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**Does Entrepreneurship Make You Wealthy?  
Insights from the UK Wealth and Assets  
Survey**

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## **ABSTRACT**

While there is growing interest in entrepreneurial earnings, prior studies have typically focused on the incomes derived from business ownership, a highly problematic measure, prone to under-reporting and mismeasurement, which fails to capture either the financial rewards of entrepreneurship or the economic well-being of entrepreneurs. Using the Wealth & Assets Survey (WAS), a large-scale British population survey, this study focuses on household wealth, the stock of economic resources in the form of accumulated personal assets. Results show that entrepreneurial households own disproportionately more wealth than other households, and that the household wealth of business owners with employees is greater than the household wealth of the self-employed with no employees. Attributing a causal relationship between entrepreneurship and household wealth is problematic; however, our estimates suggest entrepreneurship has a cumulative effect on household wealth. Households with levels of wealth at or above the median become wealthier as a consequence of entrepreneurship, but no such effect is observed on the wealth of households below the median level.