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## **Income and Wealth Concentration in Switzerland over the 20<sup>th</sup> Century**

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### Abstract:

This paper presents homogeneous series on top shares of income and wealth in Switzerland since 1913 using personal income and wealth tax return statistics. In contrast to other countries such as Canada, France, the United Kingdom, the Netherlands or the United States, top income and wealth shares in Switzerland are strikingly flat over the century, and display no secular downtrend from the early part of the century to the post-World War II period. Switzerland hardly ever implemented a very progressive income and wealth tax structure and top income and wealth tax rates have been very low relative to other developed countries. Therefore, our findings for Switzerland lead much credence to the view that the development of very progressive taxation is the central factor explaining the sustained decline in wealth and income concentration in countries such as Canada, France, the United Kingdom, the Netherlands, or the United States.

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## **1. Introduction**

The evolution of income and wealth inequality during the process of development has attracted enormous attention in the economics literature. Liberals have blamed income and wealth concentration because of concerns for equity and in particular for tilting the political process in the favor of the wealthy. They have proposed progressive taxation as an appropriate counter-force against wealth concentration. For conservatives, concentration of income and wealth is considered as a natural and necessary outcome of an environment that provides incentives for work, entrepreneurship, and wealth accumulation, key elements of macro-economic success. Progressive taxation may redistribute resources away from the rich and wealthy and reduce wealth concentration but it might also weaken those incentives and generate large efficiency costs. Therefore, it is of great importance to understand the forces driving income and wealth concentration over time and understand whether government interventions through taxation are effective and/or harmful to curb wealth inequality. This task is greatly facilitated by the availability of long and homogeneous series of income or wealth concentration.

A number of recent studies have constructed series for shares of income accruing to upper income groups (such as the top decile, top percentile, etc.) for various countries: Piketty (2001, 2003) for France, Atkinson (2001) for the United Kingdom, Piketty and Saez (2003) for the United States, Saez and Veall (2003) for Canada, Atkinson and Salverda (2003) for the Netherlands. Shares of wealth accruing to top wealth groups have also been constructed for some countries: Atkinson and Harrison (1978) and Atkinson and Gordon (200x) for the United Kingdom, Kopczuk and Saez (2003) for the United States, Piketty, Postel-Vinay, and Rosenthal (2003) for France. All these series share two important and striking characteristics. First, in all those countries, a dramatic reduction in top income and wealth shares is observed from the early part of the century to the decades following World War II. In virtually all cases, the share of income or

wealth accruing to the top 1% has been divided by a factor two and sometimes, by a much greater factor. For example, in the United Kingdom, the top 1% income share falls from almost 20% in 1918 to 6% in the 1970s (Atkinson and Salverda, 2003, Table 2UK). Second, in all those countries as well, those dramatic decreases are concentrated in the very top groups of the income or wealth distribution. There are relatively little secular changes for the bottom part of the top decile or even the top percentile, and the majority of the decrease is actually concentrated in the top 0.1%.

In contrast, the evolution of top income shares in the recent decades has been different across countries: the United States, Canada, and the United Kingdom have experienced a large increase in top income shares while France, and the Netherlands display hardly any change in top income shares. For the United States (Piketty and Saez, 2003) and Canada (Saez, and Veall, 2003), this dramatic increase has been due to a dramatic increase in top wages and salaries. We suspect that such a surge in top wages and salaries is also the cause of the increase in top income shares in the United Kingdom [to be checked as soon as possible using the Inland Revenue public files for 1985 and 2000]. Kopczuk and Saez (2003) and Atkinson and Gordon (200x) show that in both the United States and the United Kingdom, the increase in top wealth shares has been very small and almost negligible relative to the dramatic increase in top income shares. This suggests that, although income concentration has increased sharply in the United States and the United Kingdom, it has not yet translated into a significant increase in wealth concentration.

Following Piketty (2001, 2003), most authors have argued that the dramatic increase in tax progressivity that has taken place in the inter-war period in all the countries studied and which remained in place after World War II period at least until the recent decades, has been the main factor preventing top income and wealth shares from coming back to the very high levels observed at the

beginning of the century.<sup>1</sup> Indeed, with marginal income tax rates in excess of 60%, and sometimes reaching even 90% for very high incomes, a wealthy individual has to pay in taxes a very large fraction of its returns on capital, and accumulating or sustaining a fortune requires much higher saving rates.

However, because the effects of taxes on wealth concentration are a long-term process, it is nearly impossible to provide a rigorous proof of this hypothesis. The goal of the present paper is to provide a simple test of this hypothesis by examining the case of Switzerland, a country which did not experience the shocks of the two World Wars and hence never established a very progressive tax structure. For most of the century, and is still true today, the majority of income taxes in Switzerland are levied at the local level (county level and municipal level). These local income and wealth taxes present a relatively flat rate structure with low marginal tax rates. Today, the combined county and municipal income tax rates are around 25% in general, and the top local wealth tax rate are in general less than 0.5%. Switzerland has also imposed federal income and wealth taxes (starting during World War I in 1915). However, the top marginal income tax rates have been around 10% for most of the period and the top wealth tax rates have in general been less than 0.5%, except for a very few years during the World Wars. There is no federal inheritance and estate taxes and most Cantons do not levy inheritance taxes between spouses and between parents and children, or levy only a very modest tax of below 10% for bequests to children. Thus over the 20<sup>th</sup> century, the marginal tax rate in Switzerland on capital income of the very wealthy including federal and local income, wealth, and inheritance taxes has been very low relative to other OECD countries.

Therefore, if the development of progressive taxation is the main factor which drove and kept top income and wealth shares at a much lower level than in early part of century, then we should not observe such a drop in Switzerland, a country which never experienced sustained progressive taxation. In order to answer this question, the present paper uses Swiss income and wealth tax

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<sup>1</sup> Earlier studies of income and wealth concentration in the United States (Kuznets, 1955 and Lampman, 1962) also mentioned the development of progressive taxation as a factor explaining

statistics to construct homogeneous series of income and wealth shares for various upper income and wealth groups within the top decile. As personal income and wealth taxes in Switzerland are based on family income (and not individual income), our series measure inequality among families (which may be different from inequality among individuals). Our top wealth shares series start in 1913 and cover a large number of years up to year 1957, the last year a federal wealth tax was implemented. Since 1957, we have to rely of wealth surveys compiled by the federal administration from Cantonal wealth tax statistics. Unfortunately, such surveys were only made about once every ten years, and the latest year available is 1997. Our top income share series start in 1933<sup>2</sup> and end in 1996, the latest year available. Because federal income taxes in Switzerland have been assessed every two years on the average income of the two preceding years, our top income shares series are bi-annual. In contrast to the wealth share series, the income series are quasi-continuous and cover almost all the years in the period 1933-1997.

Our results strongly support the tax explanation discussed above: top wealth and income shares in Switzerland fell during the shocks of the World Wars and the Great Depression (although less than in other countries) but, most importantly, top wealth and income shares fully recovered from those shocks in the post World War II period. As a result, by 1969, the top wealth shares are almost as high as they were before World War I, and top income shares are higher in the early 1970s than in the pre-World War II period. As we mentioned above, these results offer a striking contrast with the experiences of France, the United Kingdom, the United States, and Canada. Thus, although Switzerland had relatively less income and wealth concentration in the early part of the century than those countries, by the 1960s, Switzerland displays significantly more income and especially wealth concentration than other countries. Interestingly, Switzerland does display a reduction in income and wealth concentration since

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the decline of U.S. income and wealth concentration in the first half of the 20<sup>th</sup> century.

<sup>2</sup> Before 1933, Switzerland imposed federal income taxes but those taxes were based on labor income only and excluded capital income. As a result, these income tax statistics cannot be

the 1970s, suggesting that non-tax factors such as the aging of the population and the development of pensions might have reduced wealth concentration.

[ADD PARAGRAPH ON AVOIDANCE FROM FOREIGNERS USING SWITZERLAND BANK ACCOUNTS]

The paper is organized as follows. Section 2 describes our data sources and outlines our estimation methods. In Section 3, we present and analyze the trends in top income shares since 1933. Section 4 presents the evolution of top wealth shares since 1913. Section 5 discusses the evidence on capital income earned in Switzerland by non-residents. Finally, Section 6 offers a brief conclusion. All series and complete technical details about our methodology are gathered in appendices.

## **2. Data and Methodology**

In this section, we describe briefly the data we use and the broad steps of our estimation methodology. Readers interested in the complete details of our methods are referred to the extensive appendices at the end of the paper.

## **3. Top Income Shares**

## **4. Top Wealth Shares**

## **5. Foreign Capital Income and Foreigners in Switzerland**

## **6. Conclusion**

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compared to the tax statistics starting in 1933 where all sources of income, both labor and capital, are reported.

## **APPENDIX**

### **A. Income and Wealth Federal Taxation and Statistical Sources**

### **B. Total Number of Tax Units and Total Income**

### **C. Estimating Top Income Shares**

### **D. Estimating Top Wealth Shares**

### **E. Non-Residents and Impot Anticipo**

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**Table 1: Reference Totals for Population, Income, and Inflation in Switzerland, 1901-2002**

	Adult population		Personal Wealth		Inflation
	(1)	(2)	(3)	(4)	(11)
	Population (aged 20+)	Tax Units	Total Income (Millions Fr.)	Average Income per tax unit	CPI
	('000s)	('000s)		(2000 Fr.)	(2000 base)
(1)	(2)	(3)	(4)	(5)	
1901	1,971	1,431	24,214	16,926	8.848
1902	1,997	1,447	24,611	17,006	8.848
1903	2,022	1,464	24,989	17,071	8.955
1904	2,047	1,481	25,359	17,129	8.955
1905	2,072	1,497	26,134	17,456	9.061
1906	2,097	1,514	26,073	17,224	9.275
1907	2,123	1,530	26,417	17,261	9.701
1908	2,148	1,547	26,761	17,297	9.914
1909	2,173	1,564	27,091	17,324	10.021
1910	2,198	1,580	27,407	17,342	10.234
1911	2,224	1,597	27,744	17,372	10.554
1912	2,242	1,611	28,054	17,409	10.767
1913	2,261	1,626	28,344	17,433	10.660
1914	2,279	1,640	28,128	17,148	10.660
1915	2,298	1,655	28,506	17,227	11.845
1916	2,317	1,669	28,418	17,025	13.706
1917	2,335	1,684	25,278	15,015	17.091
1918	2,354	1,698	25,238	14,863	21.490
1919	2,373	1,712	26,976	15,753	23.352
1920	2,391	1,727	28,667	16,601	23.774
1921	2,410	1,741	27,960	16,057	20.872
1922	2,440	1,761	30,688	17,426	17.841
1923	2,469	1,781	32,386	18,185	17.131
1924	2,499	1,801	33,484	18,594	17.690
1925	2,528	1,821	35,802	19,664	17.580
1926	2,558	1,841	37,385	20,312	17.063
1927	2,587	1,860	39,151	21,044	16.734
1928	2,616	1,880	41,003	21,807	16.828
1929	2,646	1,900	43,121	22,694	16.812
1930	2,675	1,920	43,487	22,649	16.551
1931	2,705	1,940	42,110	21,708	15.694
1932	2,730	1,955	40,154	20,538	14.529
1933	2,755	1,970	42,638	21,641	13.787
1934	2,780	1,986	42,817	21,565	13.573
1935	2,806	2,001	42,790	21,387	13.390
1936	2,831	2,016	41,885	20,776	13.662
1937	2,856	2,031	44,419	21,868	14.174
1938	2,881	2,046	44,382	21,687	14.320
1939	2,906	2,062	44,339	21,507	14.519
1940	2,931	2,077	43,943	21,158	15.887
1941	2,956	2,092	42,924	20,517	18.139
1942	2,982	2,107	41,465	19,676	20.161
1943	3,014	2,125	42,528	20,018	21.216
1944	3,047	2,142	43,569	20,343	21.650
1945	3,080	2,159	46,148	21,376	21.796
1946	3,113	2,176	50,697	23,298	21.781
1947	3,145	2,193	54,426	24,816	22.752
1948	3,178	2,210	54,905	24,840	23.450
1949	3,211	2,228	53,443	23,992	23.199
1950	3,244	2,245	57,108	25,441	22.819
1951	3,277	2,262	59,670	26,381	23.887

1952	3,322	2,287	61,672	26,969	24.489
1953	3,367	2,312	64,824	28,042	24.310
1954	3,412	2,337	68,499	29,315	24.539
1955	3,457	2,362	72,551	30,722	24.740
1956	3,502	2,386	76,517	32,063	25.084
1957	3,547	2,411	79,609	33,014	25.607
1958	3,592	2,436	81,591	33,489	26.044
1959	3,637	2,461	87,619	35,599	25.908
1960	3,682	2,486	93,289	37,523	26.223
1961	3,727	2,511	101,494	40,418	26.904
1962	3,790	2,546	108,828	42,739	27.864
1963	3,852	2,582	114,578	44,383	28.882
1964	3,915	2,617	122,438	46,790	29.742
1965	3,977	2,652	127,209	47,968	30.824
1966	4,040	2,687	130,534	48,576	32.357
1967	4,102	2,722	133,842	49,163	33.594
1968	4,165	2,758	140,118	50,811	34.516
1969	4,228	2,793	148,192	53,061	35.326
1970	4,290	2,828	158,323	55,982	36.734
1971	4,353	2,863	169,477	59,189	39.017
1972	4,381	2,890	178,891	61,908	41.656
1973	4,409	2,916	178,997	61,384	45.703
1974	4,437	2,942	180,570	61,369	49.816
1975	4,465	2,969	172,611	58,144	52.714
1976	4,493	2,995	172,890	57,725	53.798
1977	4,521	3,021	178,523	59,086	54.447
1978	4,549	3,048	183,150	60,094	54.974
1979	4,577	3,074	184,980	60,174	56.666
1980	4,605	3,100	188,947	60,942	59.341
1981	4,633	3,127	192,181	61,462	62.835
1982	4,699	3,181	192,601	60,556	66.574
1983	4,766	3,234	195,565	60,467	68.752
1984	4,832	3,288	201,526	61,291	70.676
1985	4,899	3,342	198,472	59,392	73.057
1986	4,965	3,395	207,395	61,080	73.593
1987	5,032	3,449	209,033	60,604	74.809
1988	5,098	3,503	218,325	62,327	76.120
1989	5,164	3,557	222,919	62,677	78.895
1990	5,231	3,610	228,669	63,337	82.978
1991	5,297	3,664	231,186	63,095	87.533
1992	5,322	3,685	226,798	61,548	91.088
1993	5,346	3,706	225,319	60,803	93.743
1994	5,370	3,727	227,158	60,957	94.899
1995	5,394	3,747	216,562	57,791	96.384
1996	5,419	3,768	217,253	57,655	97.465
1997	5,443	3,789	226,274	59,720	97.972
1998	5,467	3,810	232,159	60,938	98.005
1999	5,491	3,831	236,379	61,709	98.783
2000	5,515	3,851	247,376	64,231	100.341
2001	5,540	3,872			101.367
2002					101.951

Notes: All details in the appendices. Tax units defined as adult individuals (aged 20+) less half of married individuals.

Population, adults, married individuals from decenal census from Annuaire Statistique de la Suisse, 1993 (p. 47).

Year 2000 from [http://www.statistik.admin.ch/stat\\_ch/ber01/fufr01.htm](http://www.statistik.admin.ch/stat_ch/ber01/fufr01.htm)

Total income computed as total income on tax returns before deductions (Revenu Net) + 20% of average income imputed to non-filers for period 1971-on. From 1921-1970, total income defined as 75% of National Income.

Total income in 1901-1920 imputed from Madison series on GDP per capita (pasted to 1921, 75% of National Income).

Consumer Price Index from [globallfindata.com](http://globallfindata.com) (1) (average of maximum and minimum value for each year).

**Table 2: Top Income Shares in Switzerland, 1933-1995/96**

	Aggregate Series					Top groups shares						Intermediate groups shares					
	Consumer Price Index (1)	Number of Tax Units ('000s) (2)	Total Real Income (millions Fr.) (3)	Real Income per family (2000 Fr.) (4)	% Tax Units Covered in statistics (5)	10% (6)	5% (7)	1% (8)	0.5% (9)	0.10% (10)	0.01% (11)	10-5% (12)	5-1% (13)	1-0.5% (14)	0.5-0.1% (15)	0.1-0.01% (16)	0.01% (17)
1933	13.787	1,986	42,638	21,475	13.7	31.16	21.92	9.98	7.19	3.27	0.94	9.24	11.94	2.79	3.92	2.33	0.94
1934-35	13.573	2,008	42,515	21,169	13.2	30.92	21.59	9.69	6.94	3.14	0.91	9.33	11.90	2.75	3.80	2.23	0.91
1936-37	13.662	2,039	43,984	21,573	13.3	30.47	21.46	9.94	7.21	3.35	0.98	9.01	11.52	2.73	3.86	2.37	0.98
1939-40	14.519	2,085	46,212	22,169	32.5	32.94	23.77	11.78	8.78	4.36	1.52	9.17	11.99	3.00	4.42	2.84	1.52
1943-44	21.216	2,150	43,494	20,227	53.0	32.59	22.70	10.54	7.67	3.71	1.43	9.89	12.17	2.87	3.96	2.29	1.43
1945-46	21.796	2,185	48,404	22,157	62.6	33.24	23.36	10.49	7.50	3.44	1.10	9.89	12.87	2.98	4.06	2.34	1.10
1947-48	22.752	2,219	55,507	25,015	54.2	31.58	21.95	10.01	7.15	3.26	1.03	9.63	11.94	2.86	3.89	2.23	1.03
1949-50	23.199	2,253	54,808	24,324	42.7	31.34	21.71	9.88	7.08	3.22	0.96	9.63	11.84	2.80	3.86	2.26	0.96
1951-52	23.887	2,299	61,448	26,726	47.5	31.54	21.84	9.91	7.13	3.36	1.07	9.70	11.93	2.78	3.78	2.29	1.07
1953-54	24.310	2,349	66,984	28,515	48.8	30.60	21.36	9.78	7.03	3.29	1.05	9.24	11.58	2.75	3.74	2.25	1.05
1955-56	24.740	2,399	75,066	31,291	48.8	30.66	21.38	9.78	7.01	3.23	0.97	9.28	11.59	2.77	3.78	2.27	0.97
1957-58	25.607	2,449	81,297	33,199	38.2	30.99	21.79	10.11	7.24	3.31	1.03	9.20	11.69	2.87	3.93	2.28	1.03
1959-60	25.908	2,499	91,022	36,429	46.5	31.47	22.35	10.54	7.58	3.51	1.09	9.11	11.82	2.95	4.08	2.42	1.09
1961-62	26.904	2,564	107,103	41,773	48.9	31.56	22.70	10.87	7.85	3.62	1.06	8.87	11.83	3.02	4.23	2.56	1.06
1963-64	28.882	2,634	120,331	45,677	48.0	31.72	22.83	10.91	7.88	3.64	1.12	8.90	11.92	3.04	4.24	2.52	1.12
1965-66	30.824	2,705	132,118	48,845	55.7	31.60	22.60	10.67	7.67	3.50	1.05	9.01	11.92	3.00	4.17	2.45	1.05
1967-68	33.593	2,775	138,905	50,051	63.1	32.29	23.01	10.86	7.81	3.58	1.08	9.27	12.15	3.05	4.23	2.50	1.08
1969-70	35.326	2,846	156,414	54,965	62.8	32.70	23.32	11.00	7.92	3.66	1.14	9.38	12.32	3.09	4.26	2.52	1.14
1971-72	39.017	2,903	180,234	62,089	69.0	32.49	23.03	10.81	7.79	3.62	1.14	9.47	12.22	3.02	4.16	2.48	1.14
1973-74	45.703	2,956	187,907	63,578	76.0	30.96	21.51	9.77	6.98	3.20	1.04	9.45	11.75	2.79	3.78	2.16	1.04
1975-76	52.714	3,008	174,529	58,017	78.9	30.29	20.47	8.79	6.15	2.68	0.83	9.82	11.68	2.64	3.47	1.85	0.83
1977-78	54.447	3,061	181,723	59,369	81.4	29.93	20.12	8.49	5.90	2.56	0.79	9.80	11.63	2.59	3.34	1.77	0.79
1979-80	56.666	3,114	191,423	61,479	83.6	29.89	20.06	8.40	5.82	2.51	0.76	9.83	11.66	2.58	3.31	1.75	0.76
1981-82	62.835	3,207	198,122	61,770	86.9	29.87	20.02	8.40	5.85	2.58	0.84	9.85	11.62	2.55	3.27	1.75	0.84
1983-84	68.752	3,315	201,365	60,746	87.5	29.88	20.00	8.39	5.85	2.62	0.86	9.88	11.61	2.54	3.23	1.76	0.86
1985-86	73.057	3,422	203,694	59,519	90.7	30.35	20.64	9.05	6.48	3.16	1.25	9.72	11.59	2.57	3.32	1.91	1.25
1987-88	74.809	3,530	215,591	61,078	88.1	30.78	20.93	9.07	6.41	2.94	0.96	9.85	11.86	2.67	3.47	1.97	0.96
1989-90	78.895	3,637	231,711	63,705	88.6	30.78	20.96	9.22	6.59	3.15	1.15	9.81	11.74	2.63	3.44	2.01	1.15
1991-92	87.533	3,695	233,597	63,215	86.4	29.99	20.14	8.60	6.09	2.85	1.00	9.85	11.54	2.51	3.24	1.85	1.00
1993-94	93.743	3,737	227,639	60,916	90.8	29.65	19.87	8.42	5.87	2.54	0.77	9.78	11.45	2.55	3.33	1.77	0.77
1995-96	96.384	3,779	218,126	57,728	84.0	29.22	19.27	7.76	5.28	2.17	0.61	9.95	11.51	2.47	3.12	1.56	0.61

Notes: Computations by authors based on wealth tax return statistics. See Appendix for details.

Consumer Price Index from globalfindata.com (mean from Table 1 over corresponding years). Total income based on means from Table 1.

Percentage of tax units covered by tax statistics reported on column (5).

Columns (6) to (17) display the top of total income accruing to each upper income group for corresponding years.

Top 0.1% and above estimates for years 1993-94, 1995-96 not reliable because top bracket contains more than 1% of tax units.

**Table 3: Top Wealth Shares in Switzerland, 1913-1997**

	Aggregate Wealth				Top groups shares						Intermediate groups shares					
	Consumer Price Index (1)	Total Real Wealth (millions Fr.) (2)	Real wealth per family (2000 Fr.) (3)	% Wealth Covered in statistics (4)	10% (5)	5% (6)	1% (7)	0.5% (8)	0.10% (9)	0.01% (10)	10-5% (11)	5-1% (12)	1-0.5% (13)	0.5-0.1% (14)	0.1-0.01% (15)	0.01% (16)
1913	10.660	123,457	75,264	100.0	84.81	73.57	46.65	37.15	19.13	5.43	11.24	26.92	9.50	18.03	13.70	5.43
1915	11.845	138,587	83,028	90.6	80.46	68.62	42.25	33.56	17.68	5.50	11.84	26.37	8.69	15.89	12.18	5.50
1919	23.351	77,263	44,743	100.0	76.25	62.29	36.42	28.33	14.25	4.12	13.96	25.88	8.08	14.09	10.13	4.12
1921	22.538	90,548	51,415	85.8	77.02	63.98	38.05	29.44	14.56	4.26	13.04	25.93	8.61	14.88	10.29	4.26
1925	17.732	116,670	63,388	87.3	75.83	64.55	40.68	32.48	16.49	5.09	11.28	23.87	8.19	15.99	11.41	5.09
1929	16.854	133,760	69,667	88.3	76.71	66.50	41.95	32.93	17.14	5.96	10.20	24.56	9.02	15.79	11.18	5.96
1934	13.698	147,470	73,707	62.7	80.45	67.96	40.43	31.16	15.49	4.57	12.48	27.53	9.27	15.67	10.92	4.57
1936	13.552	142,804	70,305	61.8	80.85	68.14	40.10	30.81	15.24	4.42	12.71	28.04	9.29	15.56	10.82	4.42
1938	14.399	136,655	66,284	62.4	86.39	73.30	44.43	34.57	17.54	5.20	13.09	28.87	9.86	17.02	12.35	5.20
1940	15.067	156,472	74,791	100.0	80.84	67.58	40.39	31.20	15.73	4.82	13.26	27.19	9.19	15.47	10.91	4.82
1941	17.021	130,795	62,066	89.3	81.91	69.31	41.45	31.85	15.90	5.22	12.61	27.85	9.61	15.95	10.68	5.22
1945	21.786	145,357	66,800	93.3	78.25	64.31	37.14	28.40	14.35	4.92	13.94	27.17	8.74	14.05	9.44	4.92
1947	22.183	153,294	69,353	93.5	79.04	65.38	38.30	29.47	15.08	5.49	13.66	27.08	8.83	14.39	9.59	5.49
1949	23.378	155,046	69,072	94.0	78.77	65.06	37.82	29.10	14.99	5.22	13.71	27.23	8.73	14.11	9.77	5.22
1951	23.263	157,976	69,082	80.9	79.89	66.22	38.97	30.16	15.65	5.47	13.67	27.25	8.80	14.52	10.18	5.47
1953	24.353	164,779	70,520	81.4	79.85	66.63	39.99	31.23	16.46	5.78	13.22	26.64	8.76	14.77	10.68	5.78
1955	24.711	182,995	76,680	82.2	79.94	67.32	41.50	32.67	17.50	6.16	12.62	25.82	8.83	15.17	11.33	6.16
1957	25.385	202,305	83,037	83.8	79.90	67.35	41.85	33.05	17.89	6.36	12.55	25.50	8.80	15.16	11.52	6.36
1969	35.002	389,835	137,844	100.0	78.91	66.71	41.56	32.79	17.92	6.66	12.21	25.15	8.77	14.87	11.26	6.66
1981	61.142	508,318	159,822	100.0	69.58	56.63	33.04	25.56	13.45	5.18	12.96	23.59	7.48	12.11	8.27	5.18
1991	85.553	619,626	168,153	100.0	69.94	56.58	33.57	26.51	14.93	6.48	13.36	23.01	7.05	11.58	8.46	6.48
1997	97.980	765,423	200,913	100.0	71.31	57.98	34.80	27.64	15.98	7.29	13.33	23.19	7.16	11.66	8.69	7.29

Notes: Computations by authors based on wealth tax return statistics. See Appendix for details.  
 Number of tax units define fractiles same as in Table 1.  
 Consumer Price Index from globalfinddata.com (Jan 1st). Total real wealth extrapolated using years with complete coverage.  
 Wealth covered by tax statistics reported on column (4).  
 Columns (5) to (16) display the top of total net-worth accruing to each upper wealth group on January 1st of each year.  
 Top 0.01% estimates for years 1981, 1991, and 1997 not reliable because top bracket contains more than .1% of tax units.

**Table 4: Fraction of non-residents and residents with income abroad in top income groups in Switzerland, 1913-1997**

	Aggregate Wealth		Fraction Special in Top groups						Fraction Special in intermediate groups					
	number of Special taxpayers	Fraction Special (percent)	10%	5%	1%	0.5%	0.10%	0.01%	10-5%	5-1%	1-0.5%	0.5-0.1%	0.1-0.01%	0.01%
	(1)	(2)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1949-50	4,644	0.21												
1951-52	5,234	0.23												
1953-54	6,427	0.27												
1955-56	6,964	0.29												
1957-58	8,187	0.33	2.34	3.01	4.61	5.26	6.41	8.11	0.64	1.54	2.93	4.27	5.64	8.11
1959-60		0.00	2.42	3.08	4.7	5.23	6.52	9.65	0.69	1.56	3.31	4.1	5.11	9.65
1961-62		0.00	2.54	3.18	4.61	4.97	5.79	8.06	0.8	1.81	3.65	4.26	4.85	8.06
1963-64		0.00												
1965-66		0.00	3.28	4.08	5.93	6.36	7.66	8.85	1.14	2.34	4.81	5.25	7.15	8.85
1967-68		0.00	3.73	4.56	6.28	6.6	8.3	11.5	1.55	2.95	5.45	5.14	6.91	11.5
1969-70		0.00	4.44	5.43	7.47	8.08	10.32	12.78	1.86	3.54	5.88	6.13	9.2	12.78
1971-72		0.00	4.85	5.94	8.13	8.94	11.95	14.19	2.2	4	6.04	6.32	10.92	14.19
1973-74		0.00	5.23	6.49	9.21	10.28	13.25	15.64	2.36	4.23	6.54	7.76	12.09	15.64
1975-76		0.00	5.4	6.86	10.19	11.41	15.15	20.38	2.36	4.36	7.35	8.52	12.81	20.38
1977-78		0.00	5.18	6.59	9.85	11.1	14.51	19.52	2.29	4.21	7.01	8.49	12.28	19.52
1979-80		0.00	5.57	7.08	10.58	12.08	16.42	22.03	2.49	4.56	7.2	8.79	13.98	22.03
1981-82		0.00	5.86	7.5	11.18	12.69	16.58	19.8	2.53	4.84	7.72	9.62	15.04	19.8
1983-84		0.00	5.56	7.08	10.89	12.55	16.46	20.1	2.48	4.33	7.06	9.38	14.69	20.1
1985-86		0.00	5.89	7.48	11.45	13.21	17.13	19.9	2.51	4.38	7.01	9.48	15.31	19.9
1987-88		0.00	4.1	5.33	8.46	9.84	12.86	14.41	1.49	2.94	5.14	7.28	12.1	14.41
1989-90		0.00	5.99	7.69	11.75	13.48	16.9	18.39	2.36	4.5	7.41	10.34	16.05	18.39
1991-92	88,072	2.38	6.35	8.18	12.35	14.11	18.06	20.07	2.61	5.07	8.08	10.63	16.98	20.07
1993-94														
1995-96														

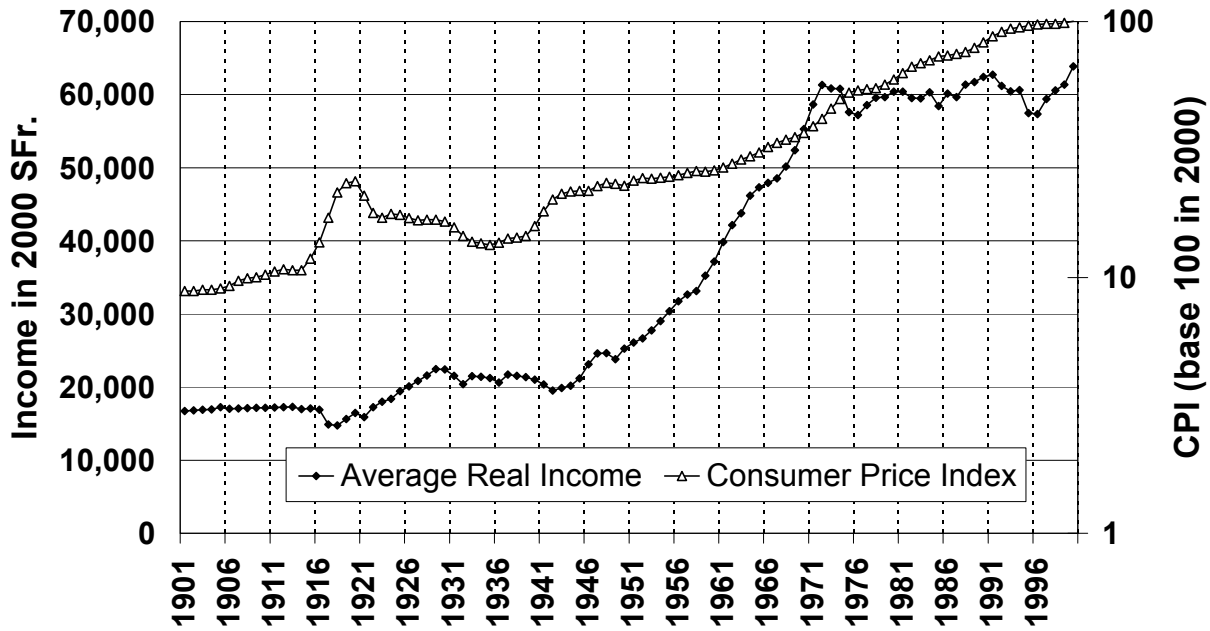
Notes: Computations by authors based on wealth tax return statistics. See Appendix for details.

Special taxpayers defined as Cas Speciaux (autres): residents with income abroad and non-residents with income in Switzerland.

Column (1) report the total number of special taxpayers and column (2) the fraction Special (relative to all tax units, col. (2) in Table 2).

Columns (3) to (13) report the fraction of Special taxpayers (income weighted) in all top income groups.

**Fig 1: Average Real Income and CPI, Switzerland**



**FIGURE 1**

Average Real Income and Consumer Price Index in Switzerland, 1901-2000

Note: No real growth from 1901 to 1914, recession and big inflation from 1915 to 1920, growth in the 1920s

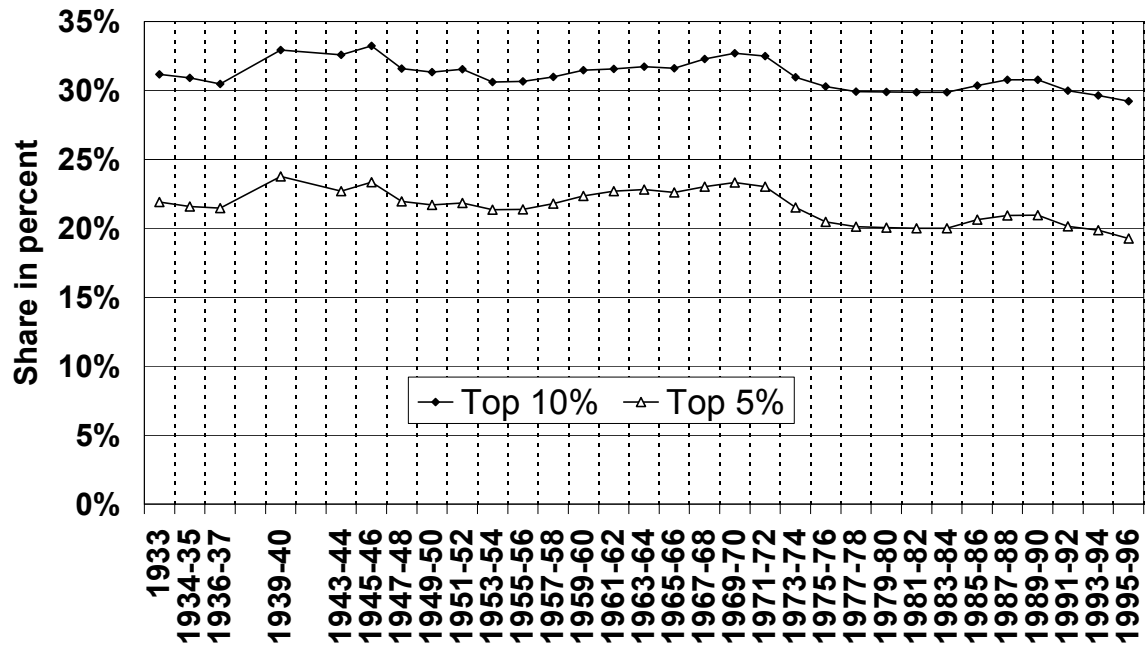
Mild but long depression: no growth from 1930 to 1944, inflation from 1939 to 1943

Fast post-WWII growth from 1943 to 1972 (accelerating inflation in early 1970s)

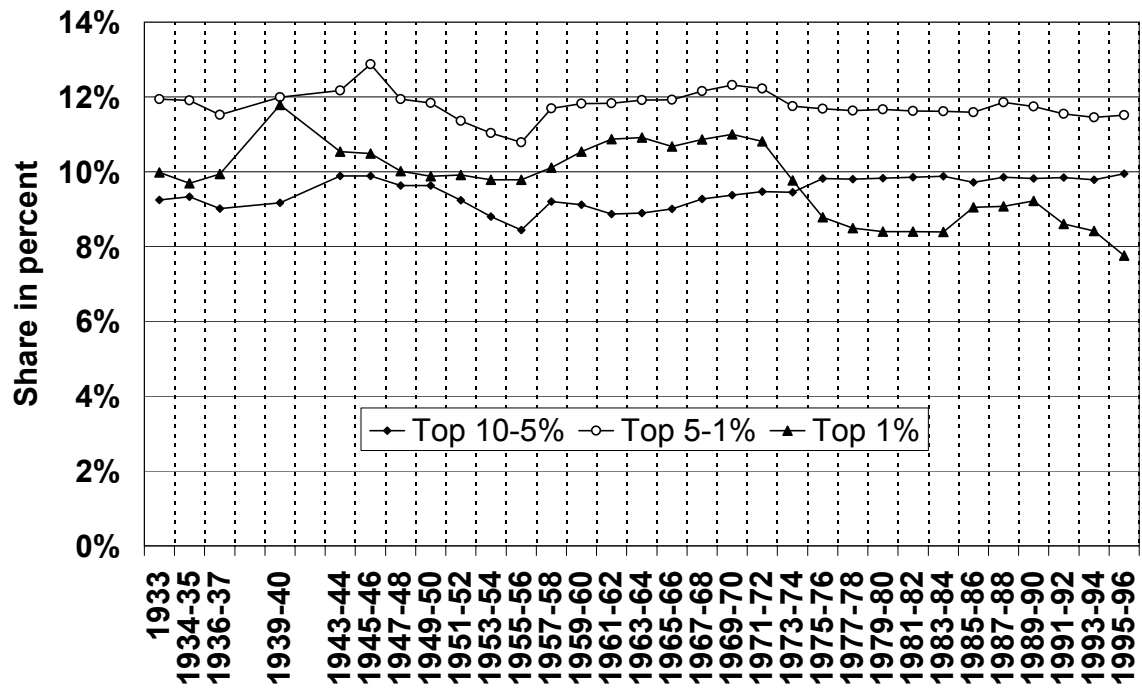
Hardly any growth since 1972

Real income per tax unit multiplied by 3.7 between 1901 and 2000, small relative to France, US, Canada (factor 5) but Switzerland much richer than all those countries in 1901 (only slightly richer in 2000)

**Fig 2: Share of Top 10% and Top 5%, SWITZERLAND 1933-96**

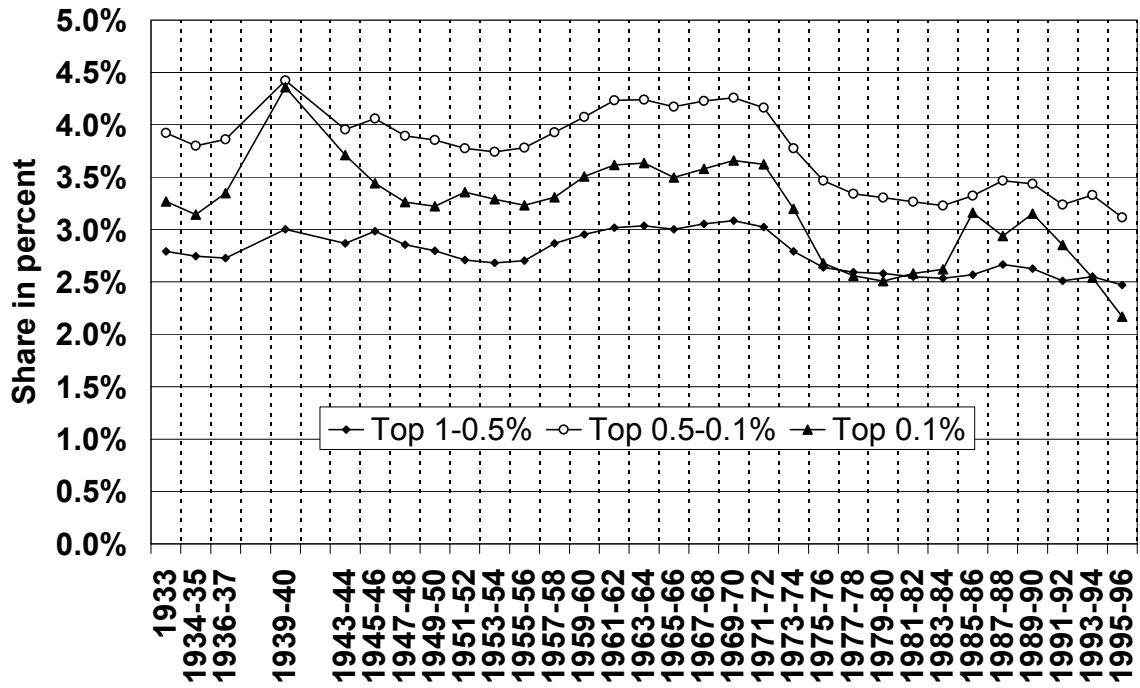


**Fig 3: Shares of Top 10-5%, 5-1%, 1%, Switzerland 1933-1996**

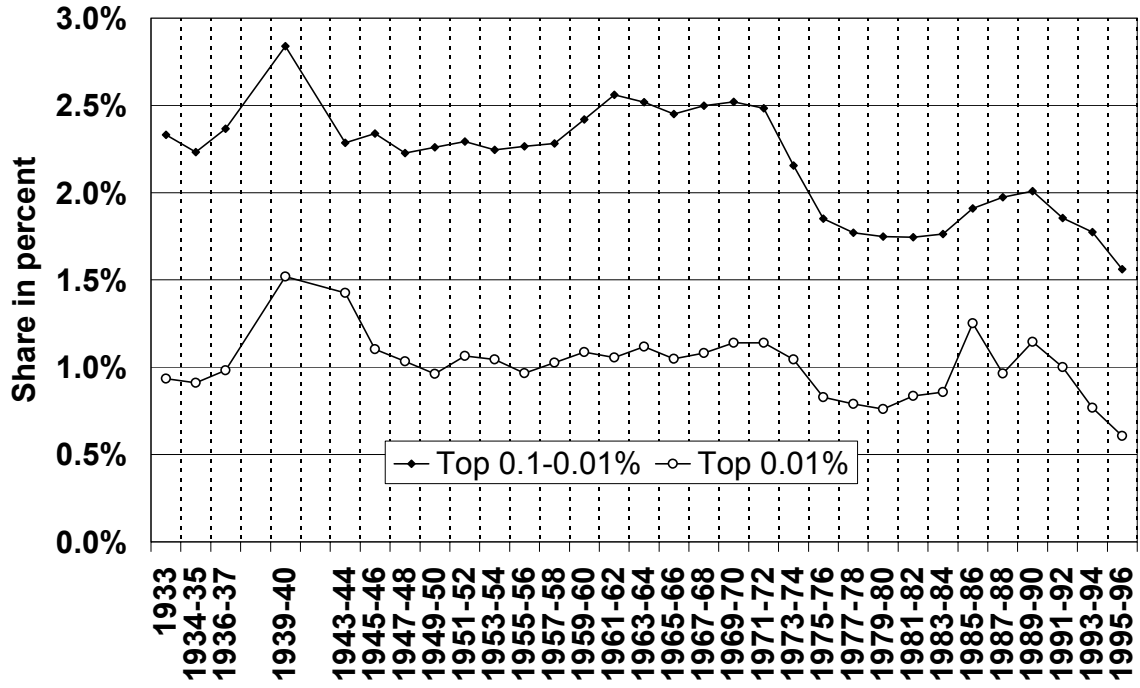




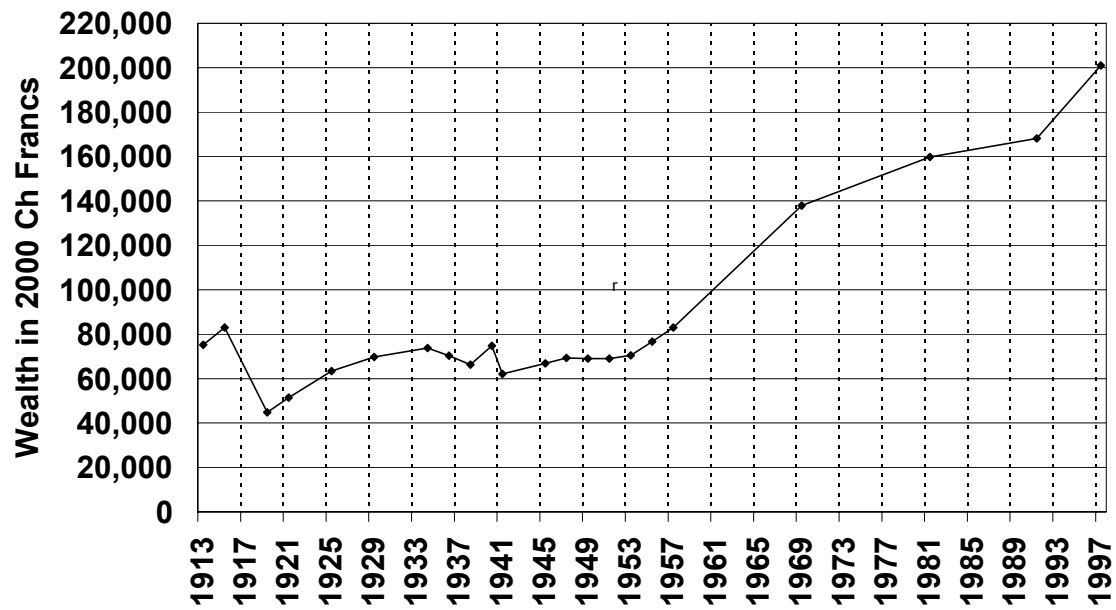
**Fig 4: Shares of Top 1-.5%, .5-.1%, and Top .1%, 1933-1995**



**Fig 5: Shares of Top 1-.5%, .5-.1%, and Top .1%, 1933-1996**



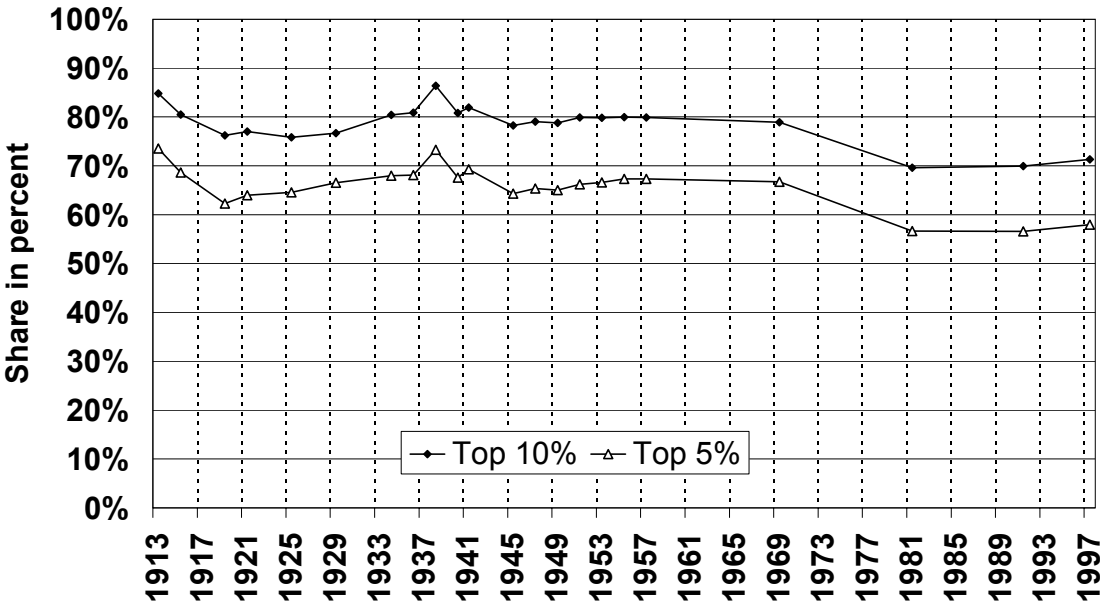
**Fig 6: Average Real Wealth, SWITZERLAND 1913-1997**



**FIGURE 6**  
Average Real Wealth in Switzerland, 1913-1997

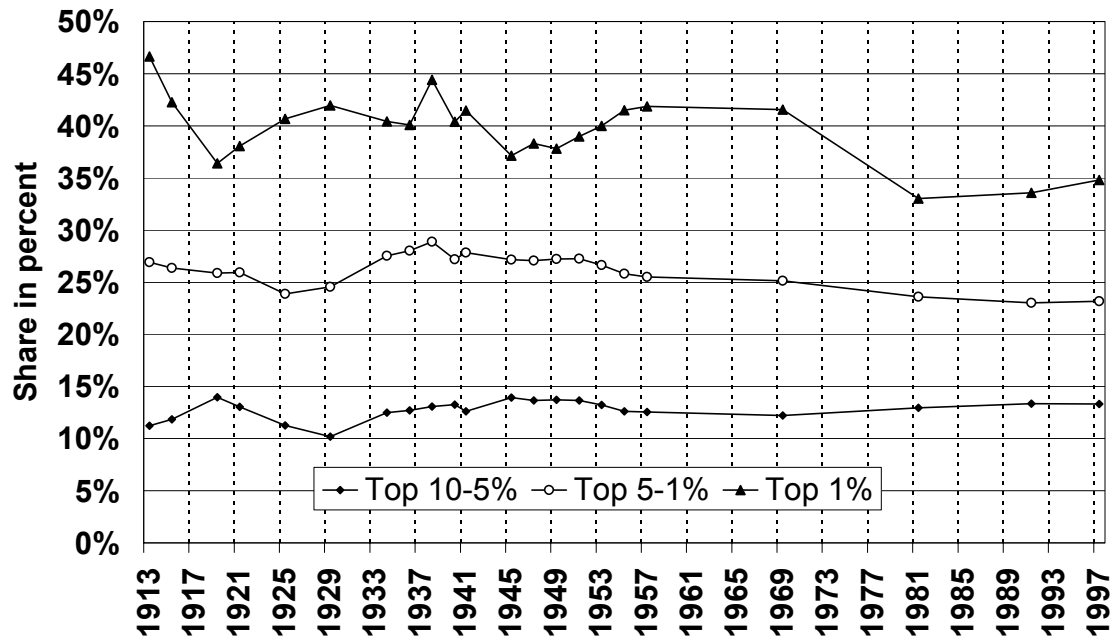
These are based on the denominator and might not be completely accurate: fall from 1915 to 1919 seems too big  
However, CPI multiplied by 2 from 1915 to 1920 so nominal wealth did not fall and bonds must have plunged in real

Fig 7: Wealth Shares of Top 5% and 10%, 1913-1997



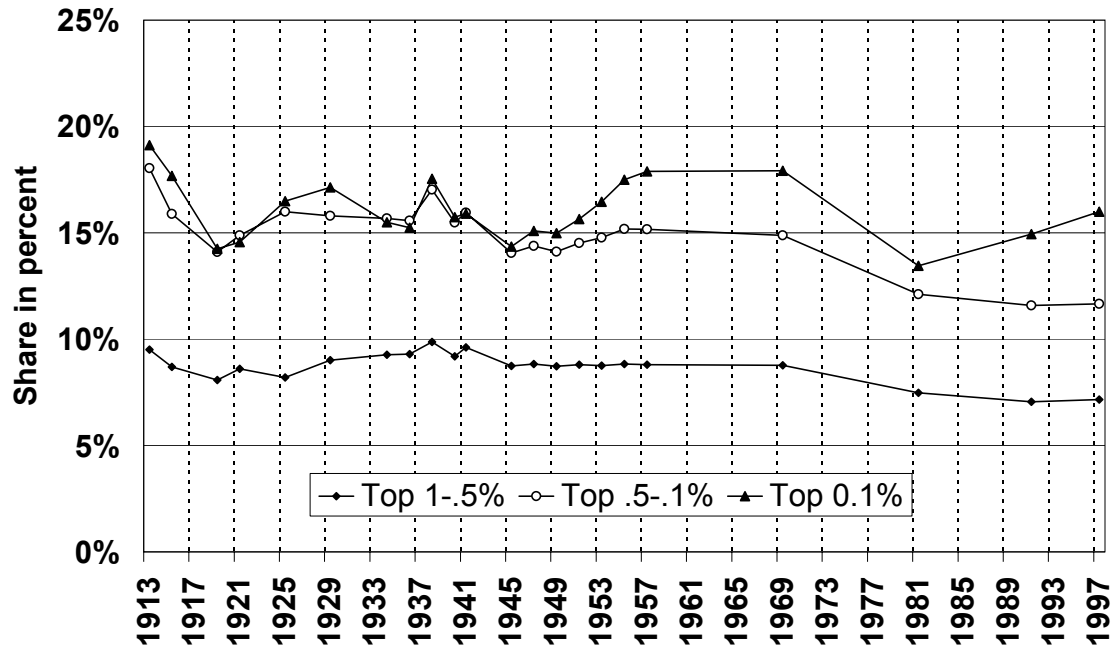
WEALTH SHARES

**Fig 8: Wealth Shares of Top 10-5%, 5-1%, and 1%, 1913-1997**



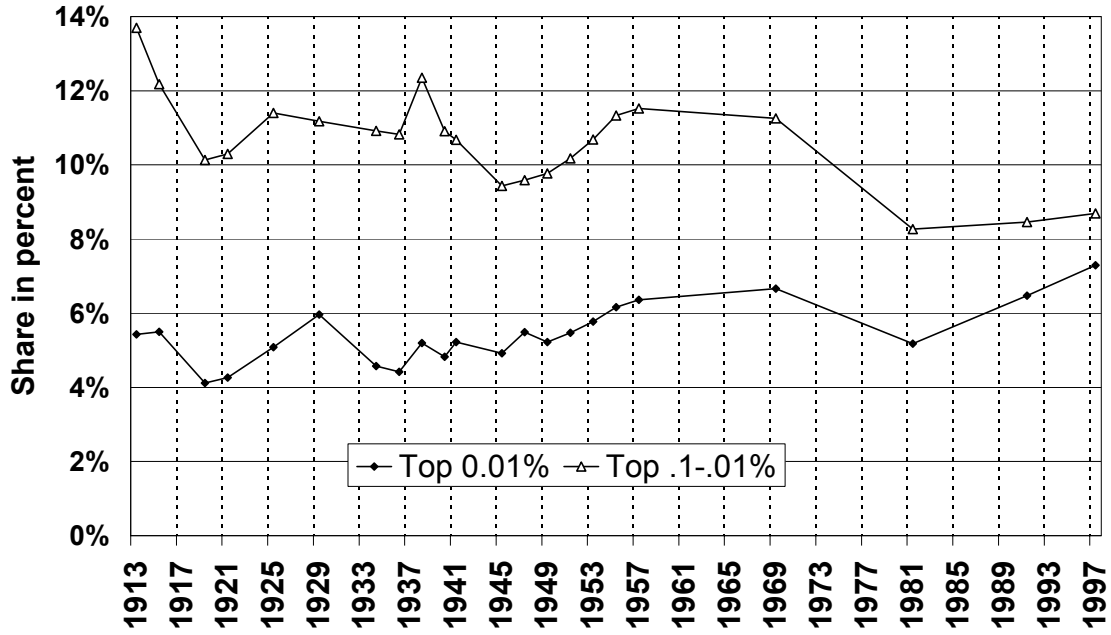
**WEALTH SHARES**

**Fig 9: Wealth Shares of Top 1-.5%, .5-.1%, and .1%, 1913-1997**



**WEALTH SHARES**

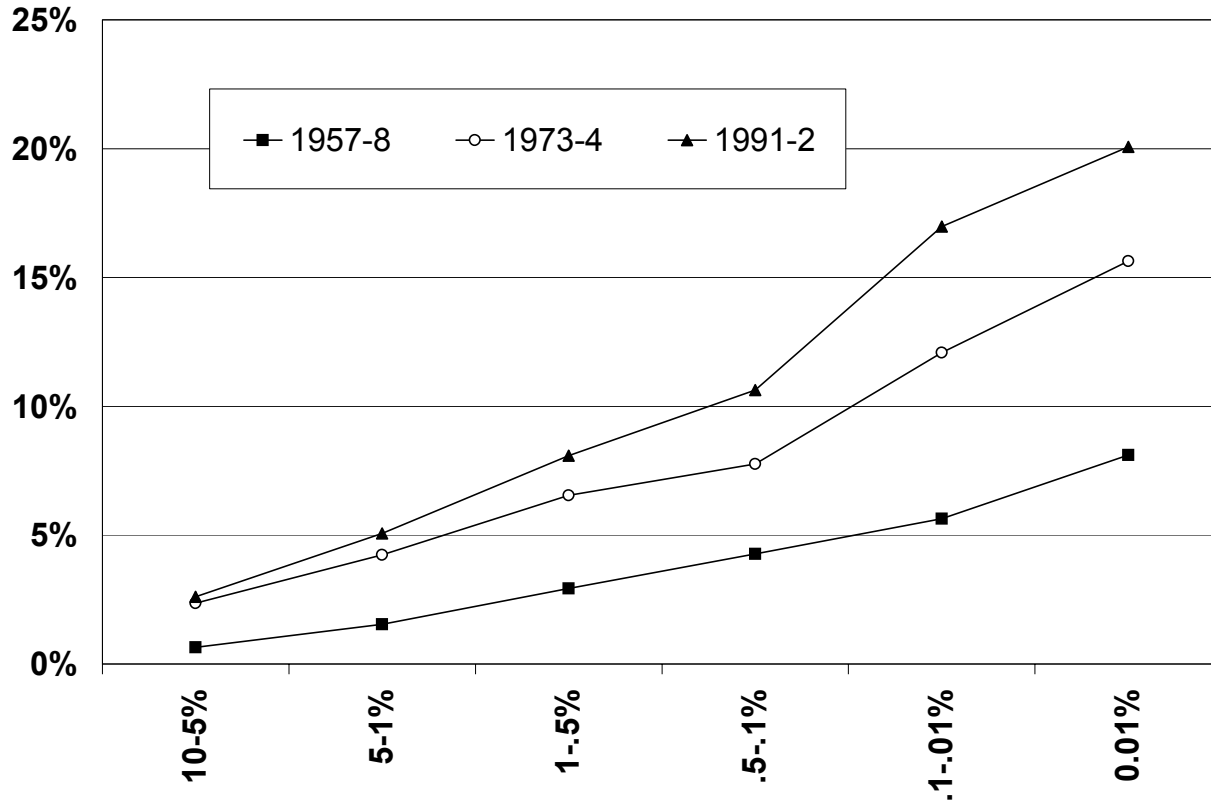
**Fig 10: Wealth Shares of Top .1-.01% and .01%, 1913-1997**



**WEALTH SHARES**

Careful here: there are not enough brackets in 1925, 1929, 1941, 1947, 1981, 1991, and 1997 to get good approximation f  
 For 1925 and 1929, tabulations have been published but we don't have them yet

**Fig 11: Share of Non-Residents or Residents with Foreign Income**

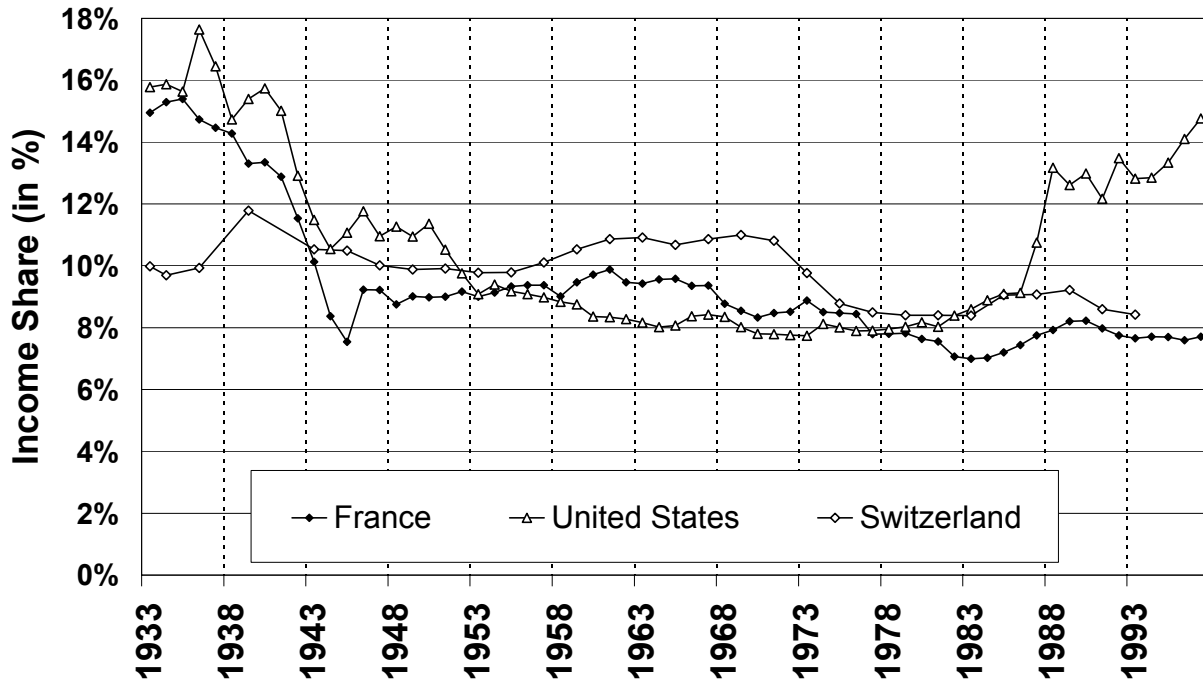


**FIGURE 11**

Capital income does not include capital gains.  
Source: Table 3, rows 1946 and 2000.



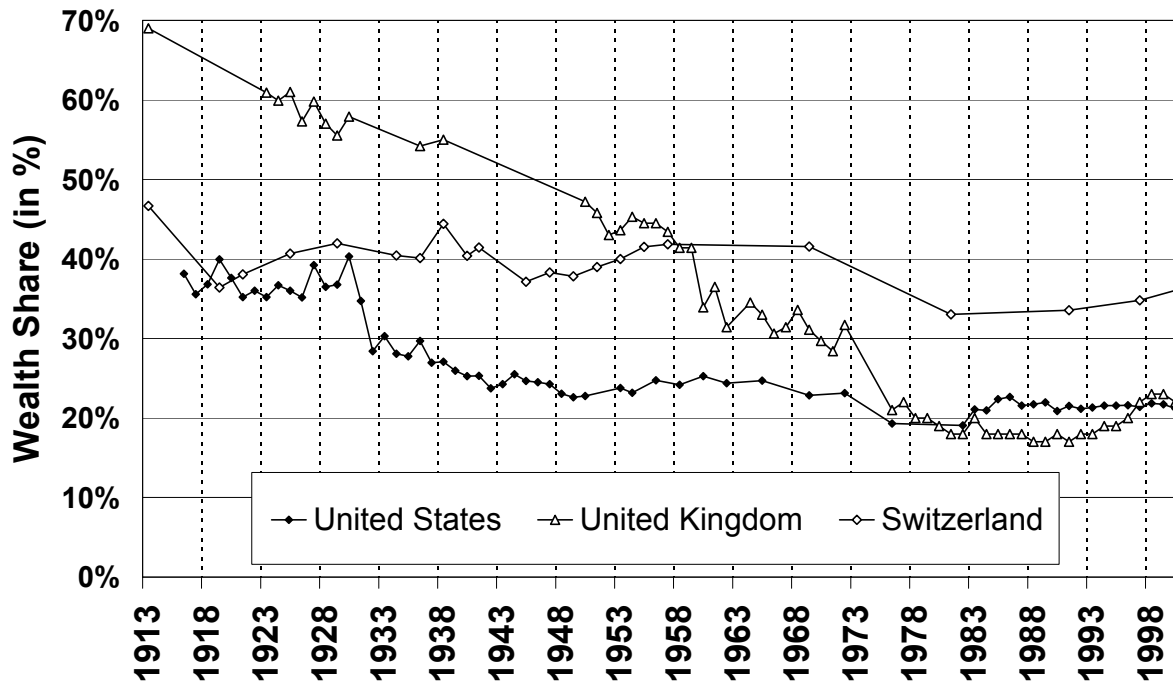
**Fig 12: Top 1% Income Shares in US, France, Switzerland**



**FIGURE 12**

The Top 1% Income Share in the United States, the United Kingdom, and Switzerland

**Fig 13: Top 1% Wealth Shares in US, UK, and Switzerland**



**FIGURE 13**

The Top 1% Wealth Share in the United States, the United Kingdom, and Switzerland

Sources: United States, Kopczuk and Saez (2003), Table B1, column Top 1%  
 United Kingdom: 1913-1972, Atkinson and Harrison (1978), p. 159, Column Top 1%, England and Wales.  
 1976-2000: Inland Revenue Personal Wealth (Top 1% Marketable net worth series for adult population, Table 13.5) [http://www.inlandrevenue.gov.uk/stats/personal\\_wealth/dopw\\_t05\\_1.htm](http://www.inlandrevenue.gov.uk/stats/personal_wealth/dopw_t05_1.htm)  
 Series 1913-1989 reproduced in Lindert (2000), Table 2, pp. 181-182.  
 Switzerland: Table 3, Top 1% Wealth share  
 Note: US and UK shares based on individual level while Swiss shares based on the family level