

IWH Research Seminar in Economics

Montag, 4. April 2016, 14:15–15:45 Uhr, Konferenzsaal im Erdgeschoss



Cross-country Income Levels Over Time: Did the Developing World Suddenly Become Much Richer?

Professor Dr. Robert Inklaar, Universität of Groningen

The latest global survey on relative prices and income levels, for the year 2011, showed changes to relative income levels that were larger in lower-income countries, thereby narrowing the world income distribution compared to estimates based on the 2005 survey. This paper examines whether changes in measurement methodology between the 2011 survey and the previous survey for 2005 can explain these large differences. We construct a counterfactual set of relative prices for 2005 that harmonizes measurement, and we no longer find systematic differences across income levels, implying that international income inequality based on the 2005 survey was overstated.

Wissenschaftlicher Ansprechpartner am IWH:

Juniorprofessor Dr. Felix Noth

Tel +49 345 7753 702, Felix.Noth@iwh-halle.de

Leibniz-Institut für Wirtschaftsforschung Halle (IWH)

Kleine Märkerstraße 8, D-06108 Halle (Saale)

Tel +49 345 7753 60, Fax +49 345 7753 820

