

Household Wealth and Its Distribution in the Netherlands, 1854–201

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We document the evolution of the aggregate household wealth in the Netherlands from 1854 until 2019 by reconstructing historical household balance sheets, using the three most frequently used methods in the literature: (i.) historical national accounts; (ii.) the estate multiplier methods; and (iii.) lognormal extrapolation from wealth tax data. In addition, we estimate the composition of household wealth, and track top-wealth shares. Our results show that the household wealth-income ratio followed the familiar U-shaped pattern over the 20th century. The Netherlands, however, experienced larger peaks and troughs than any country on record, with a peak in the wealth-income ratio in excess of 1,000% before the World Wars, and a trough of around 200% in the 1970s. Our analysis of wealth tax and inheritance data confirms that top wealth shares also follow a U-shaped pattern. In terms of wealth composition, the role of land has declined, and the importance of housing and pension wealth has dramatically increased in the second half of the 20th century.