Appendix A

Additional Results

for

Intergenerational Transfers and the Prospects for Increasing Wealth Inequality

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Descriptive Results for HRS Data

Table A1 provides means and standard deviations for the two HRS cohorts we analyzed. Details of the coding of these variables are provided in the supplementary data appendix, also on this website as Appendix S.

[INSERT TABLE A1 ABOUT HERE]

Additional Models for the Growth of Wealth

To model this growth of wealth more completely, and to consider the degree to which household structure determines wealth (both substantively and as a matter of aggregation), Table A2 presents results from two specifications of an OLS regression model of wealth on household structure, race, participation in a defined benefit pension plan, and household earnings. For these models, the two cohorts of interest are modeled jointly, with the cohort variable referring to the younger cohort (i.e., wealth for 59 to 61 year-olds in 2000 instead of 59 to 61 year-olds in 1992). As shown by the associated standard errors for each of the models, sampling error is substantial even though the analysis sample includes a fairly large number of respondents. The large standard errors reflect the inherent variability of the dependent variable (and some reasonable but nonetheless extreme values; see note earlier). When we present robust quantile regressions later, sampling error will be less consequential and our inferences will be somewhat less hesitant.

[INSERT TABLE A2 ABOUT HERE]

For model 1 presented in Table A2, the estimated value for the intercept indicates that white respondents between the ages of 59 and 61 and living in coupled households in 1992 had total household net wealth equal to $390,673 on average. In combination with the cohort main effect of 165,399, the model indicates that in 2000 respondents between the ages of 59 and 61 and living in coupled in households had total household net wealth equal to $556,072 on average.[1]

As shown in the next four rows, in the older cohort households composed of white single respondents have substantially less wealth than coupled households. Rather than $390,673 on average, single male and single female households had $188,890 and $169,846, respectively, which, in each case, is less than half of the net wealth of individuals living in coupled households. This pattern is consistent with the literature on household differences, which recognizes both the economies of scale afforded by cohabitation and selection effects on entry into marriage and cohabitation..

The gender gap in wealth among whites living in single households, which equaled $19,044 for the older cohort, was larger for the younger cohort. White males in single households experienced a cohort increase in wealth of $509,470 (i.e., 165,399 for the

cohort main effect plus 344,071 for the white male single household by cohort interaction), whereas white females in single households experienced a much smaller cohort increase of only $18,104 (i.e., 165,399 – 147,295). These patterns are influenced by a few cases with substantial leverage (i.e., a never-married white male in 2000 had a total net wealth equal to 54.3 million dollars, which is by far the largest value of total net wealth in our sample). As a result, the standard error for the white male single household by cohort interaction is very large. Nonetheless, it may still be true that single white male households experienced larger gains in wealth than single white female households in the 1990s. The quantile regression models reported later inform this possibility.

In the next twelve rows of Table A2, wealth differences and trends therein for individuals who self-identify as black or as a race other than black or white are presented as departures from the wealth of whites living in coupled households.[2] In comparison with whites in coupled households in 1992, blacks in coupled households had only 27.2 percent of the net wealth of their white counterparts (i.e., (390,671 – 284,310) /390,671). By 2000, this comparison was little changed, with blacks in coupled households having wealth holdings equal to only 29.3 percent of the wealth of their white counterparts (i.e., (390,673+165,399 – 284,310 – 108,939)/ 390,673+165,399)). The very small relative gain is well within sampling error, but it is noteworthy that the unequal growth of wealth between whites and blacks ($165,399 versus $165,399 – $108,939, respectively) was less extreme than the initial relative race differences in stocks of wealth for the older cohort in 1992.

Black respondents living in single households had lower levels of wealth, on average, than their counterparts in living in coupled households. Furthermore, at only $44,695 and $39,675 for males and females respectively for the older cohort, these single black respondents had substantially lower levels of wealth, on average, than comparable white respondents living in single households. Although the coefficient of interaction term for cohort by black male respondent living in a single household is too large to allow for confident inference, the modest gender gap among black male and black female respondents may have reversed for the younger cohort. Nonetheless, the point estimates suggest that black males in single households experienced a cohort increase of $23,703to $68,398, whereas black females in single households experienced a cohort increase of $38,513 to $78,188.

The relatively small number of other-race respondents makes between-cohort comparisons very difficult. It appears that among other-race respondents living in coupled households, a sharp cohort relative decline in wealth is present (with the point estimates implying that that the difference in wealth between white and other-race wealth for coupled households increased tenfold from only $32,358 to $335,350). This is, however, somewhat misleading. The demographic profile of the other-race category changed substantially between cohorts which makes cohort comparisons somewhat misleading. Nonetheless, consistent with the findings for whites and blacks of the older cohort, respondents living in single households had considerably less wealth than those living in coupled households. This pattern within the other-race category is not present

for the younger cohort, but the point estimates for the interaction terms with the dummy variable for the younger cohort are accompanied by larger standard errors.

The specification for model 2 adds a dummy variable for whether or not individuals have a traditional defined benefit pension plan as well as a household earnings variable, both interacted with the dummy variable for the younger cohort.[3] The earnings variable is further interacted with dummy variables for single household status (without regard to self-identified race), which is then interacted with cohort status.

For this model, individuals from the older cohort who had defined benefit plans had relatively less wealth, and this relative deficit increased between cohorts. For household earnings, the positive and substantial main effect indicates that household earnings are a strong predictor of wealth in the older cohort in 1992 among those living in coupled households. For each $1000 of earnings, household wealth was higher by $4457. The interaction of this variable with the cohort dummy variable indicates that the relationship between earnings and wealth is substantially weaker for the younger cohort among individuals living in coupled households in 2000, at only $1,802 (i.e., 4457- 2655) of wealth for each $1000 of earnings. This difference likely reflects the growth of invested financial wealth for the younger cohort in the 1990s, as that process has interacted with early and phased retirement.

As with the overall wealth trends, there is a large disparity between individuals living in single households, with an especially divergent trend for men living in single households. For each 1,000 dollars of earnings, single male households in the older cohort had 2833 dollars of wealth (i.e., 4457 – 1624). For the younger cohort, single male households had $26,484 of wealth (i.e., 4457 – 2655 – 1624 +26,306) for each $1000 of earnings. This contrasts sharply with single female households who had on average $3218 and $2615 of wealth for each $1,000 of earnings in the older and younger cohorts, respectively. Again, this divergent pattern for single male households is, to a large degree, a function of a few influential cases. Our quantile regressions reported later are influenced less by these extreme cases.

Finally, the pattern of main effects for race and types of household are generally unaltered, except insofar as the differences between white and non-white respondents decline because some of the lower average wealth of non-white respondents is attributed by this model to their lower average household earnings. The point estimates for the single male household by cohort interactions are much larger for black and other raceother-race males, but this reflects the specification constraint that stipulates that the single male household by cohort by earnings interaction term does not vary by race.[4]

In general, therefore, it is clear from the models in Table A2 that, on average, wealth was larger for the younger cohort than for the older cohort. But, the inherent variability of the dependent variable, as well as some of the extreme values for the younger cohort documented earlier, cause a good deal of imprecision of estimates. Accordingly, it is unclear from these models whether or not the specific estimated trends (especially those for single male households) are influenced too substantially by the extreme values of

some individuals. Even more deeply, it is hard to know what to make of the associations between earnings and wealth, since labor market behavior and the timing of retirement are functions of wealth. Earnings are themselves endogenous in these models, and probably differentially so across types of households.

In order to estimate trends in wealth that are more robust to extreme values, and to model the growth of wealth inequality shown in the kernel density estimates presented earlier in Figures 1a through 1d of the main article, we next estimated a set of quantile regression models. Corresponding to Figure 1a through 1d, the four panels of Table A3 predict the 90^{th} percentile, the 80^{th} percentile, the median, and the 20^{th} percentile of total net wealth, using the same two specifications of predictor variables used for the regression models presented in Table A2.

[INSERT TABLE A3 ABOUT HERE]

Table A3 presents results in its first panel where the 90^{th} percentile of total net wealth in each cohort is predicted from household structure, race, type of retirement plan, and household earnings. For model 1, the intercept of 788,831 is an estimate of the 90^{th} percentile in 1992 of the total net wealth of whites living in coupled households. The cohort main effect indicates that the 90^{th} percentile of comparable respondents in the younger cohort in 2000 was higher by $327,169 for a value of $1,116,000. For white males and females living in single households, the 90^{th} percentile of wealth was on average lower in the older cohort and increased less substantially between cohorts. Likewise, black respondents had substantially lower 90^{th} percentiles of wealth, both for those living in coupled and single households, and the corresponding cohort increase in wealth was lower. For example, the 90^{th} percentile among blacks living in coupled households in the older cohort was $240,609 while the 90^{th} percentile among corresponding blacks in the older cohort was $415,001. Although not small in comparison to other parts of the distribution of wealth, these values are, nonetheless, well below the comparable values of $788,831 and $1,116,000 among whites. Finally, the patterns among other raceother-race respondents are erratic, with a sharp suggestive cohort decline among those in coupled households, with other groups apparently in between the bounds defined by the wealth levels of whites and blacks.

For model 1 in subsequent panels of Table A3, we repeat the quantile regression models for the 80^{th} percentile, the median, and the 20^{th} percentile. Before detailing the important race differences revealed in these models, a few general patterns stand out: (1) The quantile regressions for the 80^{th} percentile generally show the same pattern as those for the 90^{th} percentile, but with levels of wealth correspondingly smaller and a less divergent trend for other raceother-race respondents; (2) The quantile regressions for the median show a much less substantial cohort increase in wealth at the middle of the distribution, and the anomalous results for white single male households in the younger cohort are no longer as prominent (suggesting that these were indeed produced by the extreme values in the right tail of wealth); (3) The quantile regressions for the 20^{th} percentile reveal an even less consequential growth in wealth at the bottom of the distribution of wealth, and it appears that a decline in wealth is present for individuals in coupled households. In

general, the results show that wealth has increased between the cohorts, such that the younger cohort has more wealth on average than the older cohort. But, as shown earlier in Figures 1a through 1d, the growth in wealth is uneven, with the right tail of the distribution accumulating a disproportionate share of wealth.

A more careful inspection of the race differences revealed in the least three panels of Table A3 shows important patterns. Consider first the median regression presented in the third panel. The median white respondent in a coupled household in 1992 had net wealth holdings equal to $214,392. By 2000, a comparable respondent had wealth of $241,700, for which represents an a net increase of 12.7 percent. In comparison, the median black respondent in a coupled household in 1992 had wealth of only $75,736, which declined between cohorts by 4.1 percent to $72,600. It is these sorts of comparisons that have led others (see citations in the introduction) to note that the generalized growth of wealth has accentuated the racial stratification of the wealth distribution; not only does the right tail of the distribution among whites outpace that among blacks, the median black household is losing ground to the median white household.

For model 2 in Table A3, the results indicate that the patterns for defined benefit pension plans differ across the quantile estimated. Whereas a traditional pension plan was associated with lower levels of net wealth across the full distribution in the older cohort (though to a much greater extent in the right tail of the distribution), defined benefit pension plans were narrowly positively associated with wealth holding among the younger cohort, at least in the bottom half of the distribution of wealth. These findings are consistent with the literature on changes in pension coverage, in which the relatively advantaged net of earnings are also disproportionately likely to have been covered by traditional pension plans.

Finally, the household earnings variables predict the quantiles of the wealth distribution in mostly unsurprising ways. But, the decline across cohorts in the association between earnings and wealth is present only for the 90^{th} and 80^{th} percentile models, which supports arguments relating to the endogeneity of household earnings. Only those who have enough wealth to have found themselves at the top of the wealth distribution are likely to withdraw from the labor market to a degree substantial enough to erode the subpopulation-level relationship between earnings and wealth. The anomalous positive coefficient in the younger cohort for single male households is still present. It remains large for the 80^{th} and 90^{th} percentile regressions, suggesting that more than a few extreme values are contributing to the result. And, since there are only 121 white males living in single households in the HRS in the younger cohort, it does not take many extreme values to generate these coefficients. Thus, even though it is much smaller for the median prediction models, it is still rather substantial.

Taken together, the columns that report model 2 do not offer reason to qualify the basic growth of wealth conclusions already stated: There is more inequality of wealth among the younger cohort in 2000 than among the older cohort in 1992, both in the distribution as a whole and generally between white and black respondents.

Note also that consequences of demographic differences between white and black households are not revealed by the models in Tables A2 and A3 (as, for those models, the marginal distributions of household structure are irrelevant, except insofar as they impact the standard errors). The rate of living in a coupled household declined for all three race groups between the older and younger cohorts, from 79.6 percent to 73.0 percent for white respondents, from 49.0 percent to 45.9 percent for black respondents, and from 68.7 percent to 54.4 percent for other raceother-race respondents. The greatest decline is observed for other raceother-race respondents, but we interpret this as a reflection of change in the category itself.[5]

The trend aside, white respondents remained much more likely to reside in coupled households. Given the differences in wealth holding between coupled and single households presented in Tables A2 and A3, the gross differences between the wealth of white and black respondents reported in the literature is strongly related to these differences in household structure. Whites are more likely to be able to capitalize on the economies of scale afforded by living in coupled households (see Burkhauser and Weathers 2001).[6] We return to these demographic profiles later, when considering child- bearing differences that may be related to the intergenerational transfers that we analyze in the next section.

Alternative Models for Intergenerational Transfers

Inter Vivos Transfers. Alternative models for inter vivos transfers are presented in Tables A4 and A5, where Table A4 corresponds to Table 3 in the main article and Table A5 corresponds to Table 4 in the main article.

[INSERT TABLES A4 AND A5 ABOUT HERE]

In each panel of each table, model 1 is identical to model 1 in the main article. Models 2 and 3 differ for each panel of each table, as they include linear covariance adjustments for earnings and wealth separately, rather than only wealth (and rather than wealth only in a quintile-based coding that differs by cohort). The variables for household earnings and household wealth were centered around the mean household earnings and wealth of whites living in coupled households.

For the first panel of Table A4, model 2 shows that earnings were related to the amounts of transfers for the older cohort, but they were only modestly so. For the second panel of Table A4, model 2 shows that earnings were also related to the amounts of transfers for the younger cohort. Differences in the relationship between wealth and transfers showed more change in these models between the older and younger cohort. The coefficient declined from 262 dollars transferred for each 100,000 dollars of wealth to only 59 dollars transferred for each 100,000 dollars of wealth.

For Table A5, models 2 and 3 show that both earnings and wealth are moderately related to the amount of transfers for the younger cohort between 1991 and 2000. Among those living in coupled households, each 10,000 dollars of earnings was associated with an

increase of 1,522 dollars in total transfers while each 100,000 dollars of wealth was associated with 391 dollars in transfers. For those living in single households, it is possible that earnings are even more strongly predictive of transfer amounts, although the standard errors are too large for confidence in this conclusion.

It is hard to know how to interpret these associations. For example, dollar-for-dollar, earnings levels in 2000 were much more strongly associated than wealth in 2000 with transfer levels to children between 1991 and 1999. This could be because one or more of the following is true: (1) for many HRS respondents, transfers are drawn from current earnings rather than stocks of wealth which are often illiquid, (2) some HRS respondents who had very high levels of wealth over this entire time period did not transfer money to their children between 1991 and 2000 because their children did not need it (e.g., because the children of respondents were, on average, in their mid-30s and likely established in occupations and/or because the economic boom that generated wealth gains studied here also benefited the children of HRS respondents); (3) some HRS respondents who did not transfer money to their children between 1991 and 2000 had higher levels of wealth by 2000 because they saved money rather than transferring it to their children.

Bequest Expectations. Alternative models for bequest expectations are presented in Table A6, which corresponds to Table 5 in the main article. Model 1 is identical to model 1 in the main article. Models 2 and 3 differ, as they include linear covariance adjustments for earnings and wealth separately. As with the models for inter vivos transfers, the variables for household earnings and household wealth were centered around the mean household earnings and wealth of whites living in coupled households.

[INSERT TABLE A6 ABOUT HERE]

The specifications for models 2 and 3 are similar to those for wealth in Tables A2 and A3. For those in coupled households, there was a substantial relationship between earnings and bequest probabilities in the older cohort, such that each 10,000 dollars of household earnings was associated with an increased probability of .027 of leaving a bequest of at least 100,000. Among those in coupled households, the data suggest that this association declined modestly to about .02 for the younger 2000 cohort.

Model 3 shows a similar pattern for wealth and expect bequest probabilities. Each 100,000 dollars of wealth was associated with an increased probability of .026 of leaving behind a bequest of greater than or equal to 100,000 dollars. However, this association declined more substantially between cohorts, such that the relationship was almost absent for the 2000 cohort. In addition, because of the lower average earnings and wealth of black respondents, net black-white differences in average bequest probabilities in models 2 and 3 are less substantial than for the unadjusted contrasts parameterized for model 1. Table A6 confirms the basic results in the main article. But, because the wealth model is fit with a single linear wealth effect, interacted with cohort, it permits one sightly more straightforward interpretation: Bequest probabilities were generally more weakly related to levels of wealth for the younger cohort. The non-monotonic change in the relationship between quintile of wealth and bequest probabilities represents the same finding, but this

model suggests more directly that the declining linear association between wealth and bequest expectations may indicate that relatively wealthy parents are no more likely in the younger cohort to pass on substantial levels of resources to their children.

Finally, we present an alternative inter-cohort comparison of bequest probabilities. As we note in the main article, the HRS did not ask consistent questions regarding bequest expectations for 1992 and 2000. Specifically, the 1992 wave asked respondents the following question:

> Do you and your (husband/wife/partner) expect to leave a sizeable inheritance to your heirs?
>
> 1. Yes, definitely.
> 2. Yes, probably.
> 3. Yes, possibly.
> 4. Probably not.
> 5. No, definitely.

Beginning in 1994 and for all subsequent waves, the question on bequests changed from expectations of 'sizeable' bequests to questions about specific amounts ($10,000 and $100,000). . As noted in the main article, the question used for this analysis became:

> What are the chances that you (and your (husband/wife/partner)) will leave an inheritance totaling $100,000 or more?
>
> (00---10---20---30---40---50---60---70---80---90---100)
>
> where 00 is absolutely no chance and 100 is absolutely certain.

Obviously, this change in question wording complicates comparisons, and it would have been too reckless to code the 1992 question into a probability scale. As we note in the main article, we decided to present results based on a comparison of bequest expectations reported in 1994 and 2002 while relying on explanatory data from 1992 and 2000. We chose this approach in order to maintain as close a correspondence to the other analysis, which rely on 1992 and 2000 data.

However, the only alternative choice available to us would not have changed our conclusions, as we now show. Consider the results presented in Table A7, which presents the bequest comparison analysis using 1994 and 2002 data (i.e., the same dependent variable as for Table 5 in the main article) but using wealth variables based on 1994 and 2002 data.

[INSERT TABLE A7 ABOUT HERE]

First, note that model 1 is exactly the same as in Table 5 in the main article, since model uses the same dependent variable. Model 2, however, uses the 1994 and 2002 wealth variable, and thus the specification is different.

The results in Table A7 are largely consistent with Table 5 in the main article. The differences are well within sampling error, and a fairly similar non-monotonic pattern for change in the relationship between wealth and bequest probabilities prevails. There are, however, some minor differences. Recall that in Table 5 in the main article, we found that the increase in bequest expectations increased from .736 to .817 for the top quintile of wealth, whereas in Table A7 the estimated increase is from .754 to .845. Thus, model 2 in Table A7 implies a cohort increase that is .01 larger for the top quintile, and it also raising the base-level of expectation for the older cohort .018. In a relative comparison with the results in Table 5, this cohort increase for the top quintile is similarly smaller than the cohort increase for the second through and fourth quintiles. But, it is larger by 4.6 percentage points than the change in expectations for the lowest quintile. Moreover, the increases in bequest expectations was slightly smaller for those in the middle quintile than for those in the next higher quintile, which is the opposite of the pattern in Table 8. In spite of this minor variation, the same conclusions seem reasonable.

There is one other way to assess the consequences of our decision. We have comparable bequest probability data for both 2000 and 2002, which we can use to assess whether or not substantial systematic changes in bequests unfold between age brackets of 59-61 and 61-63 for the younger cohort. Table A8 provides a cross tabulation of the responses to the 2000 and 2002 bequest questions for the younger cohort. We divided the answers into five groups, as show in the table, which are of similar size but tied to substantive anchoring points.

[INSERT TABLE A8 ABOUT HERE]

Table A8 shows that focal answers of 0, around 50, and 100 tend to be relatively stable with the ranges between these focal answers exhibiting more variation, which is what we would expect. The changes between the bequest probabilities in the two years are thus likely to be response uncertainty as anything systematic. Because of this stability, it is not surprising, then, that the correlation between the raw bequest probabilities in 2000 and 2002 is 0.73. (We also note that in terms of Table 5 in the main article, the wealth measure is also relatively stable, which we would expect. The correlations between wealth in 2000 and wealth in 2002 is 0.71 and between wealth in 1992 and 1994 is 0.70.)

Notes

[1] When we separated individuals in coupled houses into males and females, the females had larger average wealth and a larger cohort increase. This gender difference within households may be attributable to sampling error, but it is also possible that it reflects age differences in couples. Females between the ages of 59 to 61 are more likely to have spouses who are older than them than are men between the ages of 59 and 61, and the amount of wealth accumulated by a household is a function of the average age of a household.

[2] The coding for race is based on the RAND variable for racial classification. Because the HRS sometimes expanded and sometimes collapsed the race categories across the survey waves, the RAND race variable uses three categories that were consistently available across all waves (white/Caucasian, black/African-American, and other).

[3] Intermediate models which entered the dummy variable for retirement plan and earnings variables separately produced substantively similar results.

[4] In the absence of that constraint, the interactions do not show the increase, but at the interpretive cost of introducing erratic coefficients for earnings-wealth associations among the relatively small number of single black male respondents, and so forth.

[5] For our two cohorts, the percentage of respondents in the other-race category expanded from 3.2 percent to 5.7 percent. We interpret this change as a reflection of the growth of the Hispanic and Asian populations in the United States, it makes comparisons across these two cohorts difficult without access to the underlying distributions of Asians, Hispanics, and other groups.

[6] A disaggregation of individuals in single-person households into categories of never married, divorced/separated, and widowed does not reveal a simple divorce or non-marriage narrative. A larger percentage of non-whites identify themselves as never married, divorced/separated, and widowed. Between the two cohorts, the primary change, which is present for all three racial groups, is the relative growth in the proportion of individuals who are divorced or separated.

Table A1. Descriptive Statistics for Two Cohorts from the Health and Retirement Surveys, Aged 59-61 in 1992 and Aged 59-61 in 2000

	Aged 59-61 in 1992			Aged 59-61 in 2000		
	N	Mean	SD	N	Mean	SD.
Basic Demographic Characteristics:						
Female	2320	.53	--	2216	.54	--
Black	2320	.17	--	2216	.16	--
Other race	2320	.03	--	2216	.04	--
Marital status:				2215		
Married	2320	.73	--	2215	.70	--
Partnered	2320	.02	--	2215	.03	--
Never Married	2320	.04	--	2215	.04	--
Widowed	2320	.09	--	2215	.08	--
Divorced/Separated	2320	.12	--	2215	.15	--
Household Status by Race						
White Couples	2320	.64		2216	.62	
White Single Males	2320	.05		2216	.06	
White Single Females	2320	.11		2216	.12	
Black Couples	2320	.09		2216	.07	
Black Single Males	2320	.02		2216	.02	
Black Single Females	2320	.06		2216	.06	
Other Race Couples	2320	.02		2216	.03	
Other Race Single Males	2320	.00		2216	.01	
Other Race Single Females	2320	.01		2216	.01	
Region of residence:						
Northeast	2320	.19	--	2216	.19	--
Midwest	2320	.25	--	2216	.24	--
South	2320	.41	--	2216	.39	--
West	2320	.15	--	2216	.18	--
Number children living	2320	3.38	2.276	2109	3.42	1.93
Number of parents living	2253	.37	0.538	2175	0.44	0.590
Father's Education (years)	1973	8.53	4.079	1986	9.27	3.996
Mother's Education (years)	2029	8.95	3.613	2065	9.38	3.628
Health status:						
Excellent	2320	.18	--	2215	.15	--
Very good	2320	.27	--	2215	.32	--
Good	2320	.29	--	2215	.29	--
Fair	2320	.16	--	2215	.16	--
Poor	2320	.10	--	2215	.09	--
Education and Work:						
Education (years)	2320	11.78	3.380	2216	12.41	3.116
Work Status:						
Working Full-Time	2320	.45	--	2216	.47	--
Working Part-Time	2320	.09	--	2216	.09	--
Partly Retired	2320	.06	--	2216	.06	--
Unemployed	2320	.02	--	2216	.01	--
Disabled	2320	.04	--	2216	.07	--
Retired	2320	.24	--	2216	.21	--
Not in the Labor Force	2320	.10	--	2216	.10	--

Defined benefit pension plan	2320	.24	--	2216	.40	--
Total Household Earnings	2320	31,901	40,057	2216	34,365	60,875
Total Household Income	2320	51,073	53,491	2216	71,876	159,273
Wealth:						
Total net wealth	2320	282,825	564,295	2216	405,461	1,733,392
Intergenerational transfers:						
Transfer Amount to Children	2135	3,295	12,814	2183	2,794	9,685
Total Transfers to Children	--	--	--	2010	20,313	39,428
Probability of $100,000+ bequest:	1924	.38	.41	1798	.48	.42

Source: HRS, 1992-2000

Table A2. Attrition-Reweighted OLS Regression Models of Total Net Wealth for Two Cohorts, Aged 59-61 in 1992 and Aged 59-61 in 2000

	Model 1		Model 2	
	Coef.	SE	Coef.	SE
Intercept	390,673	21,989	387,510	22,168
Cohort	165,399	70,153	211,916	88,542
White Male in Single Household	-201,783	45,249	-162,442	37,009
x Cohort	344,071	413,185	366,435	129,742
White Female in Single Household	-220,827	29,506	-135,680	30,710
x Cohort	-147,295	75,257	-186,827	79,718
Black in Coupled Household	-284,310	23,736	-240,714	22,569
x Cohort	-108,939	74,568	-143,871	77,888
Black Male in Single Household	-345,978	41,399	-265,159	23,663
x Cohort	-141,696	408,192	422,063	110,666
Black Female in Single household	-350,998	20,671	-249,276	31,079
x Cohort	-126,886	30,744	-160,618	78,539
Other Race in Coupled Household	-32,458	167,596	-18,073	146,046
x Cohort	-302,892	187,685	-328,046	172,644
Other Race in Single Male Household	-323,969	37,295	-253,380	45,679
x Cohort	-71,404	125,565	293,772	259,121
Other Race in Single Female Household	-286,390	38,014	-195,679	38,273
x Cohort	41,887	217,190	-4,589	220,009
Defined Benefit Plan			-86,003	31,528
x Cohort			-45,203	60,830
Household Earnings (000s)			4,457	891
x Cohort			-2,655	1,224
x In Single male household			-1,624	915
x Cohort			26,306	1,445
x In Single female household			-1,239	1,213
x Cohort			2,052	1,848
R-squared	.014		.418	
N	4,417		4,417	

Notes: The variable household earnings is centered around the mean household earnings of whites living in coupled households. Standard errors are robust Taylor series standard errors, further adjusted for clustering within households.

Source: HRS, 1992-2000

Table A3. Attrition-Reweighted Quantile Regression Models for the Distribution of Total Net Wealth for Two Cohorts, Aged 59-61 in 1992 and Aged 59-61 in 2000

	90th Percentile				80th Percentile			
	Model 1		Model 2		Model 1		Model 2	
	Coef.	SE	Coef.	SE	Coef.	SE	Coef.	SE
Intercept	788,831	35,147	790,064	33,572	477,734	16,210	514,648	14,117
Cohort	327,169	50,873	357,910	51,894	188,267	23,549	113,376	22,160
White Male in Single Household	-376,359	129,170	-305,350	104,217	-200,422	61,325	-211,554	46,289
x Cohort	-123,641	177,674	600,419	148,772	-112,578	85,752	736,071	66,754
White Female in Single Household	-431,122	90,984	-307,771	118,050	-197,315	42,146	-136,023	46,344
x Cohort	-174,527	125,649	-229,256	141,041	-184,685	59,035	-194,361	59,666
Black in Coupled Household	-548,222	98,529	-437,388	79,619	-313,094	46,654	-293,793	35,407
x Cohort	-152,777	142,582	-353,312	120,048	-158,075	69,455	-155,015	52,526
Black Male Single Household	-664,157	208,593	-575,793	151,899	-406,658	88,168	-356,034	71,587
x Cohort	-150,843	262,415	-553,861	265,649	-177,712	135,961	683,051	112,407
Black Female Single household	-694,219	108,413	-529,736	120,346	-214,003	61,749	-295,658	52,611
x Cohort	-237,781	178,461	-261,129	173,907	54,003	92,729	-141,586	75,806
Other Race in Coupled Household	491,324	230,158	128,858	191,112	8,145	92,228	-133,921	74,514
x Cohort	-1,011,325	297,655	-660,003	234,284	-314,145	132,106	-159,499	108,259
Other Race Single Male Household	-540,649	198,712	-405,353	165,232	-406,425	176,119	-346,638	162,960
x Cohort	-178,851	424,119	353,777	282,521	-72,575	236,273	680,120	204,203
Other Race in Single Female H'hold	-453,261	100,172	-485,356	236,840	-116,129	165,088	-214,425	101,949
x Cohort	-169,712	264,315	-8,128	318,639	75,879	212,436	-96,962	147,569
Defined Benefit Plan			-93,499	56,584			-94,798	24,958
x Cohort			-3,645	76,314			95,333	33,609
Household Earnings (000s)			6,386	885			4,075	376
x Cohort			-2,769	1,142			-1,413	476
x In Single Male Household			-2,461	1,181			-1,592	429
x Cohort			25,746	1,389			25,980	522
x In Single Female Household			-1,565	4,113			968	1,569
x Cohort			2,590	4,904			-831	2,036
R-squared	0.053		0.164		0.049		0.132	
N	4,417		4,417		4,417		4,417	

Table A3 (continued). Attrition-Reweighted Quantile Regression Models of the Lower Tail of the Distribution of Total Net Wealth for Two Cohorts, Aged 59-61 in 1992 and Aged 59-61 in 2000

	Median				20th Percentile			
	Model 1		Model 2		Model 1		Model 2	
	Coef.	SE	Coef.	SE	Coef.	SE	Coef.	SE
Intercept	214,392	5,225	209,119	2,923	79,465	1,165	83,057	1,439
Cohort	27,308	7,641	11,374	4,520	-7,665	1,726	-8,864	2,368
White Male in Single Household	-157,299	19,570	-98,818	9,724	-75,387	4,271	-51,884	5,042
x Cohort	51,599	27,781	169,556	13,951	31,587	6,087	44,387	7,144
White Female in Single Household	-130,500	13,315	-52,875	9,044	-70,843	2,903	-40,422	4,447
x Cohort	-22,898	19,285	-48,207	12,280	5,643	4,354	2,106	6,119
Black in Coupled Household	-138,656	14,845	-105,157	7,547	-57,420	3,496	-41,868	3,655
x Cohort	-30,444	22,290	-31,660	11,041	5,520	5,315	-4,178	5,835
Black Male Single Household	-202,741	27,638	-115,422	13,562	-79,465	5,457	-58,820	7,481
x Cohort	-35,219	42,664	168,229	20,965	-7,665	7,958	-31,918	10,510
Black Female Single household	-194,584	16,982	-99,482	10,972	-79,465	3,479	-44,039	5,936
x Cohort	-9,816	26,117	-42,400	15,967	7,676	5,708	-2,716	8,353
Other Race in Coupled Household	-86,223	28,148	-62,683	14,229	-56,161	5,460	-36,353	6,549
x Cohort	-13,477	39,395	-54,807	20,100	-7,070	8,298	-18,561	9,627
Other Race in Single Male Household	-143,084	56,912	-115,422	43,881	-79,465	9,636	-51,542	16,146
x Cohort	-77,616	81,554	168,729	48,321	8,164	14,554	44,639	18,537
Other Race in Single Female H'hold	-135,976	45,128	-48,605	23,905	-79,115	9,048	-40,423	8,523
x Cohort	-24,924	64,989	-50,389	33,083	23,015	11,741	3,106	12,815
Defined Benefit Plan			-17,327	5,144			-2,042	2,537
x Cohort			32,227	6,956			20,255	3,550
Household Earnings (000s)			2,283	59			1,316	26
x Cohort			122	80			95	34
x In Single Male Household			410	72			-410	49
x Cohort			5,041	101			933	55
x In Single Female Household			868	311			-90	149
x Cohort			-1,143	413			-290	204
R-squared	0.042		0.088		0.032		0.063	
N	4,417		4,417		4,417		4,417	

Notes: The variable household earnings is centered around the mean household earnings of whites living in coupled households. Standard errors are not robust Taylor series standard errors, and thus clustering within households is not reflected in these results. This is not substantially consequential, as we determined in the course of estimating prior OLS models that these robust standard errors differed little from classical standard errors (and were neither smaller or larger on average).

Source: HRS, 1992-2000

Table A4. Attrition-Reweighted Regression Models Predicting Amount Respondents Provided in Financial Assistance to Children in the Past Two Years, by Cohort

	Older Cohort 59-61 Year-Olds in 1992			Younger Cohort 59-61 Year-Olds in 2000		
	Model 1	Model 2	Model 3	Model 1	Model 2	Model 3
Intercept	3678	3619	3663	3233	3104	3130
	(435)	(442)	(427)	(330)	(340)	(316)
White Male in Single Household	3162	3337	11806	-986	-858	-871
	(2439)	(2215)	(4042)	(773)	(778)	(771)
White Female in Single Household	1733	3512	3608	-1698	-958	-1386
	(1003)	(1474)	(1738)	(514)	(766)	(543)
Black in Coupled Household	-1565	-1467	-831	-1685	-1583	-1453
	(613)	(625)	(579)	(447)	(451)	(441)
Black Male in Single Household	-1394	260	12489	-2336	-2193	-2245
	(748)	(820)	(4622)	(575)	(585)	(569)
Black Female in Single Household	-1699	678	1344	-2698	-1703	-2276
	(611)	(1564)	(1646)	(381)	(627)	(479)
Other Race in Coupled Household	-978	-924	-877	332	402	534
	(1133)	(1094)	(852)	(1804)	(1820)	(1793)
Other Race Male in Single Household	-1782	1356	9159	2729	2868	2823
	(1572)	(1737)	(4024)	(2953)	(2953)	(2955)
Other Race Female in Single H'hold	-2391	-270	251	-2455	-1323	-2353
	(789)	(1564)	(1516)	(723)	(924)	(783)
Household Earnings (10,000s)		115			180	
		(137)			(101)	
x In Single Male Household		770			-174	
		(251)			(103)	
x In Single Female Household		824			202	
		(585)			(240)	
Total net wealth (100,000s)			262			59
			(102)			(45)
x In Single Male Household			3924			-63
			(1375)			(45)
x In Single Female Household			623			46
			(457)			(103)
R-squared	.005	.023	.075	.011	.019	.020
N	2031	2031	2031	2175	2175	2175

Notes: The variables household earnings and household wealth are centered around the mean household earnings and wealth of whites living in coupled households. Standard errors are robust Taylor series standard errors, further adjusted for clustering within households.

Source: HRS, 1992-2000

Table A5. Attrition-Reweighted Regression Models for Total Transfers between 1991 and 1999 to Children for Respondents Aged 59-61 in 2000

	OLS Regression Models Predicting Total Amount Respondents Provided in Financial Assistance to Children from 1991 to 1999		
	Model 1	Model 2	Model 3
Intercept	22,738	21,735	22,012
	(1325)	(1291)	(1253)
White Male in Single Household	-6981	-2207	-4592
	(3152)	(4299)	(3156)
White Female in Single Household	-7344	-1984	-6118
	(2026)	(2703)	(2105)
Black in Coupled Household	-7604	-6822	-6028
	(2748)	(2688)	(2714)
Black Male in Single Household	735	6474	4280
	(6293)	(6974)	(6696)
Black Female in Single Household	-11,801	-4606	-10,350
	(1877)	(2519)	(2119)
Other Race in Coupled Household	960	2181	2415
	(6257)	(6200)	(6147)
Other Race Male in Single Household	-1877	1655	782
	(3809)	(5589)	(4013)
Other Race Female in Single H'hold	-8566	-282	-7867
	(5251)	(5774)	(5369)
Household Earnings (10,000s)		1522	
		(385)	
x In Single Male Household		624	
		(1296)	
x In Single Female Household		1182	
		(848)	
Total net wealth (100,000s)			391
			(173)
x In Single Male Household			541
			(577)
x In Single Female Household			-159
			(371)
R-squared	.010	.045	.036
N	2,003	2,003	2,003

Notes: See prior table.

Source: HRS, 1992-2000

Table A6. Attrition-Reweighted Regression Models Predicting the Self-Reported Probability of Leaving a Bequest Greater Than $100,000 for Two Cohorts, Aged 59-61 in 1992 and Aged 59-61 in 2000

	Model 1		Model 2		Model 3	
	Coef.	SE	Coef.	SE	Coef.	SE
Intercept	.440	.014	.425	.014	.440	.013
Cohort	.111	.020	.110	.020	.104	.019
White Male in Single Household	-.105	.051	-.084	.048	-.009	.048
x Cohort	.041	.073	.037	.071	-.053	.071
White Female in Single Household	-.167	.032	-.031	.041	-.024	.052
x Cohort	-.077	.045	-.145	.055	-.109	.065
Black in Coupled Household	-.234	.039	-.212	.037	-.162	.039
x Cohort	.049	.060	.038	.057	-.007	.060
Black Male in Single Household	-.362	.043	-31.6	.043	-.178	.053
x Cohort	.052	.090	.029	.090	-.121	.095
Black Female in Single Household	-.335	.029	-.159	.046	-.098	.067
x Cohort	-.032	.046	-.110	.065	-.100	.086
Other Race in Coupled Household	-.188	.081	-.189	.071	-.217	.072
x Cohort	.007	.106	.010	.099	.049	.099
Other Race Male in Single Household	-.283	.134	-.214	.135	-.120	.104
x Cohort	-.182	.144	-.226	.146	-.333	.117
Other Race Female in Single H'hold	-.163	.132	-.019	.114	.035	.124
x Cohort	-.103	.170	-.135	.158	-.292	.172
Household Earnings (10,000s)			.027	.003		
x Cohort			-.007	.004		
x In Single Male Household			-.011	.005		
x Cohort			-.005	.006		
x In Single Female Household			.039	.015		
x Cohort			-.024	.019		
Total net wealth (100,000s)					.026	.003
x Cohort					-.022	.004
x In Single Male Household					.029	.010
x Cohort					-.032	.010
x In Single Female Household					.043	.018
x Cohort					.007	.023
R-squared	.078		.137		.186	
N	3,633		3,633		3,633	

Notes: Standard errors are robust Taylor series standard errors, further adjusted for clustering within households.

Source: HRS, 1992-2000

Table A7. Attrition-Reweighted Regression Models Predicting the Self-Reported Probability of Leaving a Bequest Greater Than $100,000 for Two Cohorts, Aged 61-63 in 1994 and Aged 61-63 in 2002

	Model 1		Model 2	
	Coef.	SE	Coef.	SE
Intercept	.440	.014	.303	.023
Cohort	.111	.020	.124	.035
White Male in Single Household	-.105	.051	.302	.108
x Cohort	.041	.073	-.047	.143
White Female in Single Household	-.167	.032	.021	.062
x Cohort	-.077	.045	-.083	.083
Black in Coupled Household	-.234	.039	-.032	.033
x Cohort	.049	.060	.049	.051
Black Male in Single Household	-.362	.043	.210	.122
x Cohort	.052	.090	-.001	.166
Black Female in Single Household	-.335	.029	.045	.063
x Cohort	-.032	.046	-.126	.090
Other Race in Coupled Household	-.188	.081	-.104	.068
x Cohort	.007	.106	.079	.089
Other Race Male in Single Household	-.283	.134	.214	.080
x Cohort	-.182	.144	-.089	.136
Other Race Female in Single H'hold	-.163	.132	.081	.085
x Cohort	-.103	.170	-.161	.116
Wealth > 80th percentile			.435	.031
x Cohort			-.033	.044
x In Single Male Household			-.272	.172
x Cohort			.064	.209
x In Single Female Household			-.087	.104
x Cohort			.140	.136
Wealth > 60th and < 80th percentiles			.208	.035
x Cohort			.068	.049
x In Single Male Household			-.169	.144
x Cohort			-.096	.204
x In Single Female Household			.068	.090
x Cohort			-.151	.127
Wealth > 20th and < 40th percentiles			-.167	.031
x Cohort			-.024	.049
x In Single Male Household			-.338	.116
x Cohort			.103	.165
x In Single Female Household			-.071	.071
x Cohort			.088	.099
Wealth < 20th percentile			-.231	.030
x Cohort			-.079	.047
x In Single Male Household			-.294	.115
x Cohort			.015	.153
x In Single Female Household			-.073	.065
x Cohort			.054	.088

R-squared	.078	.414
N	3,633	3,633

Source: HRS, 1994-200

Table A8. Tabulation of 2000 and 2002 Bequest Expectations of $100,000 or more
for Respondents Aged 59-61 in 2000.

2000 Bequest Expectations	2002 Bequest Expectations					
	100	99-60	59-11	10-1	0	Total
100	268	86	22	11	19	406
99-60	89	103	66	18	27	303
59-11	30	67	109	27	50	283
10-1	9	13	31	22	39	114
0	28	22	57	63	446	616
Total	424	291	285	141	581	1,722

Source: HRS, 2000-2002