

Disparities in Wealth Accumulation and Loss from the Great Recession and Beyond

Signe-Mary McKernan, Caroline Ratcliffe, Eugene Steuerle, and Sisi Zhang

Online Appendix

**Appendix Table A1: Estimates of the Effect of the Great Recession on Total Wealth
(standard errors in parentheses)**

	coefficient	percent change	coefficient	percent change	coefficient	percent change
Recession indicators						
2010	-0.335 *** (0.057)	-28.5	-0.297 *** (0.058)	-25.7	-0.298 *** (0.056)	-25.8
2001			0.125 *** (0.036)	13.3	0.119 *** (0.036)	12.7
1992			-0.12 ** (0.052)	-11.3	-0.124 ** (0.053)	-11.7
1983					0.099 (0.083)	10.5
Age						
Age	0.236 *** (0.014)	26.6	0.232 *** (0.013)	26.1	0.230 *** (0.012)	25.9
Age Squared	-0.002 *** (0.000)	-0.2	-0.001 *** (0.000)	-0.1	-0.001 *** (0.0001)	-0.1
Race/Ethnicity (omit: white)						
African American	-1.029 (0.641)	-64.3	-1.066 * (0.589)	-65.6	-0.781 (0.568)	-54.2
Hispanic	-0.793 (0.805)	-54.8	-0.700 (0.724)	-50.3	-0.503 (0.688)	-39.5
Other	-1.744 * (0.989)	-82.5	-0.492 (0.966)	-38.9	-0.634 (0.901)	-47.0
Family Composition (omit: married, no children)						
Married, children	0.728 ** (0.339)	107.1	0.794 ** (0.302)	121.2	0.691 ** (0.283)	99.6
Single, no children	0.330 (0.413)	39.1	0.572 (0.403)	77.2	0.453 (0.353)	57.3
Single, children	-1.280 * (0.723)	-72.2	-0.958 (0.695)	-61.6	-1.07 * (0.646)	-65.7
Education (omit: college plus)						
No high school degree	-0.113 (0.520)	-10.7	-0.141 (0.459)	-13.2	-0.481 (0.440)	-38.2
High school only	0.225 (0.467)	25.2	0.0216 (0.436)	2.2	-0.066 (0.417)	-6.4
Some college	-0.558 (0.628)	-42.8	-0.587 (0.578)	-44.4	-0.534 (0.548)	-41.4
Constant						
	5.32 *** (0.657)		5.385 (0.600)		5.553 *** (0.578)	
Observations (cohort-year)						
	128		128		140	

Source: 1989-2010 SCF (columns 1-4); 1983-2010 SCF (columns 5-6).

Notes: WLS coefficients with robust standard errors in parentheses. Percent change is calculated as $(\exp(\beta)-1)$, where β is the estimated coefficient. Models also include three-year birth cohort dummies.

*** significant at the 1 percent level

** significant at the 5 percent level

* significant at the 10 percent level

**Appendix Table A2: Estimates of the Effect of the Great Recession on Wealth Components,
by Birth Cohort and Race**

	Total Wealth		Non-Financial Assets			Financial Assets			Ln(other assets and debts)		
	Ln(wealth)	percent change	Ln(home equity)	percent change	Ln(business equity)	percent change	Ln(retirement)	percent change	Ln(non-retirement)	percent change	
	coefficient		coefficient		coefficient		coefficient		coefficient		
Panel A: Great Recession * Cohort											
Born 1967-75, age 35-43 in 2010	-0.635 *** (0.121)	-47.0	-0.866 *** (0.129)	-57.9	-0.936 *** (0.227)	-60.8	-0.284 *** (0.100)	-24.7	-0.250 (0.229)	-22.1 (1.585)	-2.816 * (-94.0)
Born 1958-66, age 44-52 in 2010	-0.232 *** (0.069)	-20.7	-0.472 *** (0.093)	-37.6	-0.0482 (0.137)	-4.7	-0.306 *** (0.083)	-26.4	-0.152 (0.101)	-14.1 (0.278)	-0.554 ** (-42.5)
Born 1949-1957 age 53-61 in 2010	-0.225 *** (0.055)	-20.1	-0.276 *** (0.069)	-24.1	-0.46 *** (0.117)	-36.9	-0.144 * (0.084)	-13.4	-0.205 ** (0.093)	-18.5 (0.233)	-0.170 (-15.6)
Born 1940-1948 age 62-70 in 2010	-0.275 *** (0.065)	-24.0	-0.321 *** (0.085)	-27.5	-0.345 *** (0.122)	-29.2	-0.027 (0.076)	-2.7	-0.329 *** (0.080)	-28.0 (0.197)	-0.267 (-23.4)
Born 1931-1939 age 71-79 in 2010	-0.33 *** (0.088)	-28.1	-0.413 *** (0.091)	-33.8	-0.277 (0.275)	-24.2	-0.276 * (0.156)	-24.1	-0.296 * (0.153)	-25.6 (0.223)	-0.391 * (-32.4)
Panel B: Great Recession * Race/Ethnicity											
White	-0.304 *** (0.060)	-26.2	-0.423 *** (0.062)	-34.5	-0.404 * (0.216)	-33.2	-0.198 ** (0.0932)	-18.0	-0.245 *** (0.063)	-21.7 (0.483)	-0.888 * (-58.9)
African American	-0.646 *** (0.126)	-47.6	-0.482 *** (0.162)	-38.2	0.568 (0.535)	76.5	-0.381 * (0.218)	-31.7	-0.634 *** (0.180)	-47.0 (0.567)	-1.094 * (-66.5)
Hispanic	-0.585 *** (0.168)	-44.3	-0.530 *** (0.167)	-41.1	-0.032 (0.701)	-3.1	-0.375 (0.434)	-31.3	-0.653 *** (0.232)	-48.0 (0.560)	0.201 (22.3)

Source: 1989-2010 SCF.

Notes: Cohort interaction models have 128 cohort-year observations; race/ethnicity models have 383 cohort-year-race observations. WLS coefficients with robust standard errors in parentheses. Percent change is calculated as $(\exp(\beta)-1)$, where β is the estimated coefficient. Models also control for age, age-squared, race and ethnicity, family composition, educational attainment, and three-year birth cohorts.

*** significant at the 1 percent level

** significant at the 5 percent level

* significant at the 10 percent level

Appendix Table A3: Summary Statistics

	<i>Mean</i>	<i>Standard Deviation</i>
<i>Log Wealth and Wealth Components</i>		
Ln(wealth)	12.82	0.79
Ln(home equity)	11.37	0.72
Ln(business equity)	11.26	0.82
Ln(retirement)	10.79	0.93
Ln(nonretirement)	11.51	0.85
Ln(other assets and debts)	10.65	1.26
<i>Age</i>		
Age	48.90	13.41
<i>Race/Ethnicity</i>		
White non-Hispanic	0.75	0.06
African American non-Hispanic	0.13	0.03
Hispanic	0.08	0.04
Other non-Hispanic	0.04	0.02
<i>Family Composition</i>		
Married, no children	0.26	0.15
Married, children	0.36	0.18
Single, no children	0.26	0.08
Single, children	0.12	0.05
<i>Education</i>		
No high school degree	0.15	0.08
High school only	0.32	0.04
Some college	0.18	0.04
College or more	0.36	0.07

Source: 1989-2010 SCF.

Notes: Data are weighted using SCF weights and all dollars are presented in 2010 dollars.