

# The Impact of Intergenerational Transfers on Household Wealth Disparities in Japan and the United States

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## **Paper Abstract:**

To help shed light on the implications of intergenerational transfers for wealth inequality, this paper examines whether or not individuals who receive intergenerational transfers from their parents are more likely to leave bequests to their children than those who do not using data on Japan and the United States. The estimation results show that the receipt of intergenerational transfers from parents and/or parents-in-law increases the likelihood of individuals' leaving bequests to their own children in both Japan and the United States, which might contribute to the persistence or widening of wealth inequalities. However, such a tendency is found to be stronger among less better-off households in both countries, and this may help alleviate the disequalizing effect of intergenerational transfers on wealth distribution, at least to some extent.