

The U.S. and China Account For 50% of the World's Household Wealth

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There are several ways of measuring a country's prosperity. One way is to look at the distribution of household wealth. The US and China are the two largest economies in the world, accounting for the lion's share of global household wealth. According to MoneyTransfers.com, the US and China account for half of the world's total household wealth.

This is mainly due to the fact that both countries have a large number of millionaires and billionaires. The US now has more billionaires than any other country in the world. China is not far behind, with the second-highest number of billionaires.

Commenting on the data, CEO of MoneyTransfers, Jonathan Merry, said, "The US and China are sitting pretty on top of the world. These are strong economies with the highest GDPs. The unemployment rates in these countries are very low, and people are keen on wealth acquisition."

Richest Households but Inequality Reigns

China's increasing economic clout has led to a more significant portion of the global pie. The United States and China have grown their shares of the world's wealth, with the former accounting for 31.5% and the latter for 18.4%. Besides, the quality of life in China has significantly improved during the previous two decades.

However, not every Chinese has felt the effects of the hike. The gap between the rich and the poor has widened. For instance, the wealthiest 10% are getting richer. Yet, the poorest 50% are getting poorer. Besides China, the US also has an unequal distribution of wealth.

The number of multimillionaires in both the United States and China is growing, with asset inflation playing a role. The ranks of multimillionaires globally will likely continue to swell in the coming years. But, unless measures are taken to close the gap between the rich and the poor, inequality will remain a problem.

Wealth and Happiness

Correlating wealth with happiness is difficult because elements that lead to pleasure vary. People have diverse desires, and their triggers also vary. Some people find comfort and happiness far from riches. Their happiness trigger relies on families.

The Chinese wealthy are, on the whole, contented people. But this is mostly because they compare themselves to those less well-off around them and feel prosperous by contrast. The much bigger group of middle-class citizens looks at how rich people live and feel shortchanged in comparison.

At the same time, the country's poorer classes envy even the modest lifestyles of their better-off fellow citizens and long for the comforts enjoyed by only the very wealthy. In the US, most people believe that the rich are happier than the poor. This may be because America is a land of opportunity, and many people believe anyone can become rich if they work hard enough.