Version Note

May 31, 2021

(Updated June 23, 2021)

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

Data on economic inequality 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 retains the concepts of the previous version, released on 31 March 2021. It contains some corrections for observations from LIS which were estimated using microdata through LISSY. These corrections were made to limit reporting of income distributions using 'gross income' as a measure of resources to those cases with enough information (i.e. LIS 'grossnet' variable takes values 100, 110, or 120), and to correct for computations which use modified-OECD equivalence scales. Furthermore, observations derived from LIS have been updated with more recent data from the first-quarter release of the microdata, and the same for observations from EUSILC with date from the April 2021 release. Finally, the new version no longer contains two inequality measures reported in the previous one (GE(-1) and A(2)) because they are problematic in some cases due to their sensitivity to extreme low incomes and need to be further studied.

After the version was released, on June 23, 2021, the 'gdp' variable was corrected, since about 400 observations had GDP expressed in thousands of USD instead of in USD. This change did not affect the companion datasets.

Users are kindly referred to the WIID <u>User Guide</u> for the complete description of the variables and the format of the database.

Coverage

The WIID comprises 20,675 observations. The following table summarizes the total numbers of observations for different time periods:

Time span	Number of observations
Total observations	20,675
Before 1960	311
1960–69	712
1970–79	916
1980–89	1,601
1990–99	3,621
2000–09	6,228
2010–19	7,285

2020–

The database has 3,718 unique country-year observations for a total of 200 countries/economies (including historical entities), providing an almost worldwide coverage. 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, or equivalence scales, among others.

-

¹ Exceptions being Democratic People's Republic of Korea, some microstates (e.g., Monaco, Vatican City State), and certain specific areas (e.g., Western Sahara, French Guiana).