

Distributional and Financial Impact of Universal Inheritance in four European countries

JRC Working Papers Series on Social Classes in the Digital Age 2023/10

> Guillem Vidal-Lorda Andreas Thiemann Leire Salazar José A. Noguera





This Working Paper is part of a Working paper series on Social Classes in the Digital Age by the Joint Research Centre (JRC) The JRC is the European Commission's science and knowledge service. It aims to provide evidence-based scientific support to the European policymaking process. The scientific output expressed does not imply a policy position of the European Commission. Neither the European Commission nor any person acting on behalf of the Commission is responsible for the use that might be made of this publication. The Working paper series on Social Classes in the Digital Age is intended to give visibility to early stage research to stimulate debate, incorporate feedback and engage into further developments of the research. This Working Paper is subject to the Commission Reuse Decision which allows authors to reuse the material without the need of an individual application.

Contact information Name: Guillem Vidal-Lorda Contact: Guillem.Vidal-Lorda@ec.europa.eu

EU Science Hub https://ec.europa.eu/irc

https://ec.europa.eu/jrc/en/research/centre-advanced-studies/digclass



JRC134659

Seville: European Commission, 2023

© European Union, 2023 Credits of the Image in the cover page: kras99, Adobe Stock image n. <u>175461355</u>



The reuse policy of the European Commission is implemented by the Commission Decision 2011/833/EU of 12 December 2011 on the reuse of Commission documents (OJ L 330, 14.12.2011, p. 39). Except otherwise noted, the reuse of this document is authorised under the Creative Commons Attribution 4.0 International (CC BY 4.0) licence (<u>https://creativecommons.org/licenses/by/4.0/</u>). This means that reuse is allowed provided appropriate credit is given and any changes are indicated. For any use or reproduction of photos or other material that is not owned by the EU, permission must be sought directly from the copyright holders.

All content © European Union, 2023

How to cite this report: Vidal-Lorda, G., Thiemann, A., Salazar, L., Noguera, J. A. *Distributional and Financial Impact of Universal Inheritance in four European countries*, European Commission, Seville, 2023, JRC134659.

Distributional and Financial impact of Universal Inheritance in four European countries

Guillem Vidal-Lorda (Joint Research Center) Andreas Thiemann (Joint Research Center¹) Leire Salazar (Joint Research Center) José A. Noguera (Universitat Autònoma de Barcelona)

Abstract

The idea of a Universal Inheritance (UI) has been recently gaining weight amongst scholars concerned over increasing wealth inequality. A UI consists of a one-off public payment of an agreed sum to each citizen of young adulthood. In this article, we provide the results of novel simulations to assess the cost and the distributive impact of such policy by testing different parameters for both the benefit amount and its financing. The simulations run on a top-tail adjusted version of the Household Financial Consumption Survey covering four countries: Finland, Germany, Ireland, and Italy. We find that, under some parameters, a UI would significantly reduce inequality and could be realistically financed by taxing the top 1%.

Keywords: Universal Inheritance; Wealth; Inequality; Simulation; Redistribution; Policy

¹ Now working for the German Federal Ministry of Labour and Social Affairs.

Authors: Guillem Vidal-Lorda (JRC), Andreas Thiemann (JRC), Leire Salazar (JRC), José A. Noguera (UAB)

Acknowledgements: The authors would like to thank Emma Rose Álvarez Cronin and Davide Villani for their useful comments and suggestions. We would also like to thank the participants of the Real Utopias for a Social Europe: Universal Benefits workshop, whose insights inspired this work. José A. Noguera acknowledges support from the Spanish Ministry of Science and Innovation through the National Plan for R+D+i (call "Retos," project reference PID2019-104801RB-100). This project has been funded through the JRC Center for Advanced Studies and the project Social Classes in the Digital Age (DIGCLASS).

Joint Research Centre reference number: JRC134659

Related publications and reports:

D'Alessandro, S., Distefano, T., Spinato Morlin, G., Villani, D. Policy Responses to Labour-Saving Technologies: Basic Income, Job Guarantee, and Working Time Reduction, European Commission, Seville, 2023, JRC134452. https://publications.jrc.ec.europa.eu/repository/handle/JRC134452

Noguera, J.A.; Salazar, L.; Vidal-Lorda, G. (Editors), Real Utopias for a Social Europe: Universal Benefits Workshop. Summary Report, Pubilications Office of the European Union, Luxemburg, 2022, ISBN 978-92-76-55864-4, doi:10.2760/765, JRC130425 https://publications.jrc.ec.europa.eu/repository/handle/JRC130425

Gil-Hernández, C. J., Vidal-Lorda, G., Torrejón Pérez, S., *Technology, Tasks and Social Classes in Europe*, European Commission, Seville, 2022, JRC129522 <u>https://joint-research-centre.ec.europa.eu/document/download/cbd9a9a4-e6cd-46e1-9453-60748359814c_en?filename=JRC129522.pdf</u>

Fana, M., Villani, D., *Reconsidering social classes and functional income distribution in the 21st century. A theoretical and empirical assessment*, European Commission, Seville, 2022, JRC128667 <u>https://joint-research-centre.ec.europa.eu/system/files/2022-06/JRC128667.pdf</u>

Esteve Mora, F. Muñoz de Bustillo Llorente, R. The economics of class. A dual approach, European Commission, Seville, 2022, JRC129746. <u>https://joint-research-</u> centre.ec.europa.eu/publications/economics-class-dual-approach_en

Contents

1	Introduction4					
2	The Universal Inheritance: an old idea with contemporary proposals					
	2.1	The idea	4			
	2.2 Different justifications of UI					
	2.3	Objections and criticism towards UI	6			
	2.4	Proposals and previous simulations	7			
3	Data	ata and methods11				
4	lts	12				
	4.1	Wealth inequality	12			
	4.2	Simulations results	13			
5	Concl	Conclusion and discussion				
6	References					

1 Introduction

The idea of a universal inheritance (UI), also designed as basic capital, universal endowment, universal capital grant, or citizen's stake, has gained momentum in recent years as a bold proposal for tackling growing inequalities in developed societies. It would consist of providing all citizens with an unconditional cash lump sum at a given point in their lifetime (typically when they reach adult age). Since the grant is often considered as a citizen's stake in a social or collective inheritance, its advocates usually propose an increased wealth, estate, and/or inheritance tax to fund it. The expectation is that such an inheritance would help redistribute wealth significantly, but also reduce inequality of opportunity in individual access to markets where previous assets are an important way of entrance: education, housing, credit, or investment.

UI proposals may differ substantially in their design, amount, and ways of funding. However, to date there are very few governments that have implemented the idea. The most well-known experience was the case of the British Child Trust Fund (also called baby bond), which was in force from 2005 to 2011, and consisted of an amount deposited by the State in a fund of investment to each citizen at the moment of birth, which they could use, along with the returns generated, upon reaching adulthood and under the condition of giving it certain regulated uses such as training or creating a business.²

As happens with other bold proposals that aim to redistribute income and wealth, UI may raise normative as well as pragmatical concerns. Empirical expectations about costs and distributive impacts of a UI are of the upmost importance to assess both types of concerns, but very little systematic evidence on them has been produced so far. This article contributes to provide empirical material on what to expect from the implementation of a UI in terms of costs and distributive impacts under different assumptions regarding amounts and funding sources. Moreover, despite some recent simulations of a UI in single-country studies such as Germany (Bach, 2021) or two-cases studies such as Italy and the United Sates (Morelli et al., 2021), there has been no systematic comparative study that simulates different proposals in more than one country using harmonized data sources. In this work we provide the first comparative assessment of a UI in four European countries (Germany, Finland, Italy, and Ireland) applying simulations to a top-tail adjusted version of the ECB's Household Finance and Consumption Survey (HFCS) dataset and discuss the budgetary and distributional impact of several alternative scenarios.

The article is structured as follows. In the next section we introduce the concept and justification of UI in the context of the debates on how to tackle inequality of wealth and opportunity. Then we examine different proposals of UI in recent literature. The two next sections describe data and methods used for our analysis and present the results of our simulations. Finally, we discuss the main findings, their implications for future research, and some of their limitations.

2 The Universal Inheritance: an old idea with contemporary proposals

2.1 The idea

Despite the burgeoning popularity of a UI, the idea is far from new (Cunliffe and Erreygers, 2004), but its core has remained the same through all its history: provide all citizens with an unconditional cash lump sum when they reach adult age. The UI is therefore defined by five basic tenets:

1. It is a cash payment.

² Other less known experiences are Hungary and the state of Connecticut in the United States.

- 2. It is paid in one go (not periodically).
- 3. It is individual, irrespective of household composition.
- 4. It is universal (paid to each citizen or member of the relevant community).
- 5. It is paid when individuals reach adult age (but this could be set at different points in their lives).

Several other characteristics of the proposal could be dependent on the specific design of the UI in different contexts (Noguera et al., 2022). For example:

- 1. The use or purpose of a UI may be totally unconditional or subjected to previously approved finalities which are socially valued, such as education, housing, starting a business and the like.
- 2. The grant may be calculated as a collective social inheritance or as the sum of an initial baby bond, child fund, or individual investment account created at birth plus the returns generated until adult age. Even in the latter case, the grant cannot be withdrawn until the individual reaches that age.
- 3. The funding may be linked to different sources, the most common being taxes on wealth, inheritance, gifts, or real estate. In a context of rising wealth inequality (Piketty, 2014), an important part of which is attributable to inheritances (Salas-Rojo and Rodríguez, 2022)^{3,} an inheritance tax may be an obvious mechanism to mitigate the accumulation of wealth at the top of the distribution, and also to boost the inter-generational transmission of wealth.

2.2 Different justifications of UI

UI is usually defended as a measure to tackle both inequality of resources and opportunities. However, different interpretations of the egalitarian ideal result in different normative justifications of the proposal. Moreover, many advocates of UI also rely on pragmatical arguments about its expected beneficial effects for general purposes of redistribution and inequality reduction.

On the side of the normative arguments, there are three main approaches that may come in support for a UI. First, from a liberal egalitarian or Rawlsian perspective, the UI proposal strives for a more equal distribution of assets, advancing towards a property-owning democracy (White, 2015), which Rawls (2001) considers a better realization of his theory of distributive justice than traditional welfare states. UI may also strongly contribute to equality of opportunity in access to different social rewards and positions, and directly tries to correct inequalities that are a consequence of the circumstances that are beyond the individual's control, such as parental background and inheritance (Hufe et al., 2018). Besides, a Rawlsian framework would also focus on the potential role of UI in ensuring intergenerational justice, especially in old-age-oriented welfare regimes (Bidadanure, 2021; Gosseries and Meyer, 2009).

A second approach comes from left libertarian political theorists, who endorse an 'original ownership' argument. UI would equal the estimated value of the share of each individual in the common ownership of natural resources and technological heritage of their society. In this approach, the case for funding UI out of a general tax on the use of natural resources seems a plausible implication. A mixed version between Rawlsian and left libertarian views is represented by Van Parijs' real libertarian theory (Van Parijs, 1995), which may also support some version of UI as an optimal contribution to maximize 'real freedom' (the possibility to materially develop individual life plans with no paternalistic strings attached) for the worst-off. Similarly, White (2015) emphasizes how a UI

³ According to a study by the OECD (2021), across 18 OECD countries more than 50% of the richest quintile receives an inheritance, compared to just 10% of the poorest quintile. The value of these inheritances is much higher among the richest.

would serve the ideal of individual liberty for those with limited resources, by allowing them to reject a bad job, start an entrepreneurial project, or invest in their own education.

Finally, some neo-Marxist scholars as E. O. Wright (2000, 2004) have also looked sympathetically at UI proposals for additional reasons, by stressing how a more equal distribution of assets may prevent concentrations of power and oligopolies that are dangerous for political equality.

A different set of rationales for UI adopts a more pragmatical standpoint. We may distinguish two main arguments. The first one is about predistribution as opposed to redistribution (O'Neill, 2020): UI would allegedly reduce inequalities ex-ante⁴ by providing individuals with assets with which they enter markets, rather than correcting market outcomes ex-post (Cunliffe and Erreygers, 2004). Yet, this is consistent with the claim that UI also operates as a traditional redistributive welfare state policy alleviating poverty and inequality ex-post in terms of the financing, as it is often proposed to be funded through a wealth tax relying on the wealthiest percentiles of the population.

A second type of argument is about social investment and asset-based welfare. A UI may be a powerful tool to enhance young individuals' capabilities at the start of their adult life, making them more self-sufficient and less likely to need support from other welfare policies (Morel et al., 2011). Education or financial investments are obvious ways in which this may be achieved, but also housing: The main idea of asset-based welfare, for example, is that the wealth accumulated by people in the form of housing assets presents a financial reservoir that may serve as a source of income for pensioners in time of need (Sherraden, 1991).

2.3 Objections and criticism towards UI

However attractive the idea of a UI may be, it has also been subjected to objections and criticism. A first one has to do with moral risk. Unconditional payments might be perceived as unfair, some argue, because hard working citizens would finance lazy and self-indulgent ones. To tackle this issue, some have proposed the provision of financial education in early schools or granting the benefit universally but conditioning its purposes (Atkinson, 2014, 2015; Goodin, 2003; Le Grand, 2005). This may be convenient for the political feasibility of UI, since, as Le Grand puts it, "there would be no surer way to lose popular and political support for a system of capital grants than a few well publicised cases of young people blowing their grants on cocaine or wild holidays" (2005: 104). Of course, if the grant is funded out of inheritance tax, behavioural effects could also be expected on the side of donors, who might save less and/or diminish the size of the bequests to be inherited (Wolff, 2004).

The size of the potential impact of UI on the reduction of inequality has also been objected. First, inequalities by birth and family background are already consolidated when individuals reach adulthood. Second, the likely raise of investment in the housing market could have unexpected effect on prices. Similarly, more investment on tertiary and/or private education and training (which are positional goods) might not necessarily reduce substantially labour market inequalities. Finally, UI could create a crowding out dynamics for governments to erode other social protection schemes (Wright, 2004).

These potential objections have led some scholars to compare the expected benefits of UI with those of a Universal Basic Income (UBI) (Bidadanure, 2021; Van Parijs and Vanderborght, 2019; White, 2011; Wright, 2000), which would also be aimed at a reducing inequality in a non-paternalistic way. The only difference between both, if the global amounts allocated were similar, would reside in the different administration of the payment: by monthly installments in the case of UBI, in one lump sum in the case of UI. However, it appears that UI has two clear political advantages over UBI: its cost in

⁴ As shown by Bozio et al., (2020), when comparing the US with France, it is the unequal distribution before the intervention of the welfare state that matters most.

most proposals tends to be much lower, and its justification as a social inheritance that redistributes unearned wealth to equalize opportunities seems more palatable than taxing income from wages, as UBI would require.

In fact, as said before, the issue of how to fund UI is also a matter of dispute. Although inheritance and wealth taxes seem obvious candidates, some political and economic difficulties are often brought up to the discussion: as Goodin puts it, for example, "inheritance taxes have long been the 'third rail' of tax policy: touch them, and you are dead, politically" (2003: 70). However, this might not necessarily be the case with a wealth tax whose burden falls entirely on the very rich. In the following sections, we explore different possible implementations of UI, and we show how it could be feasibly funded in such a way under different scenarios.

2.4 Proposals and previous simulations

In this section we provide a succinct overview of seven modern proposal of UI, summarised in Table 1. The spirit of all the proposals is quite similar and is generally inspired by Paine's $(1797)^5$ original idea of the creation of a national fund derived from a special tax on all inheritances to provide a minimum inheritance of 15 pounds sterling –the equivalent of about half of the annual earning of a farm labourer in England and Wales at the time (Lindert and Williamson, 1983) – to all women and men at the age of 21. The modern revisits of this seminal idea differ in crucial attributes such as eligibility criteria, the source and amount of funding required, the nature and amount of the allowances, or the size of the benefit. Some of them are just general proposals with varying degrees of specificity in the parametrizations used, while others –the most recent ones– additionally include estimates of the potential financial costs incurred; some even simulate the gains achieved in terms of wealth inequality reduction.

One of the most influential recent contributions is that by Ackerman & Alstott (1999) for the United States. They proposed a one-time grant of 80,000 dollars (approximately the cost of a college education at the time) for every young adult at the age of 21 –earlier if the stakes are used to fund tertiary education. Provided that recipients graduate from high school, the stakes can be used for any purpose; otherwise, they would receive an annual market return on their stakes and there would be certain limitations to its use. In the short and medium run, the introduction of the stake would be financed through an annual two percent flat tax on all sources of net individual wealth, with the exception of the 80,000 dollars received through the stakeholding scheme. In the longer run, it would be increasingly financed through payback at death by recipients. At the time when the proposal was formulated and with a 230,000 exemption, just 20% of Americans were expected to pay any wealth tax. Back of the envelope calculations by the authors suggest that the stake would have costed back then about 255 billion dollars per year.

The only proposal that has actually been implemented, as explained in the previous section, is the Child Trust Fund in the UK, directly inspired by Nissan and Le Grand's proposal (2000; see also Le Grand and Nissan, 2003). Nissan and Le Grand propose a capital grant of 10,000 pounds sterling (of the time) paid to every person at the age of 18 into a special account set up by the state and handled by a set of trustees who approve the spending plans of individuals. Allowed purposes would include investment in education, down payment on housing, start-up costs for a business or a personal or stakeholder pension. This grant would be financed through a reform of the existing inheritance tax. The reform would grant an allowance of 50,000 pounds in gifts and inheritances, and thereafter the tax would be levied at progressive rates, estimated at between 14 and 25 per cent, depending on the treatment given to bequests to spouses. The possibility that a reform in higher education subsidies be in parallel introduced is also suggested. Given the amount of 18 year olds in Britain at the time, the total cost was estimated to be about 6.5 billion pounds.

⁵ See Paine (2004).

Introduced by the Blair government in 2005, the Child Trust Fund consisted of a bond given to children born after 1 September 2002, financed out of general taxes and stemming from the education budget. The government initially paid 250 pounds sterling to all babies in the form of a deposit in a fund, with an additional 250 pounds to those belonging to worse-off households. The account would be further fed with additional state contributions at age 7, plus additional potential top ups from parents and other relatives, with caps on the maximum amounts. Accumulated funds, including interests to the various investments made, would be received as the child turned 18 –control over the fund could be claimed at 16– without any restrictions as regards the purpose or use. After attempts from the following administration to means-test the fund, the initiative eventually was abruptly interrupted in 2011 during a period of austerity-oriented cuts, but existing beneficiaries until that date kept accumulating their funds. A cost of 520 million pounds has been estimated for the fund. According to an assessment of the initiative, the Child Fund Trust increased the total amounts saved for children living in non-home-owning households (Kempson et al., 2011); part of the potential distributional impact of the policy might have occurred through such changes.

Atkinson's original formulation (1972) consisted in a universal capital payment as part of the state pension at adulthood or at a later stage initially proposed as part of the state pension, therefore paid on retirement. However, considerations related to inter-generational justice later reshaped the proposal towards a universal capital endowment (or minimum inheritance), either when reaching adulthood or at a later age. The payment would be phased in, and the amount received would increase at older ages. Although no specific source of funding was suggested, parallel reforms in personal income tax, investment income and annual wealth tax, as well as inheritance tax, were proposed (2014). His latest proposal (2015) debated the taxing requirements for a 5,000 benefit and proposed a gradational lifetime capital receipts tax as the preferred source of funding. It also further specified an eligibility criterion –attached to the past qualification for, or receipt of, the Child Benefit (in the UK) –, the phasing in –dependent on the number of years qualifying for the benefit–, and some restrictions on the use, despite the administrative burden potentially entailed by it.

Possibly the proposal that has received the most attention outside academia is that of Piketty, which includes an estimate of the financial cost of the implementation. Conceived specifically for France, it is by far the most generous benefit, established at 60% of average net personal/per adult wealth (about 120,000 euros in the case of France) and paid to all citizens at 25. The cost of the universal inheritance has been estimated in this case as 5% of the French yearly national income, and the benefit would be funded through a combination of a progressive wealth tax and a progressive inheritance tax, with very sizable rates at the top of the distribution (Piketty, 2020).

The only two proposals so far in which simulations of the distributional impact have been conducted are those by Bach (2021), on the one hand, and by Morelli et al., (2021), on the other. Bach's simulation is applied to Germany, where wealth is remarkably unequally distributed relative to the EU and OECD contexts. As a complement to other long-term measures such as more effectively supporting home ownership, financial assets or supplementary pension plans among certain groups, Bach proposes the adoption of a universal capital endowment of 20,000 euros that would be given to everyone aged 18 and funded through (progressive) inheritance tax, wealth tax for the ultrawealthy and income tax on capital gains from real estate. At the current size of the group directly affected, the annual cost of the benefit is estimated at 22.5 billion euros annually –0.4% of the German GDP, considerably more than other alternative programmes aimed at wealth accumulation, and a substantial reduction of 5 to 7 percentage change in the distribution of wealth, as measured by the Gini index –depending on the amounts of personal allowances and allowances for business assets and corporate shares selected–, is expected. Bach suggests that the endowment be granted for just some purposes such as acquiring education, purchasing a home or starting a business, among others.

In Morelli and collaborators' (2021) operationalization, applied to Italy and the US, the amount of the benefit –received by every individual reaching the age of 20– is devised as relative to average net personal wealth (per adult) in each country. The 10% of this value proposed by the authors would

roughly amount to 9,000 euros in Italy and 27,000 dollars in the US respectively in 2016. The distributive impact is more modest than that identified for Germany by Bach, about 2 points in the Gini index. One of the most salient results in this simulation exercise is the drastic drop in individuals with zero or negative wealth –from 5 to 2% in Italy and from 13 to 4% in the US from 1989 to 2016 among working age adults. Although the authors provide estimates of the total cost of this endowment in each country –about 5 billion euros and 90 billion dollars, respectively–, their exercises do not include any simulations on the specific tax reforms required to finance its implementation.

Building upon these existing theoretical and empirical contributions, in the rest of the paper we simulate the costs and distributional impact of several combinations of various parametrizations of (1) the size of the UI benefit, and (2) the amount of the allowance and its nature. While some of the previous proposals systematized in Table 1 can be identified in our own exercises through a specific combination of parameters, our broader range of combinations allows a more nuanced range of options in terms of costs and potential equalising impact.

Proposal	Country	Tax reform / funding	Allowance	Amount of benefit	Eligibility	Annual cost	Distributional results
Ackerman, Alstott 1999	USA	Flat tax on wealth (2%) + payback at death of recipients	\$80,000/ 230,000	\$80,000	Age 18/21	\$255b	
Le Grand, Nissan 2000 (Nissan, Le Grand 2003)	UK	Inheritance tax (from 14% to 25% depending on regulation) and higher education subsidies	£50,000	£10,000	Age 18	£6.5b	
Child Trust Fund 2005-2011	UK	General taxation (education budget)		Initial deposit of £ 250 (£ 500 for low-income households) + later State contributions and family top up	New born children (2002-2011)/ Withdrawal at age 18 / Control at age 16	£520m	
Atkinson 1972, 2014, 2015	UK	Progressive tax on total lifetime capital receipts	£100,000 per person	£5,000	Age 18		
Piketty 2019	France	Progressive wealth tax + inheritance tax (5%-90%)		60% of average net personal wealth (€ 120,000)	Age 25	5% of national (FR) income	
Bach 2021	Germany	Tax on real estate, wealth and inheritance	Various assumptions	€20,000	Age 18	€15-22.6b (0.4% GDP)	Gini down by 5-7%
Morelli, Nolan, Palomino, Van Kerm 2021	Italy, USA	Not included		10% of average net personal wealth (€9,000€ in Italy, \$27,000 in USA in 2016)	Age 20	€5b in Italy, \$90b in USA	Gini down by 2 points and sharp reduction of share with no wealth

Table 1. Summary of Universal Inheritance proposals

3 Data and methods

The simulations are based on the 2017 wave of the Household Finance and Consumption Survey (HFCS), which is provided by the European Central Bank (2020). The HFCS is a decentralized household survey, conducted in many European countries. It provides harmonized information about income, consumption, and assets of households, which allows for cross-country comparison ECB (2020). While the HFCS aims to over-sample wealthy households, top wealth is generally underrepresented due to non-response and under-reporting (Bach et al., 2019; Krenek et al., 2022; Vermeulen, 2018) affecting both, inequality, and aggregate wealth estimates. Wealth totals calculated based on the HFCS are often lower than macroeconomic estimates from National Accounts (Krenek et al., 2022; Waltl and Chakraborty, 2022). Simulating not only the (re-) distributional impact of a UI but also its funding requires on the one hand a reliable representation of the entire wealth distribution and on the other hand reliable estimates of aggregate wealth.

Therefore, we adjust the original wealth data from the HFCS following Krenek et al. (2022).⁶ To deal with the missing (super-)rich in the HFCS, the wealth top tail is replaced by a Pareto distribution, which approximates well top wealth (Davies, 1993; Krenek et al., 2022; Wildauer et al., 2023). To estimate the shape parameter of the Pareto tail, we combine the HFCS sample for each country estimated to wealth based on the Forbes list of billionaires. Combining survey data with rich list information significantly improves the Pareto adjustment (Bach et al., 2019; Vermeulen, 2018). The top tail of HFCS-based wealth distribution is replaced by a Pareto-tail according to the estimated parameters. To deal with the gap between total wealth according to the (adjusted) HFCS and according to National Accounts, we combine the Pareto adjustment with a rescaling approach. The adjusted wealth distribution provides a good approximation of top wealth concentration in line with total (financial) wealth estimates according to National Accounts.

We simulate different scenarios, where we alter the UI benefit amount (between $\leq 10,000$ and $\leq 120,000$, as well as the 10% and the 60% of the average net wealth of the country), with different tax allowances and asset-type specific exemptions. In each case, the UI grant is assigned to individuals ageing between 18 and 27 years. We may interpret this scenario as being equivalent to an annual universal inheritance, assigned to individuals turning 18 years, which has been distributed over the last 10 years.⁷

To finance the universal inheritance, we simulate a levy on household net wealth, which exceeds the corresponding tax-free amount. Implicitly, we assume that the wealth levy is paid fully out of a household's net wealth, and not for instance (partially) from income. Analogue to the benefit side, we could interpret the simulated one-time wealth levy as an annual net wealth tax, paid over the last 10 years, where the annual tax rate is equivalent to a tenth of the wealth levy (see also Bach, 2021).⁸ Flat tax rates passed the allowance cut-off points are assumed for simplicity purposes.⁹

⁶ Krenek et al. (2022) provide a thorough discussion of the underlying methodology. The code has been kindly shared by the authors.

⁷ If individuals would have received the same UI amount over the past ten years, then their corresponding value today would either be larger than today, if being invested, or lower, if being (partially) consumed. We simplify and disregard this time dimension in the following analysis.

⁸ Similar to the benefit side, we disregard the dynamic implications and behavioural reactions.

⁹ In other words, once the allowance limit is passed, all households are taxed the same amount independently of their amount of income or wealth.

We consider four tax-allowance scenarios:

Table 2. Tax-allowance scenarios							
Allowance type	Amount	Other exemptions					
I	€500,000	—					
П	€1,000,000	_					
111	€1,000,000	Household's main residence					
11/	€1 000 000	Household's main residence +					
	21,000,000	€1,000,000 of business assets					

Table 7 Tax allowance scenerics

These allowances shown in Table 2 are chosen for two reasons. First, they illustrate the effect of the different exemptions: the difference from allowance type I to II shows the effect on tax rates of increasing the allowance by 500,000 euros. From II to III, the effect is that of exempting the household's main residence. Finally, the difference from III to IV shows the effect of additionally exempting $\in 1$ million in business assets. The second reason is that, although the choice of the personal allowance is to some extent arbitrary, it is high enough so that it will mostly affect those in the top end of the wealth distribution as to maximise the policy's redistributive effect and its political viability.

We analyse the joint distributional impact of introducing a universal inheritance and its financing on the distribution of household net wealth.¹⁰ For each household, we add universal inheritances received by members to household net wealth and deduct the tax liability according to the wealth levy of each house. Furthermore, we implicitly assume that there are no tax compliance nor tax collection cost, i.e., aggregate net wealth remains unaffected by the introduction of the universal inheritance. Hence, the outcome of this simulation is a pure redistribution of wealth.

Results 4

4.1 Wealth inequality

Before turning to the results of the simulation, we first analyse the wealth distribution in the four countries under study (i.e., Germany, Italy, Ireland, and Finland). Figure 1 shows how household net wealth is spread across population deciles. The data reveals that wealth is heavily concentrated among the top 10% of the population, indicating significant wealth inequality within each country. Germany has the highest level of inequality with a Gini coefficient of .80. It is followed by Ireland (.72), Finland (.70), and Italy (.69).¹¹

The proportion of net wealth owned by the top 10% exceeds half of the total net wealth in all four countries: Germany (66.5%), Ireland (60.8%), Italy (54.9%), and Finland (51.7%). In other words: the wealthiest 10% accumulate more wealth than the rest of the population together. Notably, the top 1% holds a large share of wealth, amounting to nearly half of the wealth owned by the top 10%. Germany exhibits the highest share within the top 1%, with these households owning 34% of the total wealth.

¹⁰ To calculate tax labilities and tax rates we create an individual value of net wealth within the household, which distributes the total net wealth equally amongst the adults within the household.

¹¹ These Gini coefficients might appear higher than usual because this study adjusts the upper end of the wealth distribution in the Household Finance and Consumption Survey (HFCS) dataset (see Albers et al., 2022; Bach, 2021).

In contrast, the share of total net wealth owned by the bottom 50% is less than 8% in all four countries, with Germany and Italy marking the lower (1.9%) and upper (7.7%) bounds, respectively. Moreover, the bottom 10% of the population shows negative net wealth in all countries, which indicates that their debts surpass their assets. In Germany, this extends to the bottom 20% of the population.



Figure 1. Net wealth distribution by decile

Note: Own elaboration with adjusted HFCS data. Negative values mean debts.

The wealth disparity is further elucidated by the P90/50 ratio, which compares the wealth of the top 10% to that of the bottom 50%. In Germany, the top 10% have 34.6 times more wealth than the bottom half. Although the ratio is lower in the other countries, it remains substantial: Finland (9.7), Ireland (11), and Italy (7.1).

Median net wealth values across the countries under study vary considerably, starting from approximately \in 70,000 in Germany and reaching as high as \in 180,000 in Ireland. Mean values are higher, reflecting the uneven distribution, ranging from \in 230.000 in Finland and \in 500.000 in Ireland.¹² Considering the top 10% of the population, the average net wealth fluctuates between \in 1.2 million in Finland and \in 3.1 million in Ireland, with the majority of this wealth predominantly constituted by financial assets. On the other hand, the average wealth of the bottom 50% of the population falls between \in 11,500 in Germany and \in 56,000 in Ireland, with the primary asset typically being the main household residence.

4.2 Simulations results

Figure 2 plots the required wealth levy tax rates by UI benefit amounts. The diverse allowance types yield varying tax rates for the simulated benefit amounts, and these are depicted for each country. The rates should be interpreted as the percentage of individual net wealth, above the corresponding personal allowance, that the affected individuals would need to pay in taxes. For example, with a

¹² Given the top-tail adjustment, these values are higher than the official values provided by the ECB (2021).

personal allowance of one million euros (type II), a benefit amount of €20,000 would require an average tax rate of 6.3% in Germany, 18.8% in Finland, 6.1% in Ireland, and 7.3% in Italy.

In instances where the simulated tax rate exceeds 100%, such cases are excluded from the analysis, as they are clearly deemed unrealistic. A tax rate surpassing 100% would imply that the households liable for the tax would have to part with their entire taxable net wealth to meet the tax obligations. This scenario emerges only in certain extreme instances, particularly when the highest benefit amounts are combined with the most generous allowances, resulting in large wealth levy tax rates. In addition, a broad range of the simulated tax rates could still be considered as high, even if they do not exceed 100%. However, we plot all technically feasible results without claiming that all scenarios would be equally politically feasible.



Figure 2. Simulated tax rate over benefit amount of universal inheritance per country

Benefit amount

Note: Own elaboration with adjusted HFCS data. Scenarios with tax rates exceeding 100% are not included. Threshold values representing 10% and 60% of net wealth for each country are as follows: Germany - €35,070 (10%), €210,423 (60%); Finland - €28,052 (10%), €168,316 (60%); Ireland - €48,592 (10%), €291,553 (60%); Italy - €32,776 (10%), €196,660 (60%).

To discern which segments of the population would shoulder the tax burden, Figure 3 illustrates the distribution of the tax liabilities resulting from the policy, taking into account each of the different types of allowances. Consistent with expectations, the higher the allowance, the greater the burden imposed on the individuals situated at the top of the wealth distribution.

In none of the scenarios does the tax burden fall upon the bottom 50% of the population due to the large personal allowance(s). In fact, an overwhelmingly large portion of the tax burden is borne almost exclusively by the top 10%. Only in the case of the first type of allowance is there a nominal deviation, where a small fraction of the tax burden is distributed among the 50-90 percentile group. However, this constitutes a tiny amount, and it varies across countries: 1% in Germany, 0.5% in Finland, 3.9% in Ireland, and 0.23% in Italy.¹³

In the remaining simulations, the entire cost is shouldered by the top 10%, with a progressively larger proportion falling on the top 0.1%. Notably, under the fourth type of allowance, over 60% of the cost would be borne by the top 0.1% of the population across all countries.



Note: Own elaboration with adjusted HFCS data. HMR is Household Main Residence. BA is business assets.

Shifting our attention to how wealth is redistributed (combined effect of UI benefit and wealth levy), Figure 4 graphically portrays the simulated Gini coefficients for each of the scenarios. On an aggregate basis across all the countries, for each incremental increase of 10,000 euros in the benefit, the Gini coefficient is observed to decrease by an average of .63 percentage points. There is a noticeable decline in the Gini coefficient commensurate with the escalation of the benefit amount. However, the simulations reveal marginal variation across the different allowances, which implies that the magnitude of the distributive effect is predominantly driven by the quantum of the benefit rather than the parameters of the allowance.

¹³ Some very small amounts are also borne by the 50-90 percentile in the second allowance type, but these are below 0.1%.



Figure 4. Simulated wealth Gini over benefit amount and allowance per country

Benefit amount

Note: Own elaboration with adjusted HFCS dat. Black dots represent original Gini values (without the policy). Lines mostly overlap for the different allowance types. Scenarios with tax rates exceeding 100% are not included. Threshold values representing 10% and 60% of net wealth for each country are as follows: Germany - €35,070 (10%), €210,423 (60%); Finland - €28,052 (10%), €168,316 (60%); Ireland - €48,592 (10%), €291,553 (60%); Italy - €32,776 (10%), €196,660 (60%).

To provide concrete examples, let's consider the changes in the Gini coefficient for two specific scenarios: an extreme case and a more moderate one. In the most extreme case, with a benefit amount equal to 60% of the average net wealth and a \in 500,000 allowance (type I), the Gini coefficient decreases substantially. On average, across the four countries, there is a decline of approximately 12 percentage points in the Gini coefficient. Conversely, under a more moderate scenario with a benefit amount of \in 20,000 and a \in 1,000,000 allowance (type II), the Gini coefficient already exhibits significant reductions. On average, the Gini coefficient decreases by about 1.3 percentage points across the countries.

Another way to measure inequality is by looking at the P90/50 ratio. As illustrated in Figure 5, the P90/50 ratio, which represents the proportion of wealth owned by the top 10% versus that owned by the bottom 50% of the population, is showcased for Germany, Finland, Ireland, and Italy across different benefit amounts and allowance types.



Figure 5. Simulated P90/50 wealth ratio over benefit amount and allowance per country

Benefit amount

Note: Own elaboration with adjusted HFCS data. Black dots represent original P90/50 values (without the policy). Lines mostly overlap for the different allowance types. Scenarios with tax rates exceeding 100% are not included. Threshold values representing 10% and 60% of net wealth for each country are as follows: Germany - €35,070 (10%), €210,423 (60%); Finland - €28,052 (10%), €168,316 (60%); Ireland - €48,592 (10%), €291,553 (60%); Italy - €32,776 (10%), €196,660 (60%).

On average across the four countries, the P90/50 ratio starts at approximately 13 with a \in 10,000 benefit amount. As the benefit amount increases, there is a consistent decline in the P90/50 ratio for all countries. By the time the benefit amount reaches €100,000, the average P90/50 ratio declines to roughly 6.5. Taking Germany as an example, the decline in the P90/50 ratio is more pronounced. For a \in 10,000 benefit amount, the P90/50 ratio in Germany is 27.6, but this decreases sharply to around 11.5 when the benefit amount is increased to \in 100,000. This suggests that wealth distribution becomes more equitable with increased benefits in Germany at a relatively faster rate compared to the other countries. Meanwhile, in Finland, Ireland, and Italy, the decreases in the P90/50 ratio are more gradual. The P90/50 ratios in these countries range from about 11 to 4 as the benefit amount increases from €10,000 to €100,000.

Furthermore, the different allowance types do not exhibit substantial variations in their impact on the P90/50 ratio. The graph lines representing the allowance types remain relatively parallel, which suggests that the type of allowance is not a significant determinant in the wealth distribution changes observed.

Lastly, we report the distributional effect that both the benefit and the tax combined would have on the overall distribution of household net wealth. As illustrated in Figure 6, the combined effects of the benefit and tax policy on the overall distribution of wealth are showcased using a benefit amount of €20,000. This amount is chosen for two reasons: firstly, it has been employed in recent proposals such as Morelli et al., (2021) and Bach (2021), and secondly, it is in proximity to the median inheritance.14

¹⁴ Calculations using HFCS on the total value of gifts and inheritances received. Due to a lack of data, Italy and Finland were not included in the calculations.



Figure 6. Distributive effect of a €20,000 UI with a €1 million allowance

Notably, the impact of the measure varies substantially across the distribution. The top 10% experiences a negative impact, with a decrease in their wealth share ranging from 2-4%. This signifies that the wealth of the most affluent segment contracts because of the policy. Conversely, the remaining 90% of the population predominantly experiences positive effects. The bottom 50% witnesses the most substantial gains relative to their wealth, which are particularly remarkable in the case of Germany, where the net wealth of the bottom 50% approximately doubles.

For the population concentrated between the 50th and 90th percentiles of household net wealth, the gains are more moderate, but still positive. The net wealth of this group increases by around 1-2%. This demonstrates that while the policy is geared more toward assisting the lower economic strata, the middle class also stands to benefit, albeit to a lesser extent. The implementation of a benefit and tax policy with a \leq 20,000 benefit amount is, therefore, progressive in nature. The policy significantly boosts the wealth of the poorer half of the population, while moderately benefiting the middle class, and slightly reducing the wealth of the top 1%.

5 Conclusion and discussion

This article has systematically reviewed existing UI experiences and proposals and, building upon them, it has simulated the costs and potential distributional impact of several combinations of various parametrizations of the size of the UI benefit and the amount and nature of the allowance. In order to do that, we have carried out our simulations using a novel top-tail adjusted version of the HFCS dataset for four EU countries. This entails a more precise representation of the top part of the wealth distribution – and thus a better quantification of overall levels of wealth inequality – relative to prior analyses. Because we simulate a broader range of combinations than the existing empirical literature, we can portray a much more nuanced range of alternatives in terms of costs and potential equalising impact and an intuitive identification of trade-off between those two dimensions, a crucial aspect for discussions on the feasibility of this policy.

Note: Own elaboration with adjusted HFCS data.

Our simulations draw four main conclusions. First, the higher the allowance, the more the burden is placed on citizens at the top of the wealth distribution, and most of the tax burden is assumed almost entirely by the richest 10%. Second, the simulations reveal that UI benefits up to \in 20.000 or \in 30.000 per year are feasible with tax rates below 15% or 20%. Beyond these thresholds, higher benefits necessitate tax rates that are likely to be politically unviable due to the increased strain on wealthier citizens. Third, wealth inequality as measured by the Gini coefficient decreases with the size of the benefit. For every increase of \in 10,000 in the benefit, the Gini coefficient falls by an average of 0.63 percentage point. This slope remains relatively stable across the various allowances simulated. Estimations of wealth ratios yield complementary distributional effects, with consistent declines in the P90/P50 ratios in all four countries as the magnitude of the UI benefit rises and rather consistently across the alternative allowance amounts/natures. Fourth, when the distributional effect of the benefit and the tax rate (combined) is simulated using only a benefit of €20,000, the asymmetric impacts throughout the wealth distribution are evident. The richest 10% witnesses a decrease in their wealth share ranging from 2 to 4% while the remaining 90% of the population predominantly experiences net gains in their shares, particularly in the bottom half of the distribution. The adoption of a UI benefit and tax policy with a \in 20,000 benefit amount would be, therefore, unequivocally progressive.

Our analyses cannot take into account behavioural effects related to the introduction of a UI. A perpetual universal inheritance, financed through an annual tax on net wealth, would potentially trigger large economic reactions – disregarded in our simulations – depending on the benefit amount. Large UI amounts, as for instance proposed by Piketty, would result in extreme redistribution of wealth likely to equally trigger extreme behavioural responses from both recipients of the UI and taxpayers subject to the required annual wealth tax. But even moderate UI benefits, such as €20,000 to all individuals turning 18, could trigger significant behavioural reactions. UI recipients might reduce their overall savings in response to the unconditional wealth transfer received or adjust their labour supply (see also Bach, 2021). Furthermore, relative attractiveness of financial and non-financial assets might be altered as a consequence of the tax, and affected taxpayers might engage in tax avoidance, for instance by migrating to alternative tax jurisdictions. As the demands changes, effects on the education and housing markets are also likely to occur. Further research should device ad-hoc designs to ascertain the potential role of all these issues.

Data availability, and specifically the lack of accuracy of survey data to capture the top part of the wealth distribution – due to underreporting, difficulties to access individuals with certain characteristics, etc. – entail a challenge that has, in our case, been overcome with ad hoc top tail adjustments that are only available for a small number of countries. The extent to which the main findings would apply to other national contexts for which such adjustments still do not exist is another empirical matter for further enquiry. Nevertheless, the fact that the main conclusions hold across the four selected countries – which display very marked institutional variation as regards the magnitude and nature of welfare state provision, fiscal regimes or social norms and incentives to leave the parental home, together with relative variance in the overall levels of wealth inequality –, seems reassuring about the potential external validity of the results.

In the context of dramatic increases in wealth inequalities in many European countries and a markedly restrictive access of younger cohorts to wealth accumulation, the UI could be regarded as a triple dividend intervention promoting simultaneously an overall more equal distribution of wealth at time t, an advancement towards counteracting intergenerational inequality of opportunity, and a reinforcement of the predistributive nature of the policy mix by providing citizens with assets with which they enter markets, rather than correcting unequal market outcomes ex-post.

6 References

Ackerman BA and Alstott A (1999) The Stakeholder Society. New Haven, Connecticut: Yale University Press.

Albers TNH, Bartels C and Schularick M (2022) Wealth and its Distribution in Germany, 1895-2018. World Inequality Lab Working Paper N° 2022/09.

Atkinson AB (1972) Unequal Shares: Wealth in Britain. London, UK: Allen Lane.

Atkinson AB (2014) After Piketty? The British Journal of Sociology 65(4): 619–638. DOI: 10.1111/1468-4446.12105.

Atkinson AB (2015) Inequality: What Can Be Done? Cambridge, Massachusetts: Harvard University Press.

Bach S (2021) Universal Capital Endowment and Wealth Taxes Could Reduce Wealth Inequality. DIWWeeklyReport49–52.Berlin,Germany:DIW.Availableat:http://www.diw.de/sixcms/detail.php?id=diw_01.c.831745.de (accessed 16 June 2022).

Bach S, Thiemann A and Zucco A (2019) Looking for the missing rich: tracing the top tail of the wealth distribution. International Tax and Public Finance 26(6): 1234–1258. DOI: 10.1007/s10797-019-09578-1.

Bidadanure JU (2021) Justice across Ages: Treating Young and Old as Equals. Oxford University Press.

Bozio A, Goupille-Lebret J and Guillot M (2020) Predistribution vs. Redistribution: Evidence from France and the U.S. ID 3723639, SSRN Scholarly Paper, 1 October. Rochester, NY: Social Science Research Network. Available at: https://papers.ssrn.com/abstract=3723639 (accessed 4 August 2021).

Cunliffe J and Erreygers G (eds) (2004) The Origins of Universal Grants: An Anthology of Historical Writings on Basic Capital and Basic Income. Houndmills, Basingstoke, Hampshire ; New York: Palgrave Macmillan.

Davies JB (1993) The distribution of wealth in Canada. Research in Economic Inequality 4(1): 159–80.

European Central Bank (2020) The household finance and consumption survey: methodological report for the 2017 wave. Luxemburg: Publications Office. Available at: https://data.europa.eu/doi/10.2866/66933 (accessed 29 June 2023).

European Central Bank (2021) HFCS Statistical tables, Wave 2017, Statistical tables. Luxemburg: Publications Office. Available at: https://www.ecb.europa.eu/home/pdf/research/hfcn/HFCS_Statistical_Tables_Wave_2017_May2021. pdf?ca15e575b6b7765dad1147e7a3dba728.

Goodin RE (2003) Sneaking up on Stakeholding. In: Dowding K, De Wispelaere J, and White S (eds) The Ethics of Stakeholding. London, UK: Palgrave Macmillan UK, pp. 65–78. DOI: 10.1057/9780230522916_4.

Gosseries A and Meyer LH (eds) (2009) Intergenerational Justice. Oxford; New York: Oxford University Press.

Hufe P, Kanbur R and Peichl A (2018) Measuring Unfair Inequality. In: Proceedings. Annual Conference on Taxation and Minutes of the Annual Meeting of the National Tax Association, 2018, pp. 1–44. JSTOR.

Kempson E, Finney A and Davies S (2011) The Child Trust Fund: Findings from the Wave 2 Evaluation. HM Revenue and Customs Research Report 143. PfRC.

Krenek A, Schratzenstaller M, Grünberger K, et al. (2022) INTAXMOD - Inheritance and Gift Taxation in the Context of Ageing. JRC Working Papers on Taxation and Structural Reforms 4/2022, Technical Report. Seville, Spain: Joint Research Center - European Comission. Le Grand J (2005) Implementing stakeholder grants: the British case. In: Ackerman BA, Alstott A, Parijs P van, et al. (eds) Redesigning Distribution: Basic Income and Stakeholder Grants as Alternative Cornerstones for a More Egalitarian Capitalism. The Real Utopias Project v. 5. London; New York: Verso.

Le Grand J and Nissan D (2003) A Capital Idea: Helping the Young to Help Themselves. In: Dowding K, De Wispelaere J, and White S (eds) The Ethics of Stakeholding. London, UK: Palgrave Macmillan UK, pp. 29–41. DOI: 10.1057/9780230522916_2.

Lindert PH and Williamson JG (1983) English Workers'Living Standards During the Industrial Revolution: A New Look. The Economic History Review 36(1): 1–25. DOI: 10.1111/j.1468-0289.1983.tb01221.x.

Morel N, Palier B and Palme J (2011) Towards a Social Investment Welfare State?: Ideas, Policies and Challenges. Policy Press.

Morelli S, Nolan B, Palomino JC, et al. (2021) Inheritance, gifts and the accumulation of wealth for low-income households. Journal of European Social Policy 31(5). SAGE Publications Ltd: 533–548. DOI: 10.1177/09589287211040419.

Nissan D and Le Grand J (2000) A capital idea: Start-up grants for young people. London, UK: Fabian Society.

Noguera JA, Salazar L and Vidal-Lorda G (2022) Universal Benefits Workshop. Real Utopias for a Social Europe. Summary Report. Luxemburg: Publications Office of the European Union. DOI: 10.2760/765.

OECD (2021) Inheritance Taxation in OECD Countries. OECD Tax Policy Studies. OECD. DOI: 10.1787/e2879a7d-en.

O'Neill M (2020) Power, Predistribution, and Social Justice. Philosophy 95(1): 63–91. DOI: 10.1017/S0031819119000482.

Paine T (2004) Agrarian Justice (1797). In: Cunliffe J and Erreygers G (eds) The Origins of Universal Grants. London: Palgrave Macmillan UK, pp. 3–16. DOI: 10.1057/9780230522824_1.

Piketty T (2014) Capital in the Twenty-First Century. Harvard University Press. DOI: 10.4159/9780674369542.

Piketty T (2020) Capital and ideology. Cambridge, Massachusetts; London, England: Harvard University Press.

Rawls J (2001) Justice as Fairness: A Restatement (ed. E Kelly). Cambridge, Massachusetts: Harvard University Press.

Salas-Rojo P and Rodríguez JG (2022) Inheritances and wealth inequality: a machine learning approach. The Journal of Economic Inequality. DOI: 10.1007/s10888-022-09528-8.

Sherraden MW (1991) Assets and the Poor: A New American Welfare Policy. Armonk, NY: Sharpe.

Van Parijs P (1995) Real Freedom for All: What (If Anything) Can Justify Capitalism? 1st ed. Oxford; New York: Oxford University Press. DOI: 10.1093/0198293577.001.0001.

Van Parijs P and Vanderborght Y (2019) Basic Income: A Radical Proposal for a Free Society and a Sane Economy. Cambridge, Massachusetts: Harvard University Press.

Vermeulen P (2018) How Fat is the Top Tail of the Wealth Distribution? Review of Income and Wealth 64(2): 357–387. DOI: 10.1111/roiw.12279.

Waltl SR and Chakraborty R (2022) Missing the wealthy in the HFCS: micro problems with macro implications. The Journal of Economic Inequality 20(1): 169–203. DOI: 10.1007/s10888-021-09519-1.

White S (2011) Basic income versus basic capital: can we resolve the disagreement? Policy & Politics 39(1): 67–81. DOI: 10.1332/030557311X546325.

White S (2015) Basic Capital in the Egalitarian Toolkit?: Basic Capital in the Egalitarian Toolkit? Journal of Applied Philosophy 32(4): 417–431. DOI: 10.1111/japp.12129.

Wildauer R, Heck I and Kapeller J (2023) Was Pareto right? Is the distribution of wealth thick-tailed? University of Greenwich, Greenwich Political Economy Research Centre. Available at: https://ideas.repec.org/p/gpe/wpaper/38597.html.

Wolff EN (2004) Stakeholding and Inheritances. Politics & Society 32(1): 119–126. DOI: 10.1177/0032329203261102.

Wright EO (2000) Reducing Income and Wealth Inequality: Real Utopian Proposals. Contemporary Sociology 29(1): 143. DOI: 10.2307/2654939.

Wright EO (2004) Basic Income, Stakeholder Grants, and Class Analysis. Politics & Society 32(1): 79–87. DOI: 10.1177/0032329203261099.

GETTING IN TOUCH WITH THE EU

In person

All over the European Union there are hundreds of Europe Direct information centres. You can find the address of the centre nearest you at: <u>https://europa.eu/european-union/contact_en</u>

On the phone or by email

Europe Direct is a service that answers your questions about the European Union. You can contact this service:

- by freephone: 00 800 6 7 8 9 10 11 (certain operators may charge for these calls),
- at the following standard number: +32 22999696, or
- by electronic mail via: <u>https://europa.eu/european-union/contact_en</u>

FINDING INFORMATION ABOUT THE EU

Online

Information about the European Union in all the official languages of the EU is available on the Europa website at: <u>https://europa.eu/european-union/index_en</u>

EU publications

You can download or order free and priced EU publications from EU Bookshop at: <u>https://publications.europa.eu/en/publications</u>. Multiple copies of free publications may be obtained by contacting Europe Direct or your local information centre (see <u>https://europa.eu/european-union/contact en</u>).

The European Commission's science and knowledge service

Joint Research Centre

JRC Mission

As the science and knowledge service of the European Commission, the Joint Research Centre's mission is to support EU policies with independent evidence throughout the whole policy cycle.



EU Science Hub ec.europa.eu/jrc

♥ @EU_ScienceHub

- **f** EU Science Hub Joint Research Centre
- in EU Science, Research and Innovation

EU Science Hub