

Political Wealth and Economic Inequality: Evidence from Declared Assets of Indian MPs, 2004–2024

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ABSTRACT

Purpose: This study investigates the growth and concentration of political wealth in India. By researching the declared assets of Members of Parliament (MPs) for five Lok Sabha election cycles spanning the years 2004 to 2024. **Design/methodology/approach:** Mandatory affidavits submitted to the Election Commission of India (ECI) and processed by the Association for Democratic Reforms (ADR), are used for the source of data. Inequality within the political class is assessed using Gini coefficients, top decile wealth shares, and Pareto tail indices. **Findings:** We record a sharp increase in median and mean MP wealth, a thickening upper tail, and an increasing distance between political elites and the masses. Our results show intensifying concentration of MP wealth over time. Real (inflation adjusted) asset values reveal substantial appreciation beyond nominal price movements, consistent with the “winner’s premium” documented in the political economy literature. Regional analysis shows sharp divergence: MPs in governance challenged BIMARU states exhibit returns to office far exceeding regional economic growth, while MPs in dynamic southern states mirror private sector capital accumulation. Comparing MP wealth growth with regional per capita income demonstrates persistent and universal excess, widening the representative–represented gap. The findings suggest that India’s “Billionaire Raj” is not merely an economic phenomenon but is deeply embedded within its legislative institutions. **Research limitations/implications:** The affidavit data may under-report the wealth as candidates tend to declare their real estate at circle rates, do not report benami holdings and differ in accuracy of reporting. Regional PCI figures are unweighted averages of state incomes, which underweights populous poorer states; this is likely to understate the divergence between MP wealth and regional economic conditions. Such limitations also highlight the need for future work that would incorporate affidavit verification, circle-rate adjustments, or triangulation with tax data where possible, to recover a more accurate picture of political wealth. Additionally, it highlights the necessity of population-weighted measures of regional inequality and implies that the accumulation of political wealth might be less correlated with constituent welfare than current estimates imply. **Originality/value:** Existing studies document returns to winning office but do not study how political wealth is distributed, how inequality evolves over time, how regional political wealth diverges from regional economic conditions, or how the statistical structure of political wealth has changed. This study addresses these gaps by providing the first multi-cycle distributional analysis of MP wealth (2004–2024), the first inflation-adjusted assessment of real political wealth growth, the first regional comparison of MP wealth against regional income, and the first formal modelling of the lognormal-Pareto structure of political wealth.

Keywords: Political Wealth; Economic Inequality; India; Gini Coefficient; Asset Disclosure; Rent seeking; Regional Disparities.

INTRODUCTION

One of the main themes of political economy is the connection between financial resources and political power (Chauchard et al., 2019; Wani, 2023). This relationship has been accentuated in India, post the 2003 Supreme Court mandate that candidates should declare their movable and immovable assets, liabilities, criminal, educational and financial background. The affidavits digitised by the Association for Democratic Reforms (ADR) and National Election Watch have become the standard empirical window on the personal wealth of Indian legislators. Two decades of disclosures intended to increase transparency reveal a parliament increasingly dominated by the ultra-rich. In the year 2004, MPs were already massively richer than the median citizen, and by 2024 estimates suggest they are over a thousand times richer. It highlights that as time progresses, Members of Parliament (MPs) are becoming significantly wealthier, and the gap between these representatives and the average citizen is widening. This leads to fundamental questions about democratic representation and the extent to which legislative institutions reflect the socioeconomic realities of the electorate (Sastri, 2013). This phenomenon corresponds to what economists and political scientists regard as the plutocratization (Vassilev, 2004) of Indian politics.

Against the above-mentioned background, this manuscript pursues four core objectives:

1. To assess the extent and evolution of wealth inequality within the political class, using Gini coefficients, top-decile shares, and Pareto tail indices.
2. To distinguish real increases in political wealth from inflation-driven nominal changes, using CPI-deflated asset values.
3. To study the regional inequalities in the accumulation of political wealth, to know the difference in the median assets of MPs across the major regions of India.
4. To examine if regional political inequality reflects or deviates from regional economic inequality, with MP wealth as a proxy for elite dominance.

LITERATURE REVIEW

There is large body of literature that suggests political office acts as a “wealth accelerator,” opening doors to networks, contracts, and regulatory rents universally (Gulzar et al., 2025; Gupta, 2017; Obamuyi & Olayiwola, 2019). The winners of elections amass assets more rapidly than their opponents even in the absence of corruption (Kotakorpi et al., 2016). Fisman et al., 2014 use regression discontinuity designs and find that winners’ assets grow 3–6 percentage points faster per year, with larger returns for ministers. Bhavnani, 2012 contends asset increases beyond legitimate income due to the existence of rent seeking behaviour, by the corporate lobbyists and the resultant corruption. As underscored by Vaishnav, 2012 in India, although transparency has improved, enforcement remains weak, allowing illicit accumulation to continue. For instance, the electoral bonds scheme in India, which was intended to increase transparency in political funding, has instead fostered significant corruption and crony capitalism, compromising the integrity of democratic processes (Poola & Anna John, 2025). Scholarly works (Mukherjee, 2024; Singh, 2025) demonstrate that wealthy political families report disproportionately low incomes relative to their assets, indicating systematic underreporting. This aligns with broader findings on rising national inequality (Araf et al., 2026). Moreover, criminal charges are positively correlated with candidates’ wealth, suggesting complementarities between money and muscle power (Harriss, 2017). Studies have highlighted historical inequalities in land and caste-based endowments continue to shape political wealth (Nanda & Pareek, 2025; Prakash et al., 2019). All these imply policies may increasingly reflect the interests of the wealthy elite rather than the needs of the general public (Bagchi & Fagerstrom, 2023). This trend challenges the ideal of a representative democracy in India, as the pool of potential leaders is increasingly restricted to the wealthiest segment of society, potentially leaving the concerns of the broader population less represented in policy-making.

Despite two decades of mandatory asset disclosures for Indian parliamentary candidates, no comprehensive distribution-level analysis of political wealth has been undertaken across multiple election cycles. Most of the previous studies have focused on returns to winning office using regression-discontinuity designs. (Bhavnani, 2012; Giommoni, 2024; Nanda & Pareek, 2025; Prakash et al., 2019). These findings establish that holding political office facilitates the concentration of private wealth, but do not investigate how this concentration impacts the overall distribution of political wealth, or how this distribution changes over time. The political class does not have a long horizon for measuring inequality. Moreover, the regional political economy has been well studied, but no research has systematically compared the growth of MP wealth with regional economic performance, nor has any assessed whether political inequality mirrors or diverges from public inequality across India’s major regions. Despite extreme upper-tail values dominating the mean and shaping political inequality, the statistical structure of MP wealth—lognormal body, Pareto tail, tail thickening—has not been formally characterised.

DATA AND METHODOLOGY

Candidate affidavits are a rare longitudinal data set for studying political wealth. These disclosures, unlike confidential tax records, allow researchers to trace the private returns to public office (Fisman et al., 2012). But the problem of under-reporting and manipulation still exists. Analyses of Benford's Law show systematic rounding or concealment (Natashekara, 2022). Despite these shortcomings, the affidavits are the most comprehensive source available for studying political wealth in India.

Accordingly, this study draws on the data of candidate affidavits from the 2004, 2009, 2014, 2019, and 2024 Lok Sabha elections, sourced from the Election Commission of India available at <https://www.eci.gov.in/statistical-reports>. The dataset analysed here has 2716 records of elected Lok Sabha members across the five general elections of 2004-24 (including a small number of bye-election winners, coded LS2004/LS2009/LS2014, which were merged into their parent election year).

After removing 144 records with missing asset declarations, the working sample comprises 2,572 winners: 507 (2004), 508 (2009), 563 (2014, including bye-elections), 508 (2019) and 486 (2024). Constituencies are mapped to six zonal-council regions: Northern, Central, Eastern, North-Eastern, Western and Southern. All asset figures are nominal rupees as declared; one crore = ₹10 million.

Two caveats standard in this literature apply. First, affidavit wealth is self-reported and typically understated, particularly for real estate valued at circle rates rather than market prices; the figures are therefore a lower bound (Fisman et al., 2014). Second, we observe winners only, so the distribution reflects both the wealth of the political class and the electoral selection process that favours richer candidates (Vaishnav, 2017). Regional comparisons use RBI's per-capita Net State Domestic Product (NSDP) series, available on RBI site.

EMPIRICAL FINDINGS

Level shifts: a thirteen-fold nominal rise in the median

Median MP wealth increased from ₹0.55 crore in 2004 to ₹7.13 crore in 2024—a thirteen-fold nominal rise (Table 1 and Figure 1). Mean wealth rose even more sharply, from ₹2.06 crore to ₹47.97 crore, reflecting the influence of extreme upper-tail values. The share of crorepati MPs increased from 30.4% to 92.2%. Inequality intensified: the Gini coefficient rose from 0.754 to 0.849, and the top-decile share from 67.5% to 78.4%.

Table 1. Summary statistics of declared total assets of elected Lok Sabha MPs, by election year.

Year	N	Median (₹ cr)	Mean (₹ cr)	P90 (₹ cr)	Max (₹ cr)	Crorepatis (%)	Gini	Top-10% share (%)
2004	507	0.55	2.06	4.05	67.1	30.4	0.754	67.5
2009	508	1.46	5.43	11.89	173.8	58.1	0.755	65.6
2014	563	3.30	14.53	31.55	683.1	82.6	0.770	68.0
2019	508	4.97	21.21	47.23	660.2	88.4	0.753	63.9
2024	486	7.13	47.97	59.53	5,705.5	92.2	0.849	78.4

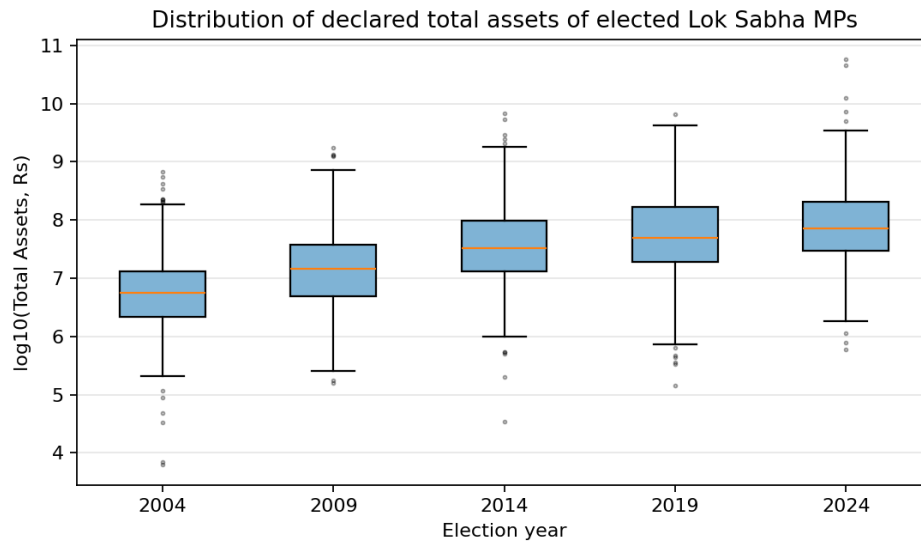


Figure 1. Box plots of $\log_{10}(\text{total assets})$ by election year. The whole distribution shifts upward roughly in parallel, consistent with a common multiplicative growth factor.

Nominal versus real growth

Deflating asset values using a CPI-based index shows that real median wealth increased from ₹0.55 crore to ₹1.96 crore, and real mean wealth from ₹2.06 crore to ₹13.18 crore. Inflation explains part of the rise, but substantial real appreciation remains, (Table2) consistent with the returns-to-office literature.

Table 2. Nominal and CPI-deflated asset levels (deflator approximate; base 2004 = 100).

Year	Nominal median (₹ cr)	Real median, 2004 prices (₹ cr)	Nominal mean (₹ cr)	Real mean, 2004 prices (₹ cr)
2004	0.55	0.55	2.06	2.06
2009	1.46	1.00	5.43	3.72
2014	3.30	1.42	14.53	6.26
2019	4.97	1.71	21.21	7.31
2024	7.13	1.96	47.97	13.18

Regional Patterns

Median MP wealth diverges sharply across regions. The Southern region shows the strongest growth, rising from ₹0.62 crore in 2004 to ₹16.23 crore in 2024. Western and Northern regions also exhibit substantial increases, while Eastern and North-Eastern regions grow more modestly and Southern region accelerates sharply after 2014. These disparities reflect underlying differences in governance quality, economic structures, and political opportunity.

Table 3. Median declared assets of elected MPs by region (₹ crore).

Region	2004	2009	2014	2019	2024
Northern	0.75	2.39	4.65	7.08	8.09
Central	0.55	1.70	2.65	4.31	6.23
Eastern	0.31	0.60	2.21	2.91	4.59
North Eastern	0.21	0.66	1.46	1.44	2.96
Western	0.79	2.15	4.75	8.85	8.65
Southern	0.62	1.96	4.24	9.40	16.23

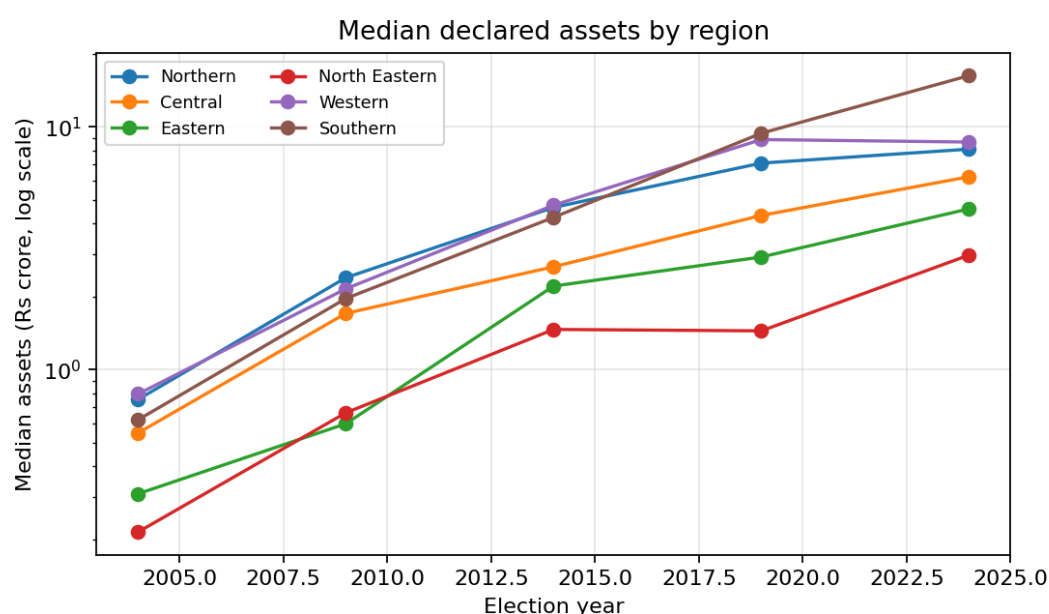


Figure 2. Median assets by region (log scale).

Growth of MP Assets versus Regional Per-Capita Income

To test whether legislator wealth merely mirrors the regional economy, each election is matched to the corresponding fiscal year of the RBI regional per-capita NSDP series (2004→2004-05, 2009→2009-10, 2014→2014-15, 2019→2019-20); the 2024 election is anchored to 2023-24, since the 2024-25 column of the source workbook is incomplete. Since the distribution exhibits a heavy Pareto tail, MP wealth is measured by the regional median, making the median a robust indicator of central tendency. Because both series are nominal, inflation cancels from the comparison. (Table 4 and Figure 3)

Table 4. Nominal compound annual growth of median MP assets (2004–2024) versus regional average per-capita NSDP (2004-05 to 2023-24). Assets/PCI expresses median MP wealth in years of average regional income.

Region	Assets growth (×)	Assets CAGR (%)	PCI growth (×)	PCI CAGR (%)	Excess (pp/yr)	Assets/PCI 2004 (yrs)	Assets/PCI 2024 (yrs)
Northern	10.7	12.6	6.3	10.2	+2.4	187	317
Central	11.3	12.9	8.0	11.6	+1.3	269	381
Eastern	14.9	14.5	7.5	11.2	+3.3	185	366
North Eastern	13.8	14.0	9.7	12.7	+1.3	90	127
Western	10.9	12.7	6.0	9.8	+2.8	164	301
Southern	26.1	17.7	9.1	12.3	+5.4	190	544

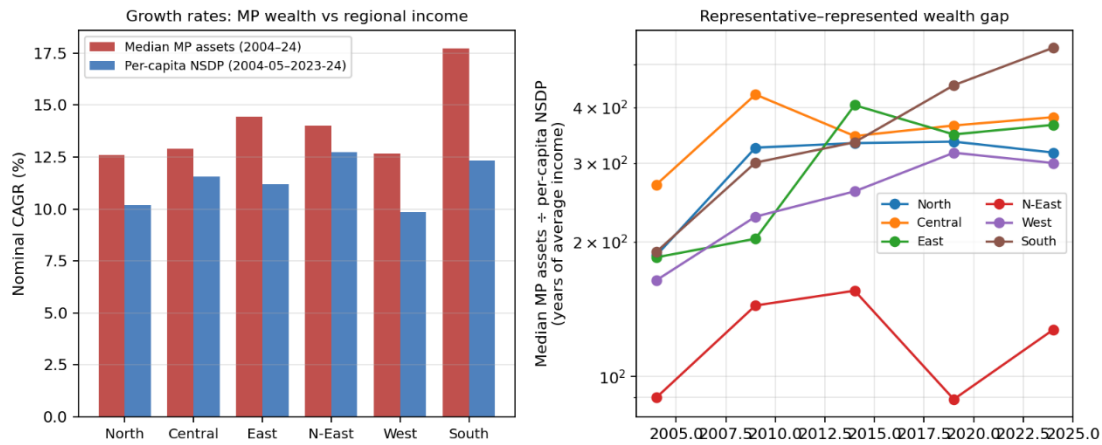


Figure 3. Left: growth rates of MP wealth versus regional income. Right: the widening representative-represented gap (log scale).

Three findings emerge. First, median MP wealth outgrew per-capita income in every region, by 1.3 to 5.4 percentage points per year; nationally, 13.6 per cent against 11.2 per cent. Compounded over two decades even the smallest excess widens the wealth-income gap by about a third, and the Southern excess nearly triples it. Second, the representative-represented gap therefore widened everywhere: the median MP's assets rose from roughly 185–270 years of average regional income in 2004 to 300–380 years in most regions by 2024, and to 544 years in the South. Only the North-East keeps the gap within about a century of average income (90→127 years). Third, the divergence is not a rich-region phenomenon: the Eastern region, the poorest by per-capita NSDP, records the second-largest cumulative excess (3.3 pp/yr), indicating that legislator enrichment there decoupled most sharply from a stagnant regional economy — a pattern consistent with the returns-to-office channel dominating the regional-prosperity channel (Fisman, Schulz and Vig, 2014).

Sub-period growth rates show the divergence was concentrated in 2004–2014, when regional median assets compounded at 15–30 per cent annually against 12–15 per cent income growth. After 2019 the picture is mixed: the West saw a small nominal decline in the median (–0.5 per cent p.a.) and the North grew slower than income (2.7 vs 4.8 per cent), while the South (11.5 vs 9.2) and North-East (15.4 vs 9.4) continued to diverge. If MP wealth simply reflected constituent prosperity the two growth rates should track one another; the persistent, universal excess — largest precisely where regulation-intensive sectors boomed — supports the selection-plus-returns-to-office interpretation over a pure “richer voters elect richer representatives” story. A caveat: the regional PCI series is an unweighted mean of state values, so populous poorer states are underweighted; a population-weighted series would likely enlarge the measured excess for the Central and Eastern regions.

Inequality within the Political Class

The Gini coefficient of MP assets is extraordinarily high — 0.75 in every election from 2004 to 2019 and 0.85 in 2024 — compared with roughly 0.74–0.75 for Indian household wealth as a whole (Anand & Thampi, 2021; Bharti et al., 2024). Inequality among legislators therefore matches or exceeds inequality in the society they represent. The 2024 jump is driven by the top decile, whose share of total MP wealth rose from about 64–68 per cent to 78 per cent. Regionally (Figure 4), the Southern region records the highest within-region Gini in 2024 (0.88), reflecting the coexistence of very wealthy business-politicians and ordinary-income members.

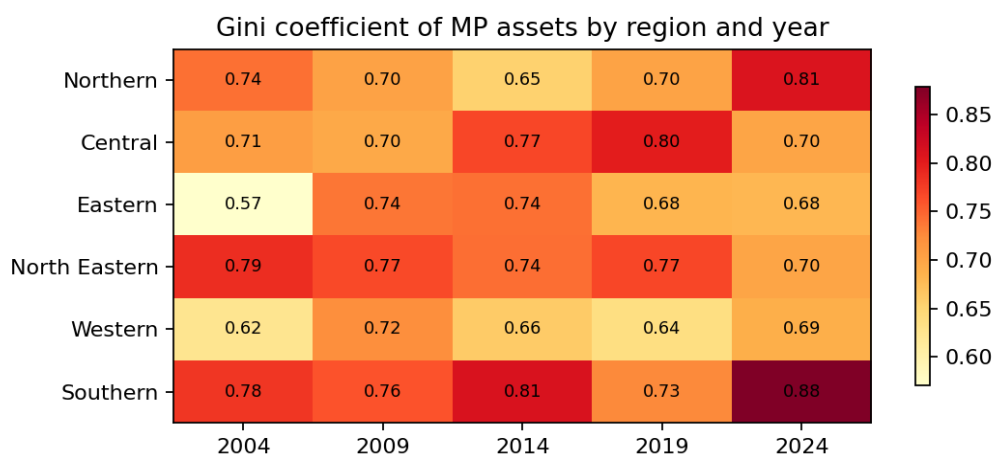


Figure 4. Gini coefficient of MP assets by region and election year.

Statistical Distribution of MP Wealth

Lognormal body

Wealth data of this kind are, on theoretical grounds, expected to be approximately lognormal in the body with a Pareto (power-law) upper tail — the canonical shape of wealth distributions since (Pareto, 1897), rationalised by Gibrat's law of proportionate multiplicative growth (Gibrat, 1931) and by modern random-growth models (Benhabib & Bisin, 2018; Champernowne, 1953; Gabaix, 2009). The data conform closely.

Table 5. Distribution fitting. Lower AIC is better; the lognormal dominates gamma and Weibull in every year.

Year	μ (log Rs)	σ (log Rs)	KS p-value (lognormal)	Hill tail index α (top 10%)	AIC lognormal	AIC gamma	AIC Weibull
2004	15.56	1.55	0.040	1.09	17,665	17,872	17,771
2009	16.51	1.56	0.417	1.30	18,671	18,880	18,782
2014	17.44	1.56	0.035	1.28	21,744	22,001	21,876
2019	17.82	1.69	0.235	1.20	20,077	20,235	20,150
2024	18.21	1.59	0.213	1.13	19,527	19,911	19,685

The lognormal has the lowest AIC among the two-parameter candidates (lognormal, gamma, Weibull) in all five elections, typically by 200–450 AIC points — decisive evidence. Kolmogorov–Smirnov tests on the log-transformed data fail to reject lognormality in 2009, 2019 and 2024 at the 5 per cent level ($p = 0.42, 0.23, 0.21$), and reject only marginally in 2004 and 2014 ($p \approx 0.04$), where the departure is concentrated in the extreme tail rather than the body. (Table 5)

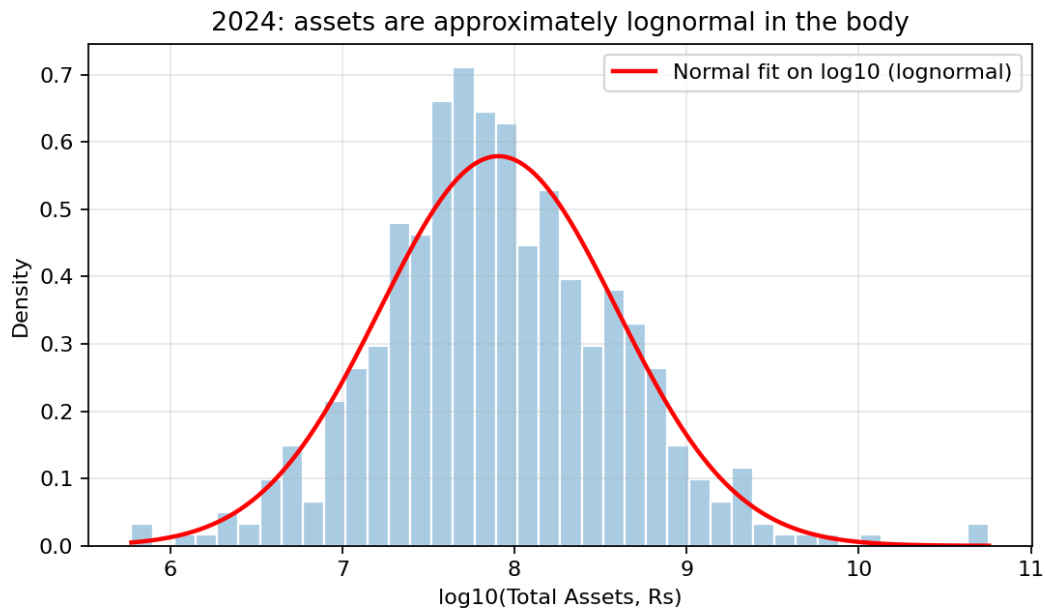


Figure 5. Histogram of log10 assets, 2024, with the fitted normal density: the body of the distribution is well described as lognormal.

Pareto upper tail

The complementary CDF on log-log axes (Figure 6) is close to linear in the upper decile, the signature of a Pareto tail $P(X > x) \propto x^{-\alpha}$. Hill estimates of the tail index on the top 10 per cent of each year's sample lie between $\alpha \approx 1.09$ (2004) and 1.30 (2009), with $\alpha \approx 1.13$ in 2024. Values of α below 2 imply infinite theoretical variance: sample means and standard deviations are driven by a handful of extreme observations and are unstable, which is why the median, quantiles and Gini — not the mean — are the appropriate summary statistics. Indian MP wealth is thus even more heavy-tailed than the Forbes-type billionaire distributions ($\alpha \approx 1.3$ – 1.5) documented by (Klass et al., 2006) and the Indian wealth estimates of (Anand & Thampi, 2016).

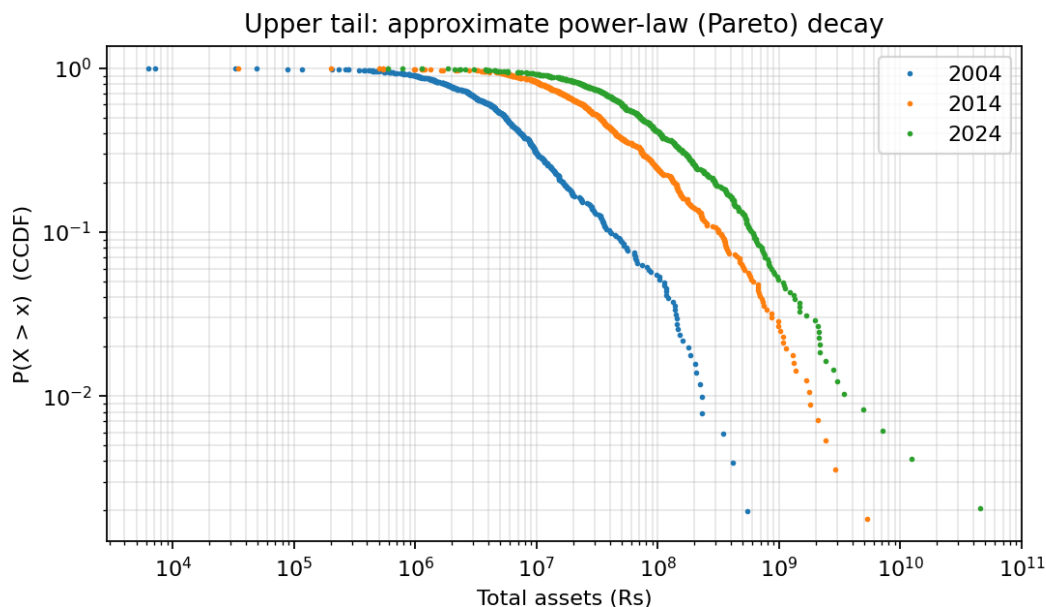


Figure 6. Complementary CDF of assets (log-log), 2004/2014/2024. Approximate straight-line decay in the tail indicates Pareto behaviour; the curve shifts right over time.

Recommended model

For applied work we therefore recommend: (i) a lognormal $LN(\mu_t, \sigma^2)$ for the body, with year-specific μ_t growing linearly and $\sigma \approx 1.6$ held constant; (ii) a spliced Pareto tail with $\alpha \approx 1.1$ – 1.3 above roughly the 90th percentile (a

lognormal–Pareto composite of the Colombi/Scollnik type); and (iii) rank-based inference (Kruskal–Wallis, quantile regression) rather than mean-based inference, given the infinite-variance tail.

Did the distributions change significantly — and how?

Two-sample Kolmogorov–Smirnov tests between every pair of consecutive elections reject equality of distributions overwhelmingly, for assets and for positive liabilities alike (Table 6); Anderson–Darling k-sample tests agree (all $p < 0.001$), as do the overall Kruskal–Wallis tests (assets: $H = 715.0$; positive liabilities: $H = 436.3$; both $p < 1e-92$). There is therefore no doubt that both distributions changed significantly from election to election. The more interesting question is the nature of the change. To separate a shift in location from a change in shape, the log values of each year were standardised (centred and scaled) and re-tested. On standardised logs, no consecutive pair differs significantly for either variable (all KS $p \geq 0.27$; Table 6), and Levene tests find the log-scale variance essentially constant (the only marginal exception being liabilities 2009→2014, $p = 0.026$, after which σ stabilises near 2.1). Figure 8 makes the point visually: the empirical CDFs of log assets are near-parallel curves marching rightward.

Table 6. Two-sample KS tests between consecutive elections: raw values (location + shape) versus standardised log values (shape only). Significant location shifts; no significant shape change.

Transition	Assets: KS D	p	Shape KS D (std logs)	p	Liab+: KS D	p	Shape KS D (std logs)	p
2004 → 2009	0.287	< 1e-18	0.049	0.557	0.274	< 1e-9	0.077	0.314
2009 → 2014	0.252	< 1e-14	0.060	0.269	0.263	< 1e-10	0.029	0.998
2014 → 2019	0.135	< 0.001	0.043	0.686	0.121	0.006	0.030	0.989
2019 → 2024	0.133	< 0.001	0.033	0.938	0.139	< 0.001	0.049	0.712

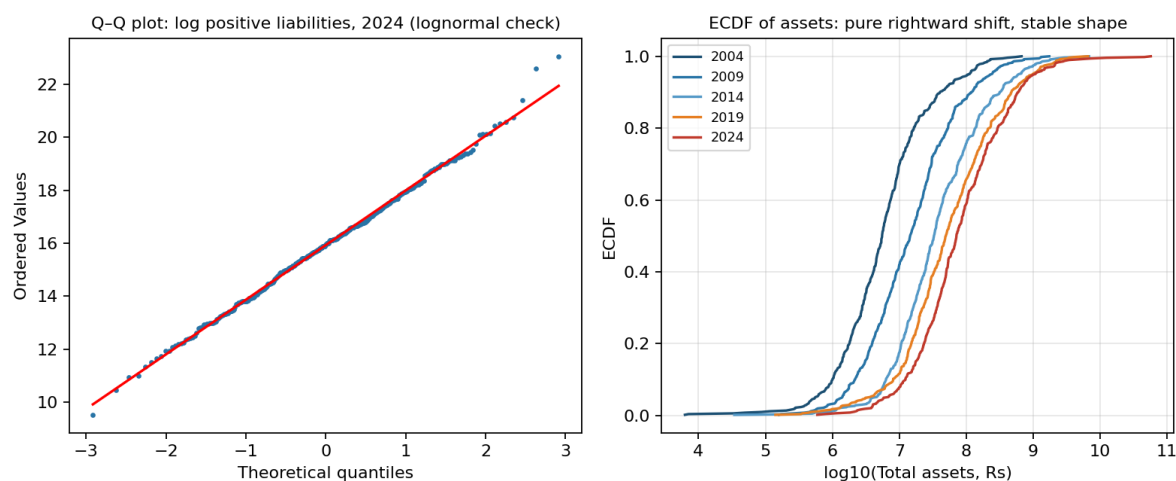


Figure 7. Left: normal Q–Q plot of log positive liabilities, 2024 — close to linear, confirming lognormality. Right: ECDFs of log assets, 2004–2024 — a near-pure rightward translation.

The verdict is precise: the change over 2004–2024 is a statistically significant location shift within an invariant lognormal family — μ rises steadily (assets: 15.56 → 18.21; positive liabilities: 12.96 → 15.93) while σ and the standardised shape are statistically unchanged. In economic terms, every part of the wealth (and debt) distribution of the political class was scaled up by a broadly common multiplicative factor per electoral cycle — the fingerprint of Gibrat-type proportional growth operating on top of selection of wealthier entrants, rather than a structural transformation of the distribution. The one departure is 2024, where the extreme upper tail of assets thickened (Section 4.2), visible in the Gini and top-decile share but too far in the tail to register in the body-sensitive KS statistic.

Parameter-level tests: location versus scale

Section 4.6 tested the distributions as a whole; this subsection tests the two lognormal parameters separately. Figure 8 overlays the kernel densities of log10 assets for the five elections: five nearly congruent bell curves marching rightward, with medians (dotted) advancing each cycle. Table 7 reports the estimated location μ and scale σ on the

log10 scale with 95 per cent confidence intervals: the μ intervals do not overlap between any pair of elections, while the σ intervals all overlap heavily around 0.68 (equivalently ≈ 1.6 in natural logs).

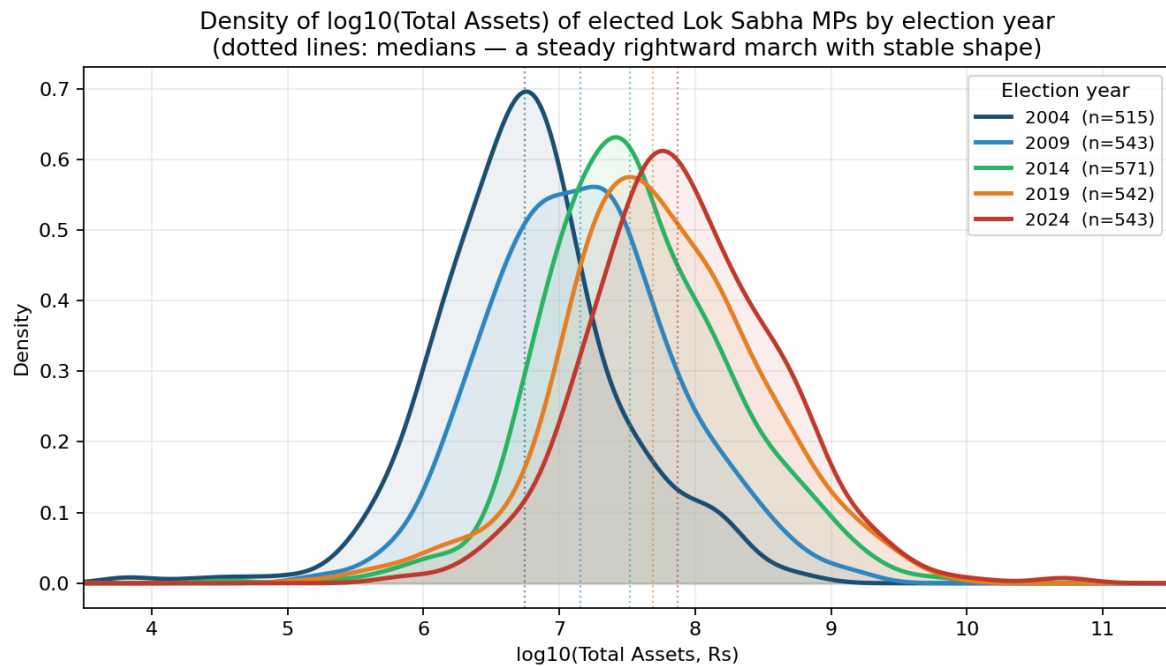


Figure 8. Overlaid kernel densities of log10(total assets) by election year; dotted lines mark medians. The shape is preserved while the location advances.

Table 7. Lognormal parameter estimates by election year (log10 scale) with 95% confidence intervals.

Year	μ (log10)	95% CI for μ	σ (log10)	95% CI for σ
2004	6.754	(6.696, 6.813)	0.676	(0.637, 0.720)
2009	7.172	(7.115, 7.229)	0.680	(0.642, 0.723)
2014	7.577	(7.521, 7.633)	0.685	(0.647, 0.727)
2019	7.735	(7.674, 7.797)	0.727	(0.686, 0.773)
2024	7.920	(7.862, 7.977)	0.685	(0.647, 0.729)

Formal tests concur. For the location parameter, one-way ANOVA on log assets gives $F = 243.0$ ($p \approx 10^{-178}$) and Kruskal–Wallis $H = 760.0$ ($p \approx 10^{-163}$); every consecutive-election Welch t-test is significant after Bonferroni correction (Table 8), with $\Delta\mu$ of 0.42 and 0.41 in the first two transitions falling to 0.16–0.18 thereafter — enrichment decelerated after 2014 but never stopped. For the scale parameter, Levene’s test across all five years gives $W = 1.55$ ($p = 0.186$), Bartlett’s $\chi^2 = 3.82$ ($p = 0.430$), and all pairwise variance-ratio and Levene tests are non-significant ($p \geq 0.12$): σ is statistically constant.

Table 8. Pairwise tests on the two parameters between consecutive elections: the location shift is always significant; the scale change never is.

Transition	$\Delta\mu$ (log10)	Welch t	p-value	Variance ratio F	p (F-test)	p (Levene)
2004 → 2009	+0.418	−10.01	1.3e-22	1.010	0.907	0.121
2009 → 2014	+0.405	−9.91	3.1e-22	1.015	0.863	0.597
2014 → 2019	+0.158	−3.73	2.0e-04	1.127	0.158	0.158
2019 → 2024	+0.184	−4.29	1.9e-05	0.888	0.169	0.227

A pooled regression of log10 assets on election year estimates a slope of 0.0577 per year ($p \approx 10^{-173}$), i.e. μ advances 0.288 log10-points per electoral cycle — the typical MP’s wealth multiplies by roughly 1.9 per election and about 14-fold over 2004–2024. The verdict of Section 6.2 is thus sharpened: the significant distribution change over the period is entirely a change in the location parameter; the scale parameter — and with it the shape and the internal

inequality of the log-wealth distribution — is statistically unchanged, exactly as Gibrat-type proportional growth predicts. Had enrichment been concentrated among already-wealthy members σ would have widened; had wealthy incumbents been displaced by poorer entrants it would have narrowed; neither occurred.

DISCUSSION

Several critical economic and political-economy theories can explain the empirical trends observed in the data.

The empirical results reveal three broad themes about the evolution of political wealth in India.

Democratic Capture and Elite Dominance

The steep rise in median and mean MP wealth, combined with a thickening Pareto tail and a Gini coefficient reaching 0.85 in 2024, indicates that the political class has become increasingly concentrated at the top of the wealth distribution. With the top 10% of MPs holding nearly 80% of total declared wealth, legislative institutions risk being dominated by elite interests. This pattern aligns with the broader “Billionaire Raj” narrative, where wealth concentration among economic elites mirrors concentration among political elites.

Divergence Between Political and Public Economic Conditions

The comparison between MP wealth growth and regional per-capita income shows persistent and universal excess. In every region, MP wealth grew faster than regional income by 1.3–5.4 percentage points annually. This divergence is most pronounced in the poorest regions, such as the Eastern states, where legislator enrichment decoupled sharply from stagnant public income. The widening representative–represented gap — reaching 544 years of average income in the South — suggests that political office provides unique economic advantages that are not accessible to ordinary citizens.

Comparing MP wealth growth and regional per capita income reveals consistent and universal MP wealth growth surplus. MP wealth in every region grew faster than regional per capita income during the five years analyzed, by 1.3–5.4 percentage points annually. The Eastern states show the largest MP wealth growth regional income divergence. Here, MP wealth growth occurs in the face of stagnant public incomes. The divergence MP wealth growth and public income in the South is so massive that it takes 544 years of average regional income to equal the wealth accrued by MPs. This suggests that political office provides unique economic opportunities to MPs that the public cannot access.

Structural Drivers of Wealth Concentration

From the distribution analysis, it can be concluded that MP wealth follows a lognormal body with a Pareto upper tail. Since the Hill index is decreasing (1.30 down to 1.13), this means that the tail is getting thicker, implying that the presence of extreme wealth among MPs is increasing. Such a structure is in line with multiplicative growth processes and rent seeking possibilities arising from political positions. From the regional patterns, one may infer that governance matters, since poor governance areas have a high return on office, while dynamic southern states show political wealth accumulation linked to business and real estate sectors.

Policy Implications

The present manuscript contributes to the political economy of India in the following ways:

Firstly, report the first longitudinal measurement of inequality within the political class in terms of Gini coefficients, top-decile shares and Pareto tail indices over five election cycles. The Gini rose to 0.85 and the top-decile share to 78% in 2024 – political inequality is now greater than national wealth inequality. Secondly, we deflate asset values to 2004 prices, decomposing real appreciation from nominal inflation. The real median wealth of MPs has risen from ₹0.55 crore to ₹1.96 crore, implying that there are significant real returns to political office over and above general price movements. Thirdly we match each election to RBI regional NSDP data and show that MP wealth grew faster than regional income in each region (1.3-5.4 percentage points per year). This is the first quantitative estimate of the representative–represented gap, which rose to 544 years of average income in the South. Finally, we show that MP wealth has a lognormal body with a Pareto upper tail where the Hill index decreases from 1.30 to 1.13, indicating tail-thickening and increasing elite concentration. This provides a theoretical basis for the structural persistence of inequality within the political class. Overall, our findings highlight the need for stronger transparency and enforcement mechanisms. Scrutiny of affidavits against tax statements, taking inflation into account when calculating asset appreciation, and campaign financing reforms would assist in addressing the problem of political wealth consolidation. Otherwise, the disparity between political leaders and the general population will keep widening.

Limitations

Candidates may report real estate at circle rates, exclude benami holdings, and vary in their affidavit accuracy, resulting in understated political wealth. This asymmetrically compresses the upper tail of wealth distribution, so that the disparity between MP wealth and public income is likely greater than what this study finds. The empirical trends outlined in this study articulate the lower bound of political wealth concentration. This constraint indicates that adjustments based on circle rates, affidavit validation, and, to the extent possible, tax triangulation should provide a more refined estimation of political wealth. Regional average PCI figures are unweighted averages of state income, and these regional levels of income unweighted average state income levels, so income of poorer, populous states is underrepresented. This has an especially downward bias on the representative–represented income gap in poorer regions. Because low-income states contribute equally to the regional mean, poor states that have greater population sizes have an income level that is greater than that in a population-adjusted measure. The PCI, therefore, has a greater income level that is adjusted for the population. It is likely that a population-adjusted PCI would show greater divergence between political wealth and the economy of the region.

CONCLUSION

During the period from 2004 to 2024, the emergence of an extremely wealthy political elite has been observed in India. Wealth inequality among members of parliament is much greater than the average inequality of the country. Political wealth becomes increasingly disconnected from the economic situation in regions. The consistent difference in MP wealth growth compared to regional income growth indicates the existence of unique economic benefits of political position.

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Appendices

Appendix A: Gender and Age Cohort Patterns

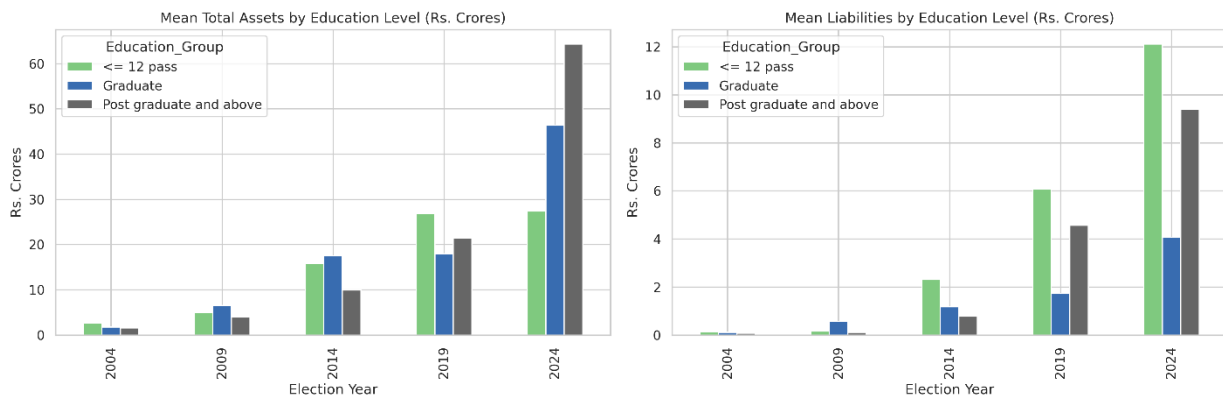
Analysis by Educational Attainment

Members are partitioned into three major education cohorts: ≤ 12 pass, Graduate (including Professional Degrees), and PG and above (including PhDs). The trends reveal significant wealth dynamics across educational tiers:

Table- *Educationwise Distribution*

Year	Education Group	Mean Assets (Rs. Cr)	Mean Liabilities (Rs. Cr)	Sample Size (N)
2004	≤ 12 pass	2.72	0.15	111
2004	Graduate	1.79	0.11	216
2004	PG and above	1.61	0.08	160
2009	≤ 12 pass	5.06	0.16	118
2009	Graduate	6.55	0.58	238
2009	PG and above	3.97	0.11	146
2014	≤ 12 pass	15.87	2.32	134
2014	Graduate	17.52	1.18	228
2014	PG and above	9.97	0.79	190
2019	≤ 12 pass	26.87	6.09	123
2019	Graduate	18.00	1.73	216
2019	PG and above	21.46	4.57	154
2024	≤ 12 pass	27.37	12.11	95
2024	Graduate	46.40	4.07	213
2024	PG and above	64.31	9.41	161

Figure 2: Mean Total Assets & Liabilities vs. Educational Attainment



Appendix B: Criminality and Education Patterns

Analysis by Criminal Disclosures

Candidates are segmented into four distinct buckets based on their self-reported criminal histories: 0 cases, 1-5 cases, 5-10 cases, and >10 cases. The financial evolution across these groups is reported below (in Rs. Crores):

Year	Criminal Group (Cases)	Mean Assets (Rs. Cr)	Mean Liabilities (Rs. Cr)	Sample Size (N)
2004	0	2.00	0.08	367
2004	1-5	1.91	0.18	103
2004	5-10	1.16	0.76	6
2004	>10	0.71	0.08	11
2009	0	5.70	0.27	349
2009	1-5	5.03	0.52	132
2009	5-10	5.43	0.73	13
2009	>10	1.57	0.08	8
2014	0	14.71	0.94	368
2014	1-5	14.10	1.93	150
2014	5-10	17.02	3.80	22
2014	>10	9.31	0.72	12
2019	0	21.37	3.39	277
2019	1-5	20.15	4.05	183
2019	5-10	32.18	6.10	23
2019	>10	14.98	0.63	10
2024	0	21.52	3.18	251
2024	1-5	90.44	14.77	158
2024	5-10	78.77	8.18	33
2024	>10	20.27	4.90	27

Figure 1: Mean Total Assets & Liabilities vs. Criminal Groupings

