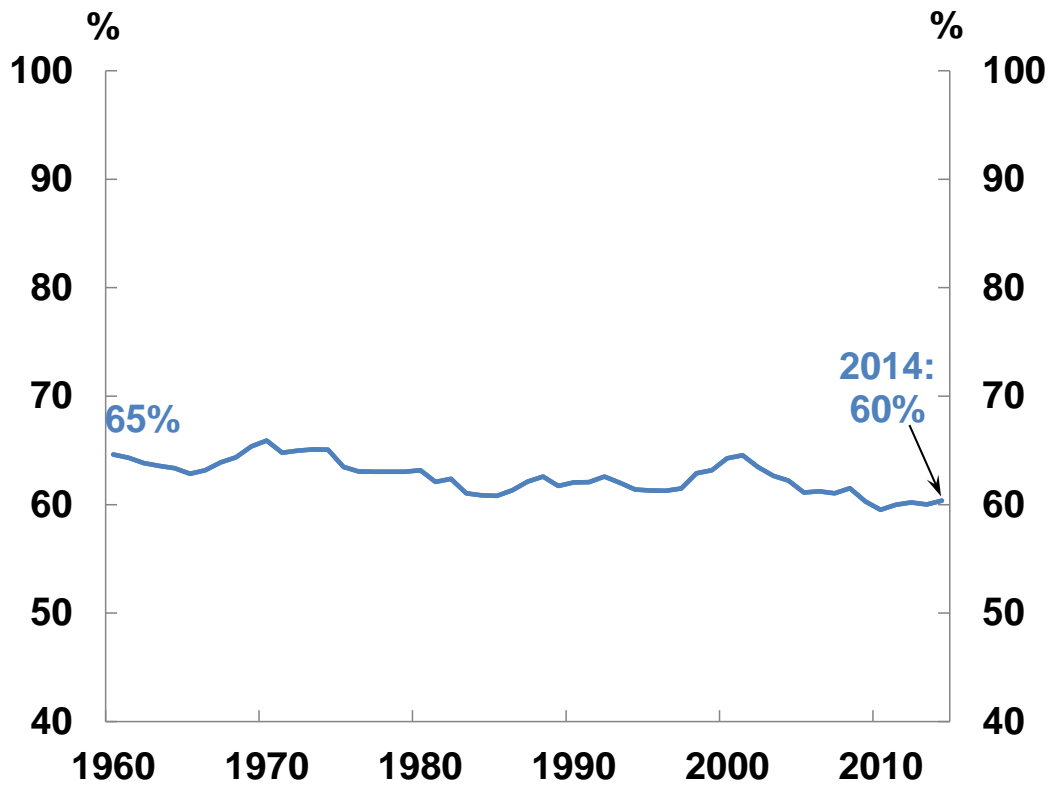
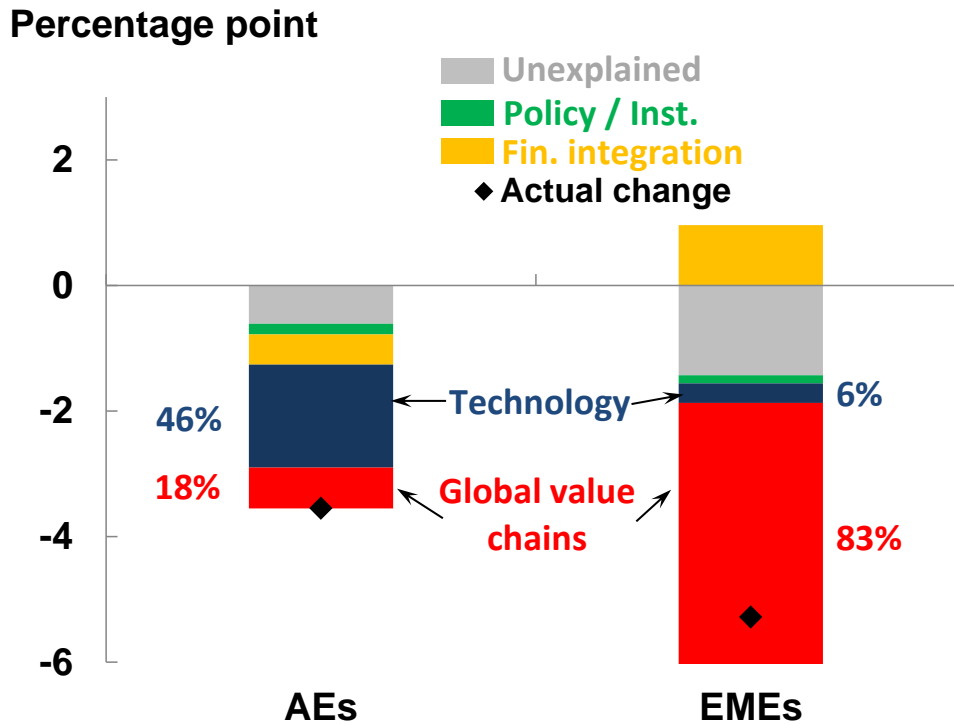


Chart 1. US share of labour income has been declining



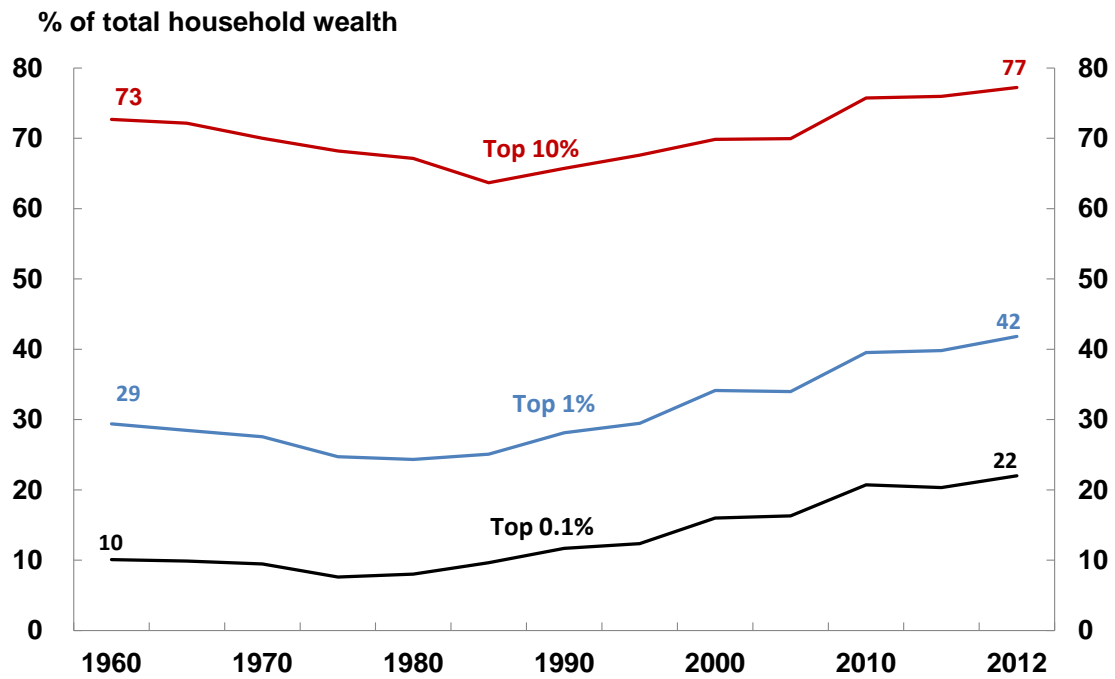
Source: Penn World Table 9.0.

Chart 2. Impact of globalisation and technology on decline in share of labour income in AEs and EMEs (1993 – 2014)



Source: IMF WEO (April 2017).

Chart 3. US wealth has become increasingly concentrated in the top 0.1% households



Source: Saez and Zucman, UC Berkeley (2016).

Share of US Total Household Wealth

	1960	1990	2012	Change (1960-2012)
	(%)	(%)	(%)	(Percentage pt.)
Top 0.1%	10	12	22	+12
Next 0.9%	19	16	20	+1
Next 9%	44	38	35	-9

Concluding remarks

- There needs to be more research and study by economists, central bankers and policy makers on the distributional effects of unconventional monetary policy.
- We need to understand more on the trend of rising income and wealth inequality and its economic, social and political impact.
- We also need to study more on the labour displacing impact of technological innovations.
- Governments are generally more equipped to tax income but less so in wealth. Policy makers must consider what can and should be done to deal with the rising concentration in the distribution of income and more so wealth. It is also not too early for policy makers to consider what should be done to pre-distribute income by helping those displaced workforce to re-train or adapt to the new environment.