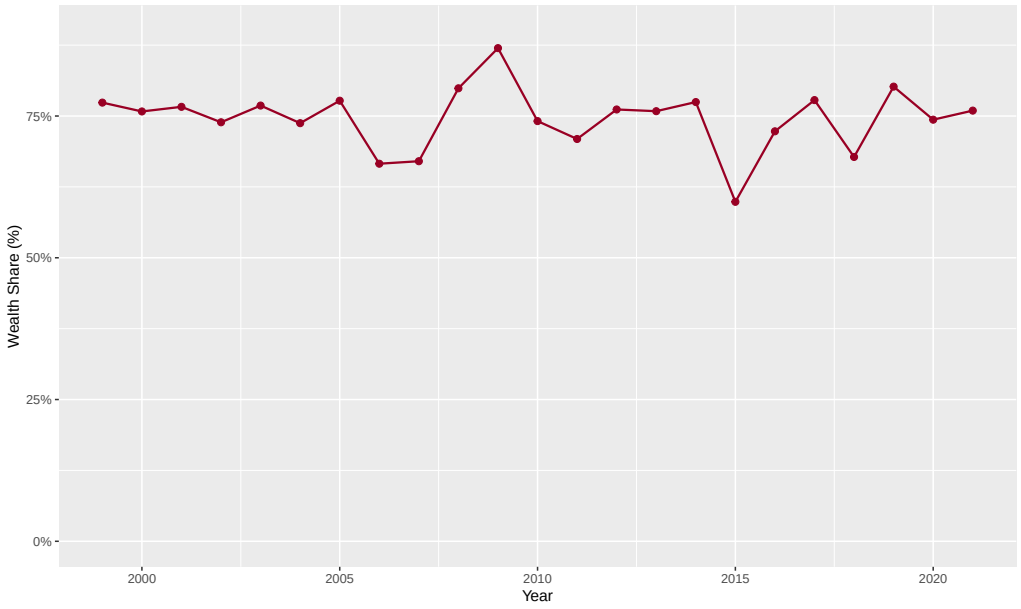

FIGURE B10. WEALTH SHARE OF THE TOP 10% IN SOUTH KOREA, 1999-2021 (INTERNAL WEALTH TOTAL)

Note: The series illustrates the estimated share of total personal wealth which is held by the uppermost decile of the adult population. The estimations are derived through the simplified mortality multiplier method. The denominator is an *internal* wealth total, which is constructed by multiplying the total value of all identified estates by the average mortality multiplier. The temporal scope of this series commences in the year 1999, because the comprehensive data that include untaxed decedents, which are required for the estimation of both the fractile and the internal total, are available in a consistent form only from that point.
Sources: The sources are the official inheritance tax and vital statistics of South Korea; the calculations are the author's own.

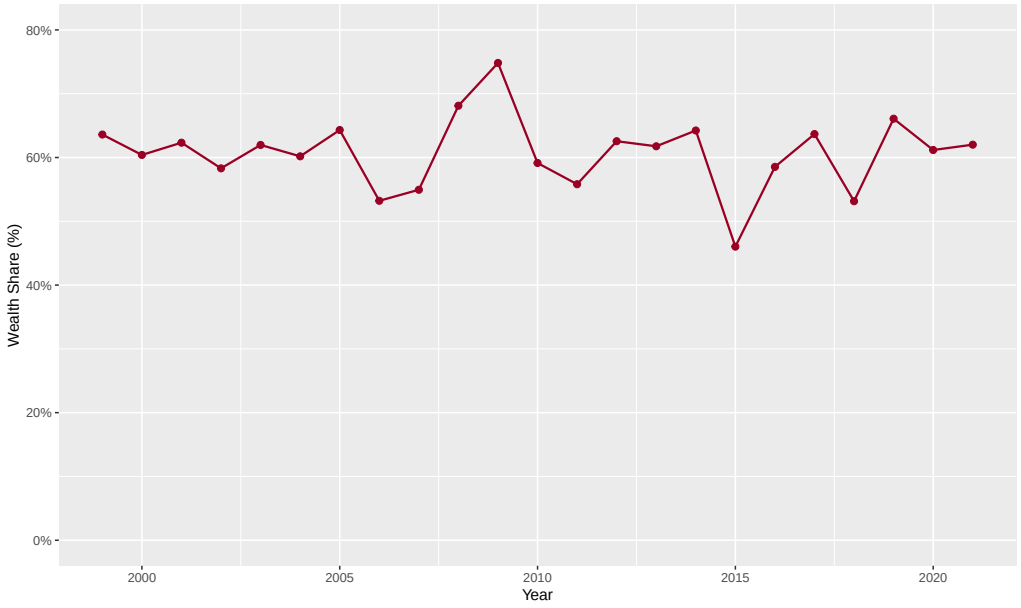

FIGURE B11. WEALTH SHARE OF THE TOP 5% IN SOUTH KOREA, 1999-2021 (INTERNAL WEALTH TOTAL)

Note: The series illustrates the estimated share of total personal wealth which is held by the top 5% of the adult population. The estimations are derived through the simplified mortality multiplier method. The denominator is an *internal* wealth total, which is constructed by multiplying the total value of all identified estates by the average mortality multiplier. The temporal scope of this series commences in the year 1999, because the comprehensive data that include untaxed decedents, which are required for the estimation of both the fractile and the internal total, are available in a consistent form only from that point.
Sources: The sources are the official inheritance tax and vital statistics of South Korea; the calculations are the author's own.

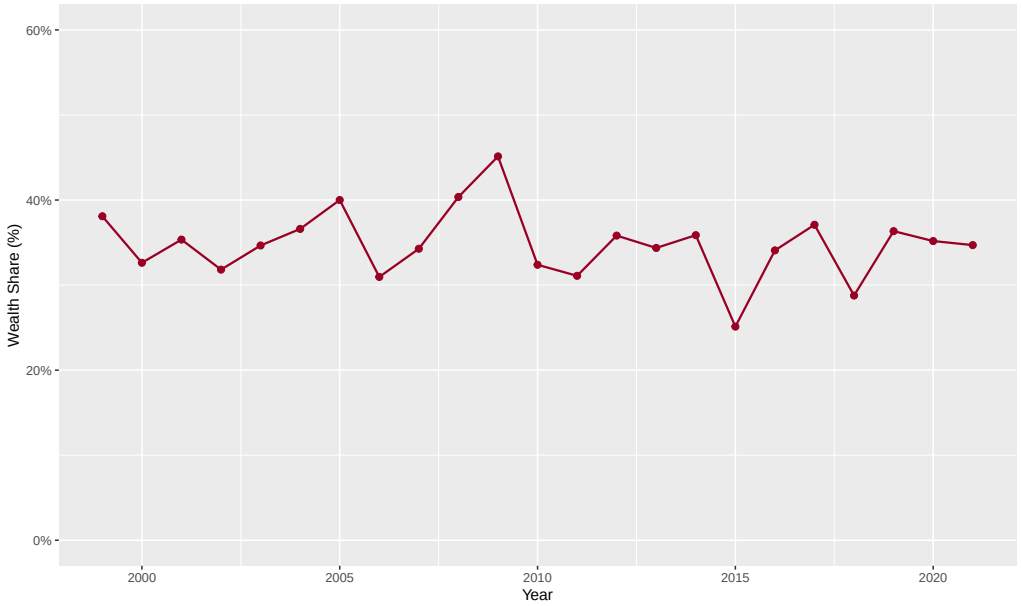

FIGURE B12. WEALTH SHARE OF THE TOP 1% IN SOUTH KOREA, 1999-2021 (INTERNAL WEALTH TOTAL)

Note: The series illustrates the estimated share of total personal wealth which is held by the top 1% of the adult population. The estimations are derived through the simplified mortality multiplier method. The denominator is an *internal* wealth total, which is constructed by multiplying the total value of all identified estates by the average mortality multiplier. The temporal scope of this series commences in the year 1999, because the comprehensive data that include untaxed decedents, which are required for the estimation of both the fractile and the internal total, are available in a consistent form only from that point.
Sources: The sources are the official inheritance tax and vital statistics of South Korea; the calculations are the author's own.

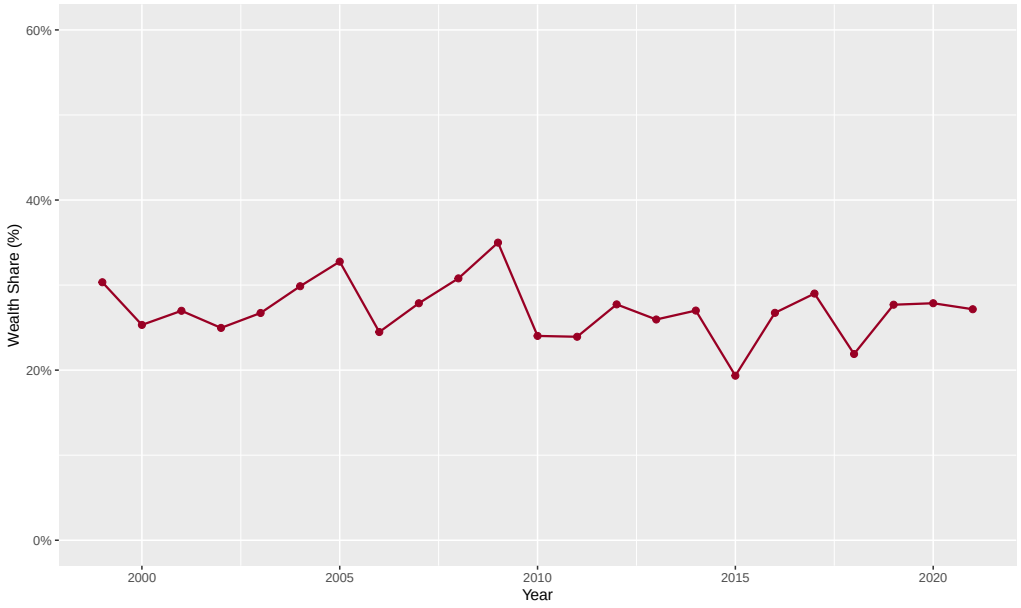

FIGURE B13. WEALTH SHARE OF THE TOP 0.5% IN SOUTH KOREA, 1999-2021 (INTERNAL WEALTH TOTAL)

Note: The series illustrates the estimated share of total personal wealth which is held by the top 0.5% of the adult population. The estimations are derived through the simplified mortality multiplier method. The denominator is an *internal* wealth total, which is constructed by multiplying the total value of all identified estates by the average mortality multiplier. The temporal scope of this series commences in the year 1999, because the comprehensive data that include untaxed decedents, which are required for the estimation of both the fractile and the internal total, are available in a consistent form only from that point.
Sources: The sources are the official inheritance tax and vital statistics of South Korea; the calculations are the author's own.

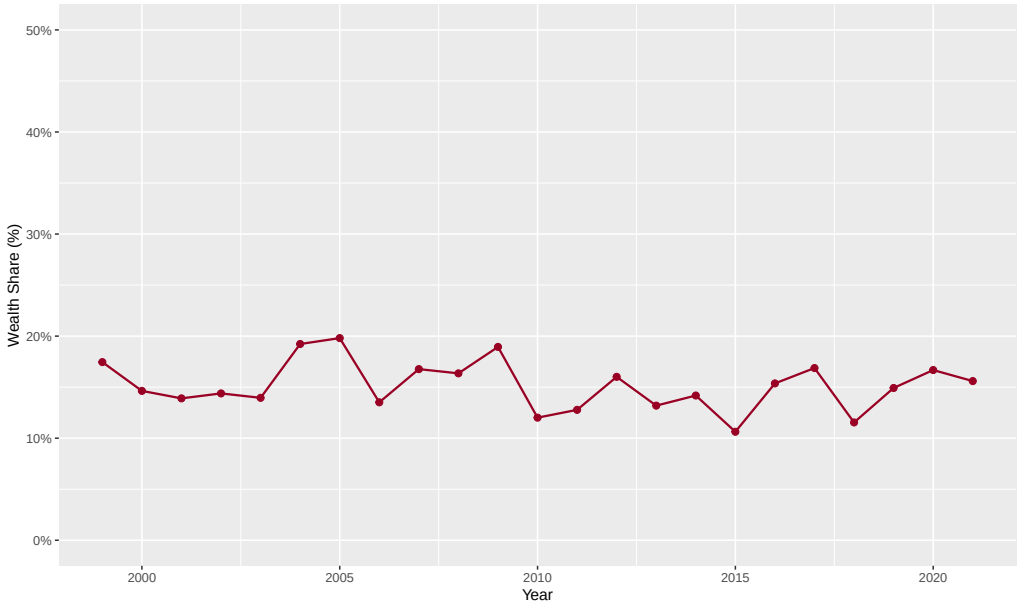

FIGURE B14. WEALTH SHARE OF THE TOP 0.1% IN SOUTH KOREA, 1999-2021 (INTERNAL WEALTH TOTAL)

Note: The series illustrates the estimated share of total personal wealth which is held by the top 0.1% of the adult population. The estimations are derived through the simplified mortality multiplier method. The denominator is an *internal* wealth total, which is constructed by multiplying the total value of all identified estates by the average mortality multiplier. The temporal scope of this series commences in the year 1999, because the comprehensive data that include untaxed decedents, which are required for the estimation of both the fractile and the internal total, are available in a consistent form only from that point.
Sources: The sources are the official inheritance tax and vital statistics of South Korea; the calculations are the author's own.

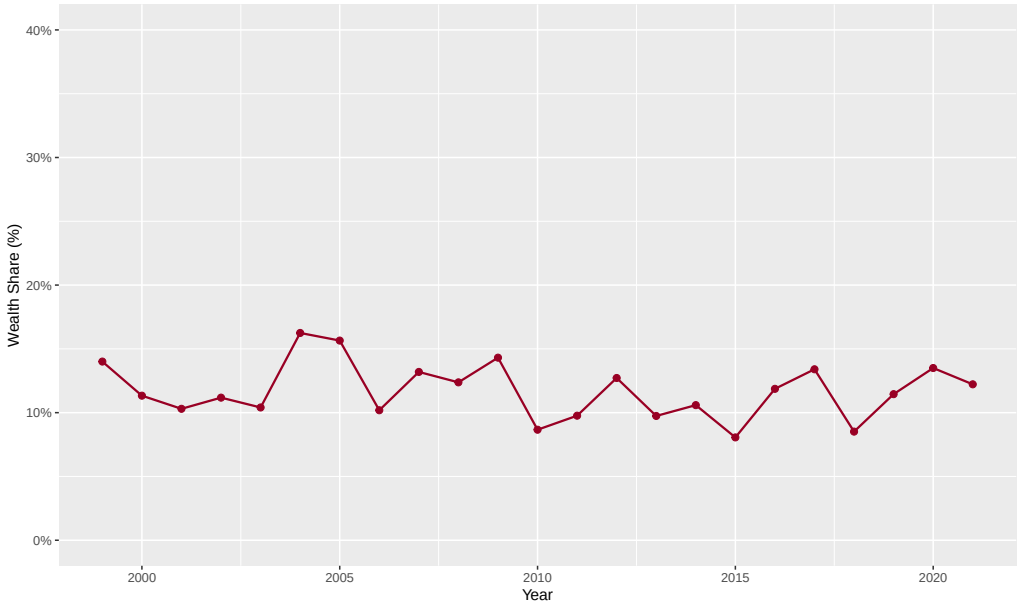

FIGURE B15. WEALTH SHARE OF THE TOP 0.05% IN SOUTH KOREA, 1999-2021 (INTERNAL WEALTH TOTAL)

Note: The series illustrates the estimated share of total personal wealth which is held by the top 0.05% of the adult population. The estimations are derived through the simplified mortality multiplier method. The denominator is an *internal* wealth total, which is constructed by multiplying the total value of all identified estates by the average mortality multiplier. The temporal scope of this series commences in the year 1999, because the comprehensive data that include untaxed decedents, which are required for the estimation of both the fractile and the internal total, are available in a consistent form only from that point.
Sources: The sources are the official inheritance tax and vital statistics of South Korea; the calculations are the author's own.

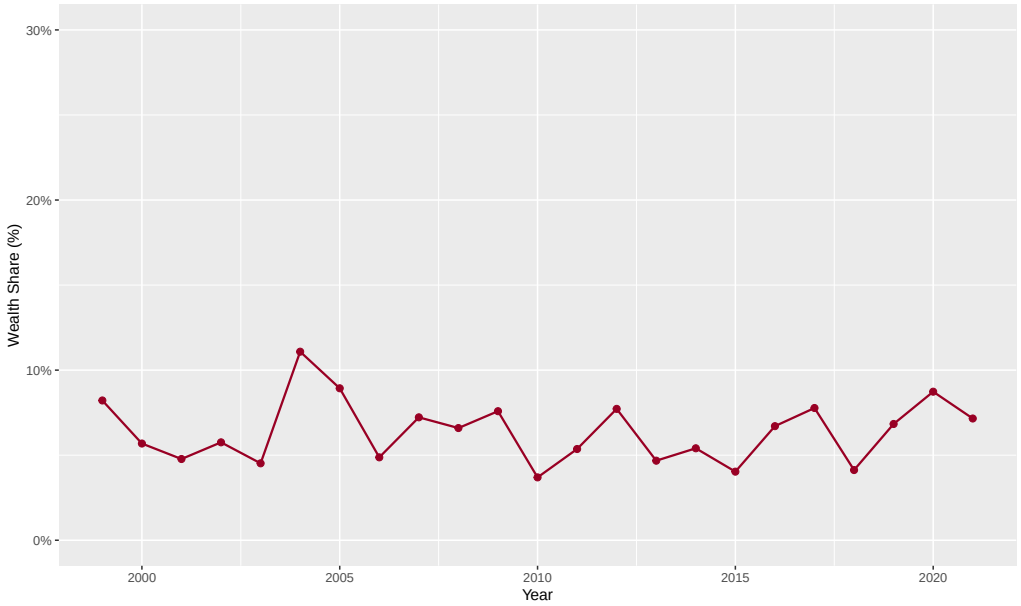

FIGURE B16. WEALTH SHARE OF THE TOP 0.01% IN SOUTH KOREA, 1999-2021 (INTERNAL WEALTH TOTAL)

Note: The series illustrates the estimated share of total personal wealth which is held by the top 0.01% of the adult population. The estimations are derived through the simplified mortality multiplier method. The denominator is an *internal* wealth total, which is constructed by multiplying the total value of all identified estates by the average mortality multiplier. The temporal scope of this series commences in the year 1999, because the comprehensive data that include untaxed decedents, which are required for the estimation of both the fractile and the internal total, are available in a consistent form only from that point.
Sources: The sources are the official inheritance tax and vital statistics of South Korea; the calculations are the author's own.

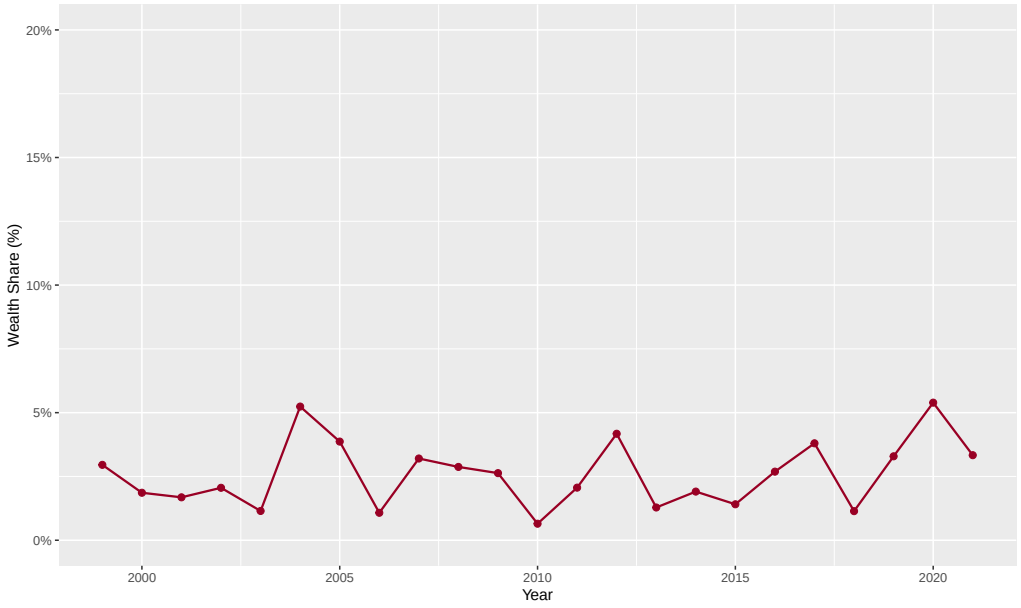

FIGURE B17. WEALTH SHARE OF THE TOP 0.001% IN SOUTH KOREA, 1999-2021 (INTERNAL WEALTH TOTAL)

Note: The series illustrates the estimated share of total personal wealth which is held by the top 0.001% of the adult population. The estimations are derived through the simplified mortality multiplier method. The denominator is an *internal* wealth total, which is constructed by multiplying the total value of all identified estates by the average mortality multiplier. The temporal scope of this series commences in the year 1999, because the comprehensive data that include untaxed decedents, which are required for the estimation of both the fractile and the internal total, are available in a consistent form only from that point.
Sources: The sources are the official inheritance tax and vital statistics of South Korea; the calculations are the author's own.

B3. Triangulation of Top Wealth Shares (External Total)

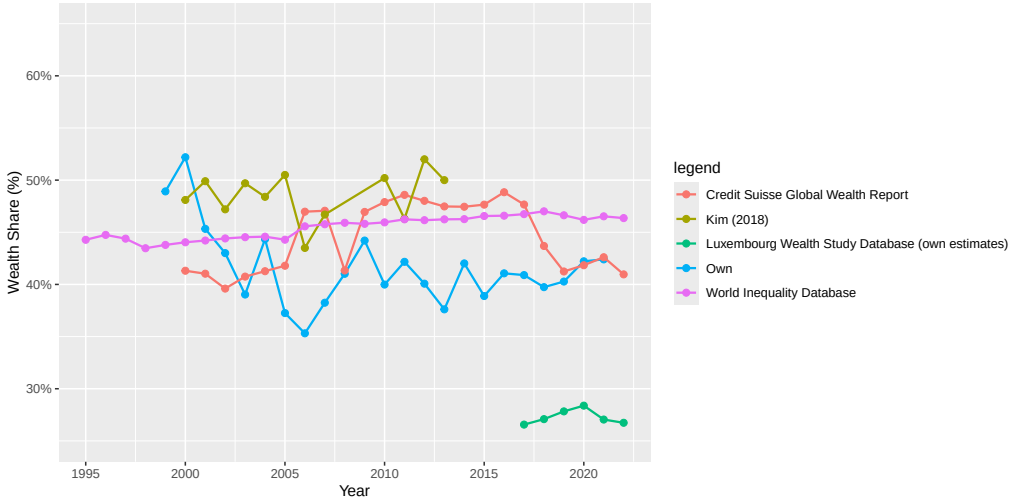

FIGURE B18. TRIANGULATION OF TOP 5% WEALTH SHARE ESTIMATES FOR SOUTH KOREA (NET PRIVATE WEALTH)

Note: The figure provides a comparison of this study's primary estimation for the wealth share of the top 5% with several other prominent series, each of which was constructed through a distinct methodology. The "Own" series is the main result of this paper, and it is derived through the simplified mortality multiplier method with an *external* wealth total. The other series originate from N. N. Kim (2018), the World Inequality Database (2022), the Credit Suisse (2022), and the Luxembourg Wealth Study Database (LIS, 2022).
Sources: The sources consist of the author's calculations, which are based upon official inheritance tax statistics, vital statistics, and the net private series from W. Lee and Yoon (2017); and of data obtained from N. N. Kim (2018), the World Inequality Database, the Credit Suisse (2022), and the Luxembourg Wealth Study Database (LIS, 2022).

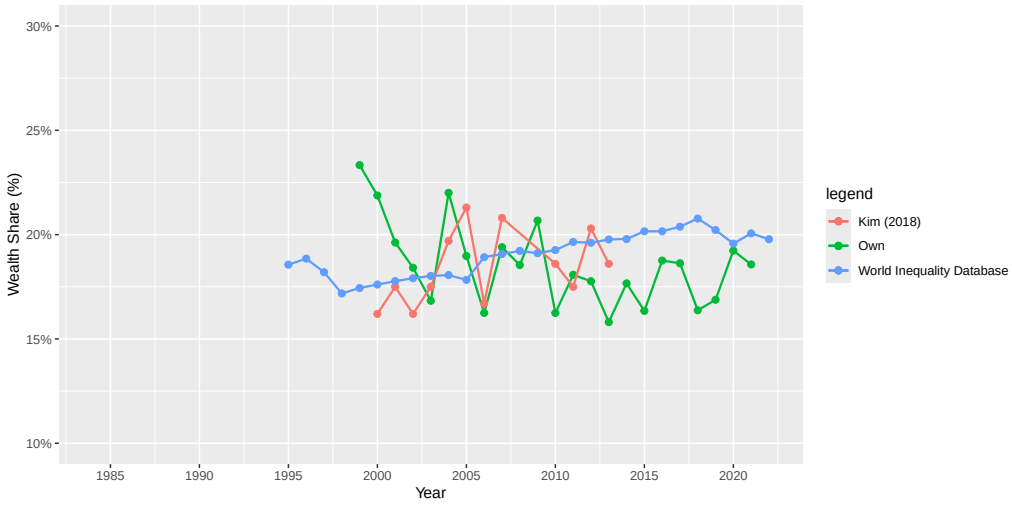

FIGURE B19. TRIANGULATION OF TOP 0.5% WEALTH SHARE ESTIMATES FOR SOUTH KOREA (NET PRIVATE WEALTH)

Note: The figure provides a comparison of this study's primary estimation for the wealth share of the top 0.5% with several other prominent series, each of which was constructed through a distinct methodology. The "Own" series is the main result of this paper, and it is derived through the simplified mortality multiplier method with an *external* wealth total. The other series originate from N. N. Kim (2018) and the World Inequality Database (2022).
Sources: The sources consist of the author's calculations, which are based upon official inheritance tax statistics, vital statistics, and the net private series from W. Lee and Yoon (2017); and of data obtained from N. N. Kim (2018) and the World Inequality Database.

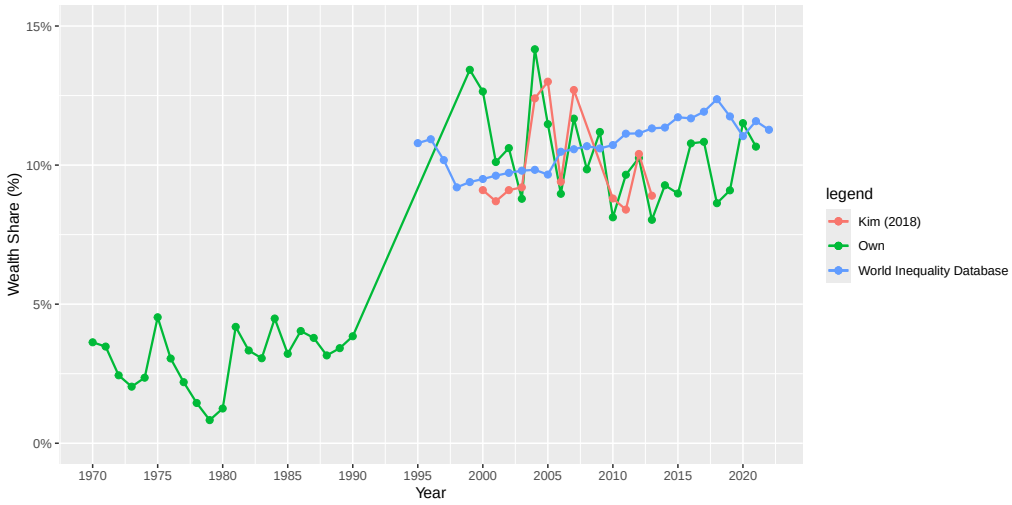

FIGURE B20. TRIANGULATION OF TOP 0.1% WEALTH SHARE ESTIMATES FOR SOUTH KOREA (NET PRIVATE WEALTH)

Note: The figure provides a comparison of this study's primary estimation for the wealth share of the top 0.1% with several other prominent series, each of which was constructed through a distinct methodology. The "Own" series is the main result of this paper, and it is derived through the simplified mortality multiplier method with an *external* wealth total. The other series originate from N. N. Kim (2018) and the World Inequality Database (2022).
Sources: The sources consist of the author's calculations, which are based upon official inheritance tax statistics, vital statistics, and the net private series from W. Lee and Yoon (2017); and of data obtained from N. N. Kim (2018) and the World Inequality Database.

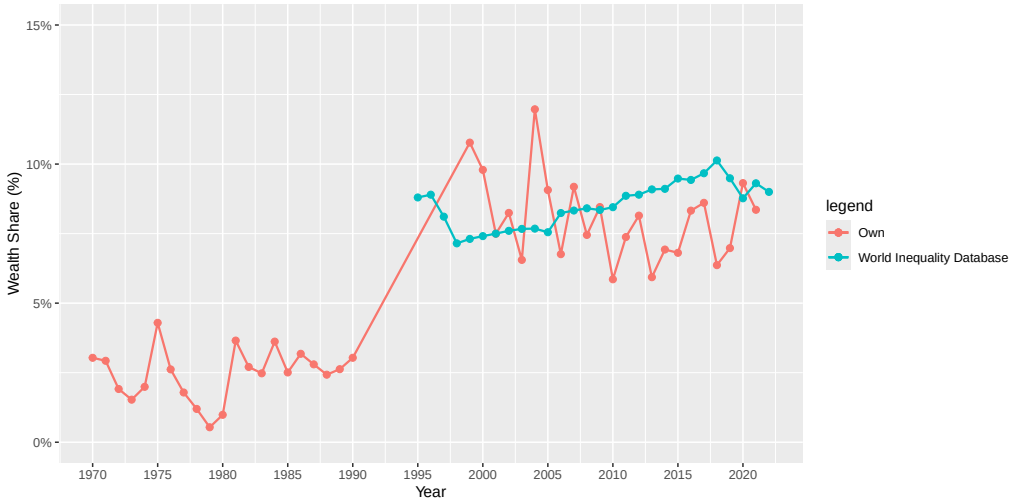

FIGURE B21. TRIANGULATION OF TOP 0.05% WEALTH SHARE ESTIMATES FOR SOUTH KOREA (NET PRIVATE WEALTH)

Note: The figure provides a comparison of this study's primary estimation for the wealth share of the top 0.05% with several other prominent series, each of which was constructed through a distinct methodology. The "Own" series is the main result of this paper, and it is derived through the simplified mortality multiplier method with an *external* wealth total. The other series originates from the World Inequality Database (2022).
Sources: The sources consist of the author's calculations, which are based upon official inheritance tax statistics, vital statistics, and the net private series from W. Lee and Yoon (2017); and of data obtained from N. N. Kim (2018) and the World Inequality Database.

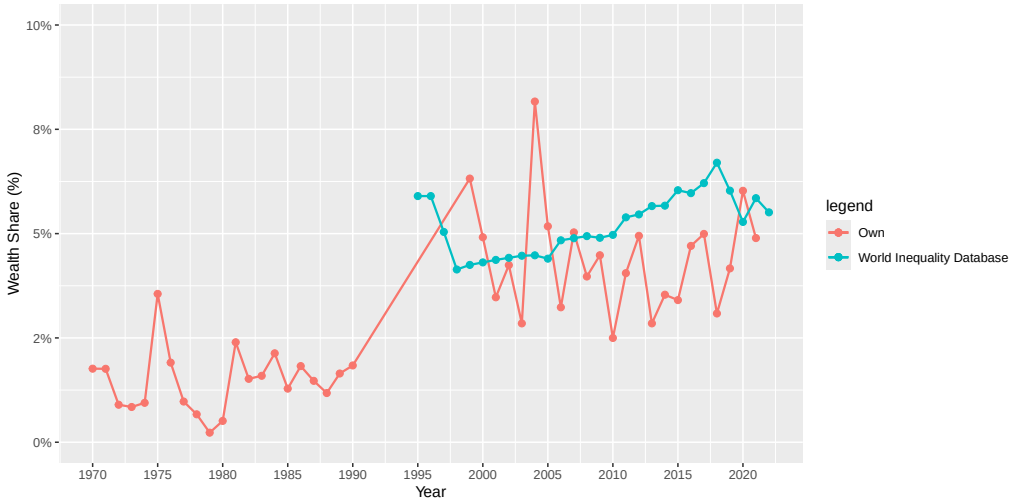

FIGURE B22. TRIANGULATION OF TOP 0.01% WEALTH SHARE ESTIMATES FOR SOUTH KOREA (NET PRIVATE WEALTH)

Note: The figure provides a comparison of this study's primary estimation for the wealth share of the top 0.01% with several other prominent series, each of which was constructed through a distinct methodology. The "Own" series is the main result of this paper, and it is derived through the simplified mortality multiplier method with an *external* wealth total. The other series originates from the World Inequality Database (2022).
Sources: The sources consist of the author's calculations, which are based upon official inheritance tax statistics, vital statistics, and the net private series from W. Lee and Yoon (2017); and of data obtained from the World Inequality Database.

B4. Triangulation of Top Wealth Shares (Internal Total)

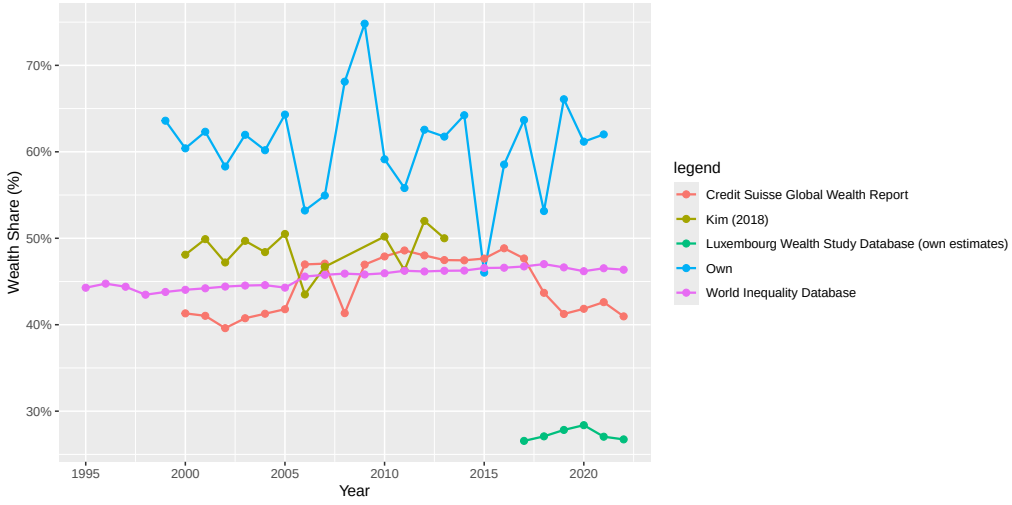

FIGURE B23. TRIANGULATION OF TOP 5% WEALTH SHARE ESTIMATES FOR SOUTH KOREA (INTERNAL WEALTH TOTAL)

Note: The figure provides a comparison of this study's alternative estimation for the wealth share of the top 5% with several other prominent series. The "Own" series is derived through the simplified mortality multiplier method, with an *internal* wealth total as denominator, which is constructed endogenously through the multiplication of the total value of all identified estates by the average mortality multiplier. This particular series is presented for the purpose of demonstrating methodological robustness. The other series originate from N. N. Kim (2018), the World Inequality Database (2022), the Credit Suisse (2022), and the Luxembourg Wealth Study Database (LIS, 2022).
Sources: The sources consist of the author's calculations, which are based upon official inheritance tax and vital statistics of South Korea; and of data obtained from N. N. Kim (2018), the World Inequality Database, the Credit Suisse (2022), and the Luxembourg Wealth Study Database (LIS, 2022).

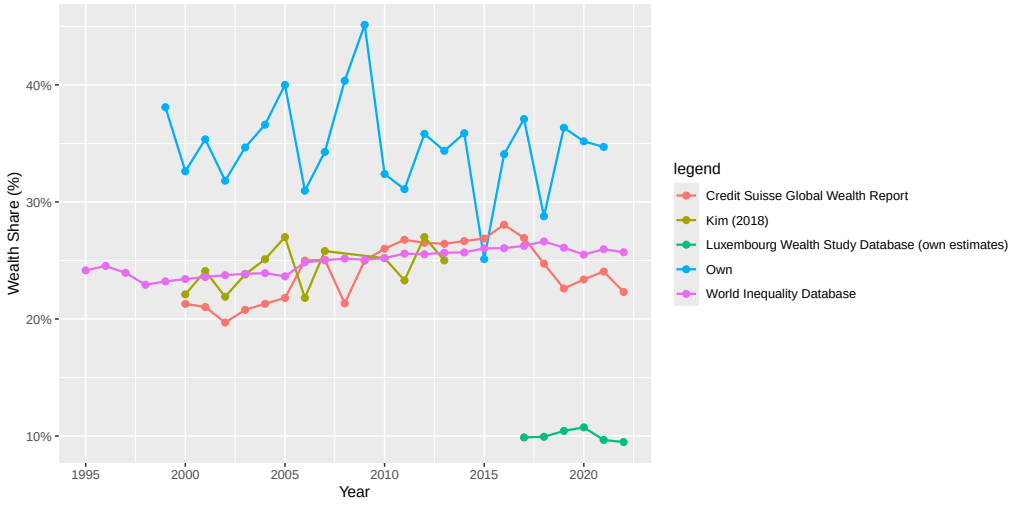

FIGURE B24. TRIANGULATION OF TOP 1% WEALTH SHARE ESTIMATES FOR SOUTH KOREA (INTERNAL WEALTH TOTAL)

Note: The figure provides a comparison of this study's alternative estimation for the wealth share of the top 1% with several other prominent series. The "Own" series is derived through the simplified mortality multiplier method, with an *internal* wealth total as denominator, which is constructed endogenously through the multiplication of the total value of all identified estates by the average mortality multiplier. This particular series is presented for the purpose of demonstrating methodological robustness. The other series originate from N. N. Kim (2018), the World Inequality Database (2022), the Credit Suisse (2022), and the Luxembourg Wealth Study Database (LIS, 2022).
Sources: The sources consist of the author's calculations, which are based upon official inheritance tax and vital statistics of South Korea; and of data obtained from N. N. Kim (2018), the World Inequality Database, the Credit Suisse (2022), and the Luxembourg Wealth Study Database (LIS, 2022).

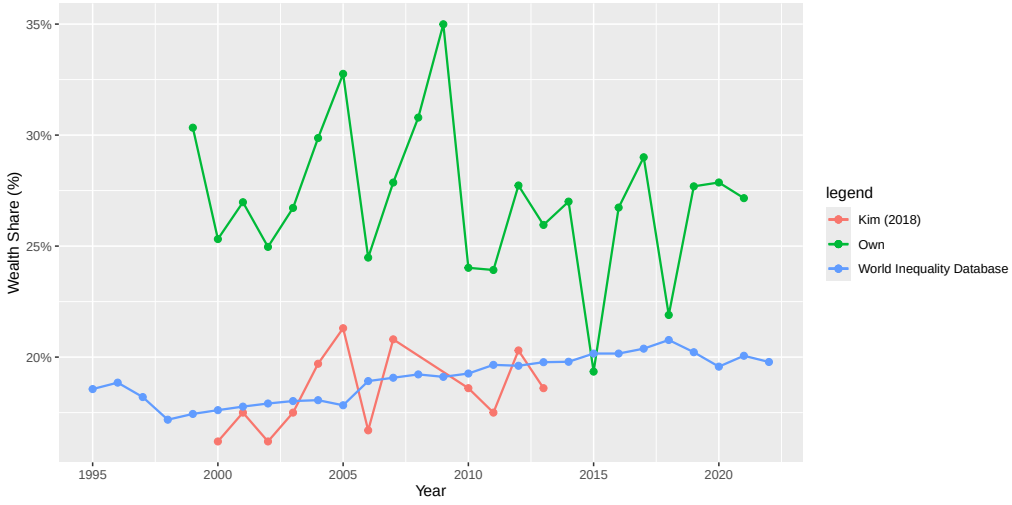

FIGURE B25. TRIANGULATION OF TOP 0.5% WEALTH SHARE ESTIMATES FOR SOUTH KOREA (INTERNAL WEALTH TOTAL)

Note: The figure provides a comparison of this study's alternative estimation for the wealth share of the top 0.5% with several other prominent series. The "Own" series is derived through the simplified mortality multiplier method, with an *internal* wealth total as denominator, which is constructed endogenously through the multiplication of the total value of all identified estates by the average mortality multiplier. This particular series is presented for the purpose of demonstrating methodological robustness. The other series originate from N. N. Kim (2018) and the World Inequality Database (2022).
Sources: The sources consist of the author's calculations, which are based upon official inheritance tax and vital statistics of South Korea; and of data obtained from N. N. Kim (2018) and the World Inequality Database.

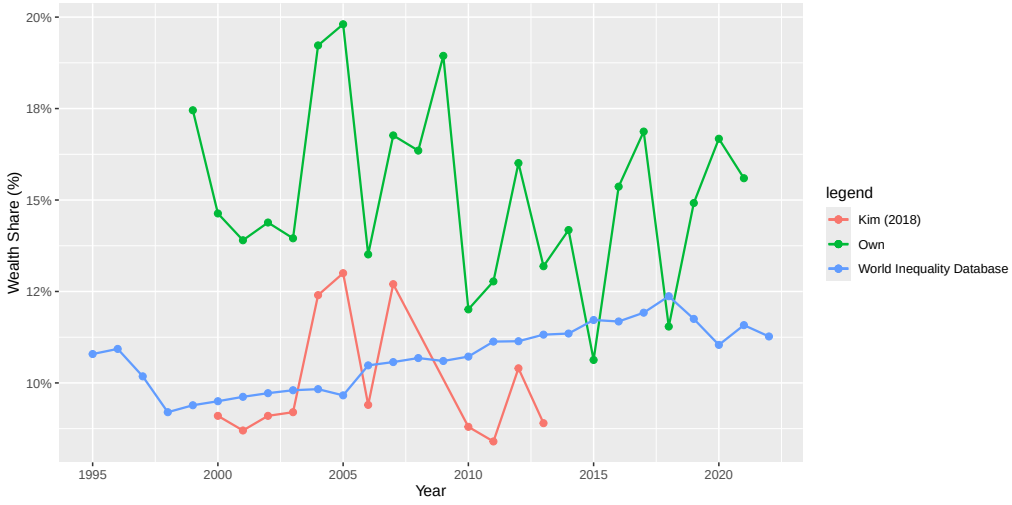

FIGURE B26. TRIANGULATION OF TOP 0.1% WEALTH SHARE ESTIMATES FOR SOUTH KOREA (INTERNAL WEALTH TOTAL)

Note: The figure provides a comparison of this study's alternative estimation for the wealth share of the top 0.1% with several other prominent series. The "Own" series is derived through the simplified mortality multiplier method, with an *internal* wealth total as denominator, which is constructed endogenously through the multiplication of the total value of all identified estates by the average mortality multiplier. This particular series is presented for the purpose of demonstrating methodological robustness. The other series originate from N. N. Kim (2018) and the World Inequality Database (2022).
Sources: The sources consist of the author's calculations, which are based upon official inheritance tax and vital statistics of South Korea; and of data obtained from N. N. Kim (2018) and the World Inequality Database.

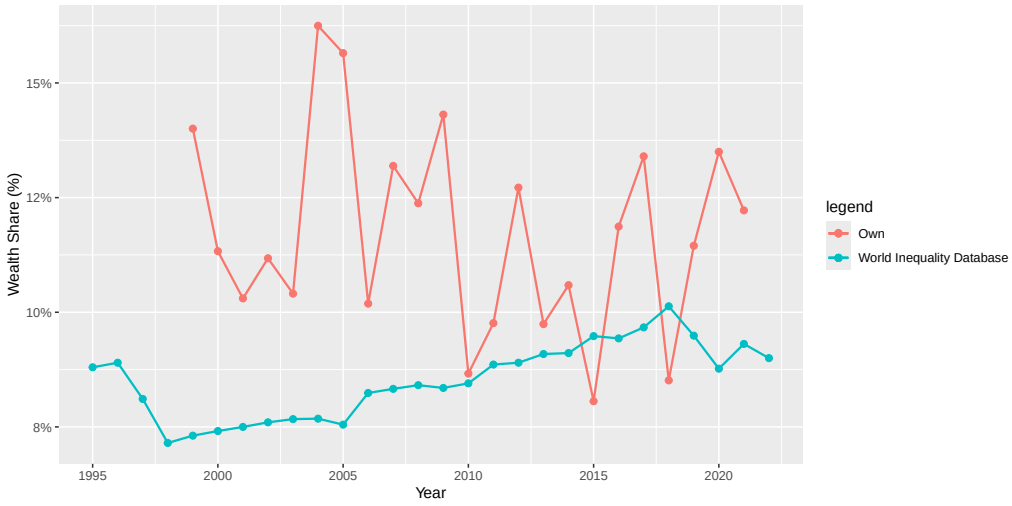

FIGURE B27. TRIANGULATION OF TOP 0.05% WEALTH SHARE ESTIMATES FOR SOUTH KOREA (INTERNAL WEALTH TOTAL)

Note: The figure provides a comparison of this study's alternative estimation for the wealth share of the top 0.05% with several other prominent series. The "Own" series is derived through the simplified mortality multiplier method, with an *internal* wealth total as denominator, which is constructed endogenously through the multiplication of the total value of all identified estates by the average mortality multiplier. This particular series is presented for the purpose of demonstrating methodological robustness. The other series originates from the World Inequality Database (2022).
Sources: The sources consist of the author's calculations, which are based upon official inheritance tax and vital statistics of South Korea; and of data obtained from the World Inequality Database.

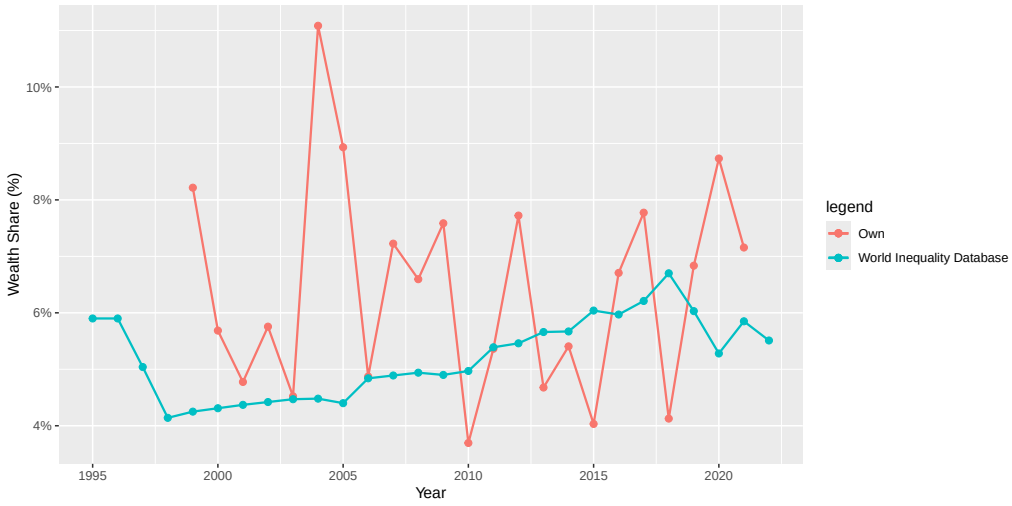

FIGURE B28. TRIANGULATION OF TOP 0.01% WEALTH SHARE ESTIMATES FOR SOUTH KOREA (INTERNAL WEALTH TOTAL)

Note: The figure provides a comparison of this study's alternative estimation for the wealth share of the top 0.01% with several other prominent series. The "Own" series is derived through the simplified mortality multiplier method, with an *internal* wealth total as denominator, which is constructed endogenously through the multiplication of the total value of all identified estates by the average mortality multiplier. This particular series is presented for the purpose of demonstrating methodological robustness. The other series originates from the World Inequality Database (2022).
Sources: The sources consist of the author's calculations, which are based upon official inheritance tax and vital statistics of South Korea; and of data obtained from the World Inequality Database.

B5. International Comparison of Top Wealth Shares (External Total)

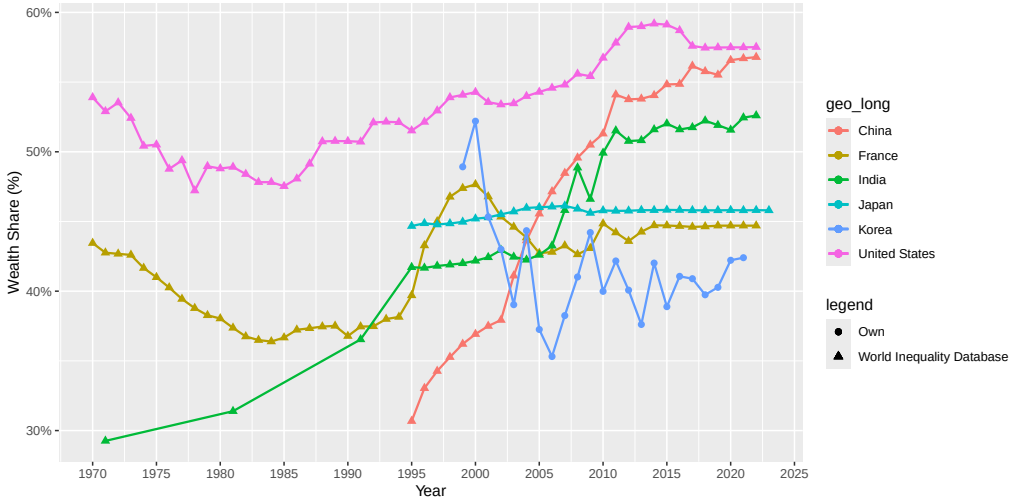

FIGURE B29. INTERNATIONAL COMPARISON OF THE WEALTH SHARE OF THE TOP 5%, 1970-2021

Note: The series displays the share of total net private wealth that the top 5% of the adult population possesses. The estimation for South Korea proceeds from the author's calculations, which are founded upon inheritance tax statistics, while the data for all other countries are derived from the World Inequality Database (2022). The unit of observation is the adult individual, with wealth equally divided between spouses.
Sources: The data for South Korea originate from the author's calculations; for all other countries, the source is the World Inequality Database (2022).

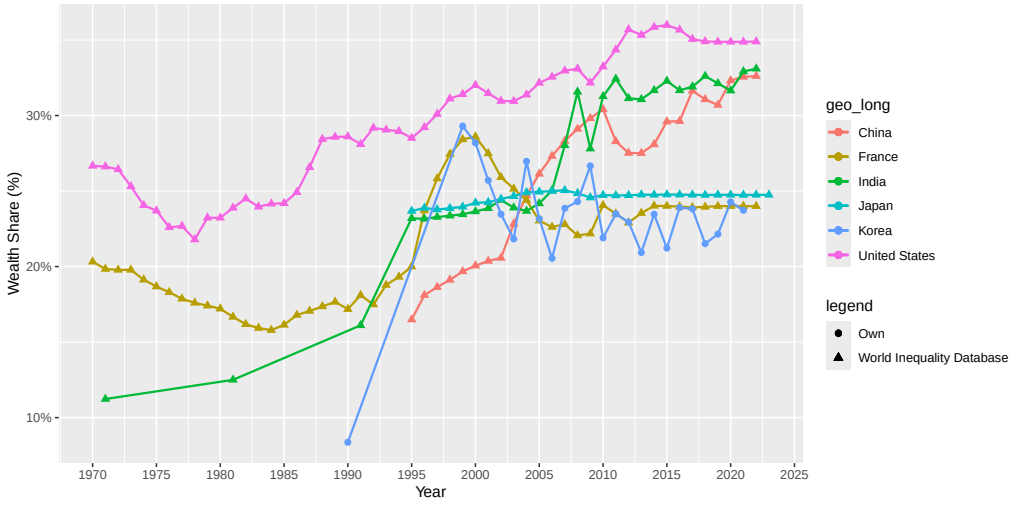

FIGURE B30. INTERNATIONAL COMPARISON OF THE WEALTH SHARE OF THE TOP 1%, 1970-2021

Note: The series displays the share of total net private wealth that the top 1% of the adult population possesses. The estimation for South Korea proceeds from the author's calculations, which are founded upon inheritance tax statistics, while the data for all other countries are derived from the World Inequality Database (2022). The unit of observation is the adult individual, with wealth equally divided between spouses.
Sources: The data for South Korea originate from the author's calculations; for all other countries, the source is the World Inequality Database (2022).

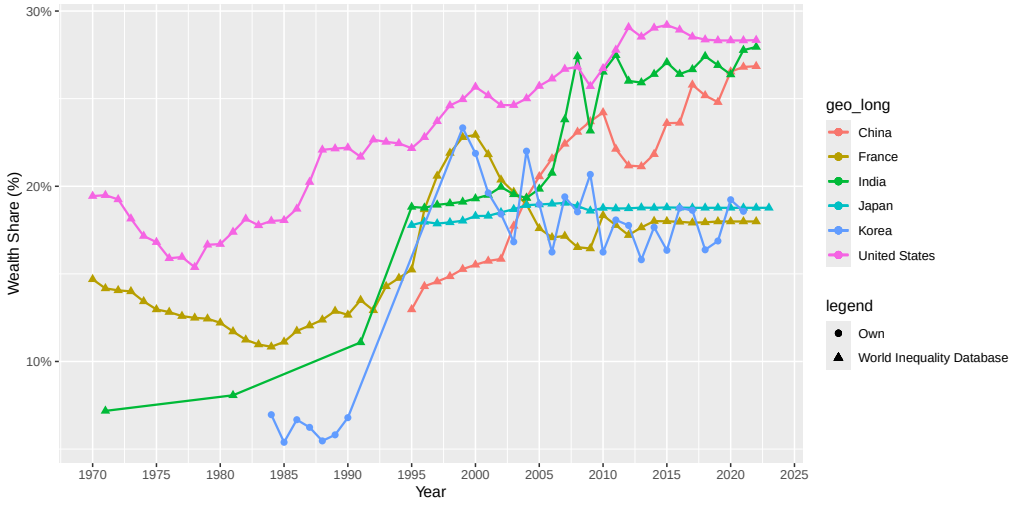

FIGURE B31. INTERNATIONAL COMPARISON OF THE WEALTH SHARE OF THE TOP 0.5%, 1970-2021

Note: The series displays the share of total net private wealth that the top 0.5% of the adult population possesses. The estimation for South Korea proceeds from the author's calculations, which are founded upon inheritance tax statistics, while the data for all other countries are derived from the World Inequality Database (2022). The unit of observation is the adult individual, with wealth equally divided between spouses.
Sources: The data for South Korea originate from the author's calculations; for all other countries, the source is the World Inequality Database (2022).

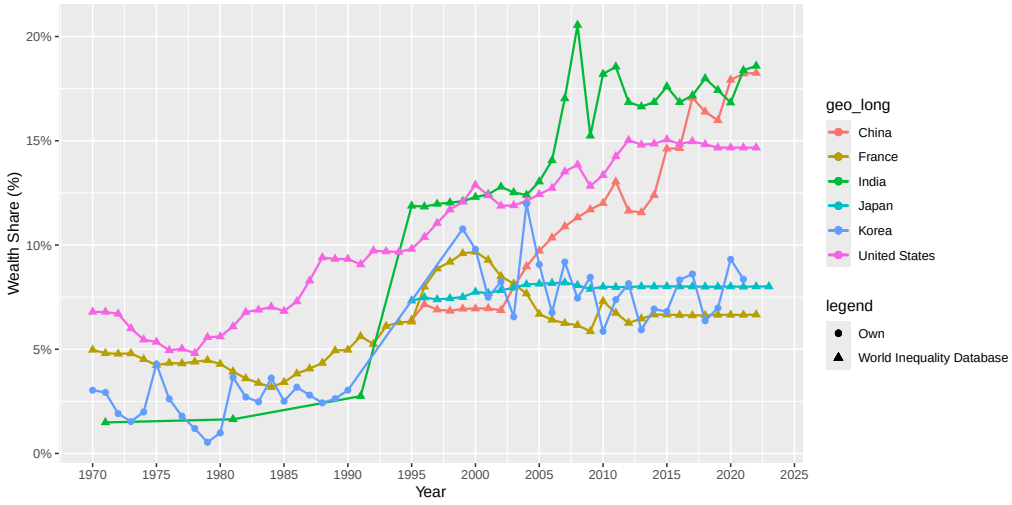

FIGURE B32. INTERNATIONAL COMPARISON OF THE WEALTH SHARE OF THE TOP 0.05%, 1970-2021

Note: The series displays the share of total net private wealth that the top 0.05% of the adult population possesses. The estimation for South Korea proceeds from the author's calculations, which are founded upon inheritance tax statistics, while the data for all other countries are derived from the World Inequality Database (2022). The unit of observation is the adult individual, with wealth equally divided between spouses.
Sources: The data for South Korea originate from the author's calculations; for all other countries, the source is the World Inequality Database (2022).

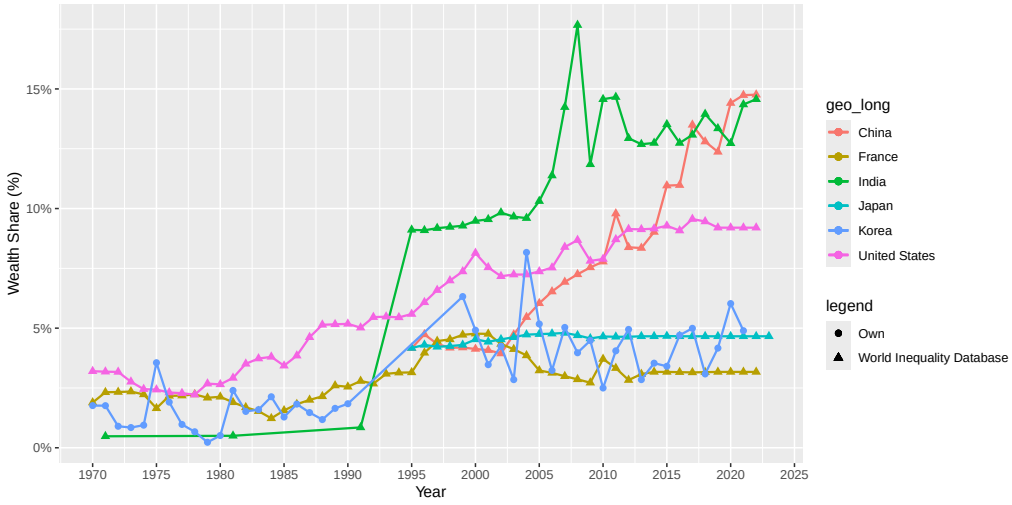

FIGURE B33. INTERNATIONAL COMPARISON OF THE WEALTH SHARE OF THE TOP 0.01%, 1970-2021

Note: The series displays the share of total net private wealth that the top 0.01% of the adult population possesses. The estimation for South Korea proceeds from the author's calculations, which are founded upon inheritance tax statistics, while the data for all other countries are derived from the World Inequality Database (2022). The unit of observation is the adult individual, with wealth equally divided between spouses.
Sources: The data for South Korea originate from the author's calculations; for all other countries, the source is the World Inequality Database (2022).

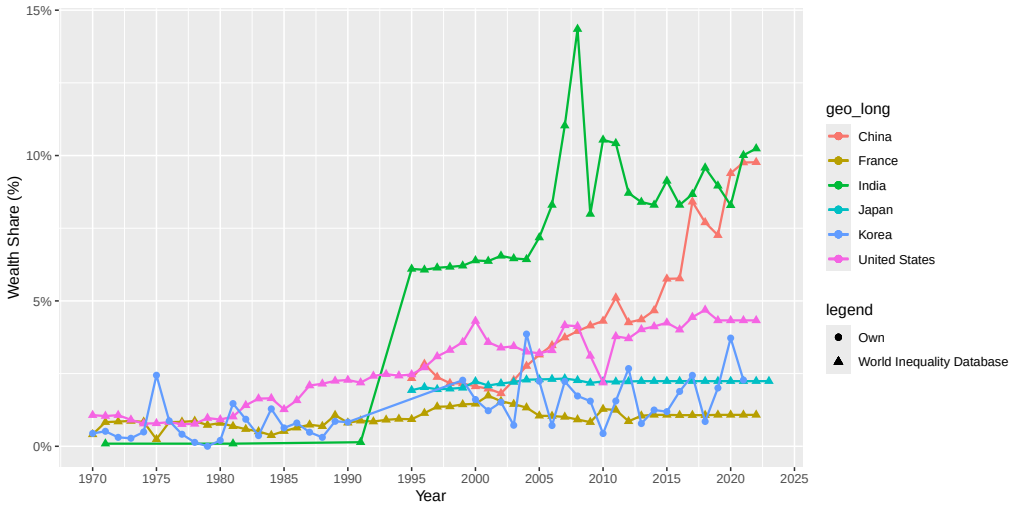

FIGURE B34. INTERNATIONAL COMPARISON OF THE WEALTH SHARE OF THE TOP 0.001%, 1970-2021

Note: The series displays the share of total net private wealth that the top 0.001% of the adult population possesses. The estimation for South Korea proceeds from the author's calculations, which are founded upon inheritance tax statistics, while the data for all other countries are derived from the World Inequality Database (2022). The unit of observation is the adult individual, with wealth equally divided between spouses.
Sources: The data for South Korea originate from the author's calculations; for all other countries, the source is the World Inequality Database (2022).

B6. Comparison of Average Amount of Top Estate between Korea and Japan (PPP)

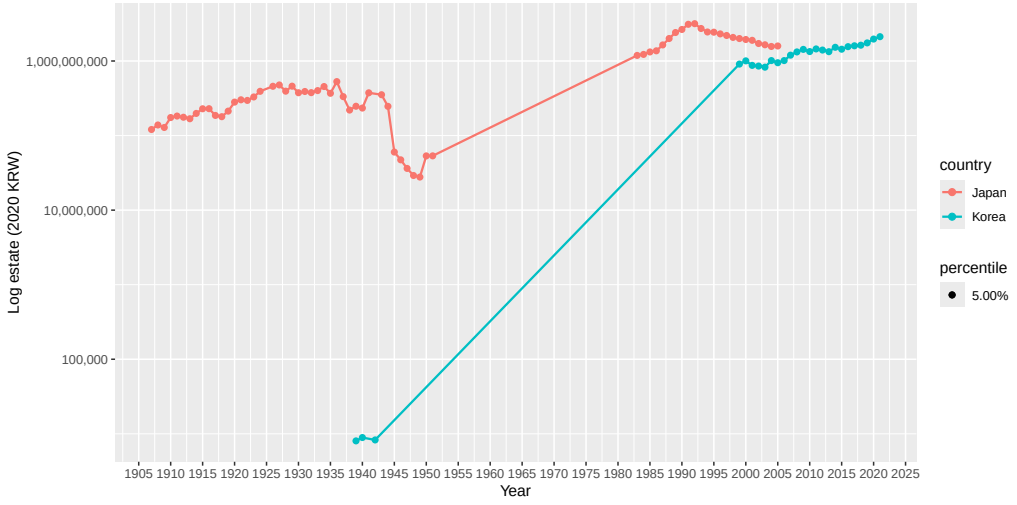

FIGURE B35. AVERAGE ESTATE OF THE TOP 5% IN KOREA AND JAPAN, 1934-2021 (IN 2020 KRW, PPP)

Note: The series, which illustrates the average estate of the top 5% for both Korea and Japan, is denominated in constant 2020 Korean Won. This conversion was accomplished through the application of purchasing power parity (PPP) exchange rates.
Sources: The currency exchange rates are from the World Inequality Database (2022), and the GDP deflator series is from N. N. Kim (2015); the calculations are the author's own.

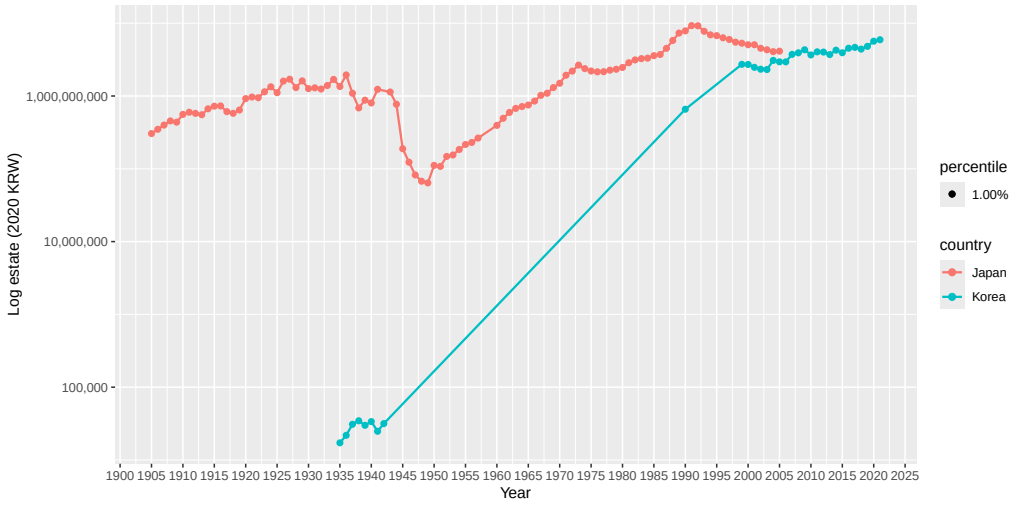

FIGURE B36. AVERAGE ESTATE OF THE TOP 1% IN KOREA AND JAPAN, 1934-2021 (IN 2020 KRW, PPP)

Note: The series, which illustrates the average estate of the top 1% for both Korea and Japan, is denominated in constant 2020 Korean Won. This conversion was accomplished through the application of purchasing power parity (PPP) exchange rates.
Sources: The currency exchange rates are from the World Inequality Database (2022), and the GDP deflator series is from N. N. Kim (2015); the calculations are the author's own.

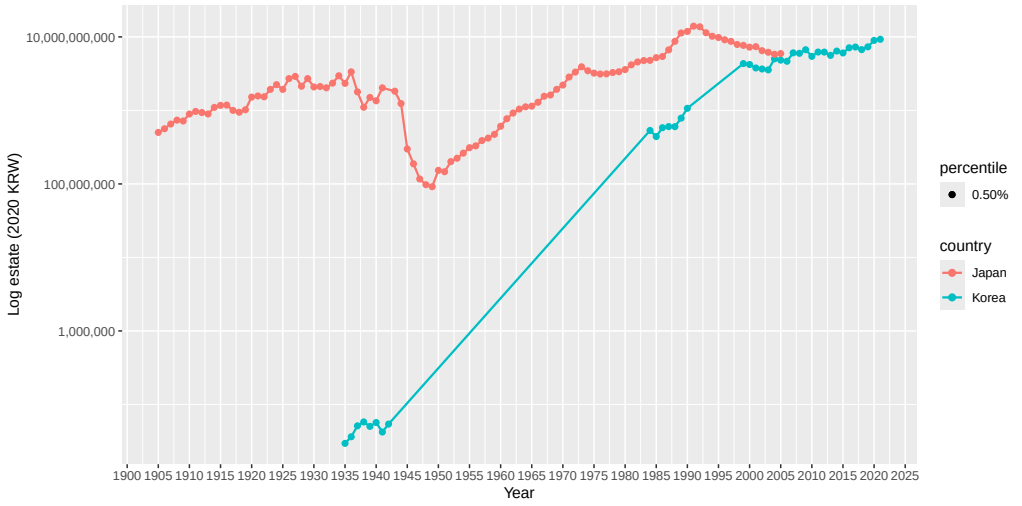

FIGURE B37. AVERAGE ESTATE OF THE TOP 0.5% IN KOREA AND JAPAN, 1934-2021 (IN 2020 KRW, PPP)

Note: The series, which illustrates the average estate of the top 0.5% for both Korea and Japan, is denominated in constant 2020 Korean Won. This conversion was accomplished through the application of purchasing power parity (PPP) exchange rates.
Sources: The currency exchange rates are from the World Inequality Database (2022), and the GDP deflator series is from N. N. Kim (2015); the calculations are the author's own.

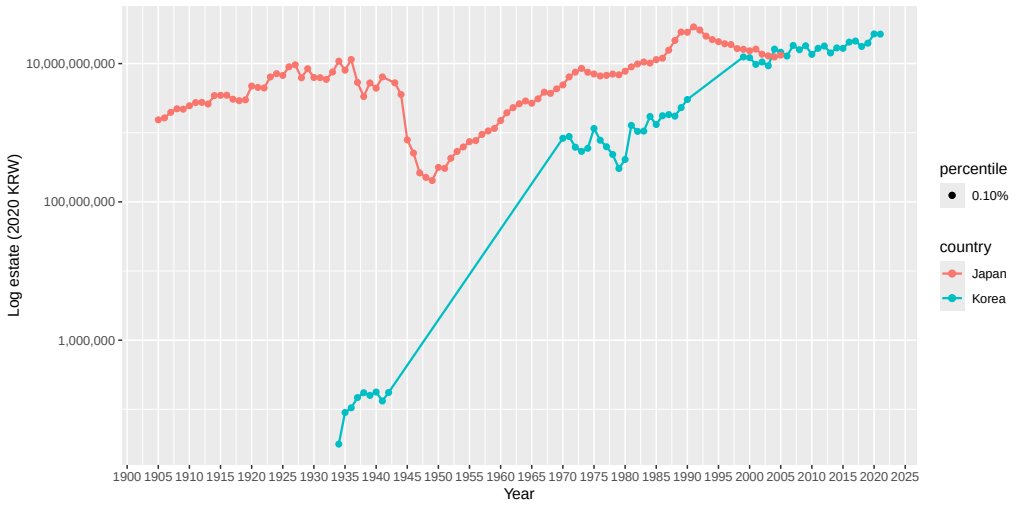

FIGURE B38. AVERAGE ESTATE OF THE TOP 0.1% IN KOREA AND JAPAN, 1934-2021 (IN 2020 KRW, PPP)

Note: The series, which illustrates the average estate of the top 0.1% for both Korea and Japan, is denominated in constant 2020 Korean Won. This conversion was accomplished through the application of purchasing power parity (PPP) exchange rates.
Sources: The currency exchange rates are from the World Inequality Database (2022), and the GDP deflator series is from N. N. Kim (2015); the calculations are the author's own.

B7. Comparison of Average Amount of Top Estate between Korea and Japan (MER)

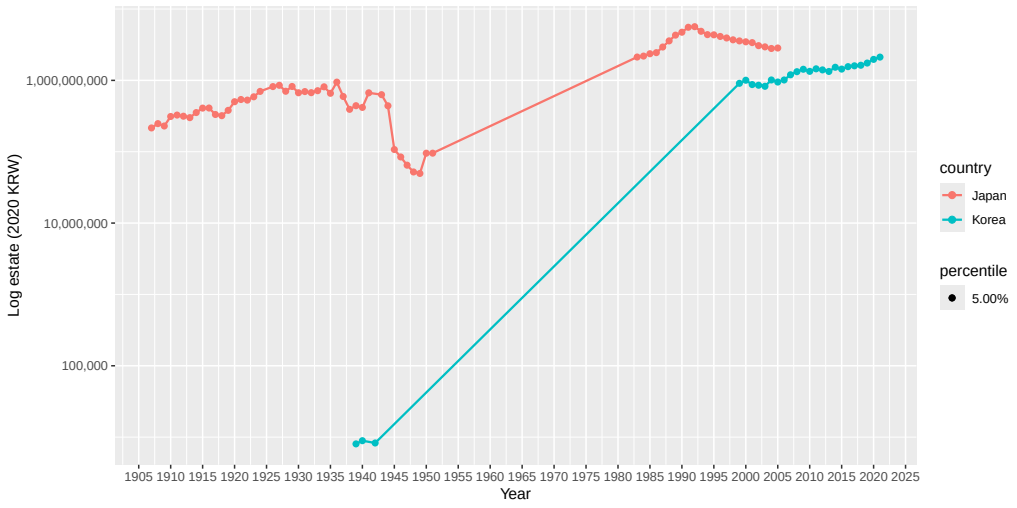

FIGURE B39. AVERAGE ESTATE OF THE TOP 5% IN KOREA AND JAPAN, 1934-2021 (IN 2020 KRW, MER)

Note: The series, which illustrates the average estate of the top 5% for both Korea and Japan, is denominated in constant 2020 Korean Won. This conversion was accomplished through the application of market exchange rates (MER).
Sources: The currency exchange rates are from the World Inequality Database (2022), and the GDP deflator series is from N. N. Kim (2015); the calculations are the author's own.

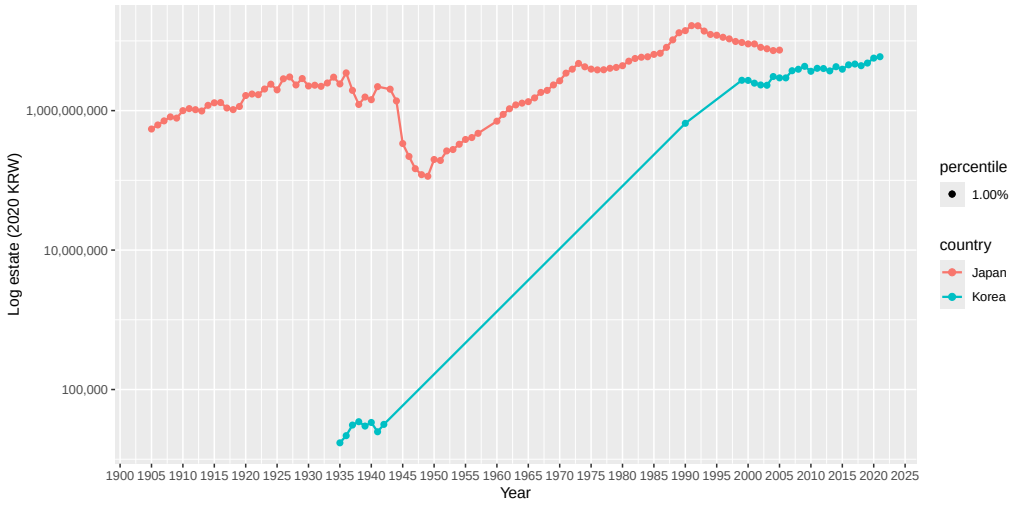

FIGURE B40. AVERAGE ESTATE OF THE TOP 1% IN KOREA AND JAPAN, 1934-2021 (IN 2020 KRW, MER)

Note: The series, which illustrates the average estate of the top 1% for both Korea and Japan, is denominated in constant 2020 Korean Won. This conversion was accomplished through the application of market exchange rates (MER).
Sources: The currency exchange rates are from the World Inequality Database (2022), and the GDP deflator series is from N. N. Kim (2015); the calculations are the author's own.

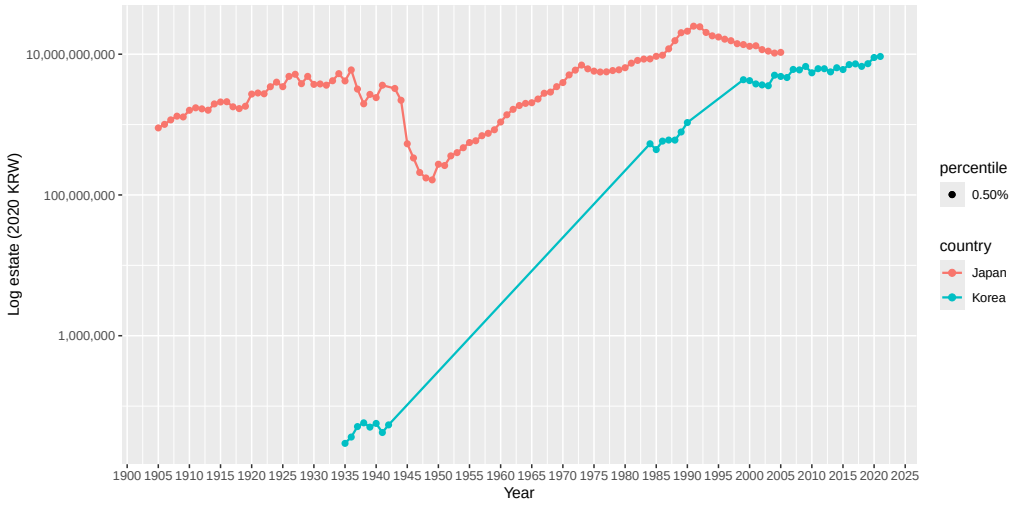

FIGURE B41. AVERAGE ESTATE OF THE TOP 0.5% IN KOREA AND JAPAN, 1934-2021 (IN 2020 KRW, MER)

Note: The series, which illustrates the average estate of the top 0.5% for both Korea and Japan, is denominated in constant 2020 Korean Won. This conversion was accomplished through the application of market exchange rates (MER).
Sources: The currency exchange rates are from the World Inequality Database (2022), and the GDP deflator series is from N. N. Kim (2015); the calculations are the author's own.

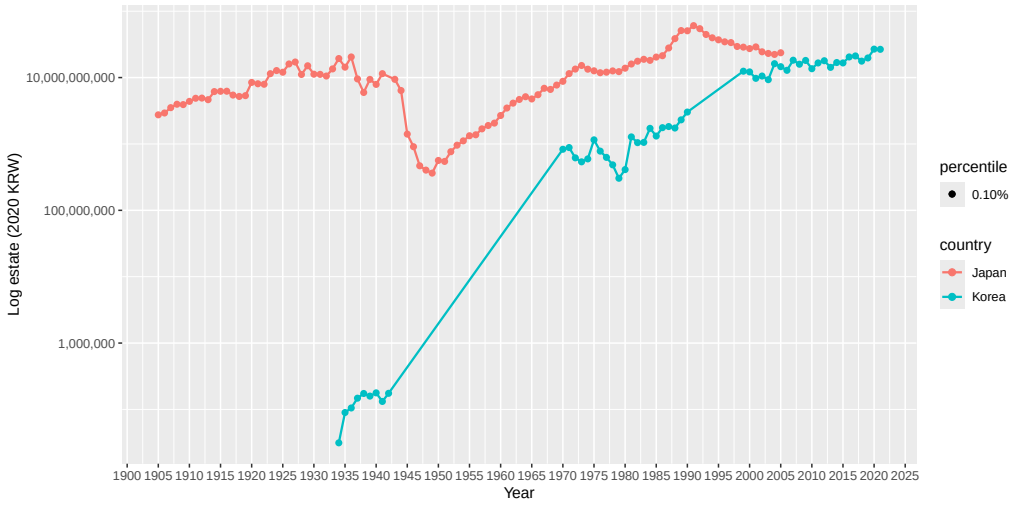

FIGURE B42. AVERAGE ESTATE OF THE TOP 0.1% IN KOREA AND JAPAN, 1934-2021 (IN 2020 KRW, MER)

Note: The series, which illustrates the average estate of the top 0.1% for both Korea and Japan, is denominated in constant 2020 Korean Won. This conversion was accomplished through the application of market exchange rates (MER).
Sources: The currency exchange rates are from the World Inequality Database (2022), and the GDP deflator series is from N. N. Kim (2015); the calculations are the author's own.

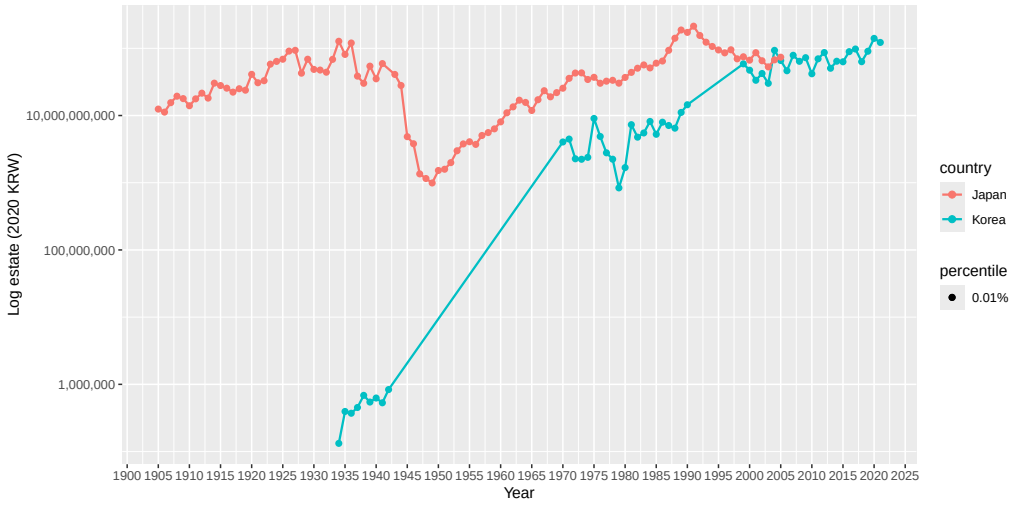

FIGURE B43. AVERAGE ESTATE OF THE TOP 0.01% IN KOREA AND JAPAN, 1934-2021 (IN 2020 KRW, MER)

Note: The series, which illustrates the average estate of the top 0.01% for both Korea and Japan, is denominated in constant 2020 Korean Won. This conversion was accomplished through the application of market exchange rates (MER).
Sources: The currency exchange rates are from the World Inequality Database (2022), and the GDP deflator series is from N. N. Kim (2015); the calculations are the author's own.

B8. Comparison of Ratio of Top Wealth to Net National Income between Korea and Japan

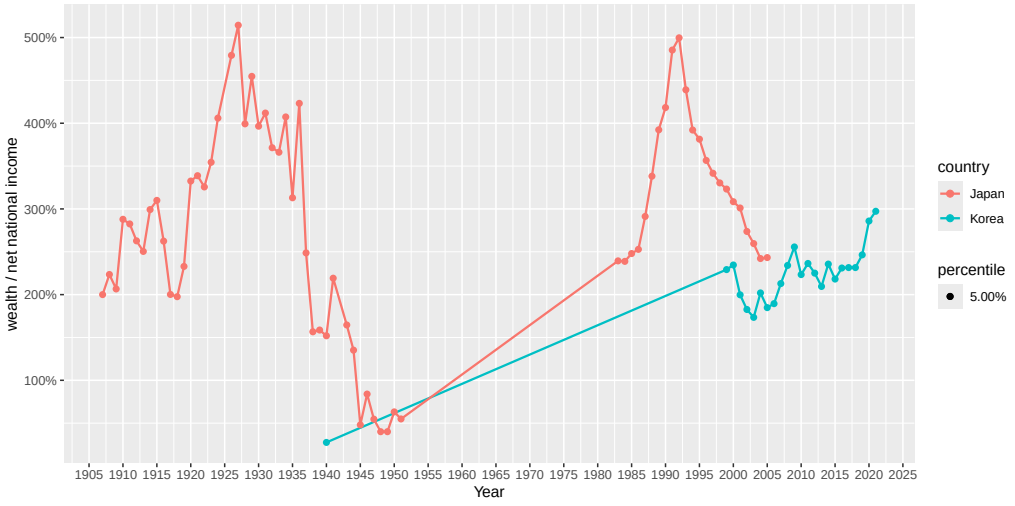

FIGURE B44. RATIO OF TOP 5% WEALTH TO NET NATIONAL INCOME IN SOUTH KOREA AND JAPAN, 1935-2021

Note: The series illustrates the ratio of the total wealth possessed by the top 5% of the adult population to the Net National Income (NNI). This ratio serves as a measure of the economic significance of the greatest fortunes relative to the aggregate magnitude of the national economy.
Sources: The series for Net National Income (NNI) for Korea originates in the work of N. N. Kim (2015), while that for Japan is obtained from the World Inequality Database (2022); the calculations are the author's own, which are derived from official inheritance tax and vital statistics of Korea.

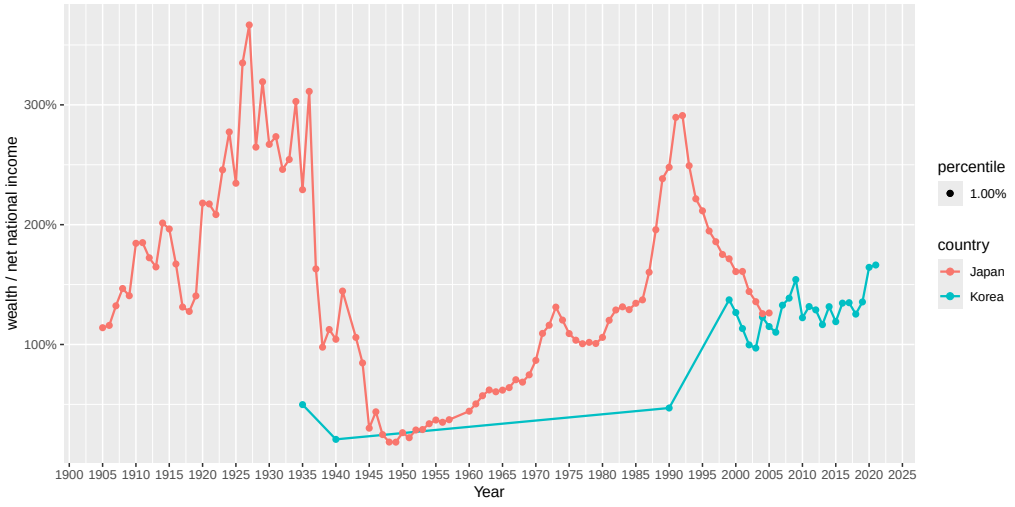

FIGURE B45. RATIO OF TOP 1% WEALTH TO NET NATIONAL INCOME IN SOUTH KOREA AND JAPAN, 1935-2021

Note: The series illustrates the ratio of the total wealth possessed by the top 1% of the adult population to the Net National Income (NNI). This ratio serves as a measure of the economic significance of the greatest fortunes relative to the aggregate magnitude of the national economy.
Sources: The series for Net National Income (NNI) for Korea originates in the work of N. N. Kim (2015), while that for Japan is obtained from the World Inequality Database (2022); the calculations are the author's own, which are derived from official inheritance tax and vital statistics of Korea.

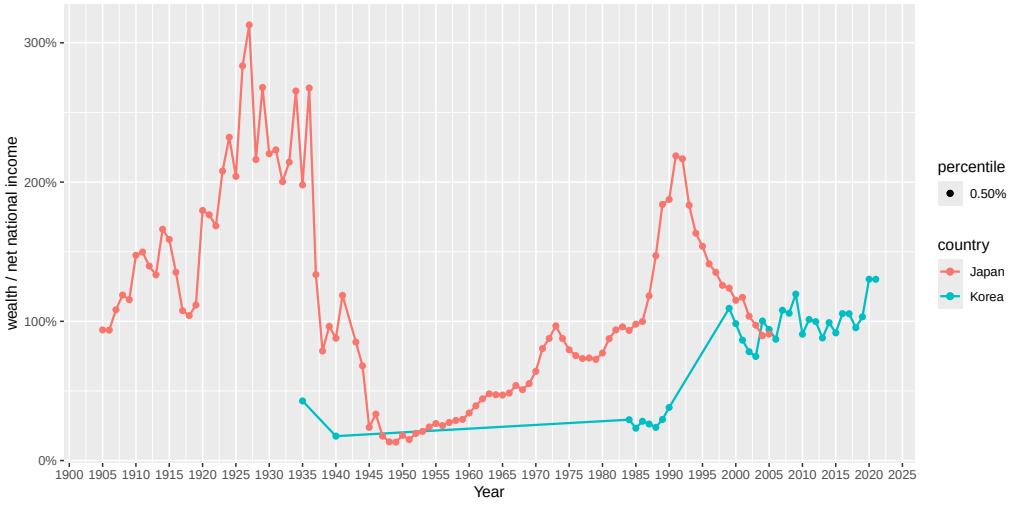

FIGURE B46. RATIO OF TOP 0.5% WEALTH TO NET NATIONAL INCOME IN SOUTH KOREA AND JAPAN, 1935-2021

Note: The series illustrates the ratio of the total wealth possessed by the top 0.5% of the adult population to the Net National Income (NNI). This ratio serves as a measure of the economic significance of the greatest fortunes relative to the aggregate magnitude of the national economy.
Sources: The series for Net National Income (NNI) for Korea originates in the work of N. N. Kim (2015), while that for Japan is obtained from the World Inequality Database (2022); the calculations are the author's own, which are derived from official inheritance tax and vital statistics of Korea.

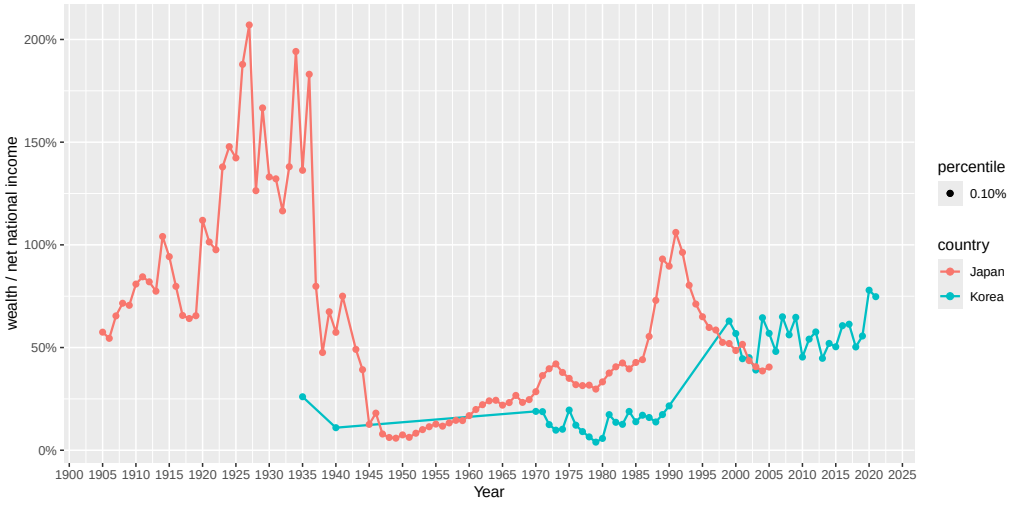

FIGURE B47. RATIO OF TOP 0.1% WEALTH TO NET NATIONAL INCOME IN SOUTH KOREA AND JAPAN, 1935-2021

Note: The series illustrates the ratio of the total wealth possessed by the top 0.1% of the adult population to the Net National Income (NNI). This ratio serves as a measure of the economic significance of the greatest fortunes relative to the aggregate magnitude of the national economy.
Sources: The series for Net National Income (NNI) for Korea originates in the work of N. N. Kim (2015), while that for Japan is obtained from the World Inequality Database (2022); the calculations are the author's own, which are derived from official inheritance tax and vital statistics of Korea.

B9. Miscellaneous

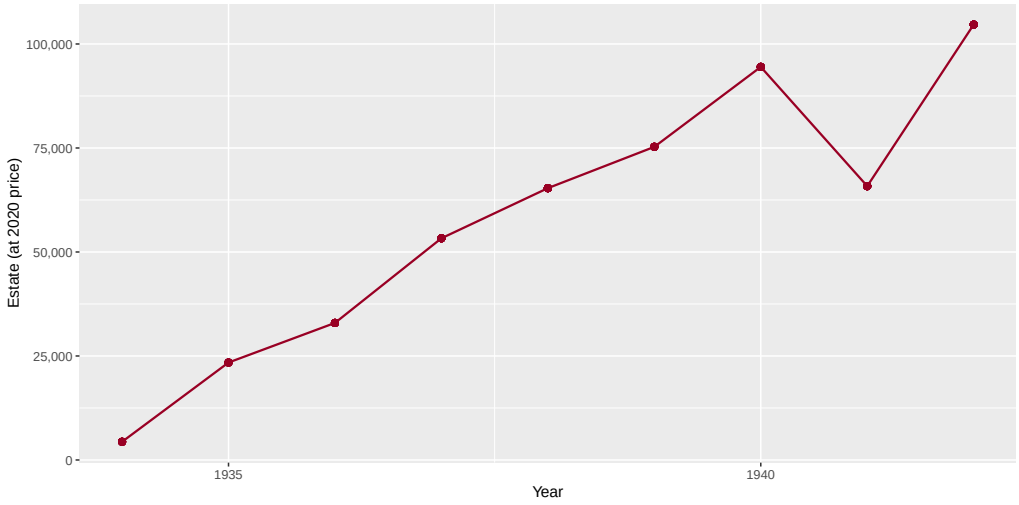

FIGURE B48. TOTAL VALUE OF TAXED ESTATES DURING THE COLONIAL PERIOD, 1934-1942

Note: The series illustrates the total value of estates that were subject to inheritance taxation, with all values denominated in constant 2020 Korean Won. Wealth shares are not calculated for this period, because a reliable denominator for total private wealth is unavailable. Data for 1943 are excluded, an exclusion which is required by the absence of the corresponding vital statistics.
Sources: The data originate from the statistical yearbooks which the Japanese colonial administration published; the calculations are the author's own.

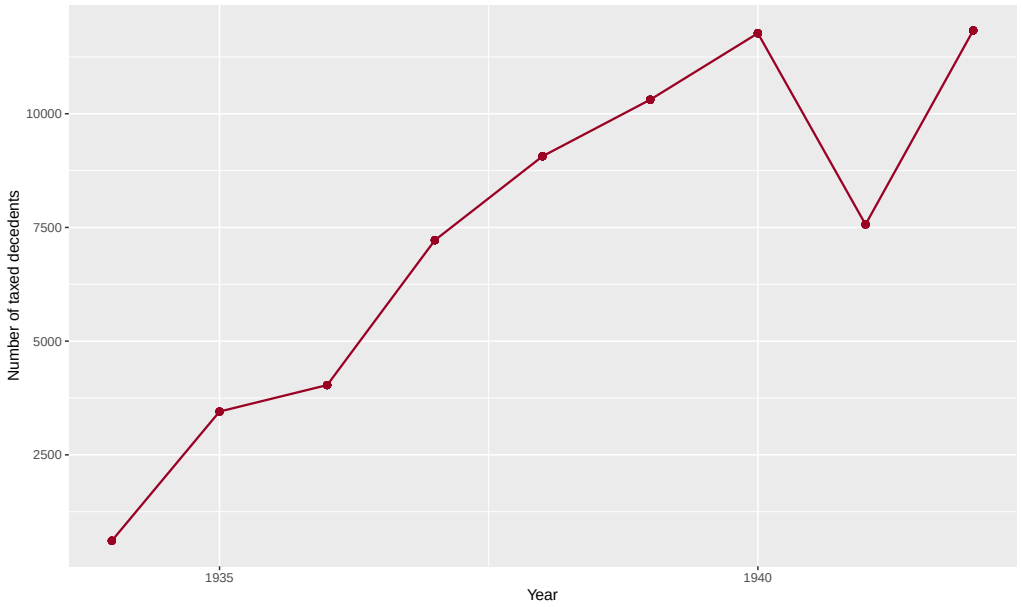

FIGURE B49. NUMBER OF DECEDENTS SUBJECT TO INHERITANCE TAX DURING THE COLONIAL PERIOD, 1934-1942

Note: The series illustrates the absolute number of decedents whose estates were subject to inheritance taxation. Data for 1943 are excluded from the analysis, an exclusion which is required because the corresponding vital statistics for that year are absent.
Sources: The data originate from the statistical yearbooks which the Japanese colonial administration published; the calculations are the author's own.

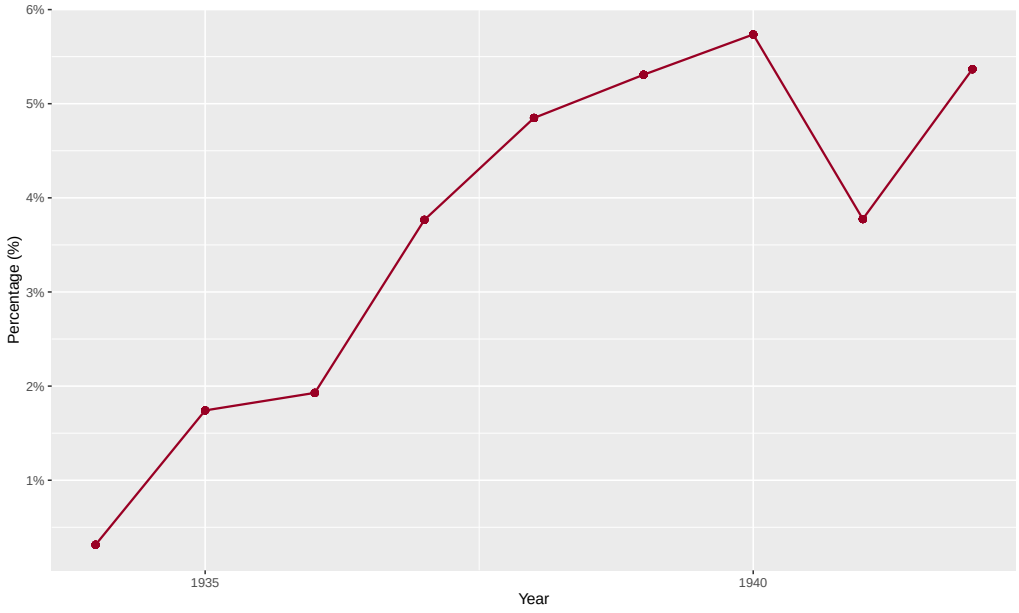

FIGURE B50. PROPORTION OF TAXED DECEDENTS DURING THE COLONIAL PERIOD, 1934-1942

Note: The series represents the number of decedents upon whom inheritance tax was levied, this number being presented as a proportion of the total number of deaths for the adult population, which is defined as individuals of 20 years of age and over. Data for 1943 are excluded, an exclusion which is required by the absence of the corresponding vital statistics.
Sources: The data originate from the statistical yearbooks which the Japanese colonial administration published; the calculations are the author's own.

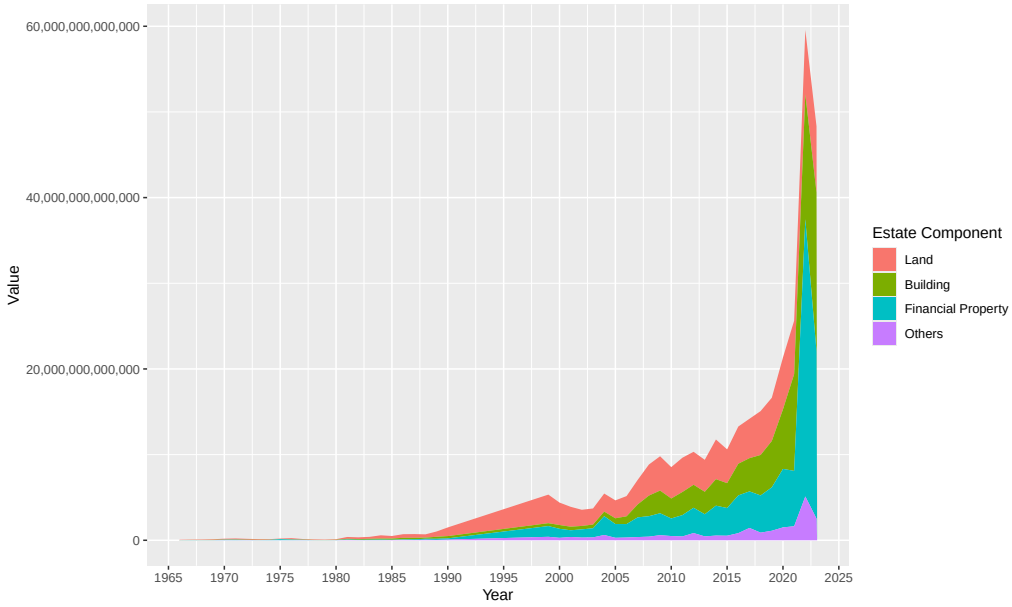

FIGURE B51. ABSOLUTE COMPOSITION OF TAXED ESTATES BY ASSET TYPE, 1966-2023

Note: The series presents the total value of taxed estates, which are disaggregated into four principal asset categories. All values have been denominated in constant 2020 Korean Won. The data for the period 1991-1998 are excluded, an exclusion which is required by the severe quality deficiencies that have been previously documented. The category of "Financial Property" constitutes an aggregate of securities, currency, and deposits.
Sources: The data are derived from the statistical yearbooks of the National Tax Service; the calculations are the author's own.

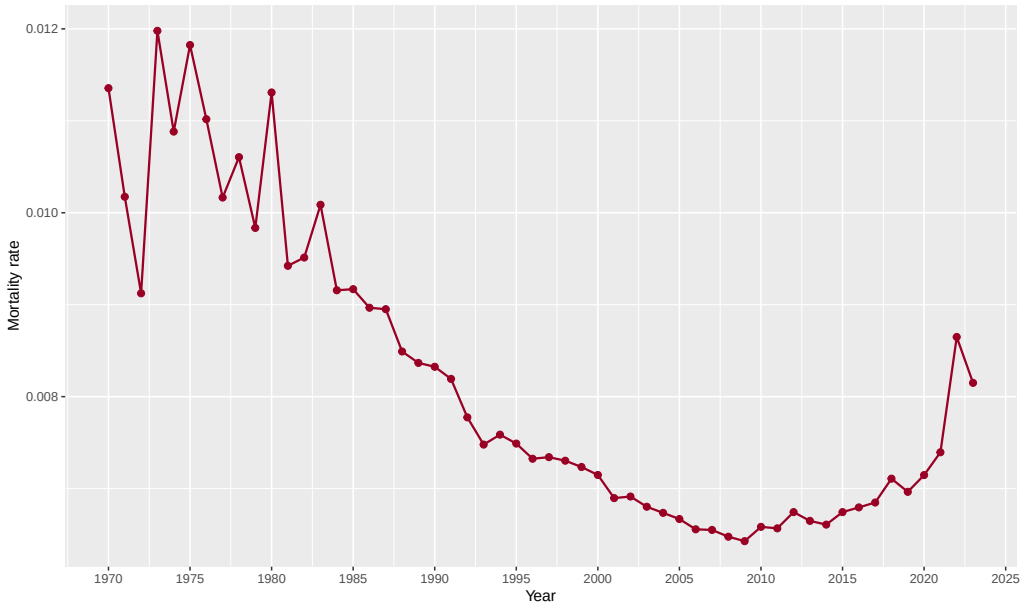

FIGURE B52. AVERAGE MORTALITY RATE FOR THE ADULT POPULATION, 1970-2021

Note: The series presents the average mortality rate for the population aged 20 and over; the reciprocal of this rate constitutes the simplified mortality multiplier that is employed throughout this study. The quality of the vital statistics for the 1970s and early 1980s has been the subject of scholarly debate, a matter which is documented with greater detail in Appendix A.A2.
Sources: The data are derived from the official publications of Statistics Korea; the calculations are the author's own.

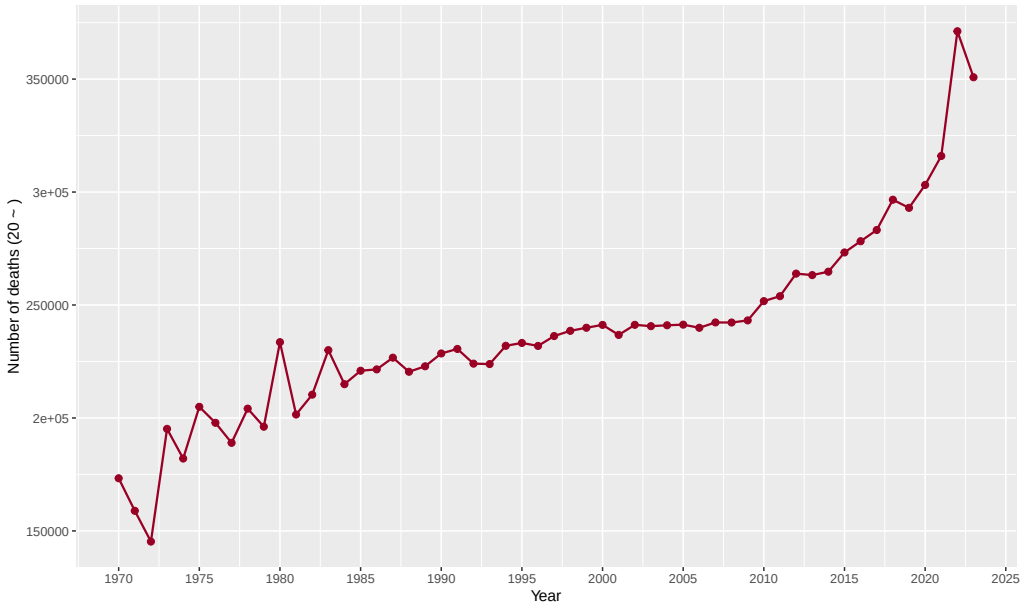

FIGURE B53. TOTAL NUMBER OF ADULT DEATHS IN SOUTH KOREA, 1970-2021

Note: The series illustrates the total number of deaths recorded annually for the population aged 20 and over. One must, however, consider the debated quality of the official vital statistics for the 1970s and early 1980s, which are characterized by significant volatility.
Sources: The data are derived from the official publications of Statistics Korea and from the Korean Statistical Information Service (KOSIS); the calculations are the author's own.

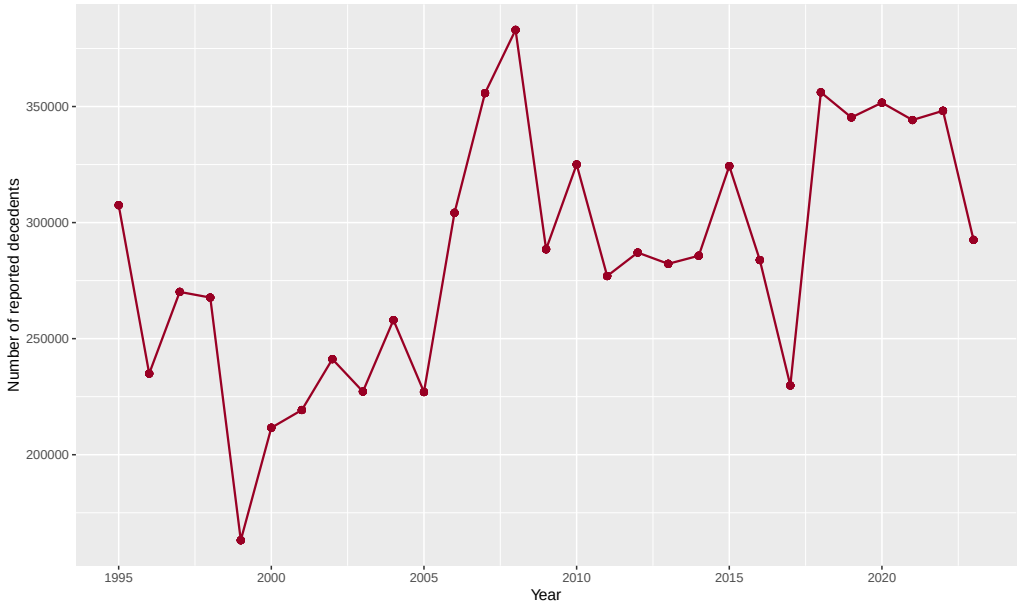

FIGURE B54. UNADJUSTED NUMBER OF DECEDENTS IN INHERITANCE TAX RECORDS, 1995-2023

Note: The series illustrates the total number of decedents as they are recorded in the inheritance tax statistics, before any adjustment is made to align this total with the official count of adult deaths derived from the vital statistics of KOSIS. The extreme values which are apparent between 1995 and 1998 result directly from the supplementary data collection initiative and the subsequent processing backlog; this circumstance, having produced a severe distortion, requires the exclusion of these data from the principal analysis.
Sources: The data are derived from the official statistical yearbooks of the National Tax Service; the calculations are the author's own.

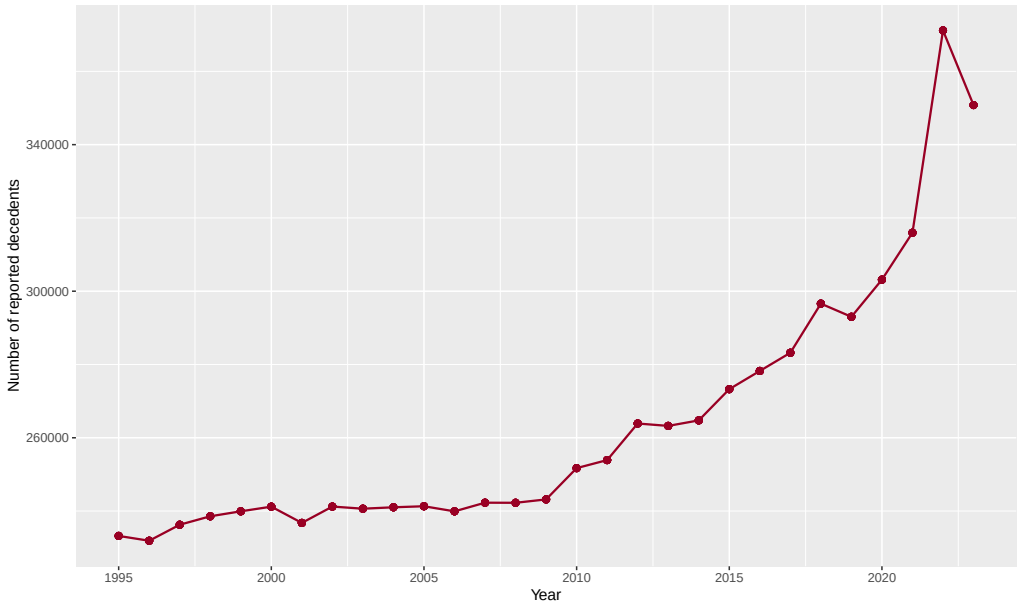

FIGURE B55. TOTAL NUMBER OF ADULT DECEDENTS IN ADJUSTED TAX RECORDS, 1995-2023

Note: The series illustrates the total number of adult decedents, defined as individuals aged 20 and over, whose estates were reported in the inheritance tax statistics. For each year, the number of decedents within the lowest wealth bracket has been adjusted, so that the total number of reported decedents corresponds to the official total which is supplied by Statistics Korea (KOSIS). This procedure consequently corrects for the abnormal over-reporting which was observed in the unadjusted data for the period 1995-1998.
Sources: The data originate from the statistical yearbooks of the National Tax Service and from Statistics Korea (KOSIS); the calculations are the author's own.

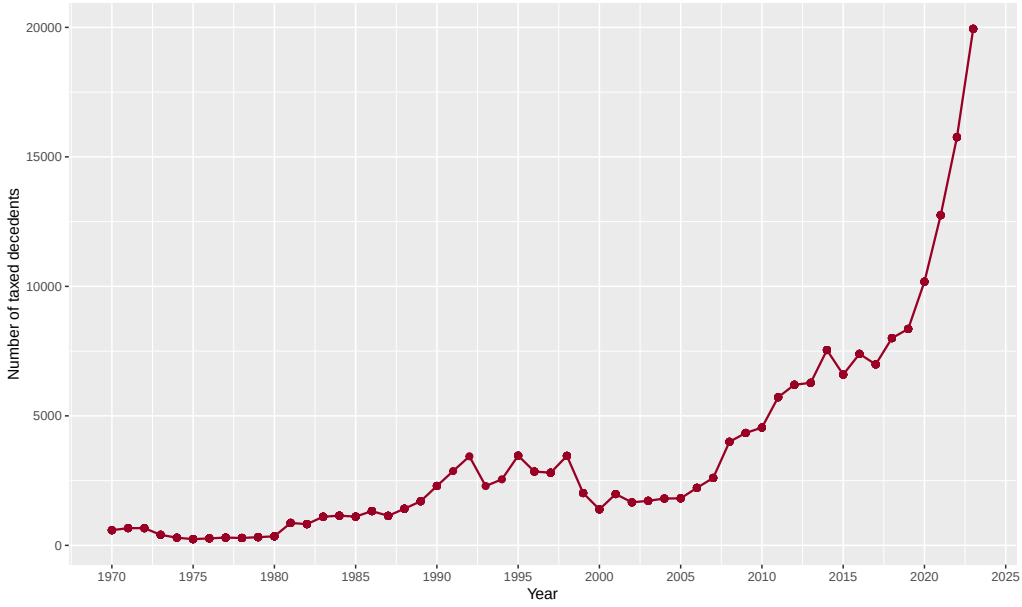

FIGURE B56. NUMBER OF DECEDENTS SUBJECT TO INHERITANCE TAX IN SOUTH KOREA, 1970-2021

Note: The series displays the absolute number of decedents whose estates were subjected to inheritance taxation. The data for the period 1991-1998 are excluded, an exclusion which is required because severe issues of quality that originated from a supplementary data collection render them unsuitable for a consistent analysis.
Sources: The data are derived from the official inheritance tax statistics; the calculations are the author's own.

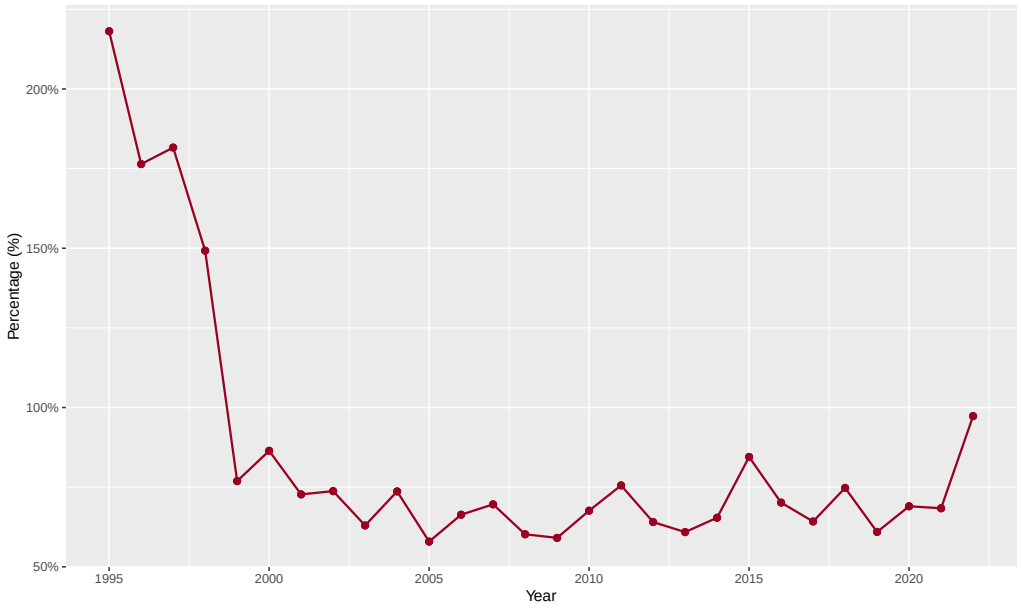

FIGURE B57. THE RATIO OF THE INTERNALLY DERIVED WEALTH TOTAL TO THE EXTERNAL WEALTH TOTAL, 1995-2022

Note: The series illustrates the ratio of the internal wealth total, which is endogenously derived from inheritance tax data through the application of the mortality multiplier, to the external wealth total, which is derived from national balance sheets. The values exceeding 100% during the period 1995-1998 correspond to the severe distortions in the official tax statistics, a circumstance which requires the exclusion of these years from the principal analysis.
Sources: The sources for the data are the inheritance tax statistics, the series for national accounts produced by W. Lee and Yoon (2017) and Statistics Korea, and the calculations of the author.

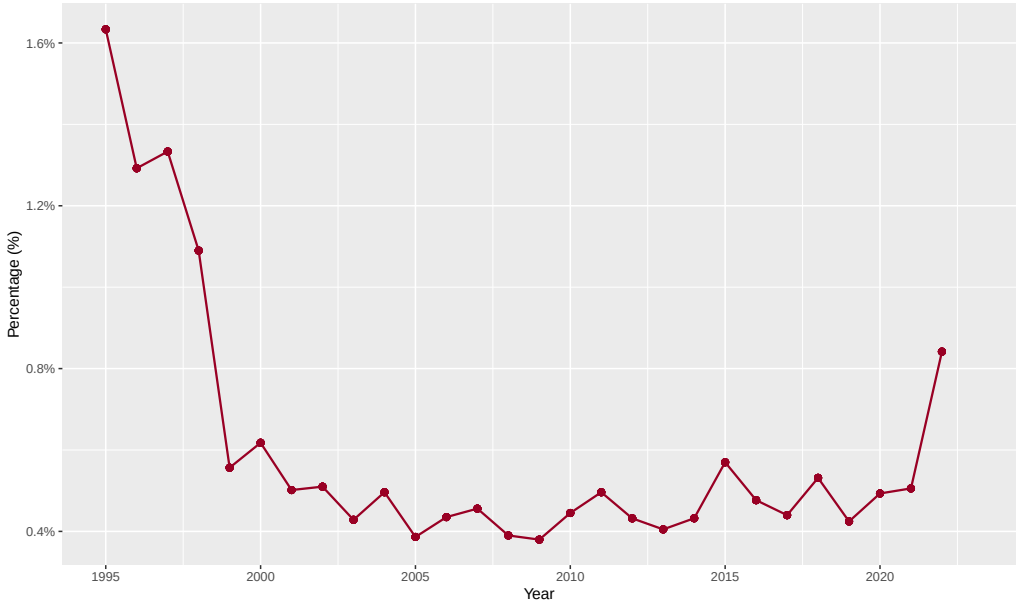

FIGURE B58. PROPORTION OF TOTAL REPORTED ESTATE VALUE TO NET PRIVATE WEALTH, 1995-2022

Note: The series represents the total value of all estates which were declared to the tax authorities, this value being denominated as a percentage of the external net private wealth total. The abnormal values which are observed between 1995 and 1998 are a direct consequence of the severe data quality issues that have been documented in Appendix A.A1.
Sources: The sources are the official inheritance tax statistics from National Tax Service and the net private wealth series from W. Lee and Yoon (2017); the calculations are the author's own.

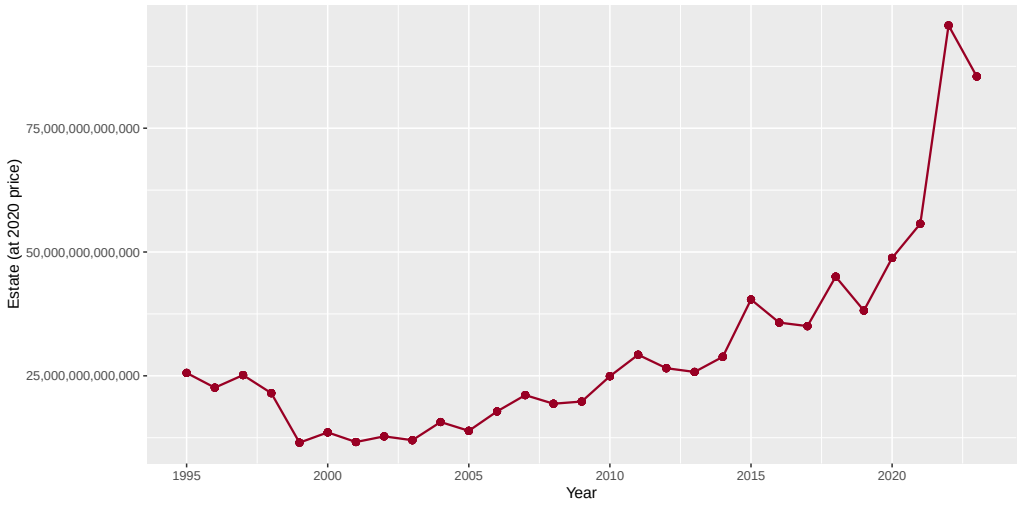

FIGURE B59. TOTAL VALUE OF ALL REPORTED ESTATES, 1995-2021

Note: The series presents the total value of all estates which were reported to the tax authorities, a total that includes the estates of both taxed and untaxed decedents. All values are denominated in constant 2020 Korean Won. The abnormal values which are observed for the period 1995-1998 are a consequence of severe data distortions; for this reason, these years are excluded from the principal analysis of top wealth shares.
Sources: The data originate from the official statistics of the National Tax Service, which were obtained through the Korean Statistical Information Service (KOSIS); the calculations are the author's own.

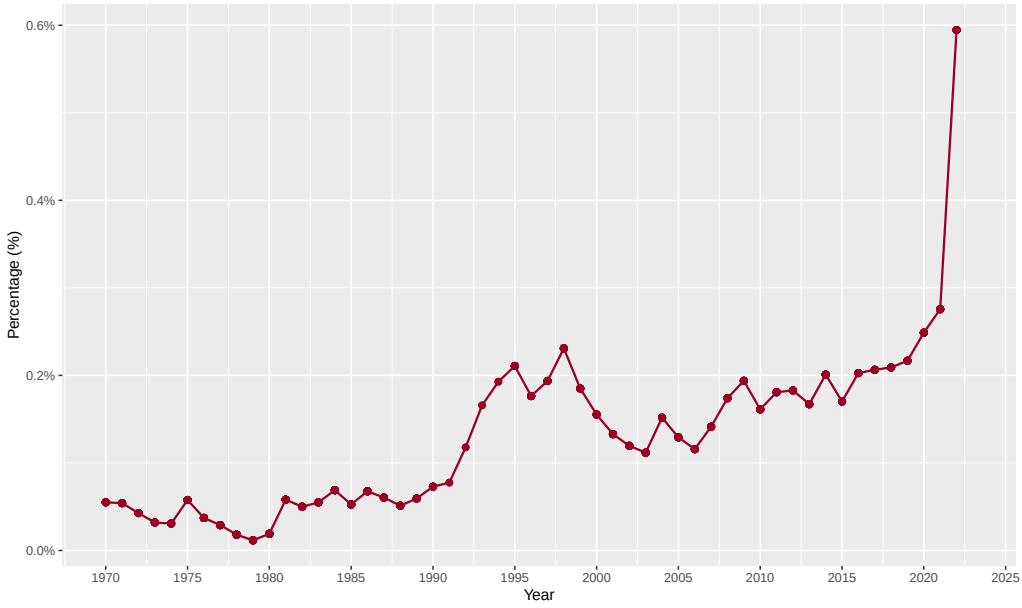

FIGURE B60. PROPORTION OF TAXED ESTATES RELATIVE TO NET PRIVATE WEALTH, 1970-2021

Note: The series represents the total value of taxed estates, which value functions as the numerator, expressed as a proportion of the external net private wealth total, which total functions as the denominator. For an interpretation of this ratio, the substantial variations in tax coverage across the period, which are documented in Appendix A.A1, must be considered. Data for the 1991-1998 period have been excluded, because they present severe problems of quality.
Sources: The data for estates are derived from the publications of the National Tax Service; the data for the wealth total are from W. Lee and Yoon (2017), which series has been extended by the author. The calculations are the author's own.

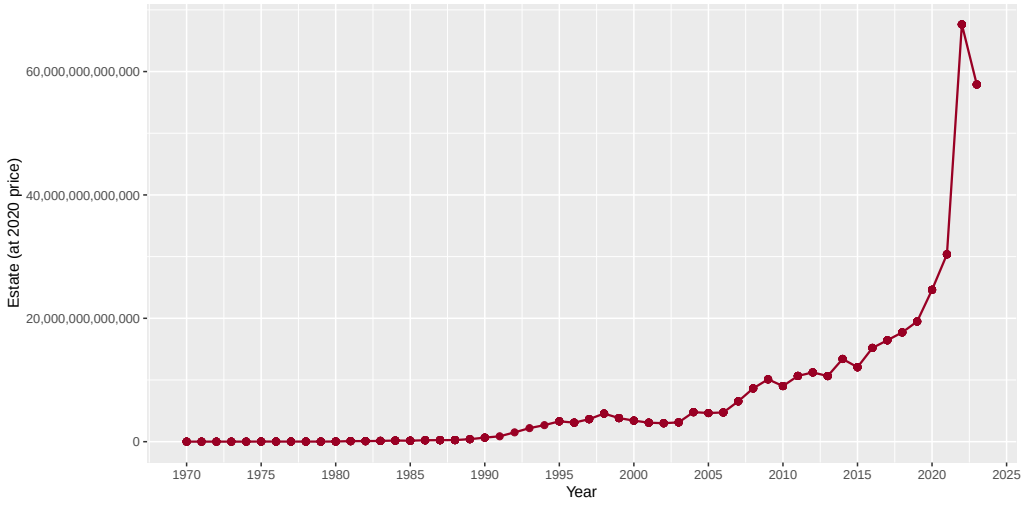

FIGURE B61. TOTAL VALUE OF TAXED ESTATES, 1970-1990 AND 1999-2023

Note: The series illustrates the total value of estates subject to inheritance taxation; all values are denominated in constant 2020 Korean Won. Data for the period 1991-1998 are excluded, an exclusion which is required by severe deficiencies in quality that are documented within Appendix A.A1.
Sources: The data are derived from the publications of the National Tax Service; the calculations are the author's own.