

Table 7: Accumulation of national wealth: US, UK, Germany, France, 1870-2010

	Market-value national wealth-national income ratios		Real growth rate of national wealth	Savings-induced wealth growth rate (incl. war destructions)	Capital-gains-induced wealth growth rate
	β_t	β_{t+n}	g_w	$g_{ws} = s/\beta$	q
	Panel A: United States				
1870-2010	413%	431%	3.4%	2.6% 76%	0.8% 24%
1870-1910	413%	469%	4.3%	2.9% 68%	1.4% 32%
1910-2010	469%	431%	3.1%	2.5% 80%	0.6% 20%
1910-1950	469%	380%	2.7%	2.2% 82%	0.5% 18%
1950-1980	380%	434%	4.0%	3.7% 94%	0.2% 6%
1980-2010	434%	431%	2.7%	1.6% 58%	1.1% 42%
	Panel B: United Kingdom				
1870-2010	656%	527%	1.8%	1.5% 83%	0.3% 17%
1870-1910	656%	694%	2.1%	1.7% 79%	0.4% 21%
1910-2010	719%	527%	1.6%	1.4% 86%	0.2% 14%
1910-1950	719%	241%	-1.3%	0.6% -43%	-1.9% 143%
1950-1980	241%	416%	4.0%	3.0% 76%	0.9% 24%
1980-2010	416%	527%	3.4%	1.0% 28%	2.4% 72%
	Panel C: Germany				
1870-2010	745%	416%	2.0%	2.6% 128%	-0.6% -28%
1870-1910	745%	637%	2.1%	2.3% 107%	-0.1% -7%
1910-2010	637%	416%	2.0%	2.8% 137%	-0.8% -37%
1910-1950	637%	223%	-1.4%	0.0% -3%	-1.5% 103%
1950-1980	223%	330%	6.3%	6.8% 108%	-0.5% -8%
1980-2010	330%	416%	2.5%	2.5% 101%	0.0% -1%
	Panel D: France				
1870-2010	689%	605%	2.0%	1.8% 91%	0.2% 9%
1870-1910	689%	747%	1.3%	1.4% 103%	0.0% -3%
1910-2010	747%	605%	2.2%	2.0% 89%	0.3% 11%
1910-1950	747%	261%	-1.2%	-0.1% 8%	-1.1% 92%
1950-1980	261%	383%	5.9%	4.7% 80%	1.2% 20%
1980-2010	383%	605%	3.4%	2.2% 65%	1.2% 35%

The real growth rate of national wealth has been 3.1% per year in the U.S. between 1910 and 2010. This can be decomposed into a 2.5% savings-induced growth rate and a 0.6% residual term (capital gains and/or measurement errors).

Authors' computations using country national accounts. War destructions & other volume changes were included in savings-induced wealth growth rate. For full decomposition, see Appendix Country Tables US.4c, DE.4c, etc.