Version Note

December 17, 2019

The World Income Inequality Database (WIID) collects and stores information on income inequality for developed, developing, and transition countries.

Data on economic inequality (Gini coefficients and distributional shares) are obtained from historical repositories from the World Bank, Asian Development Bank and UNICEF, from the main available current databases, such as the Luxembourg Income Study (LIS), Socio-Economic Database for Latin America and the Caribbean (SEDLAC), Economic Commission for Latin America and the Caribbean (ECLAC), Eurostat, OECD and PovcalNet (World Bank), as well as from national statistical offices and from a large range of independent research papers.

This version mostly retains the concepts of the previous version, released on December 19, 2018. The main changes are stated in this document. Users are kindly referred to the WIID User Guide for the complete description of the variables and the format of the database.

New observations

WIID now comprises 11,685 observations, whereas the previous version had 11,101. The following table summarizes the total numbers of observations for different time periods:

Time span	Number of observations
Total observations	11,685
Before 1960	313
1960–69	689
1970–79	849
1980–89	1,441
1990–99	2,624
2000–09	3,148
2010–18	2,621

The database has 3,608 unique country-year observations covering 201 countries (including historical entities), up from the 189 in the earlier version, providing almost worldwide coverage.¹ In several cases the database reports more than one observation for the same country and year. This occurs when these observations add relevant information. For example, they provide consistency with other time series for the same country, or they refer to different resource concepts, area coverage, equivalence scales, among others.

Some observations from the previous version have been deleted, mostly duplicate records with similar information available in the other observations.

Some cases where the reported values of the Gini coefficient were inconsistent with historical trends have been verified with the source and corrected accordingly.

¹ Exceptions being North Korea, some microstates (e.g. Monaco, Vatican City) and certain specific areas (e.g. Western Sahara, French Guiana).

List of changes

Variable level changes

A new variable *palma* is introduced. It is the share of income held by the top ten percent of the population divided by the share of the bottom forty percent.

A new variable *ratio_top20bottom20* is introduced. It is the share of income held by the top twenty percent of the population divided by the share of the bottom twenty percent

A new variable *bottom40* is introduced. It is the share of income held by the bottom forty percent of the population. Evolution of this measure over time is one of the <u>indicators</u> of the Sustainable Development Goals.

All three above variables have been computed from the reported shares.

A new variable *link* is introduced. It provides a link to the data source at the time of extracting the data.