

Wealth and the Distribution of Wealth in the Netherlands

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Paper Abstract:

This paper presents an overview of the balance sheets of Dutch households. It extends the SNA concept of net worth with implicit wealth in social insurance schemes, which will be called transfer assets. Moreover, micro data sources are linked to the macro data from the national accounts, allowing for a detailed analysis of the distributions of household net worth in the Netherlands.

The results show that Dutch households have large transfer assets, almost as much as they hold in financial assets, and even exceeding the amount they hold in non-financial assets. The distribution of these transfer assets depends on the demographics in the society. Distributional estimates of these transfer assets or of other net worth components can be used for example to identify vulnerable households, or to show the lifecycle hypothesis. Extensive attention is paid to the work-related pension schemes, which are part of net worth in the SNA, but often not taken into account in inequality studies. The way of recording makes a good comparison of wealth and wealth inequality in time difficult, but including them is necessary for comparison between countries.