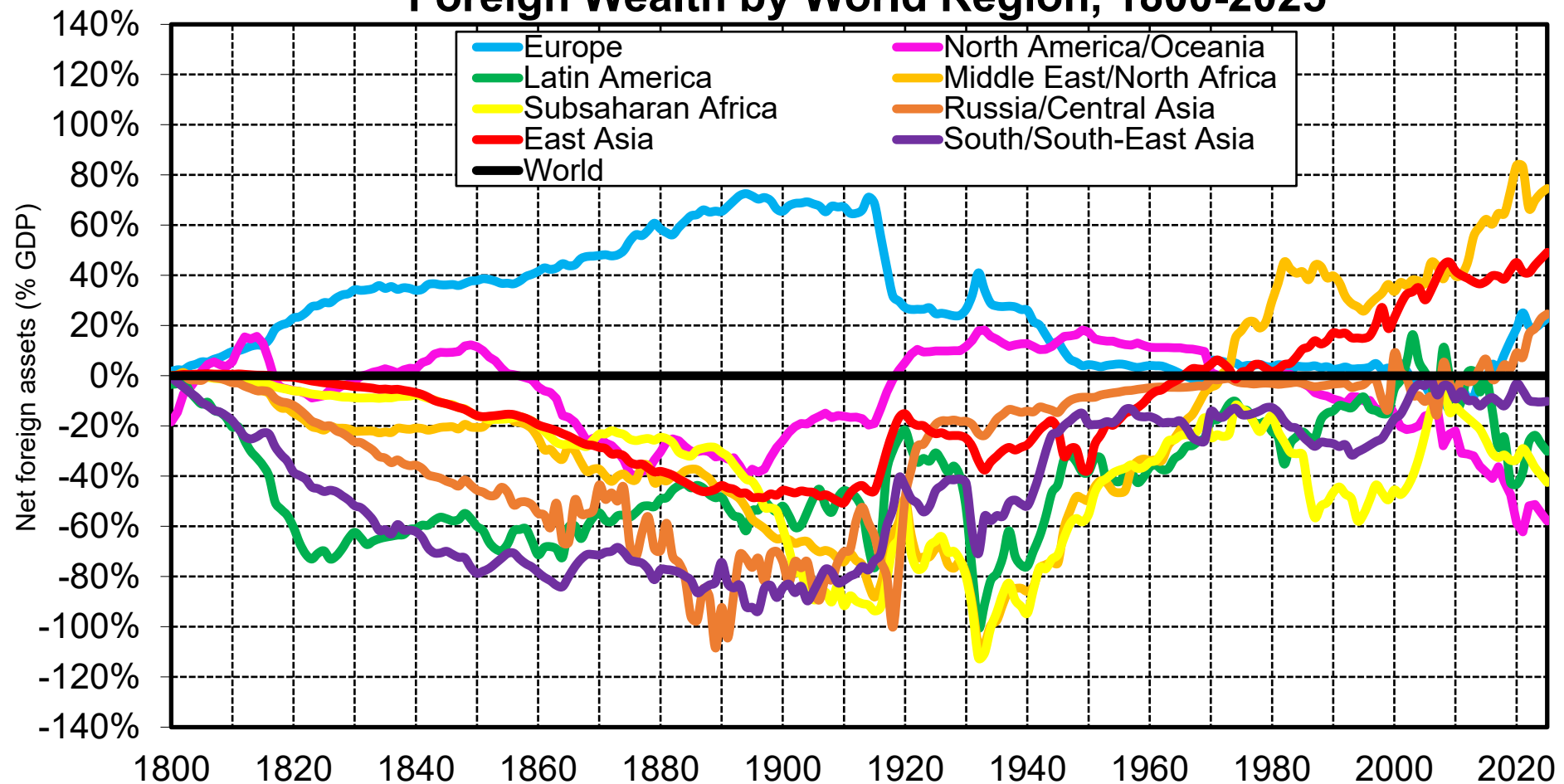


Foreign Wealth by World Region, 1800-2025



Interpretation. Between 1800 & 1914, Europe owns a rising fraction of the rest of the world. In 1914, Europe's foreign wealth (i.e. net foreign assets held by European residents in the rest of the world) reach about 70% of Europe's GDP. These foreign assets vanish between 1914 and 1950. They are partly replaced by foreign assets owned by the US between 1920 and 1970 and by oil countries (particularly in the Middle East) and East Asia since the 1970s-1980s. **Sources and series:** wid.world

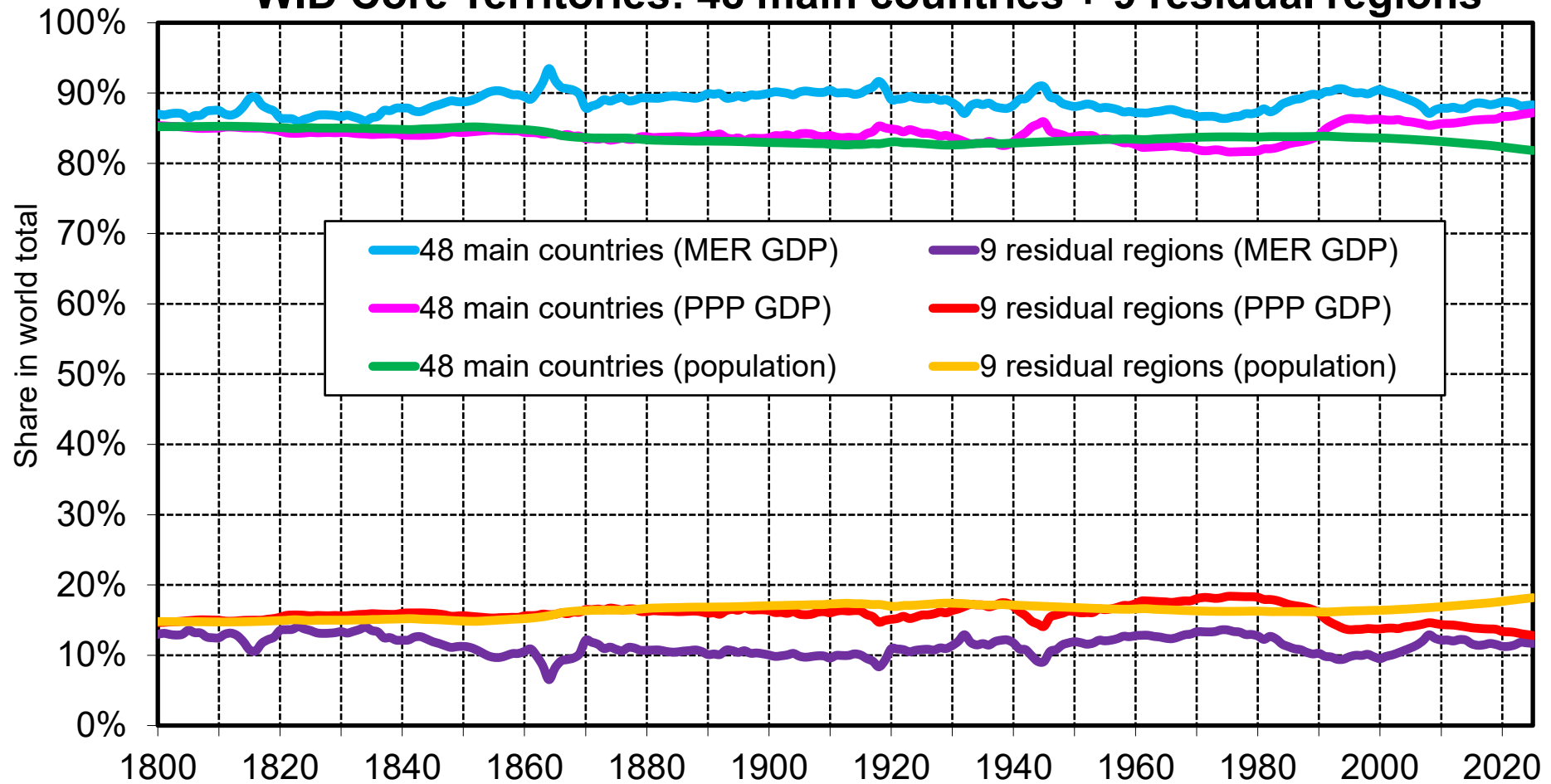
The World Historical Balance of Payment Database (WBOP): Geographical Coverage

(57 core territories = 48 main countries + 9 residual regions)

| | |
|--|---|
| East Asia (5) | China, Japan, South Korea, Taiwan Other EASA |
| Europe (11) | Britain, Denmark, France, Germany, Italy, Netherlands, Norway, Spain, Sweden, Other W.EUR, Other E.EUR |
| Latin America (6) | Argentina, Brasil, Chile, Colombia Mexico, Other LATAM |
| Middle East/ North Africa (8) | Algeria, Egypt, Iran, Morocco, Saudi Arabia, Turkey, UAE, Other MENA |
| North America/ Oceania (5) | USA, Canana, Australia, New Zealand Other NAOC |
| Russia/ Central Asia (2) | Russia Other RUCA |
| South/South-East Asia (9) | Bengladesh, India, Indonesia, Myanmar, Pakistan, Philipinnes, Thailand, Vietnam, Other SSEA |
| Sub-Saharan Africa (11) | DR Congo, Ethiopa, Kenya, Ivory Coast, Mali, Niger, Nigeria, Rwanda, Sudan, South Africa, Other SSAF |

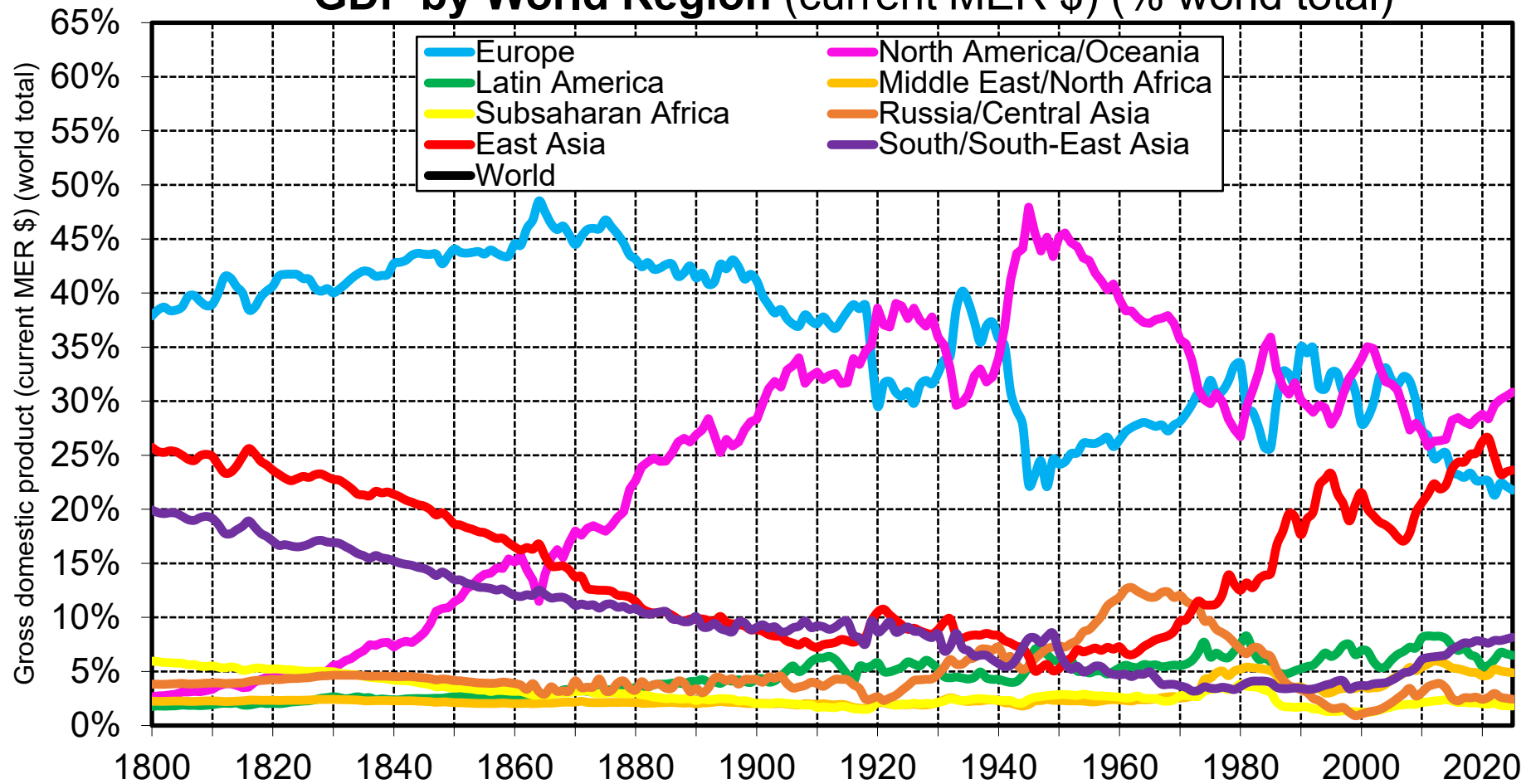
The World Historical Balance of Payment Database (WBOP, wbop.world) provides data series for 57 core territories (48 main countries + 9 residual regions, which we define using fixed 2025 borders) covering the entire world. It includes for all 57 core territories annual series covering the entire 1800-2025 period nominal GDP, trade balance for goods (exports and imports broken down for primary commodities vs manufactured goods), trade balance for services (exports and imports), foreign income (inflows and outflows), foreign transfers (inflows and outflows), current account (sum of net trade balance and net foreign income and transfer) and foreign wealth (gross assets and liabilities). All series are expressed in current MER USD. We also provide series on price indexes, market exchange rates and real exchange rates so that all series can be converted in constant monetary units (MER or PPP). Over the 1970-2025 period we provide similar series covering 216 countries/jurisdictions (168 of which define the 9 residual regions), again with fixed 2025 borders, and with additional breakdown for services (transportation, travel/tourism, other services), income (capital income, labour income, taxes) and transfers (private remittances, public transfers, other transfers) and for assets and liabilities (equity, debt, direct investment).

WID Core Territories: 48 main countries + 9 residual regions



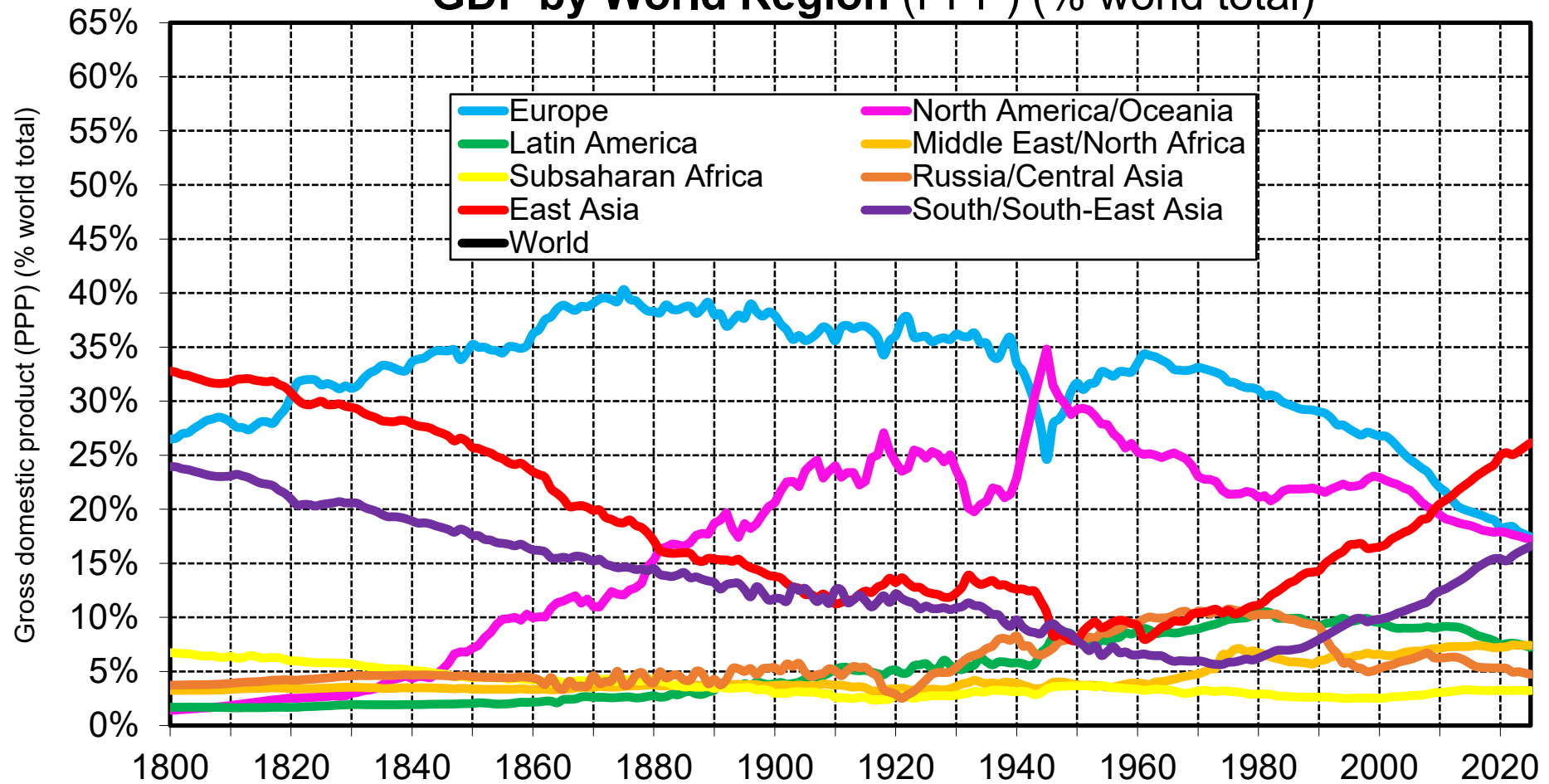
Interpretation. Historical WID national accounts include annual 1800-2025 series for 57 core territories (48 main countries + 9 residual regions, which we define using fixed 2025 borders). The 48 main countries make about 85-90% of the world GDP (both in market exchange rate and purchasing power parity) and population throughout the 1800-2025 period. For recent decades (1970-2025), WID national accounts series cover 216 countries/jurisdictions (168 of which form the 9 residual regions), again with fixed 2025 borders. **Sources and series:** see wid.world

GDP by World Region (current MER \$) (% world total)



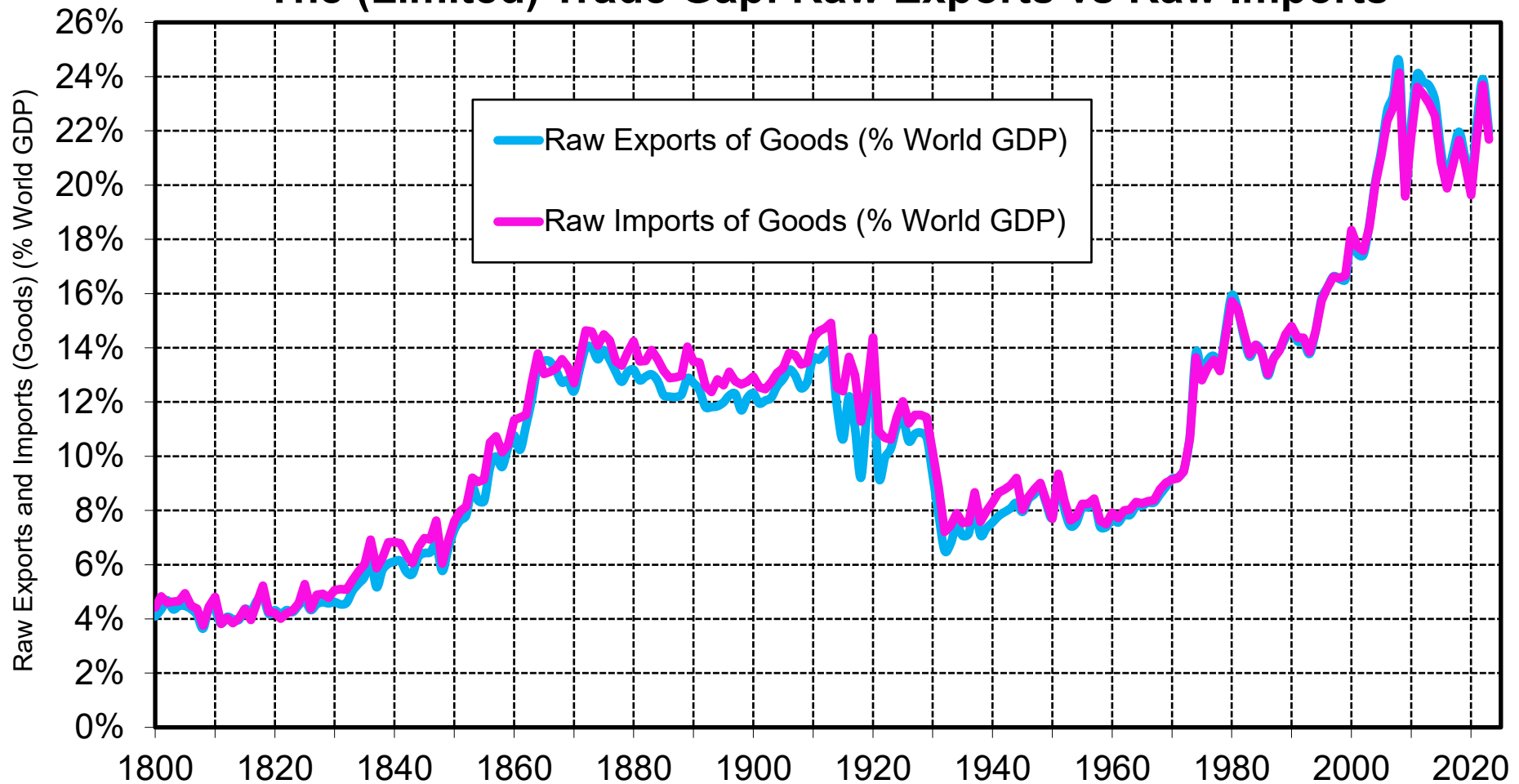
Interpretation. Using current MER \$ (market exchange rates), North America/Oceania represents about 30% of world GDP in 2025 (about the same level as in 1900), vs 23% for Europe (41% in 1900) and 24% in East Asia (8% in 1900). **Sources and series:** see wid.world

GDP by World Region (PPP) (% world total)



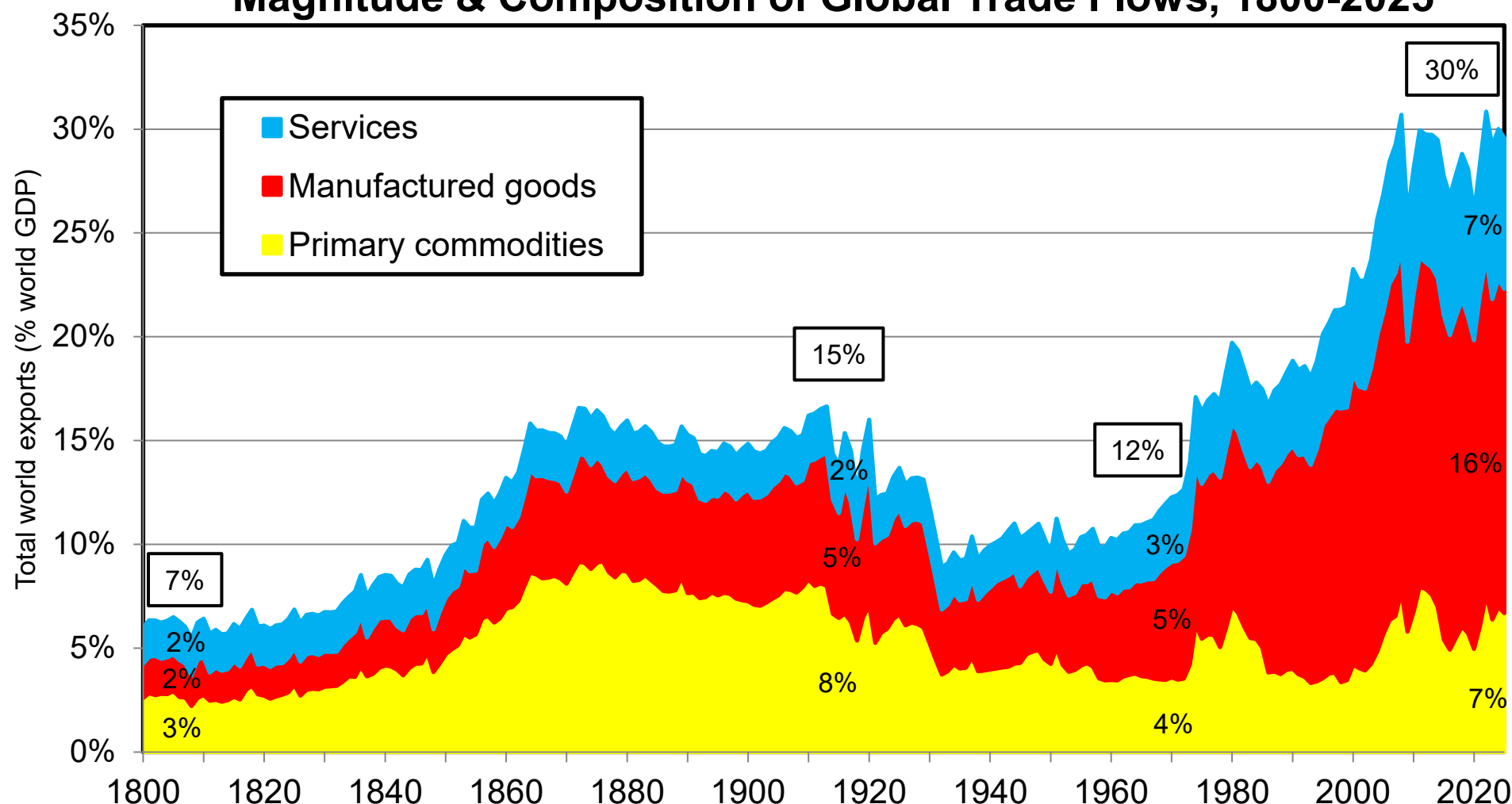
Interpretation. Using PPP values (purchasing power parity), North America/Oceania represents about 17% of world GDP in 2025 (25% in 1900), vs 17% for Europe (37% in 1900) and 26% in East Asia (14% in 1900). Generally speaking, the share of NAOC and Europe in world GDP has always been substantially smaller if we use PPPs rather than MERs (market exchange rates). **Sources and series:** see wid.world

The (Limited) Trade Gap: Raw Exports vs Raw Imports



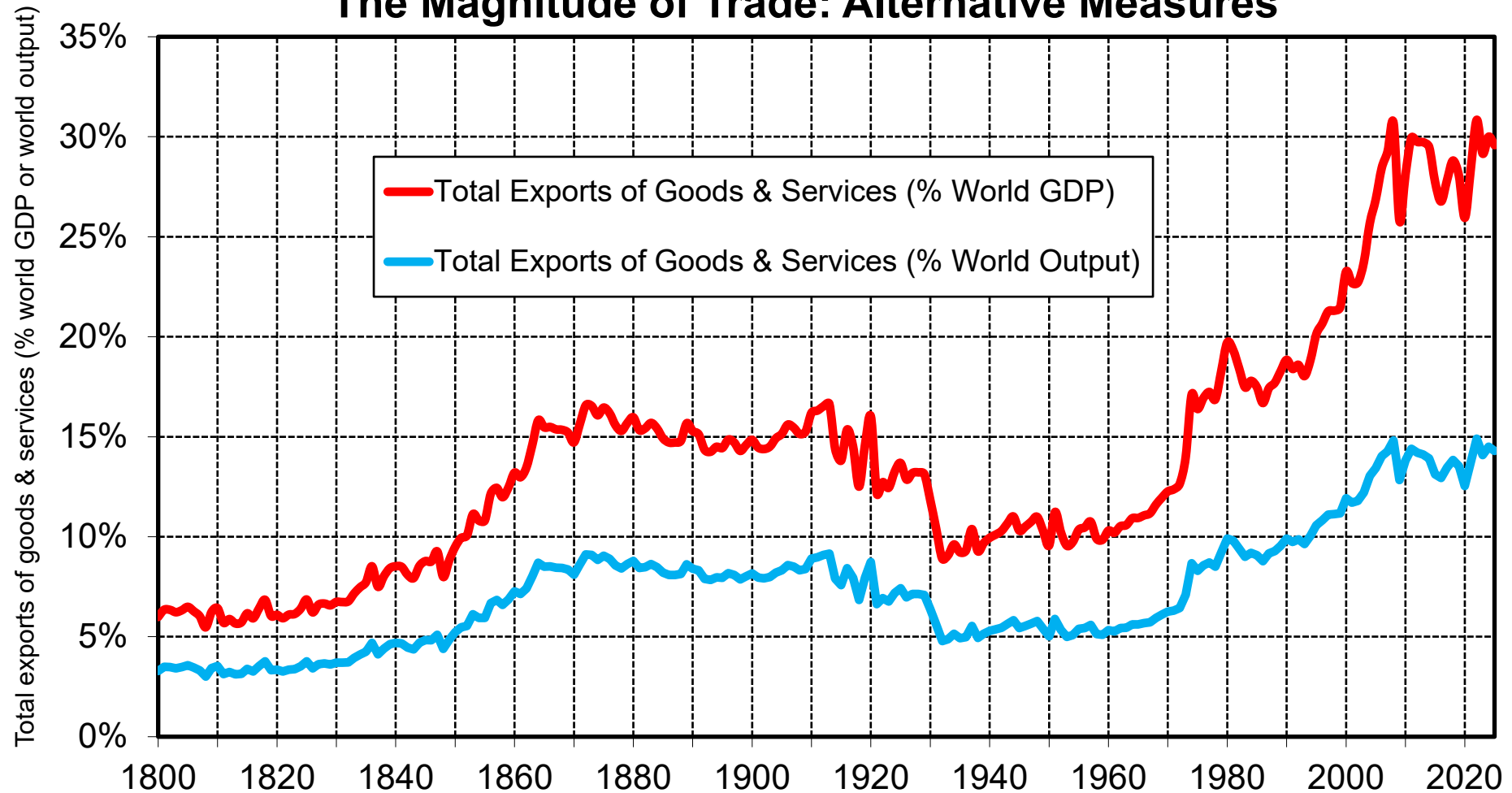
Interpretation. Total world exports and imports of goods are never exactly equal in raw trade data, but the gap is usually relatively small (generally less than 0.5% of world GDP in 1800-1950 & less than 0.2% in 1950-2023). In this research, we apply a proportional adjustment factor to all country exports and imports so that by construction world exports and imports are always exactly equal to each other (= average of raw world exports and imports). We also try other adjustment methods and check that our results are unaffected. **Sources and series:** see wid.world

Magnitude & Composition of Global Trade Flows, 1800-2025



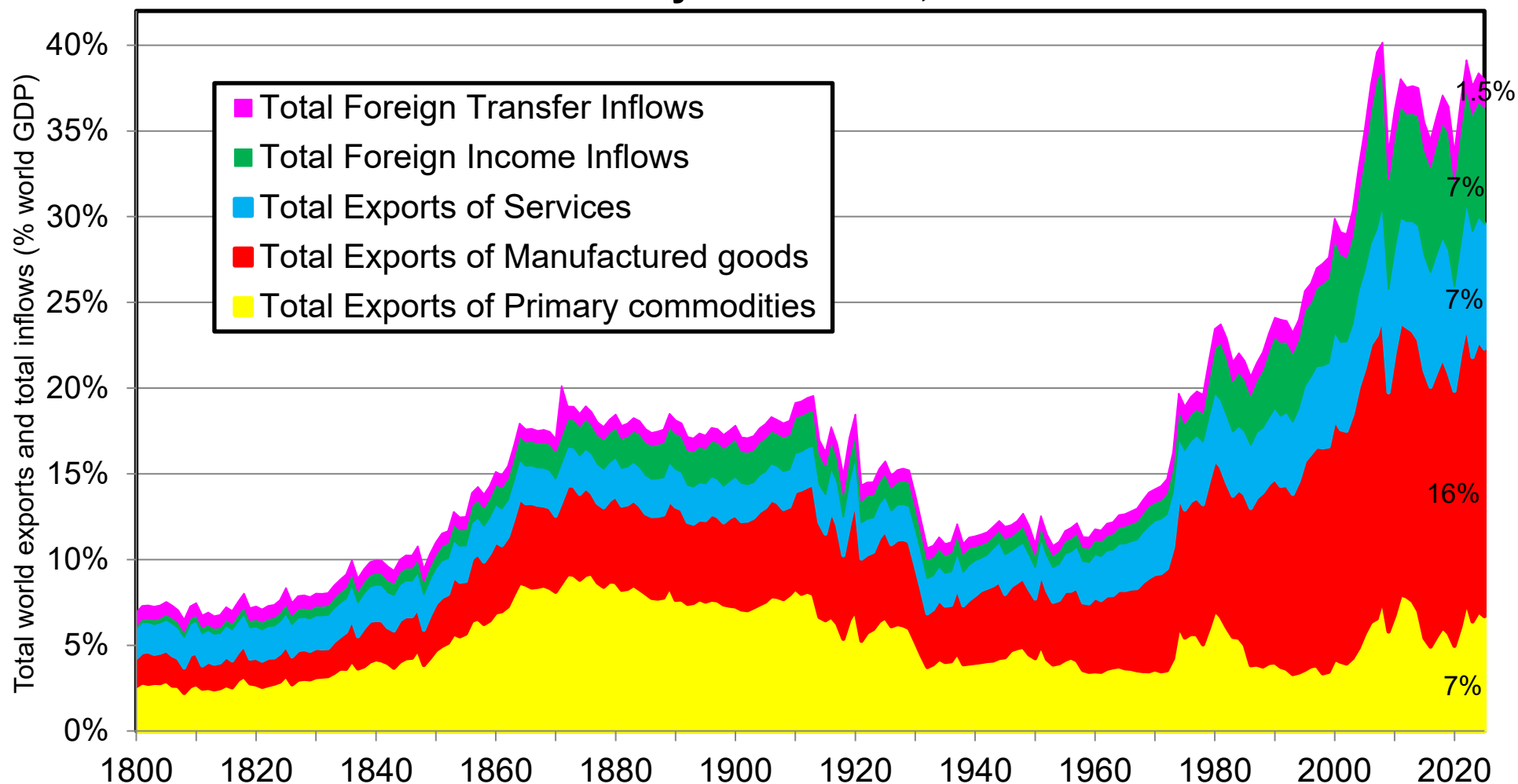
Interpretation. Total world exports have risen from about 7% of world GDP in 1800 to about 15% in 1914, 12% in 1970 and 30% in 2025, with a collapse in the 1930s, a steep rise in the 1970s (oil price shock) and a plateau since the 2008 financial crisis. Primary commodities include agricultural products, fuels and mining products (SITC 0-4 + 68). Manufactured goods include all other goods. Services include transport/freight (about 1.5% of world GDP in 2025, vs 1% in 1970), travel/tourism (about 1.5% in 2025, vs 1% in 1970) and other services (insurance, banking, consulting, digital, etc) (about 4% in 2025, vs 1% in 1970). **Sources and series:** wid.world

The Magnitude of Trade: Alternative Measures



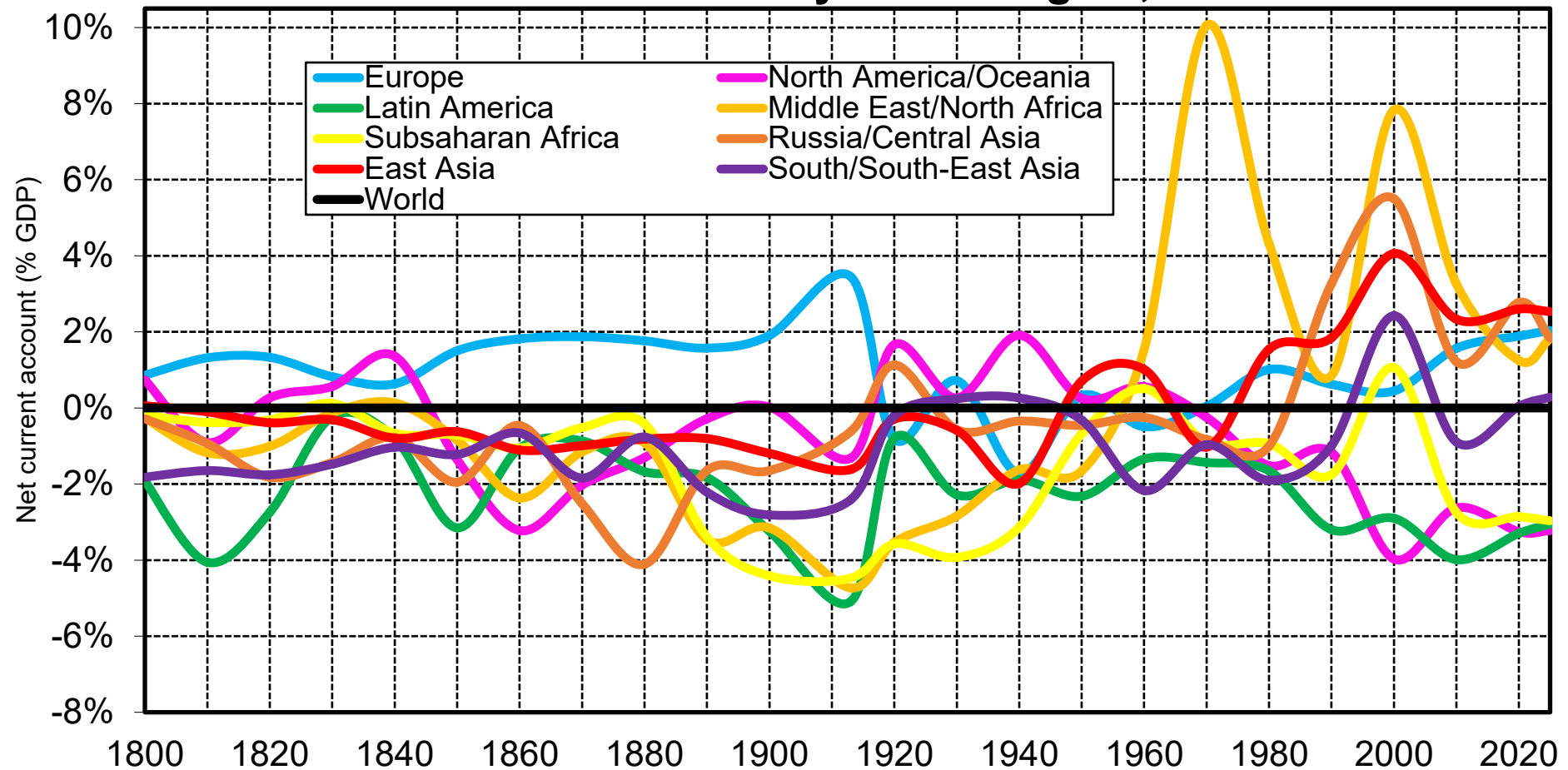
Interpretation. If we divide total exports by world output rather than by world GDP, then the magnitude of trade is approximately divided by two. This comes from the fact that world output is about twice as large as world GDP (i.e. about 50% of total output is used as intermediate input to produce other goods and services, with relatively little change over time). If we are interested in the fraction of productive inputs (labour and capital) that is used for exports, then it is arguably more justified to use total output as denominator. **Sources and series:** see wid.world

The World Balance of Payment: Trade, Income & Transfer Flows



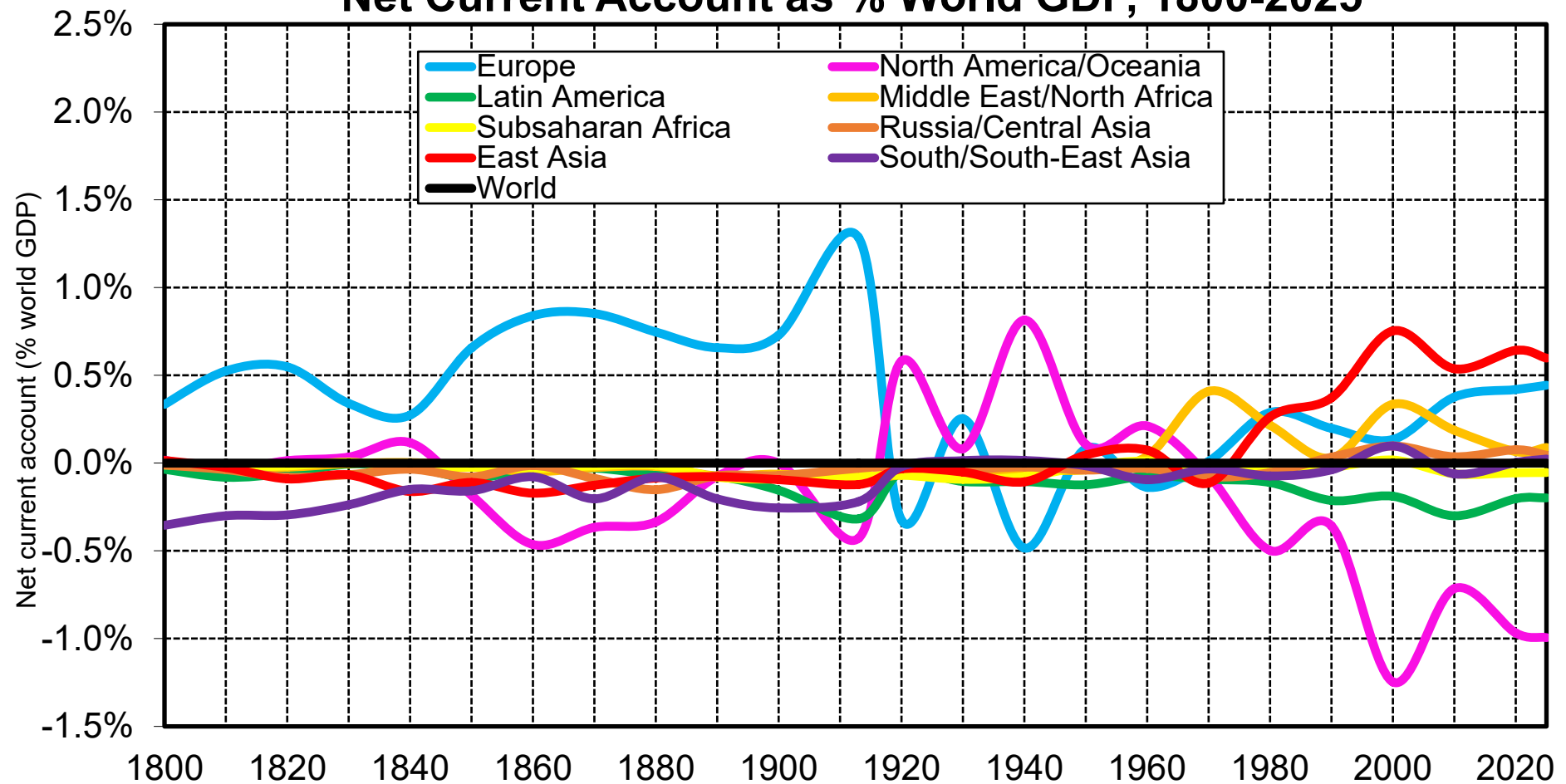
Interpretation. Gross flows of foreign income (in practice mostly capital income) and foreign transfers (private and public) have always been smaller in magnitude than gross trade flows, but they have increased over time. Income flows now make about 7% of world GDP (vs 0.1% in 1800, 2% in 1914 & 1% in 1970), reflecting an enormous rise in gross foreign assets and liabilities (cross-border ownership). Transfer flows now make about 1.5% of world GDP (mostly private remittances going from North to South, and to a lesser extent public aid), vs 0.5-1% in 1800-1914 (mostly public colonial transfers from South to North) and in 1970 (mostly private remittances). **Sources and series:** wid.world

Net Current Account by World Region, 1800-2025



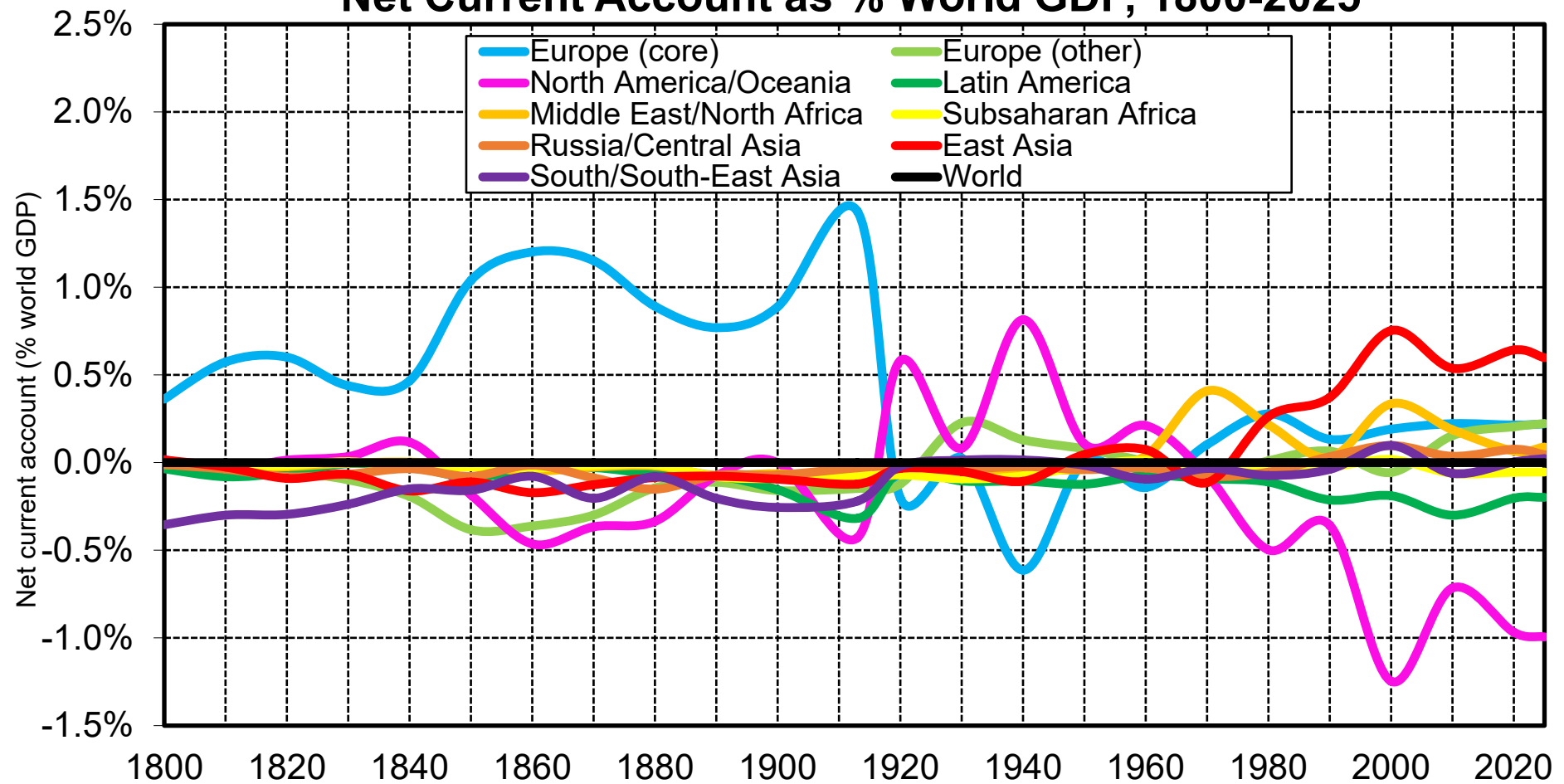
Interpretation. Between 1800 & 1914, Europe has a permanent current account surplus (close to 2% of its GDP on average, and rising over time) while the rest of the world has a permanent deficit. Since the 1970s-1980s, the main surpluses come from oil countries (Middle East, Russia) and East Asia. **Note.** The values reported here are decennial averages: 1800 refers to 1800-1809, 1810 to 1810-1819, etc. **Sources and series:** see wid.world

Net Current Account as % World GDP, 1800-2025



Interpretation. If we express current account as a fraction of world GDP (rather than as a fraction of the GDP of each country or region), we find that Europe's current account surplus between 1800 and 1914 was substantially larger than the surpluses of Middle East or East Asia since the 1970s-1980s. **Note.** The values reported here are decennial averages: 1800 refers to 1800-1809, 1810 to 1810-1819, etc. **Sources and series:** see wid.world

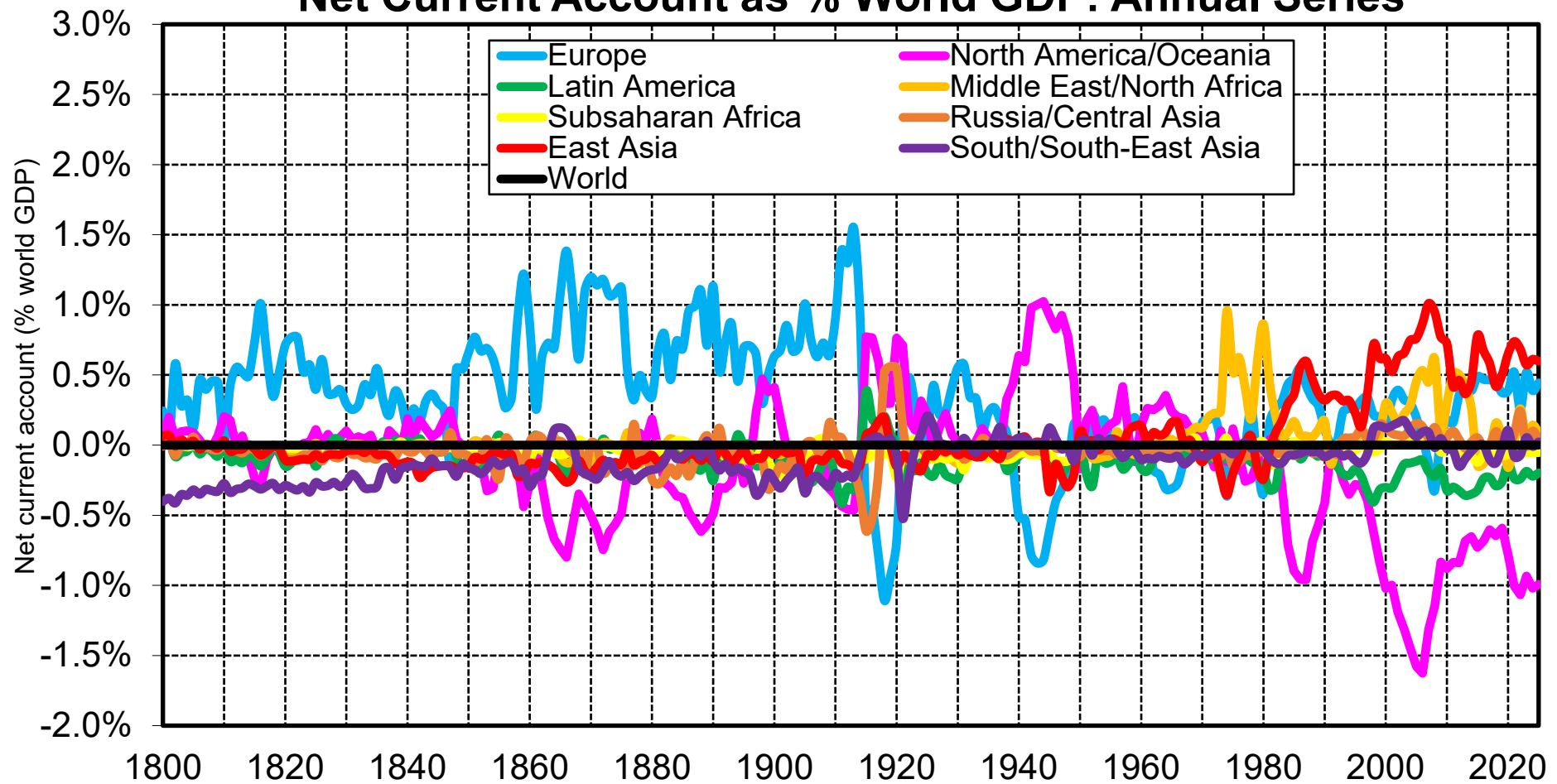
Net Current Account as % World GDP, 1800-2025



Interpretation. If we concentrate on core European colonial powers (Britain, France, Germany, Netherlands), we find that Europe's current account surplus between 1800 and 1914 looks even larger as compared to the surplus of East Asia and Middle East since the 1970s-1980s.

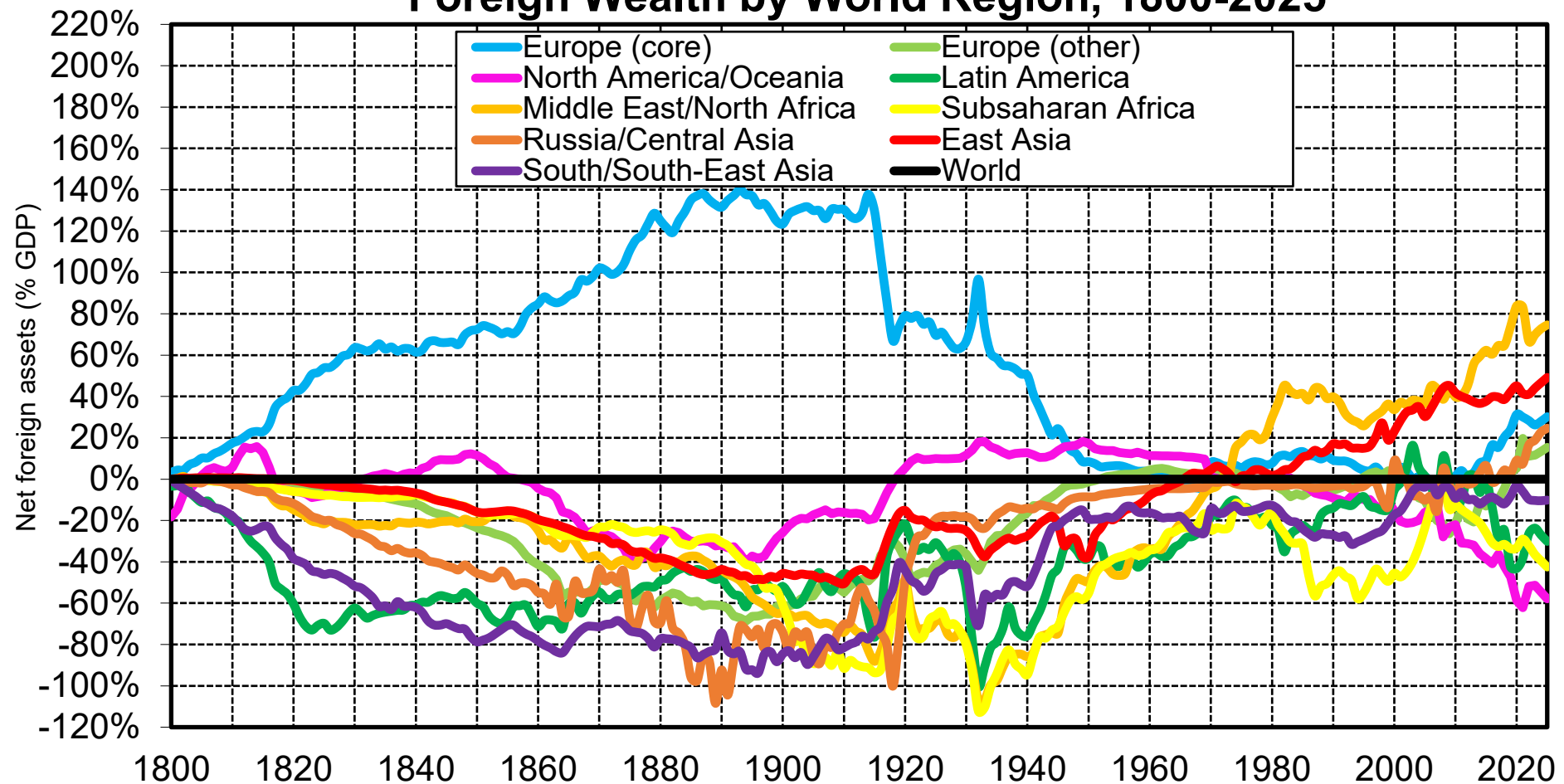
Note. The values reported here are decennial averages: 1800 refers to 1800-1809, 1810 to 1810-1819, etc. **Sources and series:** see wid.world

Net Current Account as % World GDP: Annual Series



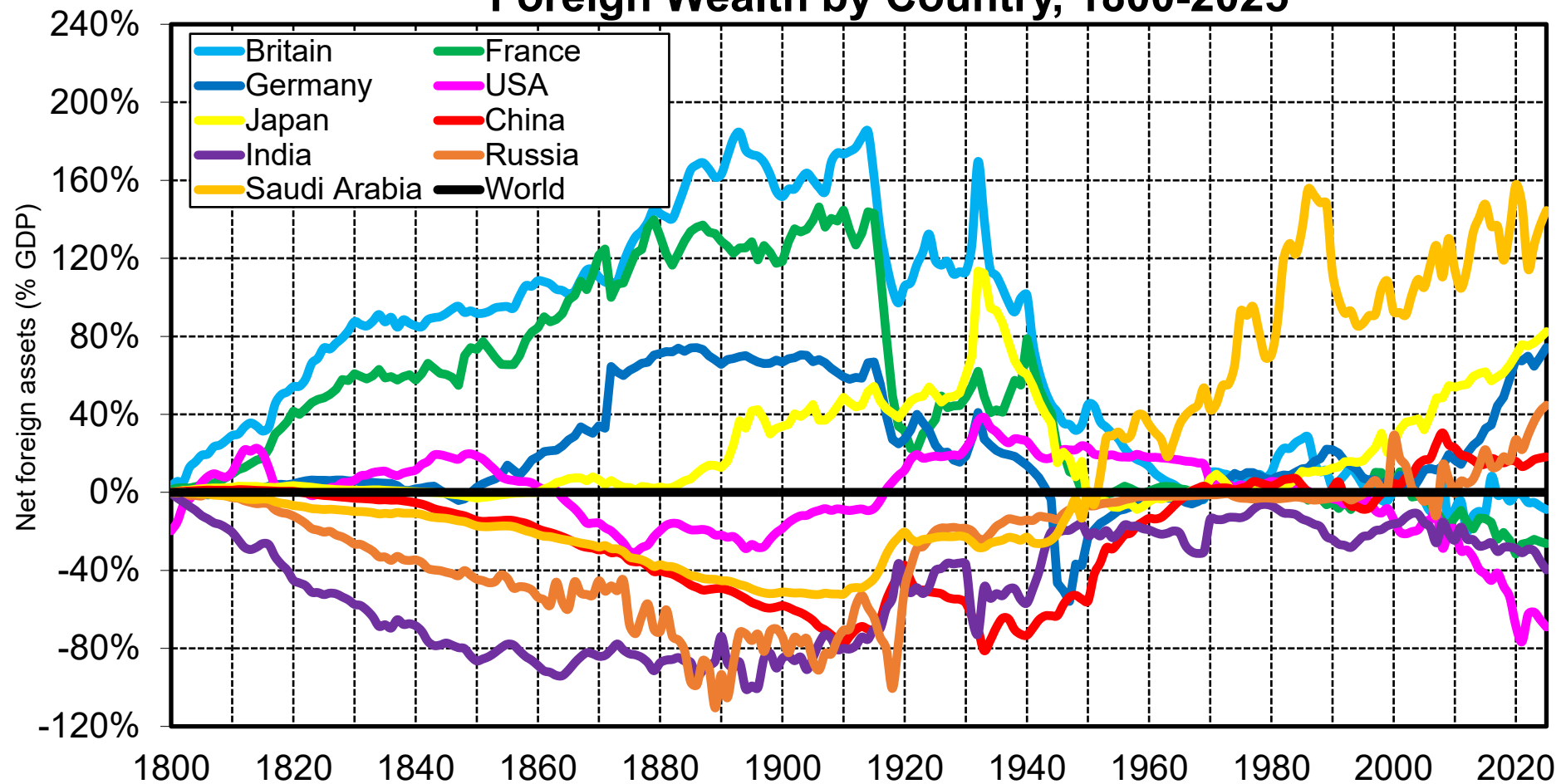
Interpretation. Annual series on current account surpluses and deficits are very bumpy, due to a large numbers of shocks (world wars, oil shocks, etc.), but they also show clear patterns: permanent European surplus between 1800 & 1914, large European deficits during wars (and US surpluses), large MENA and East Asia surpluses (and US deficits) since the 1970s-1980s. **Sources and series:** see wid.world

Foreign Wealth by World Region, 1800-2025



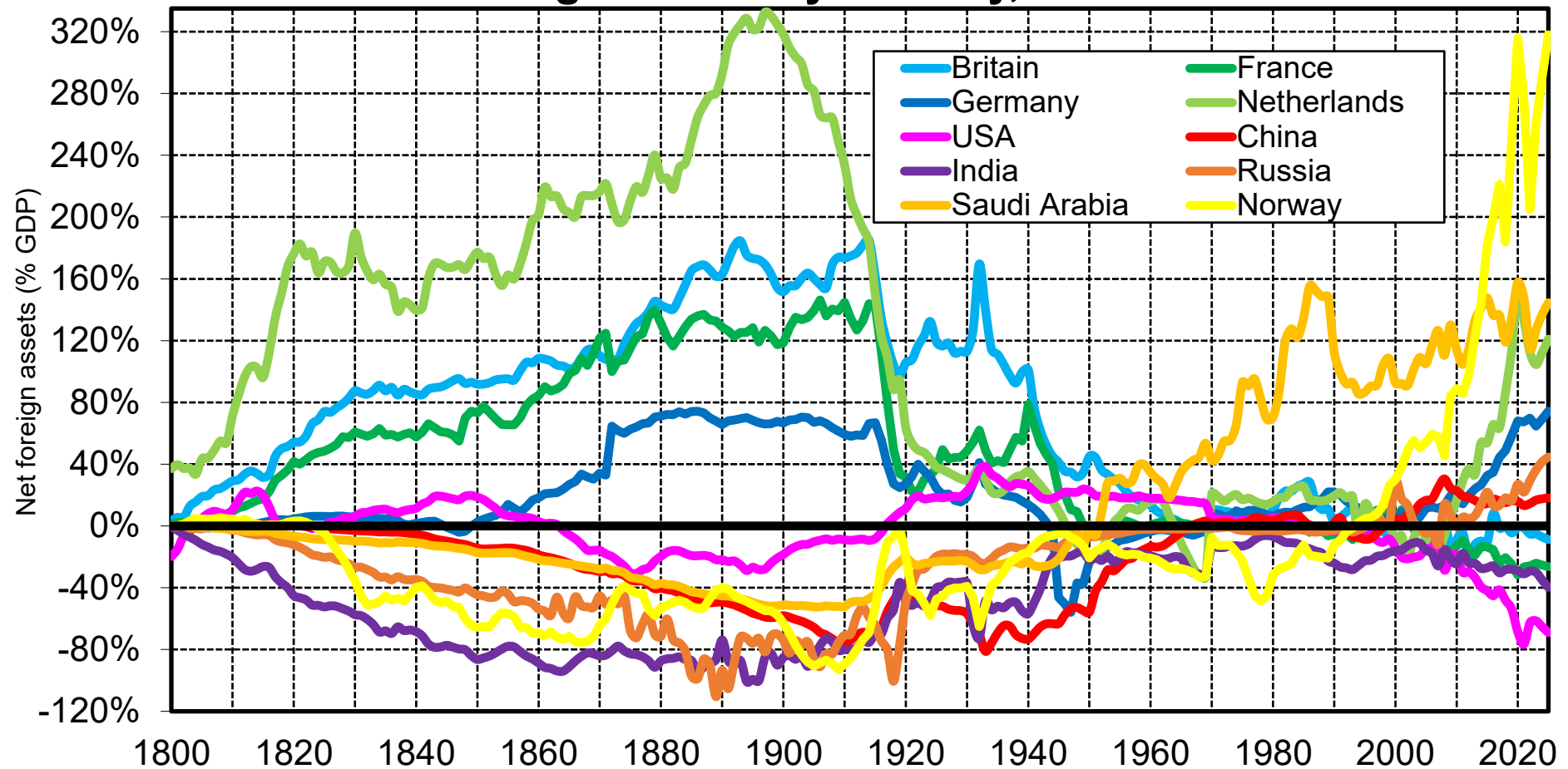
Interpretation. If we look at core European colonial powers (Britain, France, Germany, Netherlands, making 68% of Europe's GDP in 1914), we find that their net foreign assets reach almost 140% of their GDP in 1914. In contrast other European countries have large negative foreign wealth (approximately of the same magnitude as other parts of the world). I.e. core European powers own assets in South Europe, Eastern Europe and Nordic Europe with approximately the same proportions as in the rest of the world. **Sources and series:** wid.world

Foreign Wealth by Country, 1800-2025



Interpretation. Between 1800 & 1914, Europe's accumulation of foreign assets is driven primarily by Britain (about 180% of GDP in 1914) and France (140%), and to a lesser extent Germany (70%). Since the 1970s-1980s, oil countries like Saudi Arabia have also accumulated very large foreign assets relative to their GDP (130% in 2025), but with a much smaller GDP relative to world GDP. **Sources and series:** wid.world

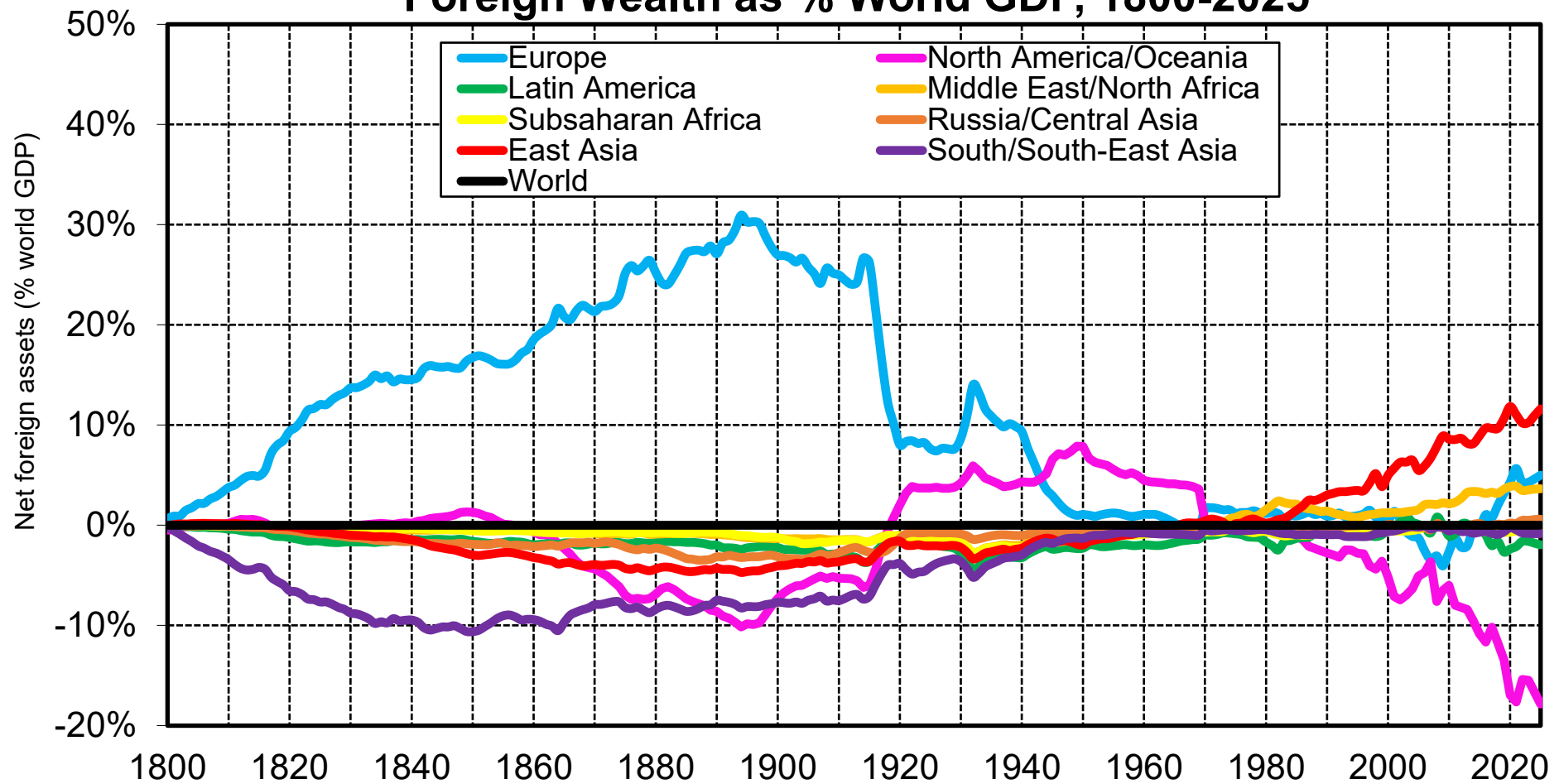
Foreign Wealth by Country, 1800-2025



Interpretation. If we include smaller economies into the picture, we find that net foreign assets can be as large as 300% of a country's GDP or more, such as the Netherlands in 1900 (a small country with large colonial holdings in Indonesia) or Norway in 2025 (a small country with enormous oil and gas reserves that were transformed into a large sovereign fund in a recent decades).

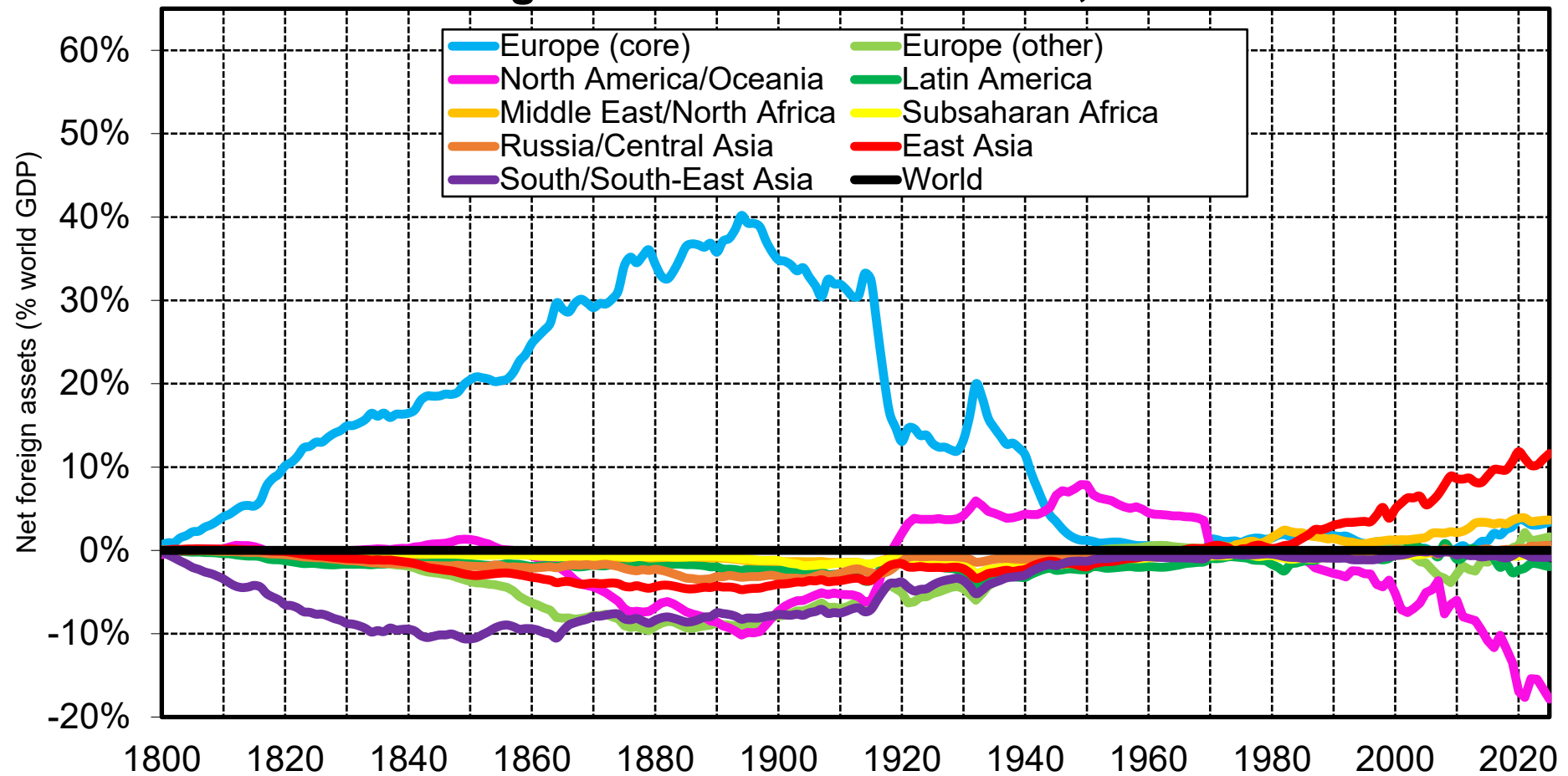
Sources and series: wid.world

Foreign Wealth as % World GDP, 1800-2025



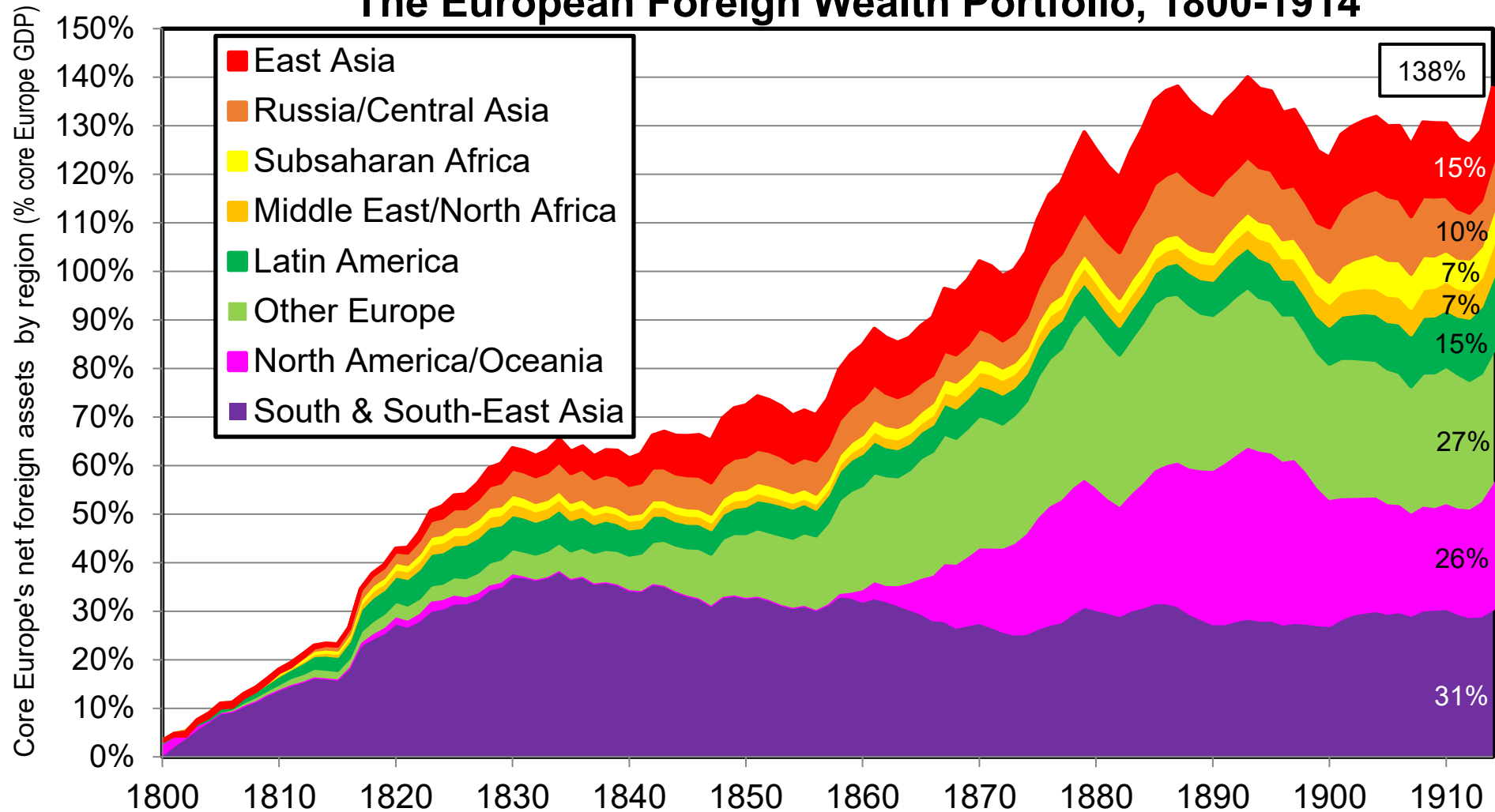
Interpretation. If we express net foreign assets as a fraction of world GDP (rather than as a fraction of the GDP of each country or region), then we find that Europe's pre-WW1 foreign wealth is about 2.5-3 times larger than East Asia's foreign wealth today (and 5-6 times larger than Middle East's foreign wealth today). **Sources and series:** wid.world

Foreign Wealth as % World GDP, 1800-2025



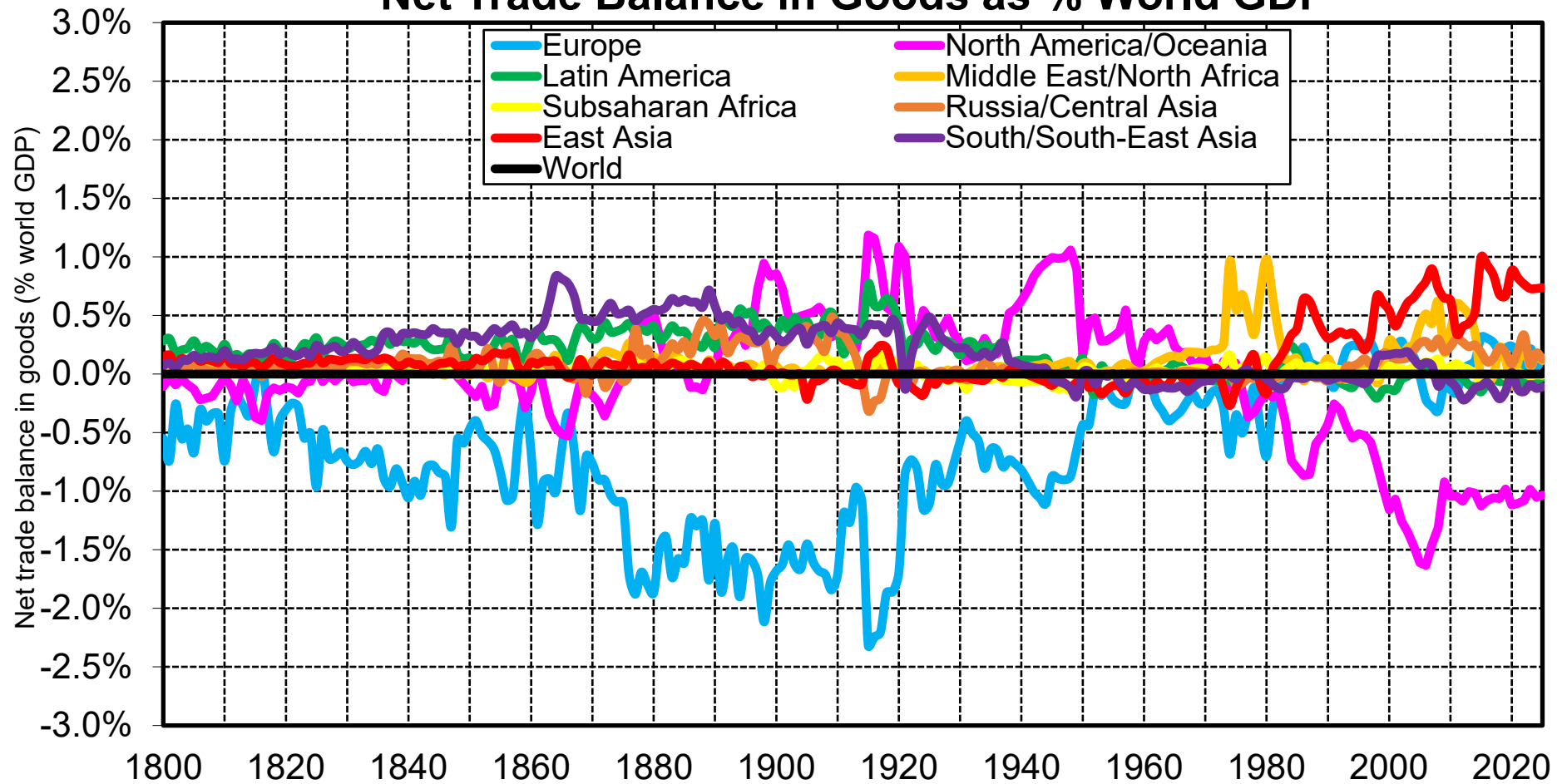
Interpretation. If we express net foreign assets as a fraction of world GDP (rather than as a fraction of the GDP of each country or region), then we find that pre-WW1 foreign wealth held by core European colonial powers (Britain, France, Germany, Netherlands) is about 3-4 times larger than East Asia's foreign wealth today (and 8-10 times larger than Middle East's foreign wealth today). In effect, at the eve of WW1, European powers had a very balanced wealth portfolio across all other world regions. **Sources and series:** wid.world

The European Foreign Wealth Portfolio, 1800-1914



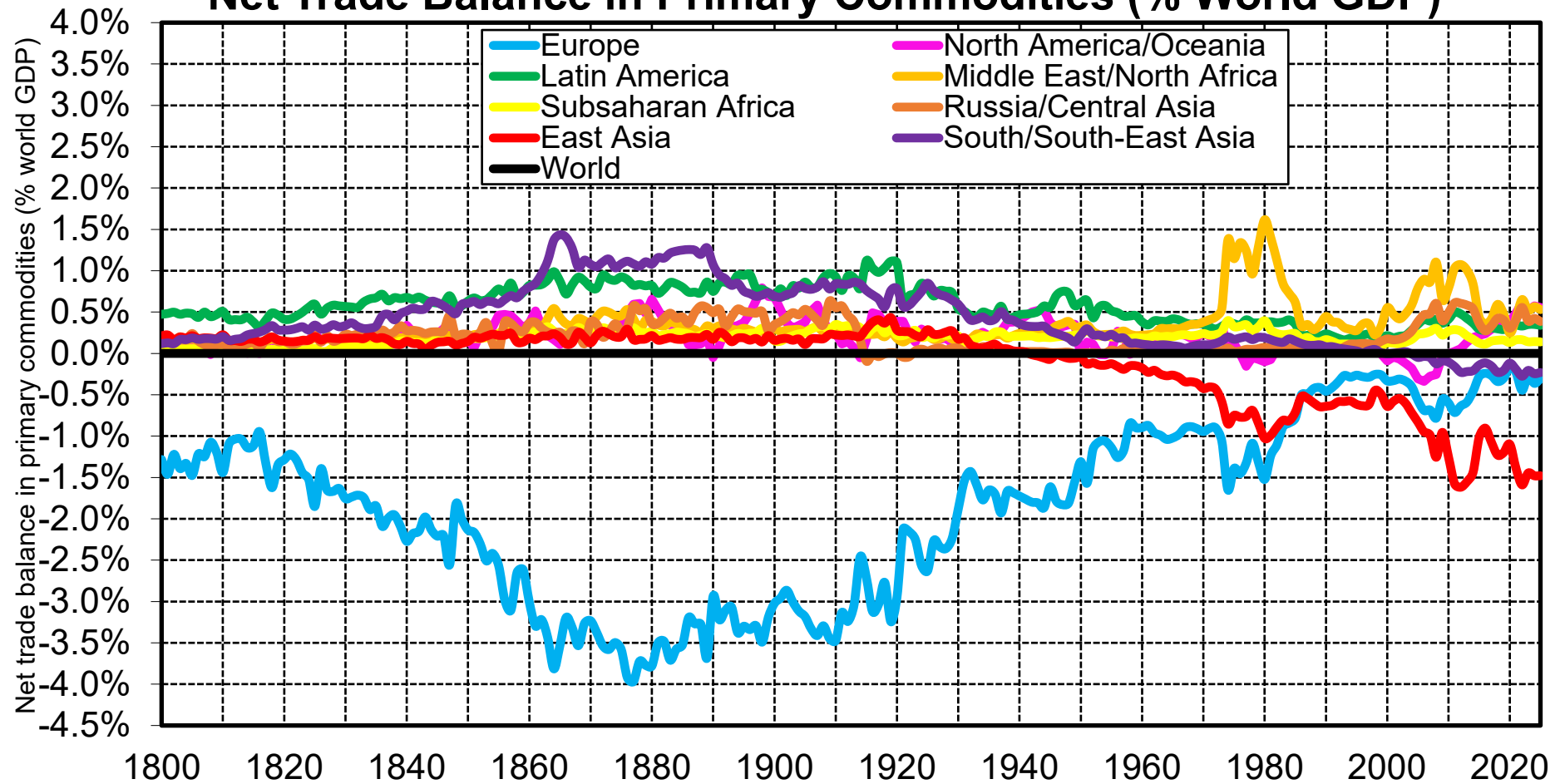
Interpretation. Between 1800 & 1914, core European colonial powers (Britain, France, Germany, Netherlands) accumulate a very large and diversified foreign wealth portfolio in the rest of the world. By 1914, they own the equivalent of 138% of their GDP in net foreign assets. South & South-East Asia assets are particularly important in the 1800-1840 period - especially British and Dutch holdings in India & Indonesia. Other Europe (including South, Nordic and Eastern Europe), Russia/Central Asia and Middle East/North Africa play a very large role in French and German holdings in the 1880-1914 period. **Sources and series:** wid.world

Net Trade Balance in Goods as % World GDP



Interpretation. Between 1800 and 1914, Europe has a large permanent deficit in trade for goods. I.e. Europe's large current account surplus over this period comes entirely from other BoP items (services, income, transfers). In recent decades, US deficit in trade for goods has been of comparable magnitude, but with insufficient compensating items in the world balance of payment. **Sources and series:** see wid.world

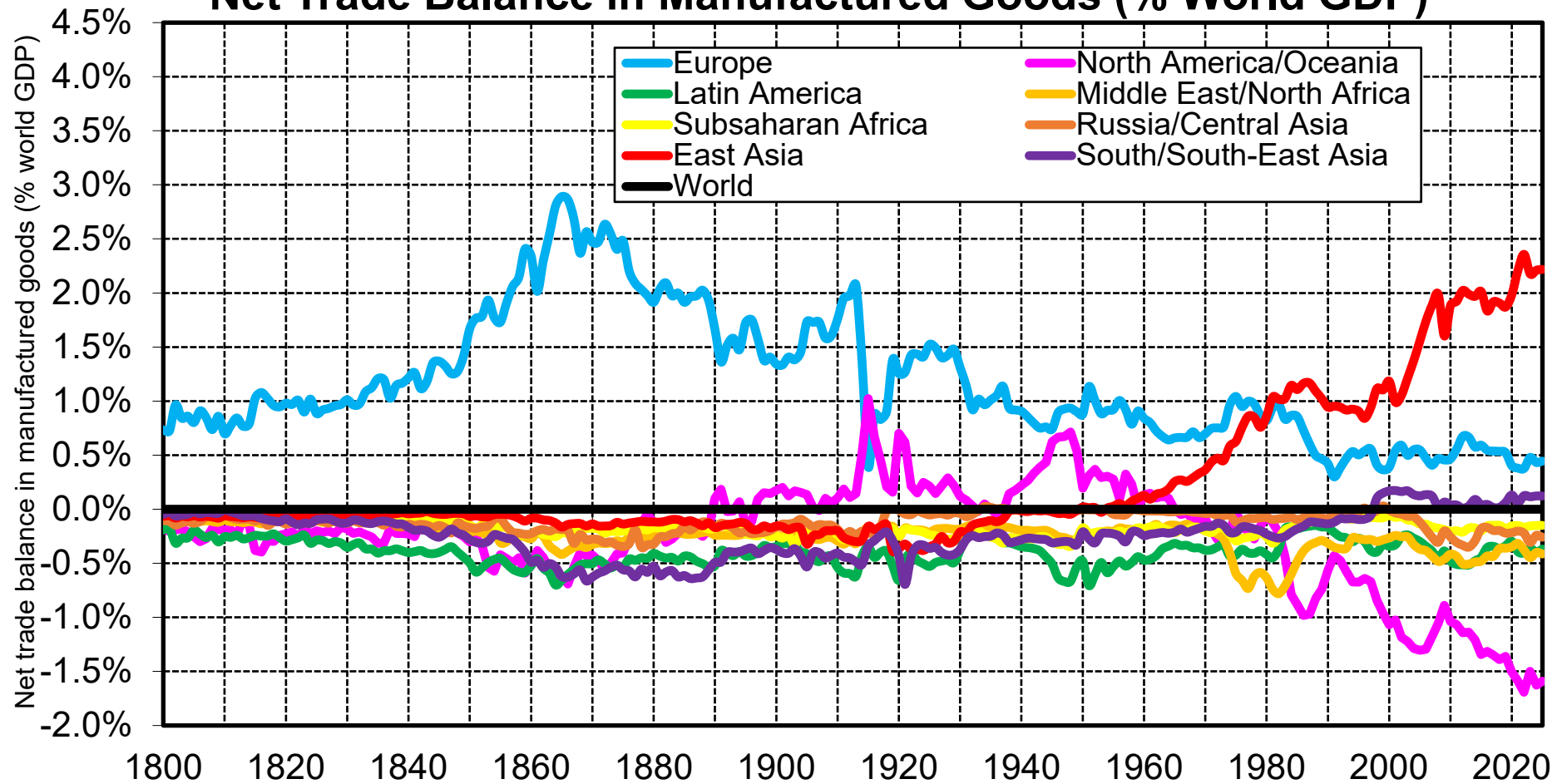
Net Trade Balance in Primary Commodities (% World GDP)



Interpretation. Between 1800 and 1914, the very large European deficit in trade of goods is entirely driven by an enormous deficit with primary commodities. In effect, the equivalent of over half of the world production of primary commodities is exported to Europe from the rest of the world. We observe a similar flow going to East Asia (Japan, China) in recent decades, albeit of smaller magnitude so far.

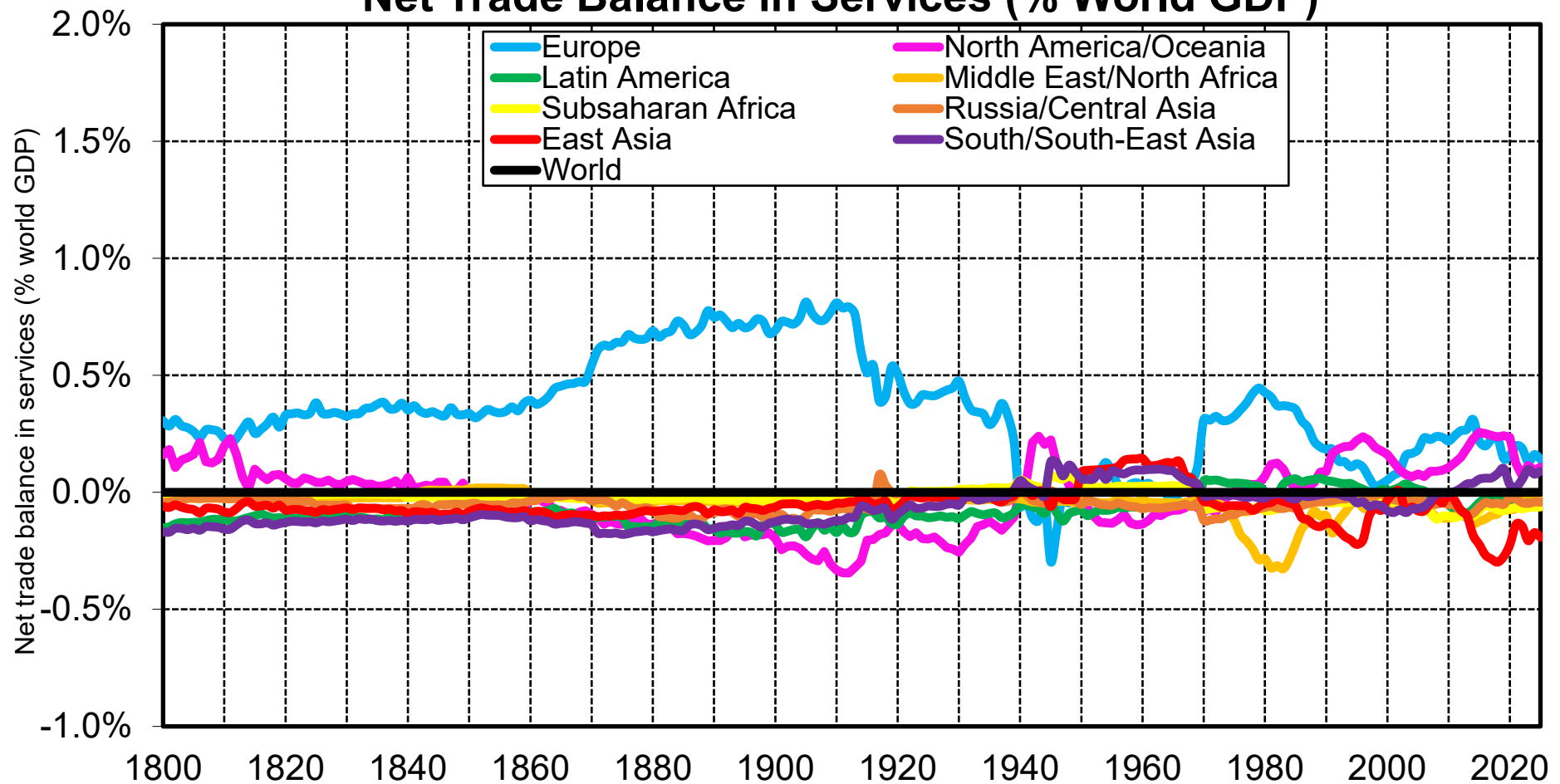
Sources and series: see wid.world

Net Trade Balance in Manufactured Goods (% World GDP)



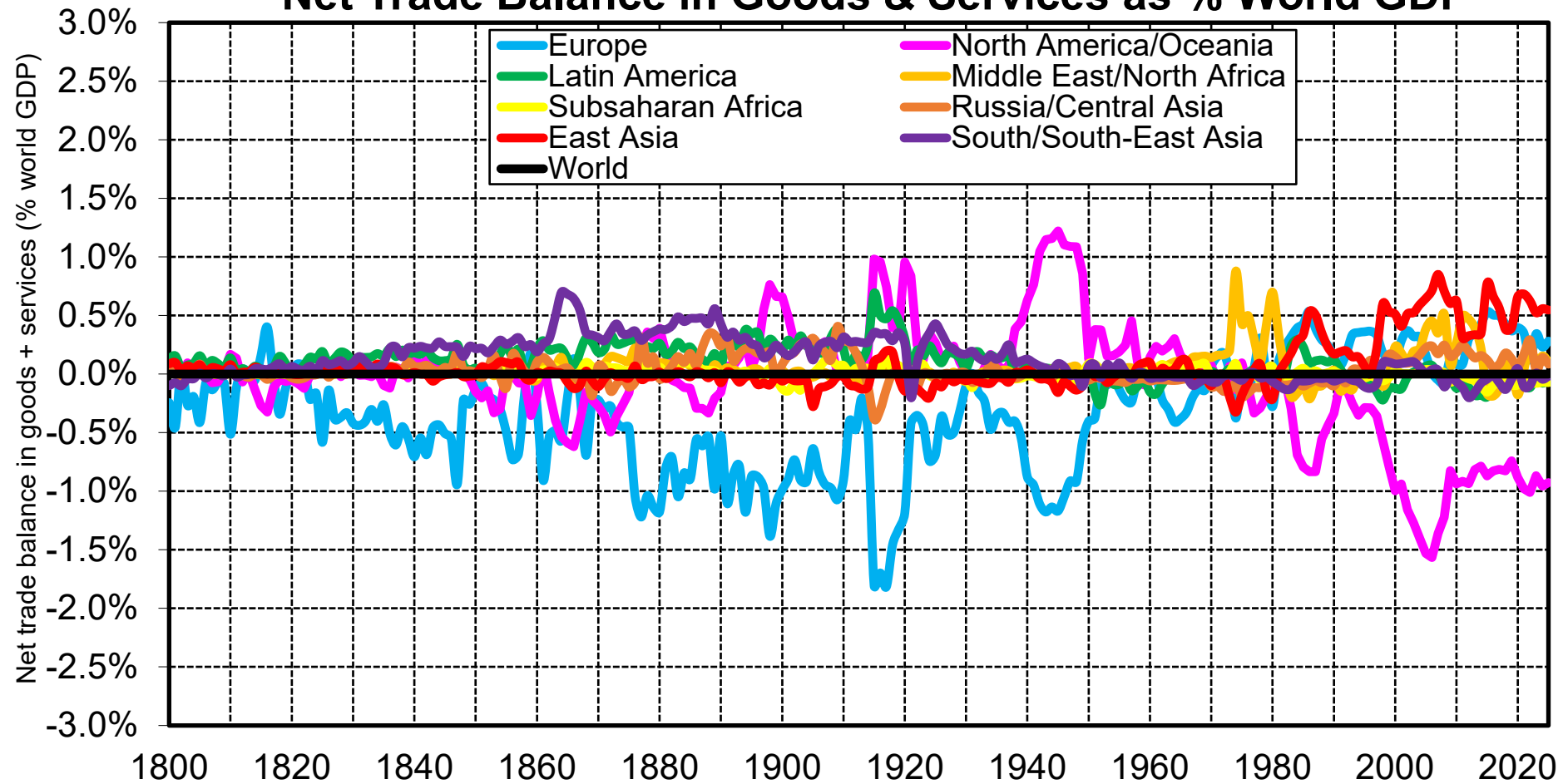
Interpretation. Between 1800 & 1914, Europe is making a large trade surplus in manufactured goods (especially Britain), but it is insufficient to compensate for the huge deficit in primary commodities. In contrast, the trade surplus in manufactured goods of East Asia in recent decades has been of sufficient magnitude to turn the primary commodities deficit into a net surplus. **Sources and series:** see wid.world

Net Trade Balance in Services (% World GDP)



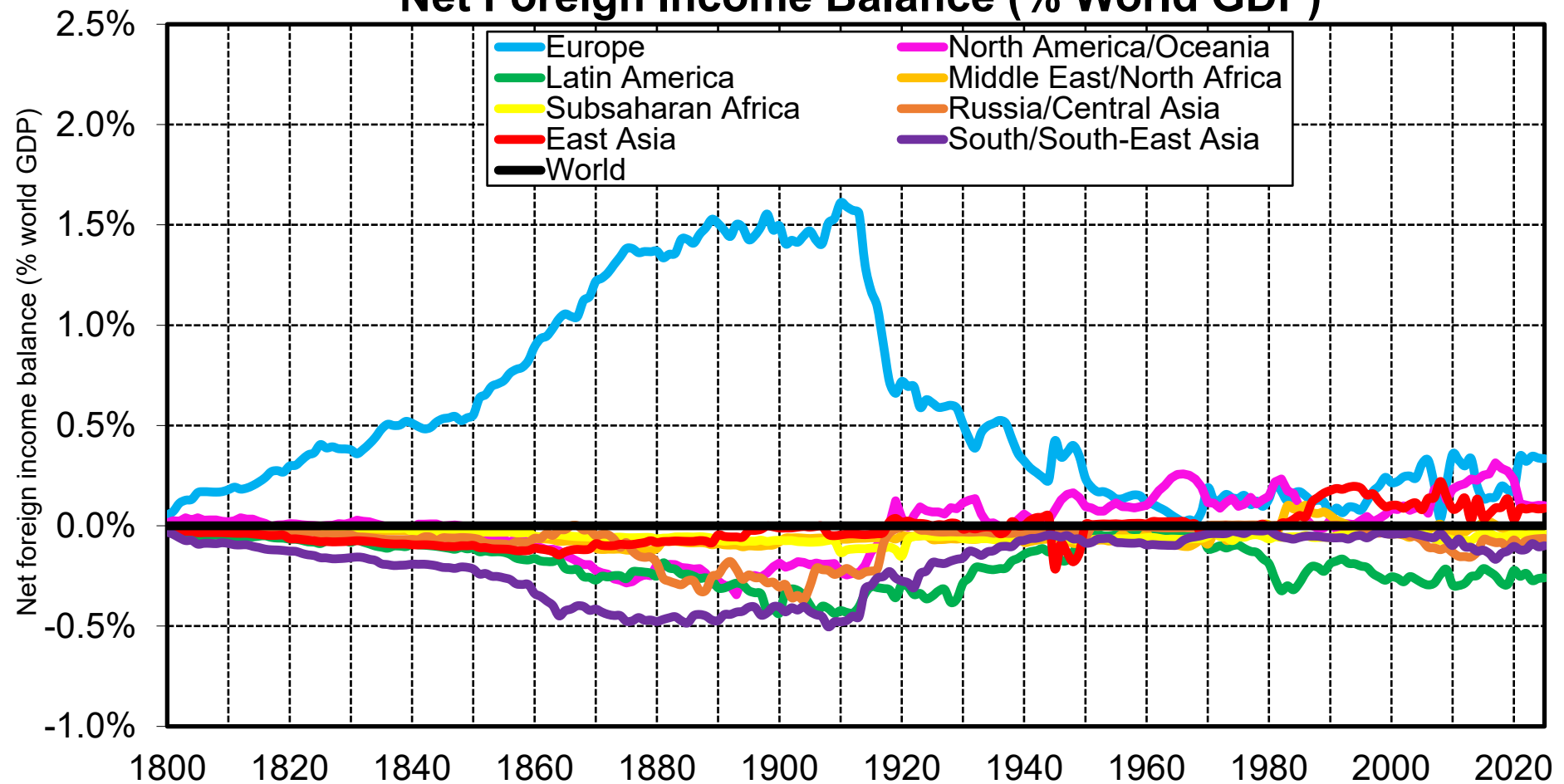
Interpretation. Between 1800 and 1914, Europe is making a permanent surplus in trade for services, particularly Britain in maritime transport, trading services, insurance, etc. (except during Napoleonic wars when US fleet gets a bigger share of freight). However this surplus alone is insufficient to compensate for the deficit in trade for goods. **Sources and series:** see wid.world

Net Trade Balance in Goods & Services as % World GDP



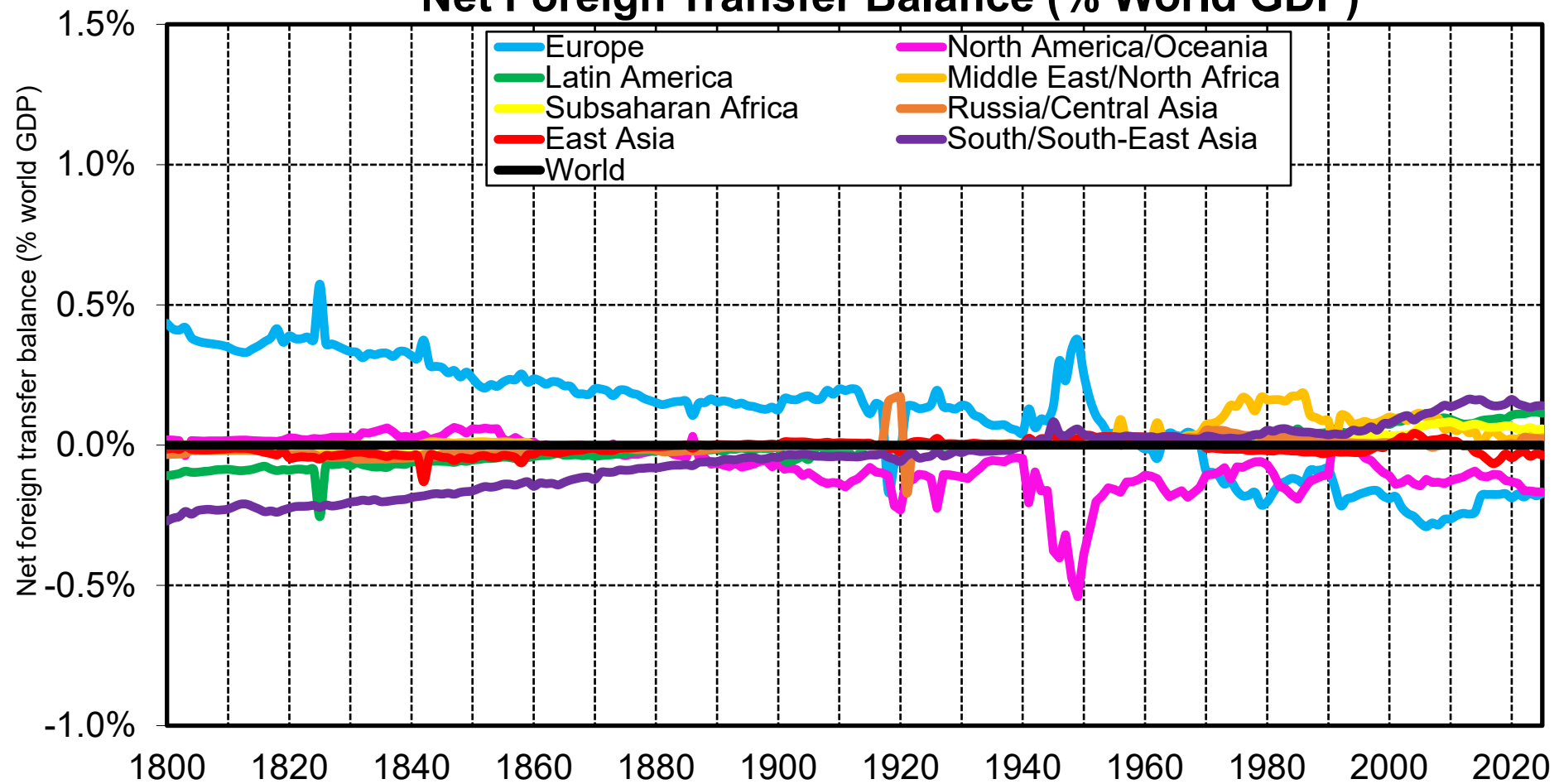
Interpretation. Between 1800 and 1914, Europe has a large permanent deficit in trade for goods, which is only partially compensated by the trade surplus in trade for services (in particular freight/insurance & trading services). I.e. Europe's large current account surplus over this period comes entirely from other BoP items (income, transfers). In recent decades, US deficit in trade for goods and services has been of comparable magnitude, but with insufficient compensating items in the world balance of payment. **Sources and series:** see wid.world

Net Foreign Income Balance (% World GDP)



Interpretation. Between 1800 and 1914, Europe is receiving a rising share of world GDP as foreign capital income payments from the rest of the world. In 1880-1914, Europe receives the equivalent of 1.5% of world GDP in net income flow each year, enough to cover the trade deficit and obtain a large current account surplus. However this is not the case in 1800-1840 and 1840-1880, when net income flows alone are insufficient to cover the trade deficit. **Sources and series:** see wid.world

Net Foreign Transfer Balance (% World GDP)



Interpretation. Between 1800 and 1914, Europe is earning a permanent the surplus in net foreign transfers, reflecting a combination of war and colonial tributes (French tribute to Haïti 1825, British tribute to China 1842, etc.) and permanent transfers via colonial budgets, especially from India to Britain (so-called "Home charges") and Indonesia to the Netherlands. Although this surplus is smaller in magnitude than the capital income surplus in 1880-1914, it plays a critical role to generate Europe's current account surpluses in 1800-1880. **Sources and series:** see wid.world

Sources of Europe's foreign wealth accumulation, 1800-1914

| Sources of Europe's foreign wealth accumulation, 1800-1914 | | | | | | | | | | |
|--|-------------------------------|---------------|---|--|---------------------|--------------------|---|--|----------------------------------|--|
| | Net foreign assets (% GDP) | | Decomposition of Net foreign assets/GDP ratio at time t+n (% GDP t+n) | | | | | | | |
| | | | Initial foreign wealth | Cumulated trade surplus or deficit (goods) | | | Cumulated trade surplus or deficit (services) | Cumulated foreign income inflow or outflow | including cumulated excess yield | Cumulated foreign transfer inflow or outflow |
| | β_t | β_{t+n} | | Total | Primary commodities | Manufactured goods | | | | |
| Europe (GB-FR-DE-NL) | 3% | 138% | 0% | -141% | -408% | 267% | 62% | 201% | 59% | 22% |
| Great Britain | 3% | 185% | 0% | -268% | -653% | 385% | 118% | 299% | 118% | 42% |
| France | 1% | 144% | 0% | -44% | -269% | 225% | 13% | 191% | 27% | -6% |
| Germany | 0% | 66% | 0% | -66% | -241% | 175% | 42% | 78% | 22% | 17% |
| Netherlands | 37% | 183% | 5% | -136% | -191% | 55% | -15% | 263% | -21% | 77% |
| Interpretation. The net foreign wealth of European powers (GB-FR-DE-NL) rose from 3% to 138% of GDP between 1800 and 1914. Their cumulated trade deficit for goods was equal to -141% but it was more compensated by invisible BoP items (trade in services, foreign income and foreign transfers). Sources & series: see wid.world. | | | | | | | | | | |

Sources of Europe's foreign wealth accumulation, 1800-1914

| | Net foreign assets (% GDP) | | Decomposition of Net foreign assets/GDP ratio at time t+n (% GDP t+n) | | | | | | | |
|----------------------|-------------------------------|---------------|---|--|---------------------|--------------------|---|--|----------------------------------|--|
| | | | Initial foreign wealth | Cumulated trade surplus or deficit (goods) | | | Cumulated trade surplus or deficit (services) | Cumulated foreign income inflow or outflow | including cumulated excess yield | Cumulated foreign transfer inflow or outflow |
| | β_t | β_{t+n} | | Total | Primary commodities | Manufactured goods | | | | |
| Europe (GB-FR-DE-NL) | 3% | 138% | 0% | -141% | -408% | 267% | 62% | 201% | 59% | 22% |
| 1800-1840 | 3% | 61% | 2% | -44% | -163% | 119% | 32% | 39% | 10% | 33% |
| Great Britain | 3% | 85% | 1% | -77% | -285% | 208% | 49% | 54% | 15% | 58% |
| Netherlands | 37% | 140% | 24% | -158% | -151% | -7% | -8% | 198% | 103% | 85% |
| 1840-1880 | 61% | 125% | 27% | -67% | -300% | 233% | 40% | 120% | 37% | 19% |
| 1880-1914 | 125% | 138% | 56% | -103% | -241% | 138% | 38% | 139% | 41% | 7% |

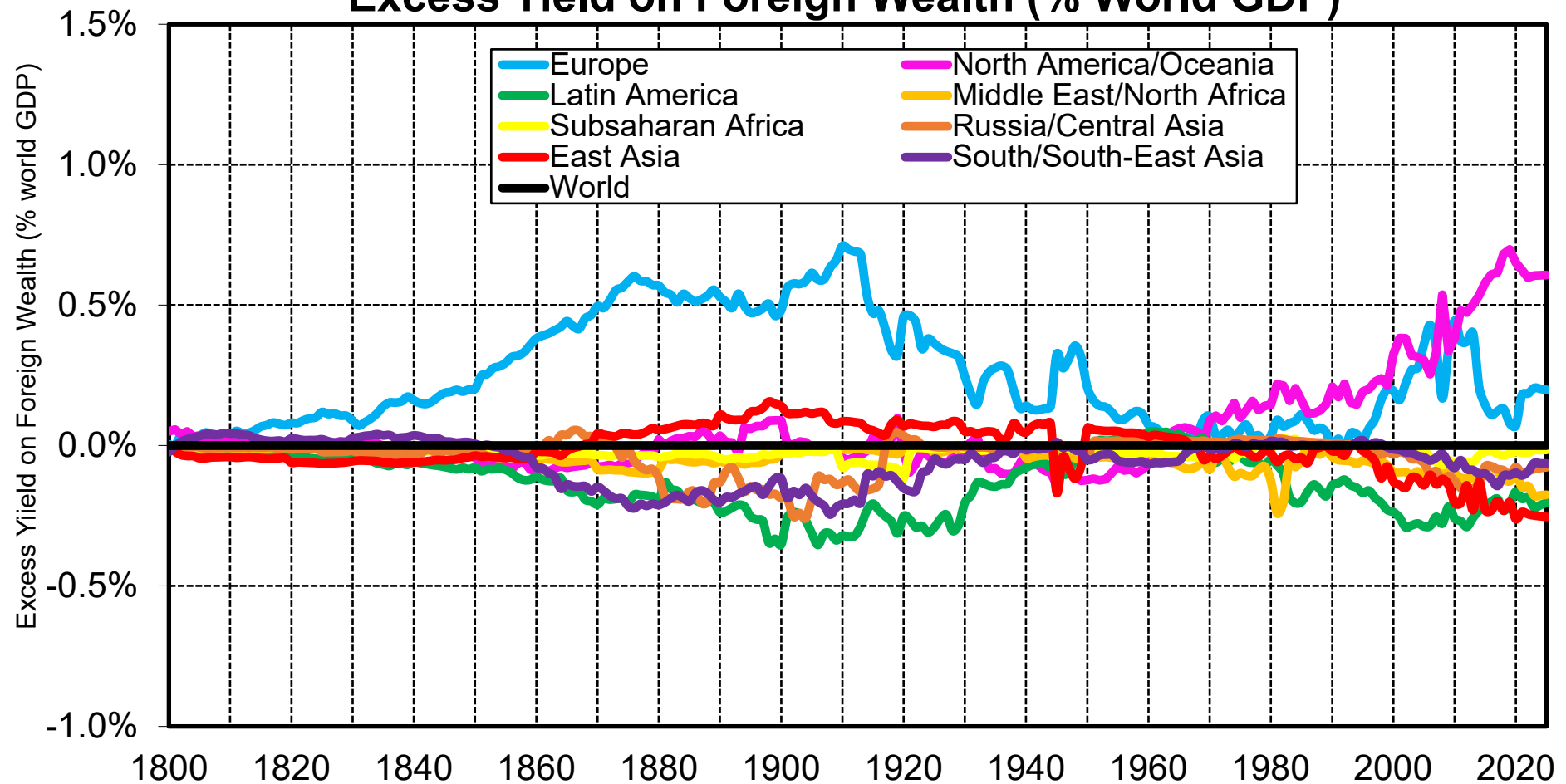
Interpretation. The net foreign wealth of European powers (GB-FR-DE-NL) rose from 3% to 138% of GDP between 1800 and 1914. Their cumulated trade deficit for goods was equal to -141% but it was more compensated by invisible BoP items (trade in services, foreign income and foreign transfers). **Sources & series:** see wid.world.

Sources of foreign wealth accumulation, 1970-2025

| | Net foreign assets (% GDP) | | Decomposition of Net foreign assets/GDP ratio at time t+n (% GDP t+n) | | | | | | | |
|--------------------------|----------------------------|---------------|---|--|---------------------|--------------------|---|--|----------------------------------|--|
| | | | Initial foreign wealth | Cumulated trade surplus or deficit (goods) | | | Cumulated trade surplus or deficit (services) | Cumulated foreign income inflow or outflow | including cumulated excess yield | Cumulated foreign transfer inflow or outflow |
| | β_t | β_{t+n} | | Total | Primary commodities | Manufactured goods | | | | |
| Europe | 6% | 23% | 0% | 6% | -42% | 48% | 18% | 21% | 18% | -19% |
| North America/Oceania | 1% | -58% | 0% | -64% | 11% | -75% | 10% | 10% | 29% | -8% |
| Middle East/North Africa | -5% | 75% | 0% | 90% | 255% | -165% | -35% | -6% | -43% | 26% |
| Subsaharan Africa | -24% | -42% | -1% | 29% | 198% | -169% | -77% | -55% | -29% | 64% |
| East Asia | 5% | 49% | 0% | 52% | -92% | 144% | -12% | 9% | -14% | -1% |

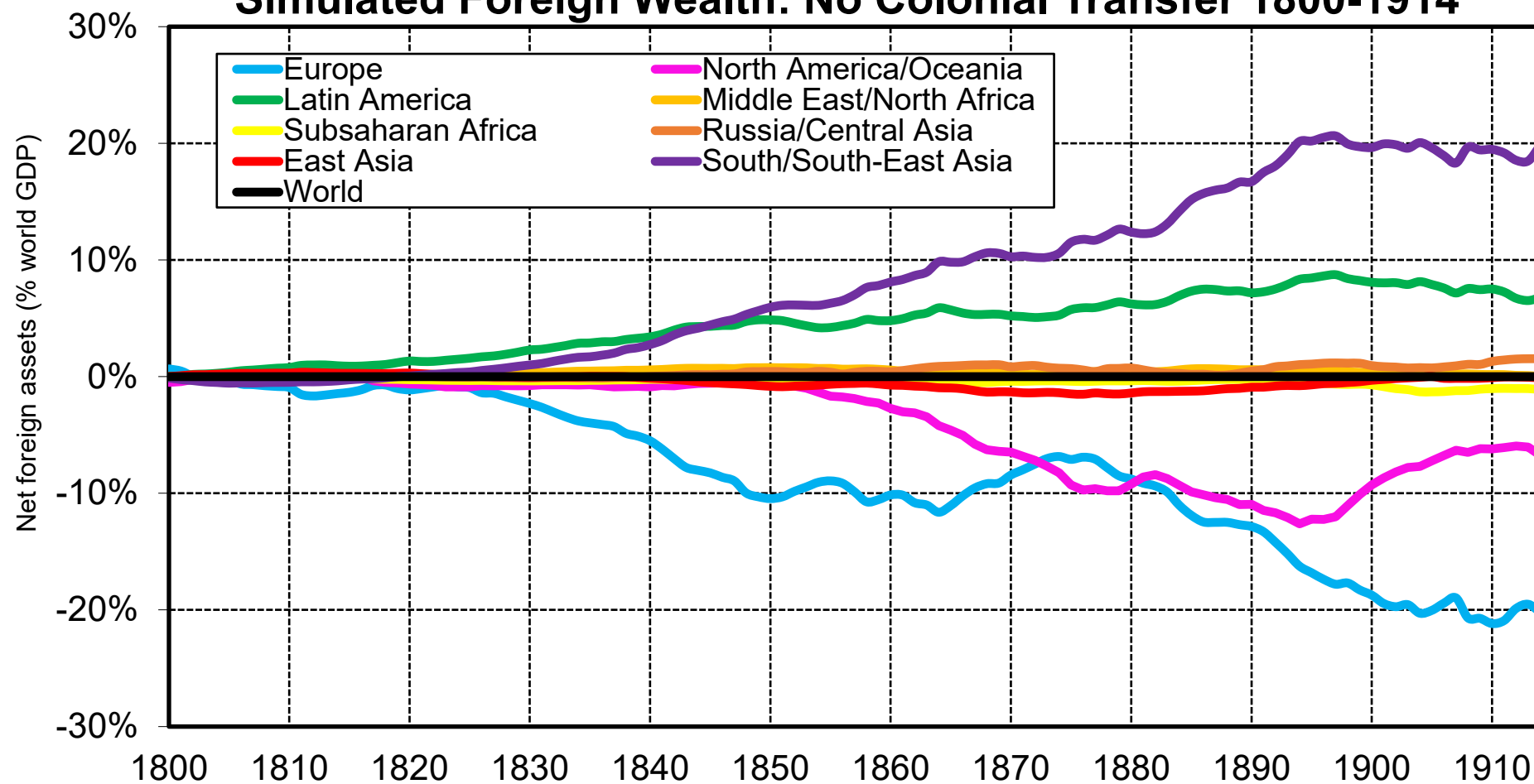
Interpretation. The net foreign wealth of East Asia rose from 5% to 49% of GDP between 1970 and 2025, largely due to its cumulated trade surplus. The net foreign wealth of North America/Oceania dropped from 1% to -58%, largely due to its cumulated trade deficit, and would have dropped even further without the positive foreign income coming from excess yield (differential between rates of return on foreign assets and liabilities). **Sources & series:** see wid.world.

Excess Yield on Foreign Wealth (% World GDP)



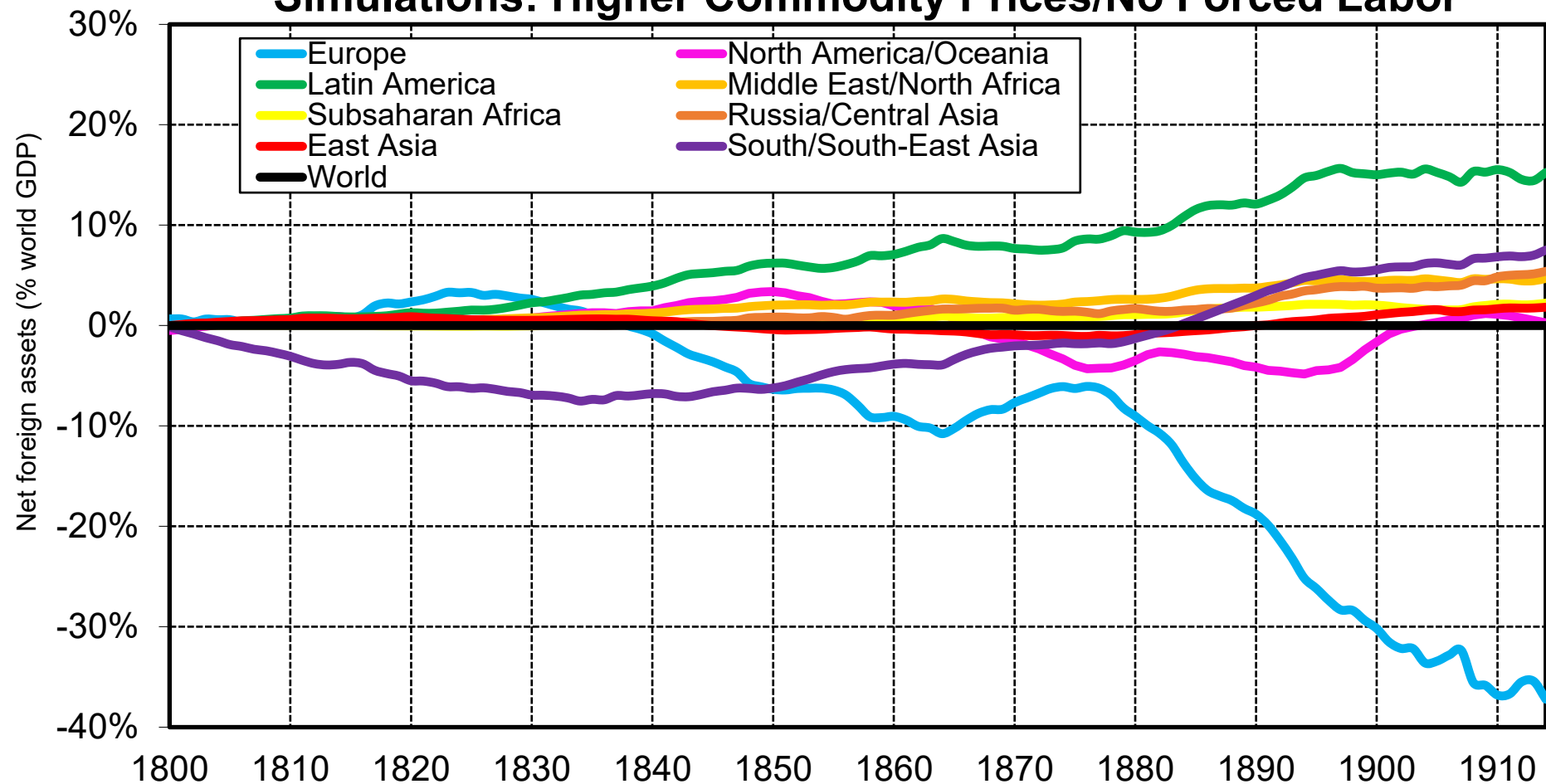
Interpretation. In 2000-2025, USA and Europe are obtaining together about 0.5-1% of world GDP each year from the rest of world in excess yield on foreign wealth (i.e. due to the differential between their rate of return on gross foreign assets and gross foreign liabilities). We observe a similar surplus for Europe in 1800-1914, but due to data imperfections this might also reflect other terms (such as unmeasured colonial payments) rather than excess yield strictly speaking. **Sources and series:** see wid.world

Simulated Foreign Wealth: No Colonial Transfer 1800-1914



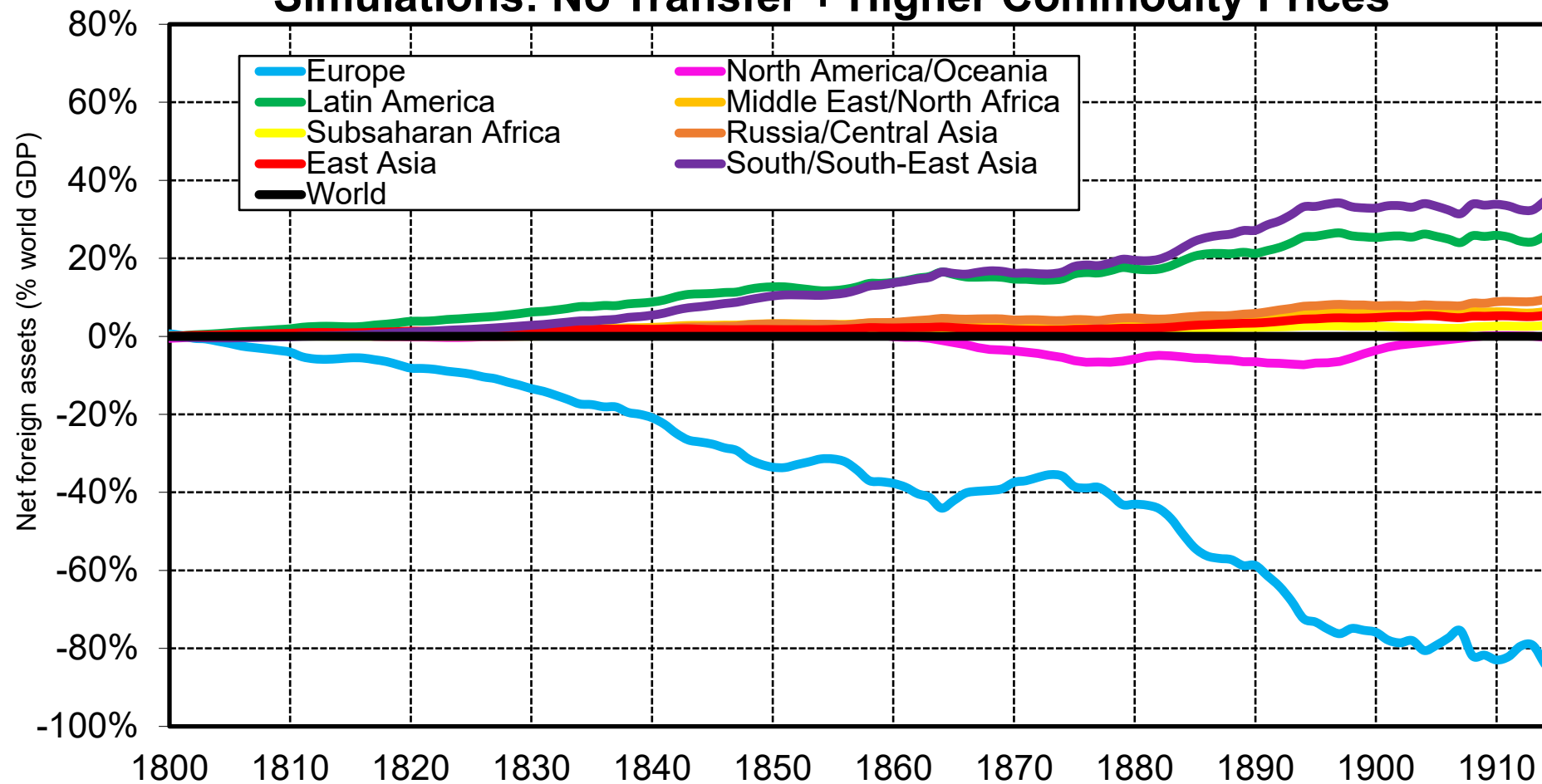
Interpretation. In the absence of the net transfer flows received by Europe in 1800-1914 (war tributes paid by Haïti and China to France and Britain, "Home charges" paid by India and Indonesia to Britain and the Netherlands, etc.), and leaving all other flows unchanged, Europe would have had a very large negative wealth position by 1914, mostly to the benefit of South/South-East Asia (and to a lesser extent to Latin American, due to in particular to large transfer outflows from West Indies in 1800-1850). **Sources and series:** wid.world

Simulations: Higher Commodity Prices/No Forced Labor



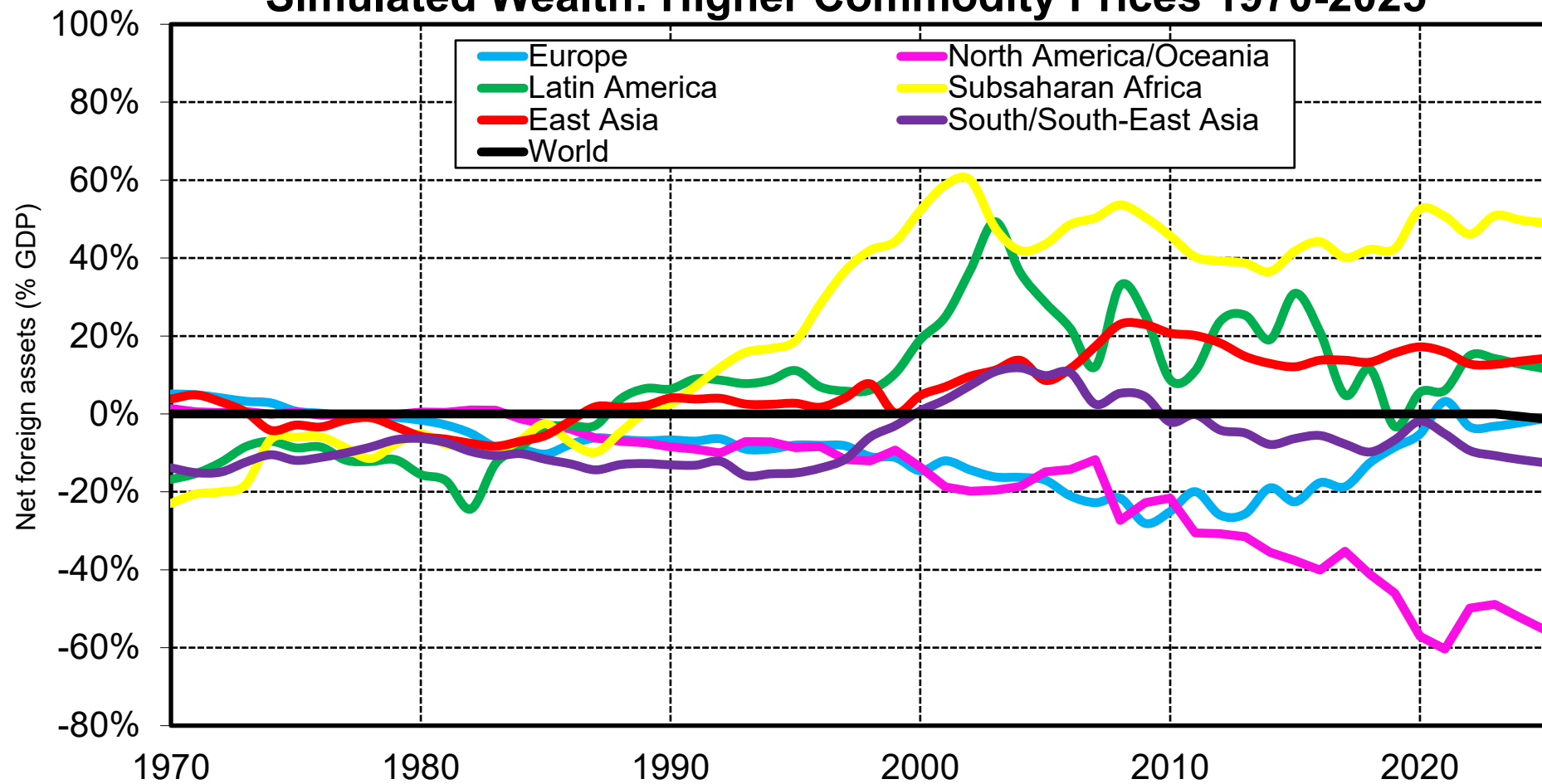
Interpretation. Assuming that primary commodity prices would have been 20% higher than what they were between 1800 and 1914 (which corresponds to a lower bound estimate of the value of unpaid forced labor in the export production of cotton, sugar, grain, etc.. over this period), and leaving all other flows unchanged, Europe would have had a very large negative wealth position by 1914 (about -60% of world GDP, i.e. about -160% of Europe's GDP), to the benefit of all other regions (including North America/Oceania). **Sources and series:** wid.world

Simulations: No Transfer + Higher Commodity Prices



Interpretation. Assuming both no colonial transfers and higher commodity prices, and leaving all other flows unchanged, Europe would have had an enormous negative wealth position by 1914 (about -100% of world GDP, i.e. about -300% of Europe's GDP), to the benefit of all other regions. In particular, South & South East Asia would owe about 40% of world GDP in foreign assets (about 500% of their GDP) and Latin America about 30% of world GDP (over 700% of their GDP). **Sources and series:** wid.world

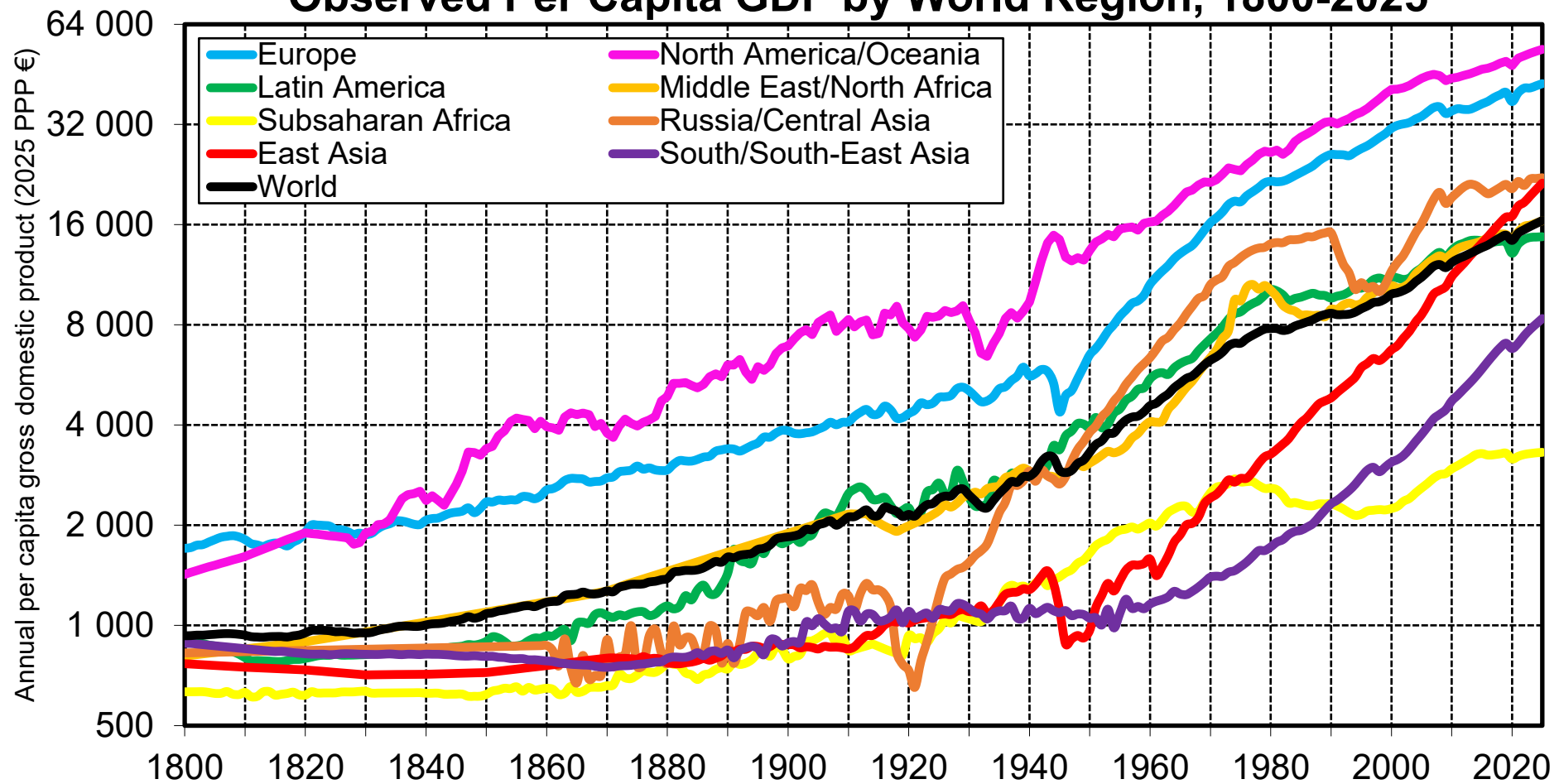
Simulated Wealth: Higher Commodity Prices 1970-2025



Interpretation. Assuming that primary commodity prices would have been 20% higher than what they were between 1970 and 2025, leaving all other flows unchanged, then Subsaharan Africa would own substantial foreign wealth (+48% of its GDP, vs -42% in reality), more than East Asia (+14% of its GDP, vs +49% in reality), and a lot more than Europe (+1% of its GDP, vs +24% in reality).

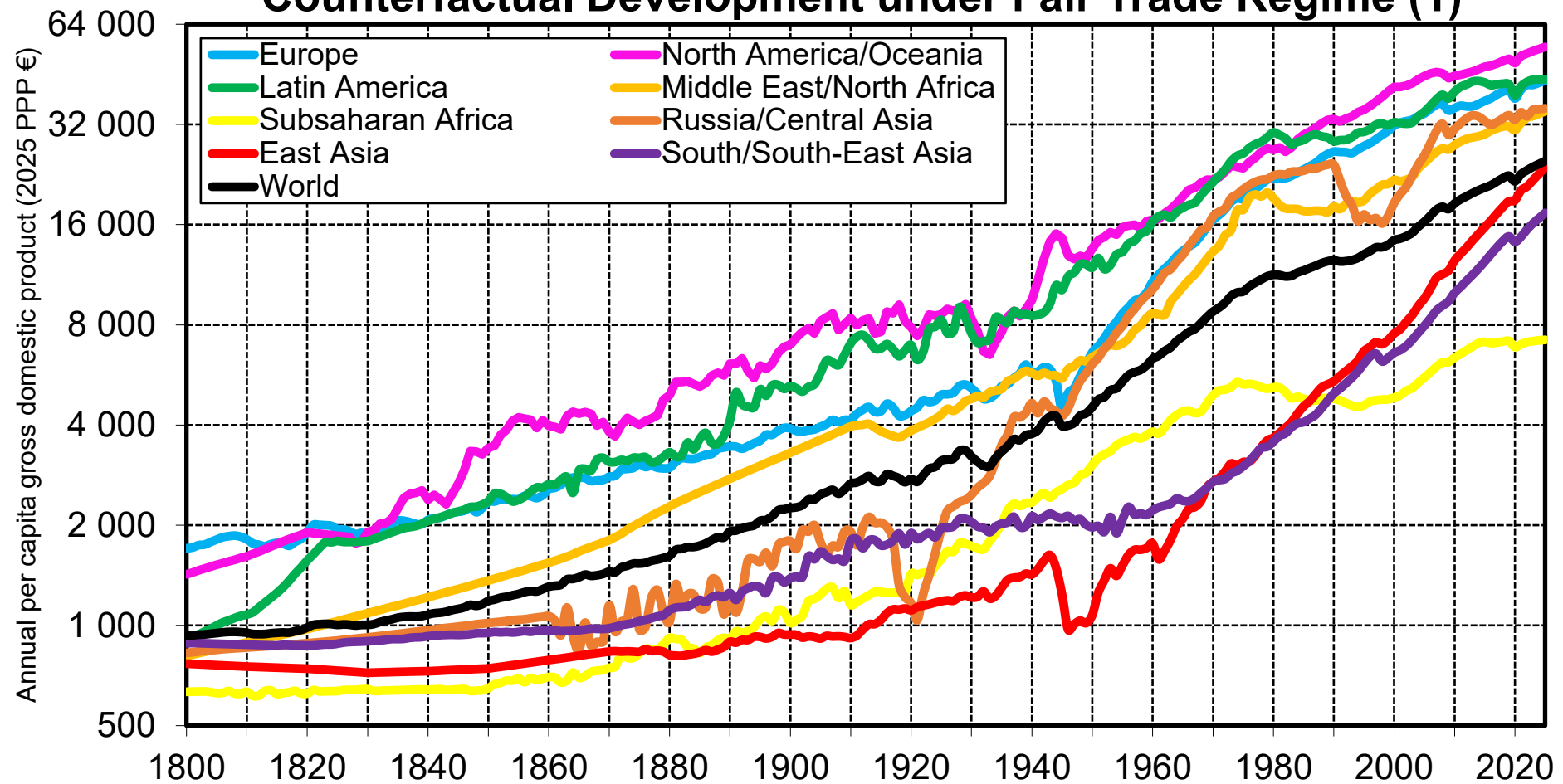
Sources and series: wid.world

Observed Per Capita GDP by World Region, 1800-2025



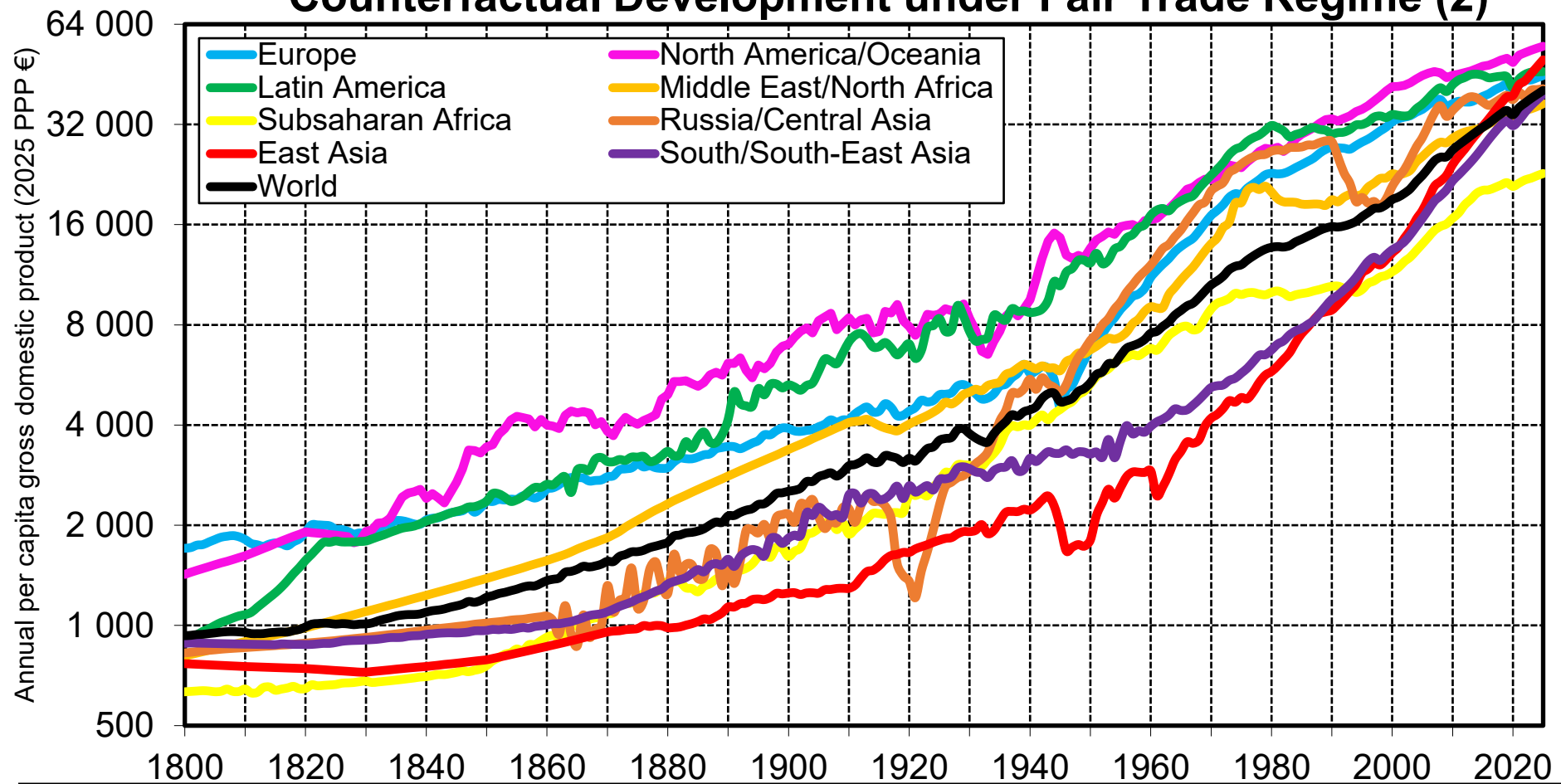
Interpretation. Expressed in 2025 PPP €, annual per capita gross domestic product (GDP) rose from about 900€ in 1800 to about 16 000€ in 2025 at the global level, with large disparities across world region: about 3 000€ in Subsaharan Africa, vs 40 000-50 000€ in Europe and North America/Oceania. Between 1800 and 2025, per capita GDP was multiplied by about 18 at the world level in PPP terms, which corresponds to average annual real growth rate of 1,3% per year. **Sources and series:** see wid.world

Counterfactual Development under Fair Trade Regime (1)



Interpretation. Average per capita GDP at the world level would be substantially larger in 2025 (and inequality between world regions a lot smaller) under the following counterfactual development scenario: no colonial transfers over 1800-1914 period + higher commodity prices over 1800-2025 period (+20%) + the corresponding gains are invested in domestic human capital investment in the benefiting countries + the corresponding losses are absorbed by consumption cuts by the rich in other countries, in particular in Europe. **Sources and series:** see wid.world

Counterfactual Development under Fair Trade Regime (2)



Interpretation. Average per capita GDP at the world level could be even larger in 2025 (and inequality between world regions even smaller) if we further assume better terms of exchange for poor countries throughout the 1800-2025 period (+30% in terms of exchange for countries with per capita GDP lower than 70% of world average, for instance via a Global Clearing Union and/or Common Currency). The bottom line is that different power relations, institutions and trade rules can have a major impact on comparative development. **Sources and series:** see wid.world