THE PRESIDENT'S COMMISSION ON PENSION POLICY HOUSEHOLD SURVEY 1979: NET WEALTH DISTRIBUTIONS BY TYPE AND AGE FOR THE UNITED STATES

BY WILLIAM S. CARTWRIGHT
National Institute on Aging, Washington

AND

ROBERT B. FRIEDLAND
Towson State Univeristy, Towson, MD

A household survey was done for the U.S. President's Commission on Pension Policy (1979-81). This paper reports on the net wealth of families in the United States for the year 1979, the first wave of the survey. The survey was begun in September 1979 and was a two-wave, nationwide random sample of households in the United States. The survey instrument gathered information on income, wealth, labor supply, participation in pension plans, vesting status, entitlement to various benefits, attitudinal views on retirement, social security wealth, and individual demographic characteristics. Details of the survey methodology are reported. A response rate of sixty-two percent was achieved among the 6,384 dwelling units in the first wave. Imputations are made to calculate the wealth embodied in private and public employee-based pensions. Included in this valuation is an adjustment for expected vesting status in the pension plan. Net wealth is examined by type and age of the head of household. The average net wealth of the family is $53,956, and the average value of retirement wealth is $3,281 which comprises about 5 to 6 percent of net wealth. The striking changes in the portfolio of net wealth are depicted over the cross-section of age cohorts. The oldest age cohort, 65 and over, is found to have for retirement wealth the lowest frequency of ownership, the lowest proportion of their portfolio in this form of wealth, and the second to lowest average value.

The President's Commission on Pension Policy, in conjunction with the Department of Labor, The Pension Benefit Guaranty Corporation, the Adminstration on Aging, and the Social Security Adminstration began in September 1979 a two-wave, nationwide, random survey of 6,100 households in the United States. This survey brought together information related to income, assets, labor supply, participation and vesting in pension plans, other employee benefits, retirement expectations, social security benefits, and individual demographic characteristics. Because of the detailed pension information, this survey permits better analyses for studying questions on the impact of social security and employer pensions on personal savings behavior, individual portfolio characteristics, and the extent and quality of pension coverage.

This paper will review the procedures of the survey as well as some of the results. Information is presented on the first wave concerning the survey response rate and individual item responses on wealth data. In addition, the imputation methodology for the pension wealth variable is discussed. Finally, net wealth distributions are analyzed with particular attention paid to distribution by age. We show both means and frequency counts. This paper is the only source of published technical information on the survey.

I. Survey Methods

The latest source of family income, employment, assets, pensions, and attitudes about retirement is the President's Commission on Pension Policy's Household Survey. The Survey has information on 6,578 adults or 4,605 family units, reflecting a cross-section of the United States population. The first wave of interviews was conducted in September 1979, and the second wave of interviews was started in August 1980. In the second wave, the same households as in the first wave were questioned to obtain changes from their previous interview. In the first wave, 62 percent of the sample was interviewed. Only 54 percent or 2,489 family units interviewed in the first wave were questioned in the second wave. The respondents in the second wave tend to be older, have higher incomes, and have accumulated larger holdings of net wealth than those in the first.

In this survey, all persons living in the same dwelling or with the same address were considered a part of a household. Information was obtained on all persons living in a household. The head of each household would be that person most familiar with the family finances. Households were divided into family units consisting of an adult (age 18 or older), his or her spouse, and children under 18 who usually live at home. For example, a household consisting of a husband, wife, and two children (ages 15 and 19) were identified as two family units. In this example either the husband or the wife would be identified as the head of the household and the 19-year-old would be another household head. This is different from the Survey of Financial Characteristics of Consumers (1962-63) which would have included relatives 18 or older residing together.[1]

The interviews were conducted by Market Facts, Incorporated. Stanford Research Institute (SRI) prepared and edited the data for analysis and research.[2] Peat, Marwick, Mitchell and Company calculated present values and annuity values of the adults' social security and pension benefits for those with a defined benefit plan. Pension benefits were obtained from three sources: a survey of those employers represented by their employees in the Household Survey; from the Employee Benefit Survey, EBS-1 form, filed by current employers with the Department of Labor; and directly from the respondents. The Social Security Adminstration provided primary insurance amounts for the 5,516 individuals they were able to match to Social Security files, while SRI imputed primary insurance amounts for the remaining 1,062.

The sample population for the wave one survey was 6,384 dwelling units that were drawn randomly from Market Facts' Master National Probability Sample. Designed by Dr W. E. Deming, this sample is a multistage area probability sample of all dwelling units in the contiguous United States. All dwelling units are completely accounted for regardless of vintage. The Master Sample contains 92 counties or groups of counties, including the largest 28 Standard Metropolitan Statistical Areas (SMSA's), divided into 304 areas called "Big Blocks." A Big Block can encompass portions of major cities, many smaller towns, suburbs or large rural areas. Within a Big Block, segments of approximately 8 dwelling units

[1]Projector, D. and Weiss, G., *Survey of Financial Characteristics of Consumers*, p. 49, Board of Governors of the Federal Reserve System, Washington, D.C., 1966.

[2]Mordecai Kurz was the principal investigator.

are identified. Samples were drawn by selecting both Big Blocks and segments by probability methods. For the sample, 152 Big Blocks, representing the 28 largest SMSA's, 16 smaller SMSA's, and 16 counties or groups of counties, were selected. No oversampling was done for either.

Of the 6,384 dwelling units in the sample for the first wave, 13 percent were vacant. Thirty-six percent of the remaining 5,555 units refused to answer and 107 interviews were unusable, leaving 3,473 completely usable units or 62 percent of the sample. The 3,581 interviewed households consisted of 3,581 primary family units and 1,172 secondary family units for a total of 4,753 families and 6,397 individuals. However, because of the 107 unusable questionnaires, the tapes for wave one had 4,605 families and 6,578 individuals. Furthermore, removing those families that failed to answer questions related to their asset holdings left a total of 4,296 families which is the number analyzed in this paper.[3]

Households in the first wave were headed by a male in 61 percent of the observations. Race of the head of the household was not obtained for 1,169 family units, or 25 percent of those surveyed. Nevertheless, of those asked, 84.3 percent were white and 14.3 percent were black. The average age of the head of the household was 41 years old. The highest level of education for 33 percent of those surveyed was some high school. Thirty-six percent had at least some college. The average family income from all sources in 1979 was $17,979 and the average family net worth (including imputed pension wealth) was approximately $53,956.

The first wave questionnaire was divided into 10 booklets. Booklets A and B applied to the composition of the family. Booklets C, J, and K covered the current employment and previous jobs. Booklet D collected the finances of the unit with additional real estate, limited partnerships, and vehicles obtained from booklets F, G, and H, respectively. Follow-up information was obtained in booklet E.

The initial interview was conducted in person with the head of the household and required a little more than two hours. First, family composition was ascertained. Information on jobs for adults not designated the head-of-the-household would be completed in person, if that adult was there, or by telephone at a later date. Booklets were left for the pension and job information to be filled out and collected later. Eight attempts were made to locate an adult at each dwelling unit. At each visit, the interviewer left material explaining the study and a note asking the respondent to call to make an appointment. Each interviewed adult head was given two dollars. For those units where an adult was not at home and there was no response to the initial note, another package was left, this time with two dollars and the offer of another twenty dollars if the household completed the interview. Refusals were handled by having a "refusal specialist" call. The interviewer, authorized to make such calls, could offer the household twenty dollars as an incentive. Furthermore, the interviewer received a bonus for each refusal converted. Interpreters were provided if the interviewer did not know the household's native language or was unable to get another family member to

[3]For comparison, the Survey of Financial Characteristics of Consumers achieved a 72 percent response rate that yielded 2,557 respondents who were useful for tabulation. Oversampling was done for wealthy consumer units.

translate. Finally, skipped questions and interview validation were handled by telephone through an office especially trained for this aspect.

The information collected and coded by Market Facts was provided to SRI for editing and analysis. From the wave one questionnaire separate data bases for individual units and for family units were created.[4] The family unit tape was created from the information on the individual unit tape. Thus, in effect, the tapes are structured in a hierarchical order from questionnaire, to individual, and finally to family unit. Our analysis focuses on the family unit tape and supplements this information where necessary from the other data.

Variable names were created and extensive editing undertaken to prepare the final data. For asset values editing occurred in one of three ways. First, coding errors were corrected. Secondly, ordinary least-squares regressions were run for those with valid responses to determine parameters used to predict those same values for missing observations. However, if there were less than 20 observations of valid responses, a geographical mean value was used (usually the Big Block mean). Flags were coded to allow the user the option of excluding particular types of editing. The data reported in this paper uses the edited final data except for pension wealth.

II. Imputation of Pension Wealth

The calculation of pension wealth is made possible by the rich set of data collected on both the individuals and the employer as well as the Department of Labor's EBS-1 forms. The best source of the expected retirement benefit was assumed to be the individual's response to the following questions found in Booklet C:

(38a) If you retire today, would you receive a lump sum or a monthly benefit under this plan?
(38b) How much would that be?
(42a) If you retire at the plan's normal age, will you receive a lump sum or will you receive a certain amount per month when you retire?
(42b) How much would that be?
(43) Within the past year, have you received a statement of your employee benefits from your employer? This might be a computerized statement of your various pension, medical and other benefits provided by your employer.
(44a) What was amount of the statement?

If this was not available, then an imputation was made from either the EBS-1 survey or the employer survey to establish the annualized benefit to be received at retirement.

Next, the stream of these pension benefits is discounted to the age of retirement using the rate of interest adjusted for how the plan is expected to

[4]This data base is available to the public in Statistical Analysis System (SAS) data bases consisting of 4 tapes and may be obtained from the National Technical Information Service. The tapes used in this study were the "PERSONS" tape for individuals and the "MERGFAM" tape for families. The other tapes were the original questionnaire data for wave one and two, respectively.

handle *post-retirement* inflation, and also the probability of survival until age 100, from one's expected retirement age. The Pension Benefit Guaranty Corporation's Unisex Pension 1984 life table is used for the probability of survival. The interest rate was assumed to be 7 percent for no inflation adjustment and 5 percent for an adjustment.[5] This may be called the future value of a pension benefit at retirement age for those who have not retired.

Finally, the present value of the pension benefit is calculated for the individual's current age taking into account the real rate of interest, the inflation adjustment, the probability of surviving until retirement age, and the probability of vesting. The probability of vesting was determined in a logistic multiple regression between vesting status and age, industry, years on the job, income, sex, and plan type (defined benefit or contribution). For those retired and already receiving a benefit this step was not done. The results are presented in Table 1. The coefficients of the independent variables have the expected signs.

TABLE 1

DETERMINANTS OF VESTING STATUS: MULTIPLE LOGISTIC REGRESSION

Variable Definition	Coefficients	Chi-Square
Intercept	−4.31 (0.202)*	453.74
Age		
35 and under	—	—
31 to 54	0.3203 (0.1049)	9.32
55 and over	−0.0138 (0.1340)	0.01
Plan Type		
Defined Benefit Plan	0.9718 (0.1282)	57.48
Other	—	—
Sex		
Male	0.6002 (0.1000)	36.0
Female	—	—
Earned Income	0.00004 (0.000005)	91.0
Years on the Job	0.06404 (0.0051)	160.33
Industry		
Heavy Manufacturing or Construction	−2.04	3.85
Other	—	—

*Standard errors in parenthesis.

III. COMPOSITION OF NET WEALTH

In this section net wealth and its distribution by type and age is presented. A unique contribution is the inclusion of retirement assets that are based on the

[5]A real interest rate of 3 percent was assumed while benefits were assumed to depreciate, due to inflation, at an average rate of 4 percent per year if no adjustments were made and at 2 percent per year if benefits were occasionally adjusted.

survey's collection of data on pensions, annuities, Individual Retirement Accounts (IRAs) and Keogh plans. These retirement assets are one of nine net wealth components that are analyzed. Emphasis is placed on the mean values of the wealth component, the percent of net wealth a particular component contributes, and the extent of ownership. Distributions within age groups are not presented because of the small numbers that further disaggregation would create and the lower reliability implicit in such. Nevertheless, depicting the mean asset values for the different age groups provides a great deal of information related to life cycle notions of wealth accumulation and the importance of various assets in a specific age cohort.

In Table 2, the average net wealth of the family is $53,956 with a standard deviation of 113,586. This net wealth includes the present value of pensions, but excludes the present value of social security. The median net wealth is $22,431. Thus, the net wealth distribution is very skewed to the right. In Table 2, net wealth follows a rising pattern from young ages through the middle years, and turns downward in later years. The ratio of liabilities to assets shows a definite declining pattern over time; debt is gradually liquidated and assets rise sharply until the 55 to 64 age cohort.

TABLE 2

FAMILY ASSETS, LIABILITIES, AND NET WEALTH BY AGE GROUP FOR THE U.S., 1979

Age of Head	Total Assets* (Mean)	Total Liabilities (Mean)	Net Wealth (Mean)	Ratio of Liabilities to Assets
Under 35	$38,343	$10,244	$28,100	0.27
35-44	89,893	19,050	70,843	0.21
45-54	106,784	18,228	88,556	0.17
55-64	93,784	7,772	85,372	0.08
65 and over	65,397	3,440	61,957	0.05
Total	65,236	11,280	53,956	0.17

*Includes imputed value of employer-based pensions.
Source: President's Commission on Pension Policy Household Survey, 1979-80.

In Table 3, the size distribution of net wealth is depicted. About 29 percent of the sample had a wealth accumulation of $5,000 or below. There was a substantial number in both the $20-50,000 income bracket and the over $75,000. Our sample is too small for a reliable estimate of the size distribution in the age cohorts.

In Table 4, net wealth is divided into nine components. Where a specific debt secured by an asset is found, such as house equity and business assets, the liability has been deducted. Means are presented for the whole sample, not just for the owners of the assets. The net wealth concept is chosen for analysis both because of its importance in providing security and its interpretation in the life cycle theory of saving. Of all the net wealth components, home equity is by far the largest at 28 percent of net wealth. Retirement assets are ranked seventh with 6 percent of net wealth. Investment assets and personal property are both

TABLE 3

SIZE DISTRIBUTION OF U.S. NET WEALTH*, SEPTEMBER 1979

Wealth Group	Frequency	Cumulative Frequency	Percent	Cumulative Percent
Negative	143	143	3.329	3.329
Zero	1	144	0.023	3.352
$1-999	366	510	8.520	11.872
$1,000-4,999	735	1,245	17.109	28.980
$5,000-9,999	368	1,613	8.566	37.547
$10,000-24,999	629	2,242	14.642	52.188
$25,000-49,999	661	2,903	15.386	67.574
$50,000-99,999	762	3,665	17.737	85.312
$100,000-199,999	432	4,097	10.056	95.368
$200,000-499,999	158	4,255	13.678	99.046
$500,000-999,999	30	4,285	10.698	99.744
$1,000,000 and over	11	4,296	0.256	100.000

*Includes imputed value of employer-based pension.
Source: President's Commission on Pension Policy Household Survey, 1979-80.

extremely important. Of net wealth, home equity, liquid assets, and investment assets compose 56 percent of the family's portfolio. These proportions change substantially over the age cohorts due to both portfolio choice and the historical development of pension legislation.

TABLE 4

AVERAGE U.S. ASSET HOLDING BY TYPE, SEPTEMBER 1979

Item	Mean	Percent of Net Wealth	Standard Deviation
Home Equity*	16,963	31	30,130
Personal Property	8,723	16	23,892
Vehicles	4,309	8	37,137
Business Assets**	7,202	13	53,415
Liquid Assets	4,190	8	12,979
Investment Assets	10,782	20	38,648
Retirement Assets***	3,281	6	14,774
Miscellaneous	1,322	2	16,379
Total Liabilitiies	11,280	—	45,092
Total Assets	65,236	—	126,821
Net Wealth	53,956	—	113,586

*House value minus mortgage.
**Total business assets minus debts.
***Retirement assets include imputed value of employer-based pensions, IRA's, Keogh plans, and annuities.
Sources: President's Commission on Pension Policy Household Survey, 1979-80.

In Table 5, the average asset holdings by type for the owners of a particular asset are depicted. Ownership of these wealth items varies greatly in the sample. For owners the average family home equity is $35,341, and retirement assets

increase to $11,542. Thus, owning a home or a right in a pension makes a substantial contribution to net wealth. The inclusion of a retirement asset based on private pension rights is a critical component of portfolios and has a dramatic effect on both the level of wealth and its distribution.

TABLE 5

AVERAGE ASSET HOLDINGS BY TYPE FOR THOSE HOLDING THAT PARTICULAR ASSET TYPE, SEPTEMBER 1979

Item	Mean	Standard Deviation	*N*
Home Equity*	$35,341	$35,243	$2,062
Personal Property	8,923	24,127	4,200
Vehicles	5,774	42,892	3,206
Business Assets (Net)**	64,862	148,312	477
Liquid Assets	4,190	12,979	4,296
Investment Assets	21,084	52,001	2,197
Retirement Assets***	11,542	25,941	1,221
Miscellaneous	10,419	44,980	545

*House value minus mortgage.

**Total business assets minus debts.

***Retirement assets included imputed value of employer based pensions, IRA's, Keogh plans, and annuities.

Source: President's Commission on Pension Policy Household Survey, 1979-80.

In Table 6, U.S. net wealth is disaggregated into eight major components and distributed across age groups. We have also included a ninth component, total liabilities. There are major differences in the forms of wealth held by families as shown in the table. For each component, the mean value in the family, the percentage of net wealth, and percent of families owning a particular asset varies substantially. The table also illustrates the changes that portfolios undergo through a cross-section of wealth holders of different age groups.

Defined as the current market value of home minus mortagage debt, home equity is the largest component of net wealth, representing 31.4 percent. Equity in a home is reported by 48.0 percent of the families. Over successive age cohorts, the value of home equity rises and falls. Among the 45 to 54 year olds the value peaks at $30,734 and nearly 71 percent own a home. For the 65 and older age group, home equity declines to $23,883 while the percent that own a home declines to 64 percent. In the face of declines in both the average and percent of ownership, home equity increases as a percentage of net wealth for the 65 and older family. The liability portion of home equity is substantially lower in the 65 and older group as compared to the 45 to 54 group.

Personal property represents the value of the contents of the home including jewelry valued at over $200. For this asset, the imputation rate was quite high at 16 percent. As a result, most families, 98 percent, had personal property, representing the third largest holding. On average, families hold 16 percent of their net wealth in this asset. The mean value of $8,723 indicates the importance of these consumer durables which were neglected in the 1962 Survey of Financial Characteristics of Consumers. Personal property has an interesting pattern across age

TABLE 6

U.S. NET WEALTH BY TYPE AND AGE, SEPTEMBER 1979

Item	Age of Head					Total
	Under 35	35-44	45-54	55-64	65+	
Home Equity*						
Mean Value	$5,447	$23,358	$30,734	$29,943	$23,883	$16,963
% of net wealth	19.4	33	34.7	35.1	38.6	31.4
% ownership	25.5	64.3	70.8	70.1	63.7	48.0
Personal Property						
Mean Value	6,913	10,032	11,794	10,710	8,762	8,723
% of net wealth	24.6	14.2	13.3	12.5	14.1	16.1
% ownership	96.2	99.4	99.3	98.8	98.7	97.8
Vehicles						
Mean Value	4,118	4,989	6,058	4,592	2,477	4,309
% of net wealth	14.7	7.0	6.8	5.4	4.0	7.9
% ownership	71.6	85.3	86.8	77.0	61.0	74.6
Business Equity**						
Mean Value	2,844	14,550	11,634	8,926	8,075	7,202
% of net wealth	10.1	20.5	13.1	10.5	13.0	13.3
% ownership	6.5	17.5	18.1	15.2	9.4	11.1
Liquid Assets						
Mean Value	1,658	3,496	6,390	7,119	8,479	4,190
% of net wealth	5.9	4.9	7.2	8.3	13.7	7.7
% ownership	100.0	100.0	100.0	100.0	100.0	100.0
Investment Assets						
Mean Value	8,369	14,138	15,792	11,605	9,873	10,782
% of net wealth	29.8	20.0	17.8	13.6	15.9	19.9
% ownership	42.0	56.3	61.1	61.8	56.9	51.1
Retirement Assets***						
Mean Value	1,127	2,846	7,229	10,327	1,354	3,281
% of net wealth	4.0	4.0	8.2	12.1	2.2	6.1
% ownership	21.6	39.6	46.6	49.1	6.0	28.4
Misc. Assets						
Mean Value	576	1,262	1,924	3,912	1,109	1,322
% of net wealth	2.1	1.8	2.2	4.6	1.8	2.5
% ownership	14.1	12.2	12.7	11.7	9.4	12.7
Total Liabilities						
Mean Value	10,244	19,050	18,228	7,772	3,440	11,280
% of net wealth	36.5	26.9	20.6	9.1	5.6	20.9
% ownership	67.7	80.1	74.8	62.2	35.4	65.0

*House value minus mortgage.

**Total business assets minus debts.

***Retirement assets include imputed value of employer-based pensions, IRA's, Keogh plans, and annuities.

Source: President's Commission on Pension Policy Household Survey, 1979-80.

cohorts. For those under 35, it represents about 25 percent of net wealth, but ranges from 12 to 14 percent in older age groups.

Vehicles include the value of passenger cars, trucks, vans, pick-up trucks, campers, recreational vehicles, trailers, motorcycles, boats, and airplanes. About 75 percent of the families owned one or more of the above. The mean value was $4,309, and this represented about 8 percent of a family's net wealth. Similar to the personal property patterns, families with a head under 35 hold relatively

more of their net wealth (15 percent) in this component than other age groups. The lowest percentage of ownership for vehicles is in the 65 and older families where income and health limitations probably play an important role.

Business equity is the value of business assets minus debt. It is the fourth most important holding in net wealth after home personal property and investment assets. The mean value is $7,202, and this is 13 percent of the value of net wealth. Only 11 percent of families hold any business equity at all. The percentage of holders peak in the 45 to 54 age group at 18 percent, and then steadily declines.

Liquid assets include the balances in saving and checking accounts, U.S. savings bonds, money market funds, and cash on hand. Savings accounts were imputed in 34 percent of the family units, significantly higher than any other asset item. As a result of the widespread ownership of liquid assets, we observe a 100 percent ownership rate. The mean value is $4,190 and this is 8 percent of the families' wealth portfolio. An interesting pattern emerges as one moves through the age cohorts. There is a steady increase in the percentage of net wealth for liquid assets in family portfolios. This shift occurs even though net wealth decreases in the 65 and older age cohort as compared to younger cohorts.

Investment assets consist of stocks, futures contracts, stock "puts and calls," employer stock options, employer savings plans, investment bonds, and the net cash value of life insurance. The mean value is $10,782 which represents 20 percent of net wealth. About 51 percent held investment assets. An important role is played by the net value of life insurance which was not available for analysis in the Survey of Financial Characteristics of Consumers. The mean value was $7,147 for all family units.

Investment assets decline in importance through the life cycle. This effect is principally due to the decline in net life insurance value which is greater than the overall shift into the remaining investment assets. Combining investment and liquid net wealth in the 65 and older age group, the total is $18,352 and this makes up about 30 percent of the cohort's net wealth. The third leg of the three-legged stool of retirement income (social security, private pensions, and individual savings) is rather short due to the lack of ownership of investment wealth by 43 percent of the 65 and older age cohort.

Retirement assets consist of the present value of all private and public pensions, IRAs, Keoghs, and annuities. We present data that is close to the household's understanding of the value of these assets on the given interview day. That is to say, it is an estimate of currently accrued employee benefits for which one would expect to receive a benefit if one retires in the future or if one were eligible and could retire now. Other calculations could be made with other criteria. Another feasible criterion would be the expected pension if one continued working for that employer, had normal wage growth, complete vesting, and retired at age 65. Since this latter calculation is hardly relevant for most of the sample, we did not do it. The household's valuation has precedence in this paper because of the overriding research concern on household behavior. Values in this category also are dependent on the appropriate discount rate and mortality assumptions. For these data, the discount rate is set at 7 percent for private pensions and 3 percent for public pensions, an expected retirement age is used, and the expected death rate is contingent upon current age in the life table. As

a result of the calculations, the mean value of retirement assets for families is $3,281, and this represents 6 percent of net wealth.

Across the various age cohorts, there is a fairly stable and comprehensible structure. For those under 45, retirement assets are a rather small part of net wealth. In the 45 to 54 age cohort, there is a significant increase in the percentage of net wealth consisting of pensions and the percentage peaks in the 55 to 64 age cohort. The 65 and older age cohort has only 2.2 percent of their wealth in the form of pensions and the ownership rate plummets to 6.0 percent. The explanation for such low ownership and pension wealth lies in a number of reasons: (1) the Employment Retirement Income Security Act (ERISA) did not help these age cohorts; (2) the survivors tend to be widows who did not work or do not have a survivor's pension; (3) their work history was over and pension benefit value was cut by the 1970s inflation.

One could view liquid assets and investment assets as close to the popular concept of private savings. Combining these with retirement assets one achieves a more complete picture of wealth in the portfolio available for income support. Naturally, all sources of wealth could be included, but public debate usually focuses on employer pensions and personal savings and investments. For the sample as a whole, 34 percent of all net wealth is in these three components. For those aged 65 and over, these are 32 percent of net wealth. Unfortunately the distribution seems to be very skewed with large numbers reporting no investment or pension assets. This is a serious social problem if an adequate and secure retirement is to be obtained for the current older age cohorts. Further, we still do not know how the expansion of pensions in the future will shape the distribution of wealth through the effects of pension legislation and labor market conditions.

Miscellaneous assets consist of investment and liquid assets not accounted for after probing specifically for these. In addition, debt to others and debt owed to the family members are added. The mean value is $1,322, and this is 2.5 percent of family net wealth.

Total liabilities include mortgage debt on homes and other property debt in properties from limited partnerships and debts to others. As a percentage of net wealth, liabilities are a significant proportion that decline through the age cohorts. For those under 35, liabilities are 37 percent of net wealth and this declines to 6 percent in the 65 and older age cohort. In part, this is due to owning a home free and clear of a mortgage, but there are market factors that restrain the incurring of liabilities. The elderly may also perceive risks in declining health and functional capability that lead to a reduction in desired liabilities.

IV. Summary

The President's Commission on Pension Policy Household Survey is a rich source of data on wealth and income. The nonresponse rate was quite high across the two waves, but it is much lower for the first wave done in 1979. Sample selection bias will always be a threat in the utilization of these data and unfortunately, there was no followup on nonrespondents. However, the data will be useful for examining a number of hypotheses with regard to wealth. It may even

be possible to patch together a sample for a saving study although it will not be representative for the nation.

Retirement wealth, including private pensions, is a most important aspect of net wealth portfolios. In the under 35 age cohort, retirement wealth amounts to 4.0 percent of net wealth and in the 55 to 64 age cohort, retirement wealth peaks at 12.1 percent of net wealth. The percentage then dramatically declines to 4.6 percent for those greater than 65 years of age due to their historical experience under pension legislation. While historical experience should dominate the level of retirement wealth for this cohort, retirement wealth would naturally decline in older age cohorts as one approaches death. The two effects are not recognized in most studies.

Since pensions are important, there will be changes in individual portfolios as the private pension system grows. This reallocation of portfolios has critical implications for the future of capital accumulation, the distribution of capital across industries and of durable goods across households. A majority of pension portfolios are now controlled by third parties with a potentially different set of preferences than beneficiaries. It will not be a trivial exercise to determine how the allocation of capital will be affected by this process. This factor, of course, has been recognized from the sheer growth of pension trust assets; however, with this growth comes a dramatic shift in portfolio composition at the individual level of analysis. It would be remarkable indeed if individuals were capable of undoing any undesirable portfolio allocation under an individual's accumulation of pension wealth so that portfolio allocation would remain neutral to changes in pension policies.

Private pensions will also be a critical component in the redistribution of lifetime income, and hence, wealth. The distribution of pension wealth and tax incentives will continue to be an important point of research. Labor supply studies will also need to adjust behavioral models in light of the importance of pensions in compensation, job change decisions, and retirement decisions.

Pension wealth as defined here may be biased upward. Since pensions are not fungible, they may serve as an imperfect substitute for wealth. The appropriate valuation factor can only be determined after careful econometric analysis. For example, in Canada Dicks-Mireaux and King (1982) find a dollar of pension wealth is really worth 23 cents to the individual in a net wealth regression study. Similarly, Friedland (1983) finds that pension wealth is an imperfect substitute for other forms of wealth in middle age households, headed by a single male and by couples, but not households headed by single females. Non-retirement net wealth could be lowered by as much as $18,000 over the lifetime of single male headed households and by $12,000 for couples. However, pension wealth may increase lifetime retirement net wealth by over $9,000 for households headed by single females. Friedland also finds that whether or not the pension is vested has a tremendous impact on single male headed households, no influence on single female headed households, and mixed results on couples.

These wealth patterns are subject to change in the future. Older age cohorts should experience an expansion in pension wealth ownership as a result of ERISA. For those age 65 and over, the number who retire with a pension will increase, but just how many is subject to controversy. Nevertheless, this penetra-

tion of pensions into portfolios will be an important economic change. Current policy debates need to focus on the expansion of private pensions and their level in the household's portfolio. Research on real economic effects on savings, economic growth, equity, and efficiency must be continued.

Finally, the collection and analysis of individual and family wealth data is virtually ignored when one compares the frequency with that of income studies. Over the past 20 years only two studies of individual wealth holding have been completed. Recently, the Survey of Income and Program Participation which includes a net wealth component has been under way. Another Survey of Financial Characteristics is being sponsored by the Federal Reserve Board. The paucity of wealth studies is quite peculiar since economic theory emphasizes the importance of wealth, its distribution and allocation in the process of capital accumulation and the growth of the economy. In the market-oriented economy of the U.S., the current lack of wealth data and an ongoing wealth data collection program will severely limit the study of appropriate policies. This is especially true in financial markets that have undergone great technical and institutional change over the last decade so that individuals are holding their wealth in so many different instruments and institutions.

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APPENDIX A

The wealth data can be found on the MERGFAM tape of the Household Survey with the exception of our pension wealth construct. The data dictionary, which accompanies the Survey, defines the variable and provides a reference to the source of the data in the questionnaire. The following is a list of variables used from this tape to create the tables in the text and appendix A.

COMPONENTS OF NET WEALTH

Home Equity
VALUHOME
MORTDEBT

Personal Property
CONTENTV
JEWELRY

Vehicles
VALUPASS
VALUOVEH
VALUBOAT

Business Assets
LTDPRE
DEBTLPRE
GPARTNER
LTDPNORE
VALUPROP
MORTOTHR

Liquid Assets
CASH
MMARKET
SAVINGS
SAVEBOND

Investment Assets
VAOPTION
BONDS
ESAVING
FUTURES
LIFECASH
LIFEBRRW
STOCKS
NOTES

Miscellaneous Assets
MISCASST
DEBTTO

Total Liabilities
MORTDEBT
MORTOTHR
DEBTLPRE
DEBTOWED

TABLE A1

SIZE OF NET WORTH, SEPTEMBER 1979
(Percentage Distribution of Households)

Age of Head	Negative	Zero	$1-999	$1,000-4,999	$5,000-9,999	$10,000-24,999	$25,000-49,999	$50,000-99,999	$100,000-199,999	$200,000-499,999	$500,000-999,999	$1,000,000 and over
All	3.3	0.02	8.5	17.1	8.6	14.6	15.4	17.7	10.1	3.7	0.70	0.26
Under 35	5.3	0.05	13.5	23.1	11.2	17.1	12.7	11.3	4.3	1.1	0.20	0.10
35 to 44	2.5	*	6.4	11.4	7.0	12.5	17.7	21.1	15.5	4.2	1.3	0.31
45 to 54	2.2	*	3.3	8.7	4.7	11.6	16.2	25.0	20.0	6.5	1.3	0.54
55 to 64	1.0	*	5.1	9.3	5.3	12.3	17.0	24.2	15.8	8.3	1.2	0.40
65 and over	0.94	*	2.4	17.9	7.7	13.7	19.3	22.8	9.1	5.0	0.79	0.31

TABLE A2

SIZE OF TOTAL WEALTH, SEPTEMBER 1979
(Percentage Distribution of Households)

Age of Head	Negative	Zero	$1-999	$1,000-4,999	$5,000-9,999	$10,000-24,999	$25,000-49,999	$50,000-99,999	$100,000-199,999	$200,000-499,999	$500,000-999,999	$1,000,000 and over
All	*	*	8.0	17.2	8.7	13.1	13.3	20.3	13.7	4.7	0.82	0.33
Under 35	*	*	13.4	22.9	11.7	16.1	10.6	15.1	8.1	1.7	0.25	0.15
35 to 44	*	*	4.9	11.6	7.2	9.5	11.9	23.9	23.5	5.6	1.4	0.47
45 to 54	*	*	2.7	8.7	5.3	8.2	14.0	26.5	23.2	9.1	1.6	0.73
55 to 64	*	*	4.4	9.9	4.6	10.3	17.4	24.6	17.6	9.5	1.4	0.40
65 and over	*	*	2.0	18.4	7.2	13.8	18.9	23.7	9.7	5.0	0.79	0.31

TABLE A3

SIZE OF EQUITY IN LIQUID AND INVESTMENT ASSETS, SEPTEMBER 1979
(Percentage Distribution of Households)

Age of Head	Negative	Zero	$1-999	$1,000-4,999	$5,000-9,999	$10,000-24,999	$25,000-49,999	$50,000-99,999	$100,000-199,999	$200,000-499,999	$500,000-999,999	$1,000,000 and over
All	*	*	35.6	23.4	10.6	15.0	8.1	4.9	1.5	0.75	0.12	0.02
Under 35	*	*	49.1	19.5	7.4	13.1	6.5	3.2	0.56	0.51	0.05	*
35 to 44	*	*	33.6	18.8	11.3	18.2	9.4	5.9	1.6	1.1	0.16	*
45 to 54	*	*	25.6	19.8	13.1	18.7	11.4	8.0	2.0	0.91	0.54	*
55 to 64	*	*	22.8	26.9	13.5	16.6	10.3	5.5	3.6	0.79	*	*
65 and over	*	*	14.6	40.6	15.4	13.4	6.9	6.0	2.0	0.94	*	0.16

TABLE A4

SIZE OF LIQUID ASSETS, SEPTEMBER 1979
(Percentage Distribution of Households)

Age of Head	Negative	Zero	$1-999	$1,000-4,999	$5,000-9,999	$10,000-24,999	$25,000-49,999	$50,000-99,999	$100,000-199,999	$200,000-499,999	$500,000-999,999	$1,000,000 and over
All	*	*	52.7	30.4	8.5	5.1	1.9	1.1	0.26	0.12	*	*
Under 35	*	*	69.9	23.2	4.5	1.7	0.46	0.25	0.05	*	*	*
35 to 44	*	*	53.7	29.4	10.2	4.5	0.94	0.94	0.31	*	*	*
45 to 54	*	*	39.6	33.8	13.6	8.3	2.4	1.6	0.36	0.36	*	*
55 to 64	*	*	34.5	36.4	12.7	9.1	5.3	1.2	0.59	0.20	*	*
65 and over	*	*	24.2	45.8	11.5	10.2	3.9	3.6	0.47	0.31	*	*

TABLE A5

SIZE OF STOCKS, SEPTEMBER 1979
(Percentage Distribution of Households)

Age of Head	Negative	Zero	$1-999	$1,000-4,999	$5,000-9,999	$10,000-24,999	$25,000-49,999	$50,000-99,999	$100,000-199,999	$200,000-499,999	$500,000-999,999	$1,000,000 and over
All	*	87.9	3.7	3.9	1.7	1.3	0.84	0.44	0.19	0.12	0.02	*
Under 35	*	92.0	4.1	2.5	0.56	0.31	0.36	0.15	*	*	*	*
35 to 44	*	86.4	4.4	4.7	1.6	1.1	1.4	0.16	0.16	0.16	*	*
45 to 54	*	80.4	4.0	7.6	3.4	2.0	0.91	0.91	0.36	0.18	0.18	*
55 to 64	*	85.0	2.6	4.2	2.2	3.8	1.4	0.20	0.40	0.40	*	*
65 and over	*	85.5	2.0	4.1	3.3	1.7	1.3	1.4	0.47	0.16	*	*

TABLE A6

SIZE OF DEBT, SEPTEMBER 1979
(Percentage Distribution of Households)

Age of Head	Negative	Zero	$1-999	$1,000-4,999	$5,000-9,999	$10,000-24,999	$25,000-49,999	$50,000-99,999	$100,000-199,999	$200,000-499,999	$500,000-999,999	$1,000,000 and over
All	*	35.0	15.9	14.0	7.8	12.9	10.2	3.1	0.79	0.23	0.02	0.05
Under 35	*	32.3	18.9	17.3	6.8	9.7	11.1	3.1	0.61	0.20	0.05	*
35 to 44	*	19.9	11.4	11.7	8.6	20.5	18.8	6.7	1.9	0.47	*	*
45 to 54	*	25.2	9.1	12.3	12.3	22.5	12.7	4.2	1.3	0.18	*	0.18
55 to 64	*	37.8	14.5	14.9	11.1	15.4	4.4	0.99	0.59	0.40	*	*
65 and over	*	64.6	18.6	7.2	3.6	4.7	0.94	0.16	*	*	*	0.16

TABLE A7

SIZE OF PERSONAL DEBT, SEPTEMBER 1979
(Percentage Distribution of Households)

Age of Head	Negative	Zero	$1-999	$1,000-4,999	$5,000-9,999	$10,000-24,999	$25,000-49,999	$50,000-99,999	$100,000-199,999	$200,000-499,999	$500,00t-999,999	$1,000,000 and over
All	*	35.0	16.0	14.0	7.8	12.9	10.1	3.0	0.79	0.21	0.02	0.02
Under 35	*	32.3	19.0	17.2	6.8	9.6	11.1	3.1	0.61	0.15	0.05	*
35 to 44	*	19.9	11.6	11.6	8.6	20.5	18.8	6.7	1.9	0.47	*	*
45 to 54	*	25.2	9.1	12.3	12.5	22.7	12.7	4.0	1.3	0.18	*	*
55 to 64	*	37.8	14.5	15.1	11.1	15.6	4.2	0.79	0.59	0.40	*	*
65 and over	*	64.8	18.6	7.2	3.6	4.7	0.79	0.16	*	*	*	0.16

TABLE

COMPOSITION OF NET WEALTH BY

Group Characteristic	Home Equity	Recreational Vehicle	Business or Profession (Farm & Nonfarm)	Portfolio of Liquid & Investment Assets: All	Liquid Assets	Investment Assets	Personal Property	Retirement Assets	Miscellaneous Assets
	a. Percentage of Group having Equity in Specified Assets—Consumer Units Grouped by Various Characteristics								
All units	48	75	11	100	100	51	98	28	13
Size of net wealth:									
$1-999	0	13	0	100	100	2	82	1	6
$1,000-4,999	1	51	0.1	100	100	17	98	7	11
$5,000-9,999	10	71	1	100	100	37	99	12	10
$10,000-24,999	25	78	4	100	100	54	99	21	15
$25,000-49,999	66	82	6	100	100	57	99	33	9
$50,000-99,999	84	93	12	100	100	67	100	41	11
$100,000-199,999	90	97	26	100	100	84	100	56	17
$200,000-499,999	90	96	59	100	100	90	100	55	29
$500,000-999,999	77	94	80	100	100	83	100	49	34
$1,000,000 and over	79	93	86	100	100	93	100	43	50
Age of head:									
Under 35	25	72	7	100	100	42	96	22	14
35 to 44	64	85	18	100	100	56	99	40	12
45 to 54	70	87	18	100	100	61	99	47	13
55 to 64	70	77	15	100	100	62	99	49	12
65 and over	64	61	91	100	100	57	99	6	9
Head under 35	25	72	7	100	100	42	96	22	14
Size of net wealth:									
$1-999	0	14	0	100	100	2	79	1	6
$1,000-4,999	0.2	58	0.2	100	100	14	97	8	14
$5,000-9,999	4	80	2	100	100	38	100	12	14
$10,000-24,999	8	84	3	100	100	58	99	24	19
$25,000-49,999	45	88	6	100	100	59	99	35	12
$50,000-99,999	71	96	12	100	100	68	100	39	15
$100,000-199,999	79	95	25	100	100	81	100	48	18
$200,000-499,999	65	88	56	100	100	79	100	38	29
$500,000-999,999	80	100	80	100	100	80	100	40	20
$1,000,000 and over	33	100	33	100	100	67	100	33	33
Head 35-44	64	85	18	100	100	56	99	40	12
Size of net wealth:									
$1-999	0	23	0	100	100	0	97	3	0
$1,000-4,999	1	54	0	100	100	8	100	8	11
$5,000-9,999	13	76	0	100	100	24	98	15	9
$10,000-24,999	30	84	7	100	100	44	100	21	8
$25,000-49,999	83	89	8	100	100	57	99	46	9
$50,000-99,999	88	97	14	100	100	64	100	49	9
$100,000-199,999	94	99	33	100	100	87	99	58	17
$200,000-499,999	94	100	58	100	100	92	100	56	25
$500,000-999,999	67	100	89	100	100	89	100	78	44
$1,000,000 and over	100	100	100	100	100	100	100	67	67

A8

TYPE AND AGE, SEPTEMBER, 1979

Net Wealth	Home Equity	Rec-reational Vehicle	Business Equity	Portfolio of Liquid & Investment Assets: All	Liquid Assets	Invest-ment Assets	Personal Property	Retire-ment Assets	Miscel-laneous Assets
	b. Mean Amount (in dollars) of Equity in Specified Assets for All Units in Group.								
53,956	16,963	4,309	7,202	14,972	4,190	10,782	8,723	3,281	1,321
507	10	242	0	400	233	167	491	2	13
2,564	55	890	−0.27	926	586	340	1,419	24	52
7,185	937	1,832	85	2,578	1,231	1,347	2,996	142	169
16,699	4,273	2,419	385	5,993	1,751	4,242	4,741	762	227
36,975	15,474	3,522	1,076	8,774	2,623	6,151	7,627	2,415	377
71,320	30,375	4,891	3,306	17,398	5,081	12,318	13,155	4,108	824
136,741	49,550	7,505	11,500	35,845	10,361	25,484	21,446	11,190	2,549
293,740	69,414	8,834	59,550	96,854	28,353	68,501	34,696	21,379	6,697
633,946	80,698	63,999	226,051	203,664	30,309	173,354	20,642	17,815	31,842
1,436,603	137,091	210,828	592,323	242,132	35,386	206,746	125,066	4,074	128,318
28,100	5,447	4,118	2,844	10,027	1,658	8,369	6,913	1,127	576
70,843	23,358	4,989	14,550	17,633	3,496	14,138	10,032	2,846	1,262
88,556	30,734	6,058	11,634	22,182	6,390	15,792	11,794	7,229	1,924
85,372	29,943	4,592	8,926	18,724	7,119	11,605	10,710	10,327	3,912
61,957	23,883	2,477	8,075	18,352	8,479	9,873	8,762	1,354	1,109
28,100	5,447	4,118	2,844	10,027	1,658	8,369	6,913	1,127	576
464	−42	217	0	230	185	45	420	1.4	12
2,578	43	1,196	0	843	528	315	1,482	26	58
7,175	542	2,215	138	2,632	1,135	1,497	3,105	124	206
16,470	2,115	2,854	313	7,121	1,523	5,598	5,351	677	328
36,707	10,774	4,318	1,485	11,202	2,264	8,937	9,297	2,467	538
69,865	18,531	5,929	3,386	25,295	4,127	21,167	16,846	2,733	585
128,258	28,119	8,092	18,104	42,886	4,529	38,357	25,702	8,337	454
317,835	16,970	11,785	93,935	152,589	12,431	140,157	32,958	569	13,935
589,989	105,138	8,625	204,063	218,416	7,443	210,973	10,375	659	85,588
1,661,586	0	1,103,250	0	9,989	454	9,535	556,000	97	0
70,843	23,358	4,989	14,550	17,633	3,496	14,138	10,032	2,846	1,262
528	0	630	0	274	247	27	730	3	27
2,439	82	603	0	648	448	199	1,627	54	95
7,054	1,393	2,278	0	2,111	917	1,194	3,299	51	140
17,107	6,634	3,173	898	4,844	1,263	3,581	4,997	374	94
36,640	17,868	4,779	1,065	8,014	1,474	6,541	7,455	998	51
72,298	33,167	6,014	5,466	16,207	3,247	12,961	11,591	3,458	390
134,880	51,538	9,502	14,131	32,549	7,067	25,482	19,869	8,205	2,636
281,840	63,010	10,470	67,186	100,026	21,056	78,971	33,192	11,280	2,645
644,054	58,736	11,381	360,573	158,057	18,206	139,851	23,813	8,367	40,963
1,730,218	241,000	15,750	1,137,000	219,788	12,038	207,750	85,000	9,180	32,500

Group Characteristic	Home Equity	Recreational Vehicle	Business or Profession (Farm & Nonfarm)	Portfolio of Liquid & Investment Assets: All	Liquid Assets	Investment Assets	Personal Property	Retirement Assets	Miscellaneous Assets
	a. Percentage of Group having Equity in Specified Assets—Consumer Units Grouped by Various Characteristics								
Head 45-54	70	87	18	100	100	61	99	47	13
Size of net wealth:									
$1-999	0	13	0	100	100	0	93	0	7
$1,000-4,990	2	28	0	100	100	28	100	6	6
$5,000-9,999	17	69	0	100	100	31	100	21	7
$10,000-24,999	40	78	2	100	100	56	98	29	4
$25,000-49,999	66	86	9	100	100	51	100	38	4
$50,000-99,999	91	97	12	100	100	66	99	56	10
$100,000-199,999	95	99	26	100	100	81	100	64	18
$200,000-499,999	96	96	62	100	100	94	100	72	34
$500,000-999,999	67	89	67	100	100	78	100	22	44
$1,000,000 and over	100	100	100	100	100	100	100	50	50
Head 55-64	70	77	15	100	100	62	99	49	12
Size of net wealth:									
$1-999	0	0	0	100	100	5	91	0	9
$1,000-4,999	2	28	0	100	100	28	100	6	6
$5,000-9,999	17	39	0	100	100	48	100	17	0
$10,000-24,999	54	71	6	100	100	42	96	29	15
$25,000-49,999	74	83	6	100	100	51	98	50	7
$50,000-99,999	92	91	10	100	100	71	100	54	10
$100,000-199,999	96	97	22	100	100	88	100	82	11
$200,000-499,999	98	100	58	100	100	94	100	73	25
$500,000-999,999	100	100	86	100	100	86	100	86	43
$1,000,000 and over	100	100	100	100	100	100	100	50	100
Head 65 and over	64	61	91	100	100	57	99	6	9
Size of net wealth:									
$1-999	0	0	0	100	100	8	85	0	8
$1,000-4,999	3	28	0	100	100	30	97	0	7
$5,000-9,999	28	37	0	100	100	46	98	0	2
$10,000-24,999	59	53	7	100	100	52	99	0	9
$25,000-49,999	85	64	3	100	100	61	100	4	8
$50,000-99,999	93	81	11	100	100	68	100	11	7
$100,000-199,999	97	94	15	100	100	82	98	19	19
$200,000-499,999	91	91	56	100	100	84	100	16	28
$500,000-999,999	80	80	80	100	100	80	100	0	0
$1,000,000 and over	50	50	100	100	100	100	100	0	0

(continued)

Net Wealth	Home Equity	Recreational Vehicle	Business Equity	Portfolio of Liquid & Investment Assets: All	Liquid Assets	Investment Assets	Personal Property	Retirement Assets	Miscellaneous Assets
	b. Mean Amount (in dollars) of Equity in Specified Assets for All Units in Group								
88,556	30,734	6,058	11,634	22,182	6,390	15,792	11,794	7,229	1,924
739	833	147	0	2,999	443	2,556	1,333	0	3
2,650	129	536	0	763	471	292	1,628	3	8
7,103	2,265	1,433	0	1,878	759	1,120	2,615	503	119
17,051	6,680	2,650	166	4,681	1,442	2,238	4,492	1,016	94
37,195	17,235	3,090	1,381	6,192	1,866	4,325	6,988	3,543	272
72,758	34,517	5,805	1,774	12,883	4,180	8,703	13,369	6,454	1,470
140,553	55,352	7,370	11,588	33,172	9,705	23,467	20,963	13,166	2,356
296,754	79,879	13,442	64,486	80,554	29,727	50,827	28,968	28,378	6,001
656,266	38,571	89,957	122,929	347,274	43,719	303,555	26,186	31,205	745
1,111,119	301,667	14,871	525,017	154,212	62,045	92,167	3,333	3,353	108,667
85,372	29,943	4,592	8,926	18,724	7,119	11,605	10,710	10,327	3,912
667	0	54	0	448	402	47	341	2	11
2,590	15	420	0	1,175	662	513	1,390	29	51
7,171	1,328	367	20	3,293	2,186	1,107	2,407	12	59
17,203	7,554	1,123	323	3,588	1,763	1,825	2,750	2,526	202
36,886	17,266	2,646	828	6,275	2,805	3,471	5,668	6,029	335
71,720	34,789	4,084	3,801	13,436	5,565	7,871	10,301	7,044	482
142,386	54,491	6,929	6,412	33,086	13,480	19,606	19,436	20,715	3,703
294,194	83,202	6,466	43,206	76,983	24,931	52,052	36,373	43,547	6,466
637,563	131,417	95,639	174,199	130,255	50,747	79,508	19,079	41,059	46,667
1,115,353	3,800	14,250	408,250	126,765	24,965	101,800	9,750	8,100	510,250
61,957	23,883	2,477	8,075	18,352	8,479	9,873	8,762	1,354	1,109
652	0	730	0	570	504	67	348	0	1
2,535	72	204	−2	1,399	922	477	963	0	15
7,171	1,328	367	20	3,293	2,186	1,107	2,407	12	59
16,588	6,327	797	397	5,369	3,298	2,071	3,750	0	75
36,886	20,302	1,675	207	8,152	4,829	3,323	6,226	267	454
70,934	38,253	2,064	2,217	14,047	8,697	5,351	11,158	2,113	1,267
137,330	59,748	4,284	4,181	40,023	21,472	18,551	19,824	5,348	4,244
283,980	79,362	3,439	46,441	102,120	47,904	54,116	41,347	6,586	6,454
617,350	94,400	118,180	235,000	151,870	24,670	127,200	17,900	0	0
1,727,481	22,500	4,000	925,000	743,867	64,100	679,767	32,114	0	0

APPENDIX B

In producing the public use tapes, SRI edited the asset values whenever appropriate in one of three ways. Coding errors were corrected. Ordinary least-squares regressions were run for those observations with valid responses to determine parameters to predict missing values. Finally if there were less than 20 observations when running the regression a geographical mean value was used (usually the Big Block mean). Flags were then coded designating the type of editing, if any, to allow the user the option of excluding particular types of editing. The following table lists the percentage of observations for which any editing occurred for each asset type.

TABLE B1

FREQUENCY OF IMPUTATIONS BY ASSET TYPE

Asset	Percent Imputed
Home Value	2.35
Home Mortgage	1.79
Value of Contents of Home	16.09
Jewelry	1.33
Automobiles	2.89
Recreational Vehicles	0.63
Boats and Airplanes	0.09
Stock Options	0.89
Stock Futures	0.11
Stocks (common and preferred)	1.54
Bonds	0.28
Notes	0.07
Puts and Calls	0.39
Mutuals	0.28
Employer Savings Plans	0.83
Money Market Certificates	0.20
Patent and Mineral Rights	0.43
Savings Bonds	2.06
Cash	4.78
Savings Accounts	33.94
General Partnership	0.15
Limited Partnership	0.13
Property Limited Partnership	0.17
Debt in Property Limited Partnership	0.07
IRA's and Keogh Accounts	0.41
Annuities	2.39
Debt (to others)	1.69
Debt (to family members)	0.26