Appendix Exhibit. Empirical Studies of Determinants of Asset Building

Author	Data Source	Sample/Study Population	Method	Outcomes Analyzed	Key Explanatory Variables	Findings	Author's Principal Conclusions
Aizcorbe, Kennickell, & Moore (2003)	1998, 2001 SCF.	Full sample (About 4,000 households in each year).	Descriptive.	Motives for saving, ownership, value of various assets.	Income, education, race.	(1) Most common saving motives are retirement, "liquidity" (i.e., precautionary), education, and purchases. (2) Ownership and value of assets increase with income. (3) Most common reasons for not having a checking account were: "Don't write enough checks to make it worthwhile", "Don't like dealing with banks", and "Don't have enough money."	NA.
Ameriks et al. (2004)	2003 Data from new survey, combined with data from 2000 Survey of Participant Finances, 2001 Survey of Financial Attitudes and Behaviors.	1,444 TIAA-CREF participants (Sample very highly educated).	Multivariate.	Net worth, liquid assets, non-liquid assets.	Self-control (Survey had hypothetical questions about ideal and expected actual use of free "dream dinners" over two years; Overconsumption = using too many in year 1; Underconsumption = using too few in year 1).	Many had problem of under-consumption, not over-consumption. Over-consumption is associated with lower net worth, under-consumption with higher net worth. Effect of self-control is greater for liquid assets than for non-liquid. "Conscientious" people have smaller self-control problems in either direction.	At least one broad personality characteristic, "conscientiousness" seems to affect asset accumulation.
Anderson, Zhan, & Scott (2004)	FLLIP in Illinois.	Low-income people.	Descriptive.	Financial knowledge of low-income individuals.	NA.	(1) Financial knowledge levels of low-income people are low, especially on savings & investments, and public and work related benefits. (2) Choices of financial training models can impact characteristics of participants.	NA.
Ashraf, Karlan, & Yin (2006)	Survey, administrative data, including account data.	About 900 existing customers of bank in Philippines.	Descriptive.	Take-up of restricted savings account, saving.	NA.	28% of eligible opened a restricted account, even without a financial incentive. Those who were eligible increased savings more than those who were not.	NA.
Banov (2005)	ADD.	1855 ADD participants with data on health insurance.	Multivariate.	Six indicators of IDA "success".	Health insurance; medical debt.	Health insurance is significantly and positively related to average monthly net deposits and to cumulative gross deposits; Medical debt is significant related to all outcomes.	Health insurance facilitates saving. Medical debt is a barrier to saving.
Barrow & McGranahan (2000)	1982-1996 CES.	Nationally representative consumer units.	Multivariate.	Expenditures on durable goods (Household furnishings and equipment, electronics, vehicles)	Calendar month.	Among EITC recipients, there was an increase in expenditures on durable goods in February, the modal month of refund receipt.	EITC is often used to purchase durable goods.
Bayer, Berheim, & Scholz (1996)	1993, 1994 KPMG Peat Marwick Retirement Benefits Survey.	Private and public employers with at least 200 employees.	OLS.	Participant rates and contribution rates of retirement savings.	Retirement seminars by employers.	(1) Both participation in and contributions to voluntary savings plans are significantly higher when employers offer retirement seminars. (2) Effect is typically much stronger for non-highly compensated employees. (3) Frequency of seminars is important.	NA.
Belsky & Duda (2002)	Case-Schiller weighted repeat sales indexes (Information on purchase and sale of matchedpairs of single-family homes).	Matched pairs of housing transactions in Boston, Chicago, Denver, & Philadelphia (Homes both purchased and re-sold between 1982 -1999).	Descriptive.	Gain/loss on resale of home.	Purchase price of home and years held.	Owners of low-cost homes more likely than owners of mid-cost and high-cost homes to sell at profit during market upswings and less likely to suffer losses when selling during market downturns.	Homeownership is risky, but it is less risky for low-income homebuyers. Market conditions have a large impact on rate of return.
Bernheim (1998)	1993, 1994 Household surveys by Merrill Lynch, Inc.	Individuals between the age of 29-47 (The "baby boom" cohort).	(1) Probit. (2) OLS.	Economic knowledge, financial knowledge, retirement savings.	(1) For knowledge: demographic factors. (2) For retirement savings: financial knowledge and employer-based financial education.	(1) Higher earnings and education are positively related to economic and financial knowledge. (2) Financial knowledge and financial education by employers are positively related to retirement savings.	NA.
Bernheim & Garrett (2003)	1993, 1994 Household surveys by Merrill Lynch, Inc.	Individuals between the age of 29-47 (The "baby boom" cohort).	(1) Probit. (2) Median regression analyses.	Household and retirement savings.	Employer-based retirement education.	Employer-based retirement education positively influences household financial behavior. Effects are particularly pronounced among those least inclined to save.	NA.

Appendix Exhibit. Empirical Studies of Determinants of Asset Building (Continued)

Author	Data Source	Sample/Study Population	Method	Outcomes Analyzed	Key Explanatory Variables	Findings	Author's Principal Conclusions
Bernheim & Scholz (1993)	SCF.	1300 married couples with working-aged and employed husband.	Multivariate.	Wealth-to-wage ratio.	Education (proxy for permanent income) and pension coverage.	Pension eligibility does not affect asset trajectories for households without a college education.	"Private pensions displace personal wealth accumulation only when the head of the household is college educated".
Bernheim, Garrett, & Maki (2001)	1995 Household surveys by Merrill Lynch, Inc.	National representative sample of respondents between the ages of 30-49.	OLS.	Rates of savings, net worth.	Whether exposed to high school financial curriculum mandates and years since mandates.	Mandates have raised subsequent asset accumulation when students reached adulthood these effects appear to be gradual rather than immediate.	NA.
Bird & Hagstrom (1999)	1984-1986 SIPP.	(1) Working-age (18-60) couples who were continuously married during the entire 24 month panel period and who had no imputed asset data. (2) Households with self-employment income excluded.	OLS.	Ln (total net worth), Ln (non-housing net worth), Ln (liquid wealth).	Expected transfer income [probability of becoming poor multiplied with the maximum possible welfare benefits (FS & AFDC) in the state of residence] , expected unemployment insurance benefit [probability of becoming unemployed multiplied with the maximum weekly state UI benefit].	Expected transfer income has significantly negative coefficients on log non-housing wealth and log liquid wealth but not on log net wealth. Expected UI benefit has significantly negative coefficients on all three types of wealth measures.	NA.
Burman el al. (2004)	1999 tax returns and supplementary records	About 130,000 tax returns.	(1) Microsimulation. (2) Descriptive.	Distribution of tax benefits for retirement savings.	Income.	In 2004, the top 20% of tax filing units received 70% of the tax benefits for DC plans and 60% of benefits for IRAs.	Tax benefits for retirement savings disproportionately benefit higher-income groups.
Carroll & Samwick (1997)	1981-1987 PSID.	Full sample.	(1) Cross-tabs between forms of wealth and estimates of income uncertainty. (2) Comparison of simulation results with cross-tabs.	Simulated distributions of age-wealth profiles.	Occupation, education, industry, & age.	Consumers who face greater income uncertainty hold greater wealth. Both transitory and permanent shocks predict levels of household wealth. The degree of precautionary savings depends on the assumed rate of time preference.	Until about age 50, households mostly do precautionary saving. After age 50, they mostly save for retirement.
Case & Maryanchenko (2002)	Case-Schiller weighted repeat sales indexes, American Housing Survey.	Matched pairs of single-family homes in Boston, Chicago, L.A. (time period varies by MSA).	Descriptive.	Change in home value over time, home equity accumulation.	Income.	Change in equity varied substantially depending on location and time period examined.	Homeownership can be a good or bad investment depending on timing of purchase, local housing market, and conditions in the regional economy. Cannot make blanket statement that homeownership is a good or bad strategy for helping low-income households accumulate wealth.
Caskey (1997)	In-depth interviews.	30 low- to moderate-income Black and Hispanic households in Mississippi and San Jose, CA	Inductive.	Financial attitudes and behaviors.	NA.	Some did not save because social network members would insist they share their savings.	NA.
Caskey (2001)	SCF, survey conducted by author.	Unbanked Individuals.	Descriptive.	Characteristics of the unbanked, reasons for unbanking, an outreach strategy to bring the unbanked to the banking system.	NA.	Special branch office, or "outlets" can help bring the unbanked to the banking system.	NA.

Appendix Exhibit. Empirical Studies of Determinants of Asset Building (Continued)

Author	Data Source	Sample/Study Population	Method	Outcomes Analyzed	Key Explanatory Variables	Findings	Author's Principal Conclusions
Charles & Hurst (2002)	1991-1996 PSID.	Households between the ages of 20-60 who were renters in 1991 and present every year between 1991-1996.	(1) Descriptive. (2) Multivariate.	Differences in the likelihood that black and white families become homeowners.	Race, income, marginal tax rate, neighborhood location, parental assistance, & parental wealth.	Beginning with a sample of 1991 renters, whites were much more likely than blacks to become homeowners by 1996 (32% vs. 13%). Two reasons are; 1) black mortgage applications were more than 73% more likely to be rejected than whites, 2) blacks were also less likely to apply for mortgages in the first place.	Two possible sources of discouragement for black renters in the mortgage application process: 1) anticipated differential treatment, 2) less assistance from parents and family members.
Chiteji & Hamilton (2005)	1994 PSID.	1,700 to 3,000 middle-class families.	(1) Descriptive. (2) Multivariate.	Bank account ownership, stock ownership, net worth.	Parental poverty, sibling poverty.	(1) Parental poverty reduces the probability of account and stock ownership. (2) Sibling poverty reduces wealth and the probability of account ownership. (3) Controlling for family poverty consistently reduces the effect of race on outcomes.	Poverty in the extended family may be a constraint on asset accumulation, and this may partly explain why blacks tend to have less wealth than whites.
Choi et al. (2002)	Survey, administrative data on 401(k) participation.	Unspecified number of employees at one U.S. firm who attended a one-hour financial education seminar.	Descriptive.	Planned and actual financial behavior.	NA.	14% of those who said they planned to enroll in the 401(k) plan actually did so. 30% of those who said they planned to increase their contribution rates actually did so.	Financial education does not substantially increase 401(k) savings.
Clancy, Grinstein-Weiss, & Schreiner (2001)	Data from American Dream Demonstration.	Low-income people.	Heckman two-step regression.	Frequency and average amount of deposits into IDAs.	Financial education, other program factors, participant characteristics.	Financial education was positively related to savings outcomes up to 12 hours.	NA.
Consumer Federation of America (1990)	Survey.	1,139 from general U.S. population.	(1) Descriptive. (2) Bivariate.	Financial knowledge.	Gender, age, ethnicity, education, & income.	The average participant answered only 54% of the items correctly. The average score for participants with income under $15,000 was 45%. The average score for those with income between $15,000 to 24,999 was 52%.	NA.
Danes & Haberman (n.d.)	Survey.	About 5,300 students who participated in NEFE High School Financial Planning Program. Sample for 3-month follow-up included 324 students.	Retrospective pretest.	Knowledge, behavior, self-efficacy.	NA.	Students reported significant increases in financial knowledge, behavior, and confidence. Almost all improvements were maintained at the 3-month follow-up.	NA.
Duflo et al. (2005)	Tax returns and other administrative records from H&R Block.	Over 14,000 tax prep clients in St. Louis.	(1) Experimental design. (2) Descriptive. (3) Multivariate.	IRA take-up rates, contributions.	Match rate, tax preparer.	Take-up rates and contributions varied by match rate. Take-up rates varied by tax preparer.	Match rates can have large effects on IRA take-up rates and contributions.
Edin (2001)	Qualitative data collected by the author.	Low-income single mothers in Chicago and Charleston, South Carolina (N=198), non-custodial low-income fathers in Philadelphia (N=180).	(1) Qualitative. (2) In-depth interview.	Types of assets held by single parents and the effects of these assets.	NA.	(1) The accumulation of assets over the life course is largely dependent upon having an income surplus, along with the belief and faith that one's income will remain relatively stable from one month to next. (2) Some low-income parents view refunds differently than wage income. Some choose not to receive the EITC in advance in order to accumulate a lump sum.	NA.

Appendix Exhibit. Empirical Studies of Determinants of Asset Building (Continued)

Author	Data Source	Sample/Study Population	Method	Outcomes Analyzed	Key Explanatory Variables	Findings	Author's Principal Conclusions
Engen & Gruber (2001)	1984-1986, 1987, 1989 SIPP.	Households whose heads were aged between 25-64 with non-self-employment earnings in the wave prior to the wealth survey, whose heads' marital statuses did not change, and which had non-missing (non-imputed) values for wealth data (N=24,904).	Robust regression.	Gross financial assets.	Expected Unemployment Insurance (UI) benefit replacement rate (based on state-year variation in UI benefits).	Unemployment Insurance (UI) benefit replacement rate has a significantly negative association with gross financial assets. Reducing the UI benefit replacement rate by 50% is estimated to increase the average households' financial asset-to-income ratio by 14%.	The precautionary motive is an important determinant of individual savings behavior.
Finn, Zorita, & Colton (1994)	In-depth interviews.	20 women living in extreme-poverty neighborhoods.	Inductive.	Perceptions of assets.	NA.	Cars were perceived as assets but also drained resources.	NA.
Gale & Scholz (1994)	1983, 1986 SCF.	Full sample (2,822 households including 359 in the high-income sample).	Descriptive.	Net worth.	*Inter vivos*, inheritances.	Intended family transfers and bequests are estimated to account for 51% of current U.S. wealth. Of that 51%, intended family transfers account for 20% and bequests account for 31%. Additional 12% was acquired through the payment of college expenses by parents. Consequently, approximately two-thirds of the net worth that individuals acquire comes through family transfers.	Intended transfers are an important source of wealth.
Gittleman & Wolff (2004)	1984, 1989, 1994 PSID.	Households where head stays the same, trimming the top and bottom 1% of wealth appreciation distribution.	(1) Descriptive. (2) Multivariate. (3) Simulation.	Inheritances, saving rates, rates of return (for blacks and whites).	Race.	Savings and inheritances tend to raise the rate of wealth accumulation for Whites relative to Blacks. For this period, rate of return to capital higher for Blacks.	Blacks would have gained more ground relative to Whites if they inherited similar amounts, had comparable income, and similar portfolio composition. Controlling for income, no racial differences in savings behavior. However, even with extreme changes to achieve parity with Whites in terms of rates of wealth accumulation, racial gaps in wealth would remain for long periods.
Glaeser & Shapiro (2002)	1998 SCF.	Not described.	Descriptive.	Share of itemizers by income, share of itemized income by income.	Income group.	Low-income Americans rarely itemize. Only 13% of homeowners in the bottom forty percent of the income distribution itemize. Almost 50% of people in the top decile itemize, whether they are home owners or not.	Home mortgage interest deduction is a poor instrument for encouraging homeownership because it benefits the wealthy, who are almost always homeowners.
Gruber & Yelowitz (1999)	1984-1993 SIPP, 1984-1993 CES.	Households headed by those between ages of 18-64 and without members over age 65.	Instrumental variables regressions.	SIPP: Ln (Net worth) Having positive net worth, CEX: Ln (total nondurable, nonmedical consumption).	Expected Medicaid eligible dollars (probability of becoming Medicaid eligible * area/age/sex-specific mean medical spending), Medicaid eligible dollar* existence of asset test.	(1) Significantly negative coefficients of expected Medicaid dollars on probability of having positive net worth and amount of net worth; significantly positive coefficient of expected Medicaid dollars on consumption. (2) Interaction term has a significant coefficients in all three regressions. (3) Coefficient size of interaction term is twice expected Medicaid dollars in net worth regression, suggesting that an asset test" more than doubles the wealth reduction attributable to expanding Medicaid eligibility".	NA.

Appendix Exhibit. Empirical Studies of Determinants of Asset Building (Continued)

Author	Data Source	Sample/Study Population	Method	Outcomes Analyzed	Key Explanatory Variables	Findings	Author's Principal Conclusions
Hao (1996)	NSFH.	Black, white, Hispanic families with children 18 years old or younger.	OLS.	Net worth.	Family structure, private transfers, interactions of family structure and private transfers.	(1) Marriage is a wealth-enhancing institution. (2) Private transfers promote family net worth. (3) Marriage reinforces the promoting effect of private transfer on family wealth.	NA.
Heflin & Patillo (2002)	NLSY.	7,573 white or African American individuals aged 14-21 in 1978.	(1) Descriptive. (2) Logistic regression.	Account ownership and homeownership in 1994.	Race, sibling poverty, parental poverty.	Families were less likely to have bank accounts when they had poor siblings and parents. White families were less likely to own homes when they had poor siblings and parents.	Demands from disadvantaged network members may decrease resources (even to the point that households do not have enough to justify owning an account).
Hilgert, Hogarth, & Beverly (2003)	Supplement to Nov and Dec 2001 Survey of Consumers.	1,004 households, representative of contiguous U.S.	Descriptive.	4 indices of financial behavior (cash-flow management, credit management, saving, & investment).	Financial knowledge.	There was a positive association between overall financial knowledge and following recommended financial practices. There were also positive associations between specific types of financial behavior and specific types of financial knowledge.	Financial education (combination of information, skill-building, motivation) may improve financial behavior.
Hirad & Zorn (2002)	Freddie Mac's Affordable Gold Program.	Low-income (100% or less of area median income) borrowers for homeownership.	Comparisons of means between treatment and control groups.	Borrower's delinquency rates for low-income individuals.	Pre-purchase home ownership counseling, administrative and delivery mechanisms.	(1) Home ownership counseling can reduce the delinquency rates of borrowers. (2) In particular, counseling conducted in a classroom or individual setting is effective, while home study or telephone counseling is not effective.	NA.
Hogan et al. (2004)	Qualitative data from in-depth interviews.	25 working IDA holders in Minnesota. All had income between 100% and 200% of poverty level and had at least one child.	Analytic induction.	NA.	NA.	Financial crises make saving difficult. Support from friends, family, and organizations helped some cope with crises and so helped them save. Some families are very committed to saving, very resourceful in efforts to save.	Financial vulnerability is a barrier, but decision-makers should not assume that LIH cannot save.
Hogarth, Anguelov, & Lee (2005)	1989, 1992, 1995, 1998, 2001 SCF.	Sample sizes ranged from about 3,000 to about 4,500 households.	(1) Descriptive. (2) Logistic regression.	Whether or not household had transaction account.	Income group, net worth, education, & race/ethnicity.	Account ownership increased between 1989 and 2001. All listed explanatory variables were significantly associated with banked status. Largest effects were found for income, net worth, and education.	Policies that support employment, income, and asset accumulation will encourage participation in the mainstream financial system.
Hogarth & Lee (2000)	SCF.	Low- to moderate-income households (with incomes at 80% of the regional median or less).	Descriptive.	Financial portfolios of poor households, uses of various types of financial institutions.	NA.	Compared to all U.S. households, low- to moderate-income households are less likely to hold financial products.	NA.
Hubbard, Skinner & Zeldes (1995)	1984 PSID.	Full sample.	Model simulation with parameters derived from the PSID, comparing outcomes with PSID aggregates.	Simulated distributions of age-wealth profiles.	Minimum guaranteed consumption floor by government programs ($1000 vs. $7000).	The simulated wealth pattern with a $7000 consumption floor assumption generally predicts wealth accumulation patterns across education groups.	Low wealth accumulation can be explained as a utility-maximizing response to asset-based, means-tested welfare programs.
Hurst & Ziliak (2006)	1994-2001 PSID.	Households where the head was between the ages of 18-44 in 1994, had less than 16 years of education, remained in the sample continuously between 1994-2001, did not change marital status between 1994-2001, and did not have missing values for wealth in either 1994 and 2001.	Difference-in difference (OLS, robust regressions).	Change in liquid asset between 1994-2001, change in net worth between 1994-2001, vehicle ownership, home ownership, & checking account.	State asset limits on liquid asset and vehicle asset in 2001.	No significant effect of relaxed liquid asset limit on liquid assets. No significant effect of relaxed liquid asset limit on home ownership, checking account ownership, stock ownership, and business ownership. Statistically positive effect of relaxed liquid assets.	NA.

Appendix Exhibit. Empirical Studies of Determinants of Asset Building (Continued)

Author	Data Source	Sample/Study Population	Method	Outcomes Analyzed	Key Explanatory Variables	Findings	Author's Principal Conclusions
Jayakody (1998)	PSID, its 1988 Time and Money Transfers file supplement.	4,965 black and white families for which either the head or spouse has at least one living parent.	(1) Descriptive. (2) Multivariate regression.	Receipt of financial assistance from parents, amount of money received.	Income, race, family structure.	Overall, there is no race difference in the likelihood of receiving financial assistance when other variables are controlled. In sub-group analyses, Whites are more likely to receive assistance only in the low-income group (less than $15,000).	Black kin networks may be inadequate to mitigate the financial strain faced by low-income households. Not all families can step in and provide assistance to less well off kin.
Kennickell, Starr-McCluer, and Sunden (1997)	Focus group.	Eight Chicago residents with high income and/or high wealth.	Descriptive.	NA.	NA.	Several participants mentioned the need to put money "out of reach" to avoid spending it.	Saving requires self-control.
Kempson, McKay, & Collard (2005)	Surveys and in-depth interviews of participants in Saving Gateway pilot project.	Low-income individuals in five areas of England who chose to participate in matched-savings program. 1,030 completed baseline survey, 539 completed follow-up survey, about 30 completed in-depth interviews.	Descriptive.	Perceptions of saving program, sources of saving.	NA.	1:1 match was main reason many opened accounts. Participants liked that they had to keep money in account for 18 months to maximize match. They were not in favor of restrictions on use of match money. It was uncommon for participants to borrow or transfer money from other accounts to make deposits. However, the money used to make deposits may have been saved (formally or informally) even in the absence of this program.	NA.
Kotlikoff & Bernheim (2001)	1993 survey of nationally, representative sample of individuals between 29-47 years old.	1,209 individuals completed Wave 1, with questions about intended and actual saving and financial attitudes. 806 completed Wave 2, with questions about financial knowledge.	(1) Multivariate. (2) Instrumental variable regression.	Ratio of retirement savings to earnings (variables self-reported).	Financial knowledge.	Financial knowledge was positively associated with retirement savings.	Increasing financial knowledge will increase retirement savings.
Lusardi (2002)	HRS.	About 3,000 U.S. households with financial respondent aged 50 to 61.	(1) Multivariate. (2) Controls for several variables that may proxy for individual characteristics associated with greater saving.	Financial net worth, total net worth.	Attended employer-sponsored retirement seminar.	Attending retirement seminars has large positive effect on wealth for low-wealth and low-educated groups, but not for higher wealth and higher-educated groups.	Providing information and reducing planning costs (e.g., through retirement seminars) may facilitate asset accumulation.
McKernan, Ratcliffe, and Nam (2007)	1990, 1992, 1993, 1996, and 2001 SIPP	Low education single mother sample: female household heads 18-54 years old and high school degree or less education: Low-education families: families whose head and/or spouse are ages 18 through 54 and with high school degree or less education	Fixed effect regressions	(1) presence of liquid assets, (2) value of liquid assets, (3) vehicle ownership, (4) vehicle equity, (5) net worth (excluding housing), and (6) net worth (including housing).	AFDC/TANF asset limits, IDA program rules, Food Stamp asset limits	Generous asset limit on unrestricted account is not significantly associated with liquid asset holdings but generous restricted account asset limits increase liquid asset holdings. The number of years since unrestricted asset limits became more generous (greater than $1000) is associated with increased liquid asset holdings.	
Madrian & Shea (2000)	Administrative data on 401(k) participation.	Several thousand employees under age 65 in one large U.S. firm.	(1) Natural experiment. (2) Descriptive analysis.	401(k) participation and allocation.	Automatic enrollment in 401(k) plan.	Participation in 401(k) plan was significantly higher after the firm began automatic enrollment. Participants were also likely to stay with the default contribution rate and allocation.	The "power of suggestion" can produce large changes in saving behavior.

Appendix Exhibit. Empirical Studies of Determinants of Asset Building (Continued)

Author	Data Source	Sample/Study Population	Method	Outcomes Analyzed	Key Explanatory Variables	Findings	Author's Principal Conclusions
Mayer & Engelhardt (1996)	1988, 1990, 1993 Chicago Title and Trust Company survey of recent home buyers.	A random sample of about 1300 first time home buyers, collected in 18 major U.S. cities.	(1) Descriptive. (2) Multivariate	Gift amount as percent of down payment.	Income, median home price in city.	Between 1985 and 1993, the average number of years that households saved for down payments increased, the average down payment as a percent of purchase price decreased, and the percent of down payment coming from personal savings decreased. For recipients, the average gift equaled 51% of total down payment.	Home ownership is becoming less affordable for first-time buyers.
Menchik & Jianakoplos (1997)	1976 NLS of Mature Men, 1989 SCF.	(1) NLS: men ages 45-59 in 1966 who remained in the sample in 1976. (2) SCF: Full sample.	(1) Descriptive. (2) OLS.	Receipt of inheritance and the relevance of this factor in explaining racial differences in household wealth.	Race, income, age, inheritance, asset composition, rate of return on assets, & value of private pensions.	Whites in both samples were more likely to have received an inheritance and to expect to receive an inheritance in the future. In addition, inheritances are estimated to significantly increase household wealth. Although differences in permanent income explain more variance, racial differences in inheritance can explain between 10% and 20% of the average racial differences in household wealth in 1989.	Racial differences in wealth among current households reflect in part the influence of prior generations.
Milligan (2003)	Administrative data.	Random sample of about 42,000 Canadian tax filers.	(1) Natural experiment. (2) Multivariate analysis.	Contributions to Canadian tax-preferred retirement savings account.	Contribution rules.	Controlling for censoring of desired saving at the match cap, a $1 increase in the match cap is associated with a 50-cent increase in saving.	NA.
Moore et al. (2001)	Survey.	About 300 participants in six IDA programs.	(1) Descriptive. (2) Bivariate. (3) Multivariate.	Sources of savings.	NA.	92% of IDA participants said they liked the restrictions on withdrawals. Sizeable percentages said they had increased their work efforts and reduced consumption because they had IDAs. Smaller percentages said they financed deposits with debt or were less likely to save in other forms because they had IDAs. 82% said it was difficult to save because most of their money went to necessities.	Economic resources affect saving outcomes. IDA participants were willing to alter consumption patterns to save in IDAs.
Nam (2008)	1994, 2001 PSID.	Household heads 18-57 years old who had 15 or less years of education in 1994, maintained the same marital status, lived in the same state, were not in school, and did not have work-limiting health conditions throughout the observation period (1994-2001).	Difference-in difference (median regression, robust logic regression).	Changes in liquid asset between 1994-2001, vehicle ownership in 2001.	State asset limits on general, special, and vehicle assets in 2000 and years since new asset limits were introduced.	The earlier a state raised its asset limit on general accounts, the more likely female-headed households with children were to accumulate liquid assets between 1994 and 2001. Among those who were able to save, the amount of saving was significantly higher for those who lived in states that allowed special accounts with high asset limits early. The longer new asset limits had been in place, the more likely female-headed households with children, relative to the non-target population, were to own a vehicle and to own a vehicle above the previous value limit of $1,500.	NA.
Neumark & Powers (1998)	1983-1986 SIPP(1984 panel).	Male householders aged 60-64.	Difference-in difference (median regression).	Saving (change in net wealth excluding housing between waves 4 and 7).	Maximum state SSI benefit in 1985.	Significantly negative coefficient of SSI benefit level on saving.	NA.
Nyce (2005)	Administrative data on 401(k) participation, survey data describing financial communication of firm.	Over 306,000 employees of 48 firms that offer 401(k)s. (only 26 of these firms completed survey describing their 401k plan.)	(1) Descriptive. (2) Multivariate.	401(k) participation and contributions.	Nature of financial communication.	Financial communication is significantly and positively related to 401(k) participation, especially for low earners. Financial communication is positively associated with contribution rates.	Firms can encourage 401(k) savings by improving financial communication.
Olson & Davis (1994)	In-depth interviews.	30 low-income women in Chicago.	Inductive.	Perceptions of EITC.	NA.	Some women thought about refunds differently than wage income. Some were not interested in the advance-payment option. They wanted to accumulate a lump sum for special purposes.	NA.

Appendix Exhibit. Empirical Studies of Determinants of Asset Building (Continued)

Author	Data Source	Sample/Study Population	Method	Outcomes Analyzed	Key Explanatory Variables	Findings	Author's Principal Conclusions
Powers (1998)	1978-1983 NLS-YW.	229 female head of households whose marital status did not change between 1978-1983.	Robust regression.	Change in total net wealth (excluding vehicle value) between 1978-1983.	Change in state asset limits between 1978-1983.	Significantly positive coefficient of asset limit (about 0.25) on assets.	NA.
Reid (2004)	PSID.	5,300 renters who had not owned a home in past five years.	(1) Descriptive. (2) Multivariate.	Home ownership status, value of home, home equity.	Income, race.	(1) Among low-income renters, whites, married couples, professionals, and those with at least HS degree were more likely to buy homes. (2) Many homeowners, especially low-income and minority, return to renting. (3) Financial returns to home ownership were very small for low-income minorities, low-income whites, and middle-income minorities. Still, housing wealth is essentially the only asset for many low-income minority home owners and some do experience appreciation. (4) Experiencing a divorce is one of the most important factors in the transition from owing to renting, regardless of race or income.	(1) Homeownership disproportionately benefits white and middle- and upper-income households. (2) Increasing homeownership among blacks will not substantially reduce the racial wealth gap. (3) Homeownership is an incredibly fluid category, with many families moving in and out of homeownership several times over the course of their lives.
Romich & Weisner (2000)	In-depth interviews.	42 families randomly selected from families who volunteered for an anti-poverty program in Wisconsin.	Inductive.	Perceptions and use of EITC.	NA.	Some view and use refunds differently than wage income. Some prefer a lump-sum over the advance-payment option.	The preference for a lump-sum is consistent with behavioral economic theory.
Sarkisian & Gerstel (2004)	1992-1994 NSFH.	9200 black and white households.	(1) Descriptive. (2) Multinomial logistic regression.	Gender and class differences in kin support among blacks and whites.	Race, income, wealth, education, employment status, employment hours, occupation, & public assistance (structural variables).	Whites report greater financial and emotional kin support while blacks are involved in more practical help (transportation, household work, and child care). Black men and white men are very similar while significant differences exist between women.	Many racial differences in kin support can be explained by structural and class differences.
Schmidt & Sevak (2004)	PSID.	A national representative sample of households.	(1) OLS. (2) Quantile regression.	Net worth.	Family structure, gender, other demographic and socioeconomic variables.	After controlling for other demographic and socioeconomic factors, the net worth of married couples is higher than other family types, and single females have the least wealth holdings. However, the wealth gaps by gender and family types may emerge later in life.	NA.
Schoeni(1997)	1988 PSID with supplement on private interhousehold transfers.	About 6,000 individuals aged 20 to 80.	(1) Descriptive. (2) Multivariate.	Interhousehold transfers of money and time in 1987.	Age, income, home purchase.	Home purchase in the past year was positively associated with the receipt of money and time help.	NA.
Schoeni & Ross (2005)	PSID (1988 with Special Time and Money Transfers Supplement).	6,661 young adults between 18-34 years old, including 4,848 who were heads of household or spouses in 1988.	(1) Descriptive. (2) Synthetic cohort approach.	Total amount of material assistance (housing, food, educational expense or cash) received by young adults during transition to adulthood.	Parents' economic status when they were 10-15 years old.	(1) Young adults receive about $38,000 in material assistance (housing, food, support for educational expenses, or cash) throughout transition to adulthood (from 18 to 34 years old), annual average = $2,200. (2) Young adults in top quartile of family income receive three times more material assistance than those in bottom quartile.	More research needed to determine if material assistance, or some other family mechanism, leads to more successful transition for children of affluent parents.

Appendix Exhibit. Empirical Studies of Determinants of Asset Building (Continued)

Author	Data Source	Sample/Study Population	Method	Outcomes Analyzed	Key Explanatory Variables	Findings	Author's Principal Conclusions
Schreiner & Sherraden (2007)	Administrative data from ADD.	Over 2,000 participants in 14 IDA programs.	(1) Descriptive. (2) Multivariate.	IDA saving.	Match rate, match cap.	Participants who were eligible for higher match rates were more likely to be "savers" but had lower monthly net savings. When both of these effects are considered, higher match rates increased average saving. Higher match caps were associated with greater saving. Net IDA deposits increased substantially during tax season.	Higher match rates increase inclusion. Many IDA participants were saving for fixed goals.
Schreiner et al. (2001)	Administrative data from ADD.	Over 2,000 participants in 14 IDA programs.	(1) Descriptive. (2) Multivariate.	Sources of IDA deposits.	NA.	Many participants had no or very low liquid assets at enrollment. Most had too few liquid assets to fund all of their IDA deposits.	IDA deposit comes from both new savings and shifted assets.
Shapiro (2004)	Qualitative data from in-depth interviews, SIPP, PSID.	In-depth interview sample of 200 poor to middle-class families with school-age children in Boston, LA, and St. Louis.	Descriptive.	Receipt of transfer or financial assistance, effects of transfer/financial assistance.	Race.	(1) Sizable inheritances and *inter vivos* gifts can give young families a "head start" (e.g., Allows home purchase in neighborhood with good schools). (2) Whites are more likely than blacks to receive sizable transfers. (3) Families with assets are able to acquire high-quality education for their children, and their education can transfer their economic advantages to their children.	Transfer of "transformative assets" perpetuates inequality.
Sherraden, McBride et al. (2005)	In-depth interviews.	59 IDA participants in OK, plus 25 non-IDA participants.	Inductive.	Perceptions of saving and IDA program, sources of saving.	NA.	The match was a primary reason for opening IDAs. Some participants like restrictions on withdrawals, and restrictions may be translated into goals. Direct deposit and encouragement from IDA staff helped some participants save. Medical expenses and vehicle breakdowns made saving difficult.	NA.
Smeeding, Phillips, & O'Connor (2000)	Survey.	650 tax units with children, living in Chicago and expecting to receive a federal refund and EITC benefits.	(1) Descriptive. (2) Bivariate.	Planned use of tax refund.	NA.	Paying bills was the most common planned refund use. One-half said they planned to save some or all. 22% planned to purchase or repair a car.	Families plan to use EITC refunds for immediate consumption and for investments in longer-term well-being.
Stack (1974)	Observation, in-depth interviews.	Individuals and families in one Midwestern, urban, low income, black community in the 1970s.	(1) Descriptive. (2) Inductive.	"Survival strategies".	NA.	Frequent demands from social network members made it difficult for blacks to accumulate assets.	
Sullivan (2006)	1992-1999 SIPP (1992, 1993, 1996 panels).	Single mothers with a high school degree or less, single mothers and single women without children (comparison group) with a high school degree or less.	(1) Probit. (2) OLS. (3) Difference-in-difference.	Vehicle ownership, vehicle equity, liquid assets.	Vehicle asset limit, liquid asset limit.	Relaxed vehicle limit significantly increase vehicle ownership among single mothers. Increased asset limit has negligible effect on vehicle ownership and liquid assets.	NA.
Tennyson & Nguyen (2001)	1997 survey of high school students conducted by Jumpstart Coalition for Personal Financial Literacy.	High school students and teachers.	OLS.	Personal financial literacy.	Curriculum mandates and required specific financial education course work.	(1) Curriculum mandates, broadly defined, are not generally associated with financial literacy. (2) Students in states that required specific financial education course work scored higher.	NA.
Thaler & Benartzi (2004)	Administrative data.	315 employees at midsize manufacturing company who were eligible for retirement savings plan.	Descriptive.	Contribution rates.	Participation in SMarT plan (precommitment plan).	Those who precommitted to save most of their pay raises increased their average saving rate much more than those who agreed to try to increase their saving but did not arrange for automatic saving increases.	Inertia is powerful. Carefully constructed saving programs can increase saving.

Appendix Exhibit. Empirical Studies of Determinants of Asset Building (Continued)

Author	Data Source	Sample/Study Population	Method	Outcomes Analyzed	Key Explanatory Variables	Findings	Author's Principal Conclusions
Wilhelm (2001)	Mid- to late-1980s PSID.	Unweighted samples vary from about 4,000 to about 6,000.	Direct estimation.	Inheritance, *inter vivos* gifts.	Income, race, age, education, & occupation.	(1) Household in highest permanent income quintile is much more likely to have received inheritance than a household in lowest quintile (28% vs 13%). Average inheritance amount (conditional on receipt varies dramatically by income (e.g., Average for highest permanent income quintile is almost 5 times as high as average for lowest quintile). (2) Likelihood of receiving *inter vivos* gift doesn't vary that much by income. However, amount of gift (conditional on receipt) does increase with income.	A large share of wealth is traceable to intergenerational transfers. These transfers disproportionately go to higher-income families. However, a non-negligible number of low- to moderate-income households receive sizeable transfers.
Wolff (2002)	1989, 1992, 1995, 1998 SCF.	Full sample (both core and high-income supplement).	Descriptive.	Receipt of financial transfers, amount of transfers, present net value of all transfers in 1998 dollars.	Race, income.	Twenty percent of all households received a transfer in 1998. The proportion of non-Hispanic whites receiving a transfer was more than twice that of other groups (23.8% for whites, 10.8% for blacks, 4.2% for Hispanics, and 9.1% for Asian and other races).	Although poor households receive less in inheritances than non-poor households, wealth transfers may reduce wealth inequality. This is because even a small gift to the poor may make up a huge portion of their wealth portfolio. Even though wealth inequality rose between 1983 and 1998, it might have been worse without the mitigating effects of gifts and inheritances.
Woo, Schweke & Buchholz (2004)	Microsimulation by Institute on Taxation and Economic Policy.	Database of almost 750,000 tax returns and supplementary records.	Simulation, using existing tax returns and government or other respected projections.	Distribution of tax expenditures for mortgage interest and property tax deductions.	Income group.	Most benefits of mortgage interest and property tax deductions accrue to high-income taxpayers.	Federal policies disproportionately benefit those who highest incomes and most assets.
Zhan, Anderson, & Scott (2006)	Pretest and posttest survey of financial education (FLLIP) participants.	163 low-income (below or at 200% poverty line) people in Illinois.	(1) Descriptive. (2) Multivariate.	Pre-training financial knowledge, knowledge gains.	(1) For pre-training knowledge: participant characteristics. (2) For knowledge gains: financial training program and participant characteristics.	Single participants had better financial knowledge than married participants.	NA.
Ziliak (2003)	1980-1991 PSID.	1,210 male and female household heads between the ages of 25 - 52 in 1980 who did not change marital status over the sample period (14,520 person-year).	(1) Generalized method-of-moments (GMM). (2) Decomposition.	Ln(liquid-wealth-to-permanent-income ratio), Ln(net-wealth-to-permanent-income ratio).	Permanent asset-tested transfer income (12 year average over observation period), permanent non-asset tested transfer income.	(1) Permanent asset-tested transfer income and permanent non-asset-tested transfer income have significantly negative associations with liquid-asset-to-income-ratio. The former has much larger effect on liquid asset accumulation. (2) Both asset-tested and non-asset tested transfer income have negative but not statistically significant effect on net-wealth-to-income ratio. (3) Decomposition results indicate that virtually all rich-poor liquid asset gap is attributable to differences in average characteristics, not differences in coefficients.	NA.