Online appendix for "The racial wealth gap, 1860-2020"

Appendix A Data sources for historical racial wealth gap series

We investigate the evolution of the racial wealth gap using a variety of national and state-level sources. Specifically, our wealth data were assembled from the complete-count historical U.S. censuses (1860 and 1870); state auditor reports (1860-1917); aggregate Black wealth estimates by Monroe Work (1926-1936); and historical and modern waves of the Survey of Consumer Finances (1949-2019). We take estimates for national wealth from the U.S. Census Bureau's "Wealth, Public Debt, and Taxation" reports published until 1922. Additionally, we use population data from the census as well as the Census Bureau's report on the Black population from 1790 to 1915. In this Appendix, we describe these key data sources in detail.

Complete-count 1860, 1870, 1930, and 1940 U.S. censuses We obtain our earliest measures of Black and white wealth at the national level from the 1860 and 1870 censuses. We use the IPUMS version of the complete-count censuses for these years (Ruggles et al., 2021). We begin our analysis in 1860 as the 1850 census only recorded real property and not personal property, which included the enslaved and accounted for a significant source of total wealth prior to the Civil War.[39]

Importantly, the 1860 census does not include a count of the enslaved, who were enumerated in separate slave schedules. We aggregate Haines (2010) data on the enslaved Black population by county.[40] The 1870 census is the first full accounting of the Black population in the United States. For the 1870 census, enumerators were instructed to record personal property for those with at least $100 and real property for all. Finally, we obtain home values for the population from the 1930 and 1940 censuses. The 1930 census was the first to ask households about the value of their homes.

Southern state auditor reports, 1860-1917 For the years following Emancipation, we rely on southern state auditor reports analyzed in Du Bois (1901), Higgs (1982), and Margo (1984a) to understand Black wealth accumulation and racial wealth gaps in the South between the Civil War and World War I. We used the website HathiTrust Digital Library (https://www.hathitrust.org/) to access annual tax auditor reports for available Southern states in available years (1860-1917). Data were obtained directly from such reports for the following states: Georgia, Louisiana, North Carolina, Virginia, Kentucky, and Arkansas.

These reports provide either county-level aggregates of assessed wealth by racial group or aggregate tax payments by racial group. In the latter case, we follow Margo (1984a) and impute Black

[39] We estimate that personal property made up 42% of total wealth in 1860.

[40] These estimates correspond to those in the Census Bureau's 1918 publication "Black Population 1790-1915" (Cummings and Hill, 1918).

and white aggregate wealth by assuming the Black-white ratio of property tax payments equals the wealth ratio and multiplying the former by the state's reported aggregate wealth for that year or an adjacent year. We also included similar data from Georgia, which had been previously assembled by Du Bois (1901) and supplement with total wealth measures from Georgia's tax reports. To complete the early state-level dataset, per capita wealth observations from Margo (1984a) were combined with population figures to calculate aggregate wealth levels by race in years where the corresponding state auditor report was not found online and additional years were taken from Work (1915) and Work (1917). A full description of these data and our digitization follows in Appendix A.1 below.

Black wealth estimates from Monroe Nathan Work's *Negro Year Book* Monroe Nathan Work (1866-1945) was a sociologist who published an annual encyclopedia on the status of Black Americans called the *The Negro Year Book: An Annual Encyclopedia of the Negro*. For estimates of Black wealth at the national level after 1916, we take estimates from these publications for the years 1926, 1930, and 1936 (Work, 1926; Work, 1931; Work, 1938). Figure A.1 gives an example of the presentation of these types of estimates in his annual reports.

While information on Work's methodology is limited, the estimates seemingly incorporate extensive research conducted by Work on the growth of Black churches, farmlands, businesses, and other assets on top of additional indicators of Black social and economic progress. Notably, Work includes state-level wealth estimates in his yearbooks that are consistent with the data we digitized from state auditor reports, suggesting these state-level records figure prominently in his estimation of national Black wealth. Work's national Black wealth estimates are low compared to the 1870 Census, potentially due to being drawn from assessed rather than market-value-based estimates of wealth; however, once the levels are adjusted, the trend matches well with the data from the census and the SCF+, available from 1949 onwards. More details on these adjustments are provided in Section B and Appendix B.4.

Sources on national wealth in the late 19C and early 20C For the years between 1870 and 1940, we calculate white wealth as the difference between estimated Black wealth and total wealth in the United States. Given the demographic makeup of the country during this time and patterns of wealth-holding in the census data, we believe this generates a reasonable estimate of national per capita white wealth for this period. We obtain national wealth estimates from the U.S. Census Bureau's "Wealth, Public Debt, and Taxation," covering national and state-level wealth from 1850 to 1922 (United States Bureau of the Census et al., 1924).[41] For the years 1926, 1930, and 1936, we incorporated estimates from Saez and Zucman (2016b) on aggregate wealth in the United States.

Historical and modern waves of the Survey of Consumer Finances (SCF+) From 1949 to the present, we use harmonized waves of the Survey of Consumer Finances (the SCF+), which

[41] Early editions were titled "Wealth, Debt, and Taxation."

provides micro-level data on households' socioeconomic characteristics and wealth composition. The SCF+ is an extension of the Survey of Consumer Finances (SCF) provided by Kuhn, Schularick, and Steins (2020). Before the modern SCF, which the U.S. Federal Reserve Board has conducted every three years since 1983, the Survey Research Center of the University of Michigan gathered data on household income and wealth along with their demographics at an annual frequency from 1947 to 1971, and again in 1977. Kuhn, Schularick, and Steins (2020) extract this historical data based on the original codebooks and match the variables across the historical and modern waves. The final dataset allows us to study the joint distribution of income and wealth consistently from 1949 to 2019.

Wealth in the SCF+ comprises marketable net wealth, which is the current value of all marketable assets net the current value of debts. Assets include liquid assets (certificate deposits, checking and savings accounts, call and money market accounts), housing and other real estate, bonds, stocks, corporate and non-corporate equity, and defined contribution retirement accounts. Total liabilities are the sum of housing debt, car loans, education loans, loans for consumer durables, credit card debt, and other non-housing debt. As we focus on marketable wealth, we exclude social security and defined benefit pension claims. Using these data, we compute decadal averages of per capita wealth by race.

A.1 Digitization of state auditor reports

We digitize state auditor reports for six states that assessed wealth (or recorded total tax payments on assessed wealth) separately for the Black and white populations in those states between the 1860s and the early 20th century: Arkansas, Georgia, Kentucky, Louisiana, North Carolina, and Virginia. We have digitized state-level wealth data from the following reports and other sources for each state:

1. Arkansas: Auditor of State (1896; 1898; 1901; 1903; 1904; 1906; 1909; 1911; 1912; 1913).
2. Georgia: Comptroller General of the State of Georgia (1878; 1879; 1882; 1884a; 1884b; 1885; 1888; 1890; 1891; 1892; 1893; 1894; 1895; 1898; 1899; 1900); Du Bois (1901).
3. Kentucky: Auditor of Public Accounts, of the State of Kentucky (1866; 1867; 1869; 1871; 1873); Margo (1984b).
4. Louisiana: Auditor of Public Accounts for the State of Louisiana (1892; 1894; 1896; 1900; 1906; 1908; 1910; 1912; 1914; 1916; 1918).
5. North Carolina: Auditor of the State of North Carolina (1891; 1892; 1893; 1894; 1895; 1896; 1898), State Tax Commission (1903; 1904a; 1904b; 1905; 1906; 1907; 1908; 1909; 1910; 1911; 1912; 1913; 1914; 1915); Margo (1984b).
6. Virginia: Auditor of Public Accounts (1904; 1912); Work (1915; 1917); Margo (1984b).

These reports were originally analyzed by Du Bois (1901) and Higgs (1982) (Georgia only) and Margo (1984a) (the remaining five states) to understand post-Civil-War wealth accumulation by Black Americans as well as Black-white wealth dynamics during this period. Figure A.2 shows an excerpt from the 1903-1905 auditor report for the state of Virginia.

A.1.1 Comparison of historical state wealth ratios to Margo (1984)

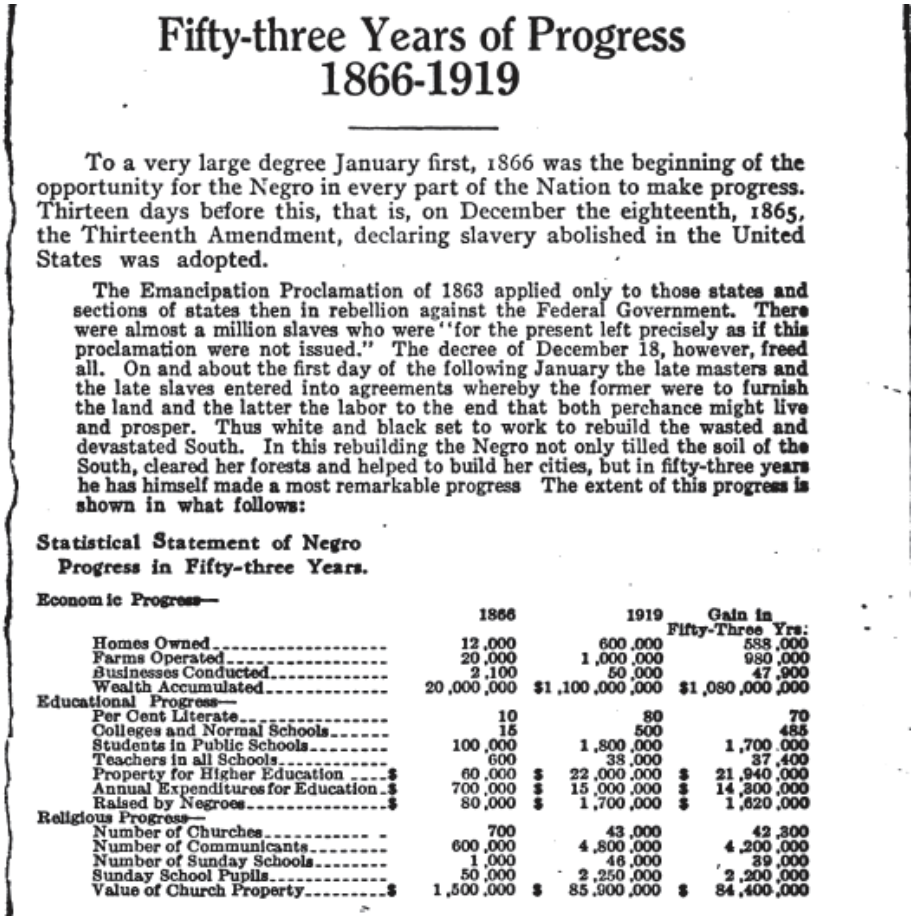
Below we compare our estimates for the white-Black per capita wealth ratio derived from our digitization of state auditor reports to those of Margo (1984a). Table A.1 shows that results are broadly similar for most states with Louisiana being the exception. This is due to the fact that the Louisiana state auditor reports exclude data for Orleans Parish, which includes New Orleans. Margo (1984a) assumes that country parish ratios apply to the state overall, for which aggregate wealth is available, and computes the state-wide wealth ratio this way. We use a different approach to account for the possibility of greater wealth holding by Black Americans in New Orleans relative to the country parishes. We take the 1870 Census and compute white-to-Black wealth ratios in New Orleans. We then subtract total country parish wealth from total wealth in Louisiana to derive wealth in New Orleans every year for which tax data are available. Assuming that the white-to-Black wealth ratio in New Orleans holds constant over time, we compute Black and white wealth

in New Orleans using this method and then recompute the per capita wealth ratio for the state of Louisiana using these adjusted measures for aggregate Black and white wealth in the state.

Figure A.3 plots aggregate Black wealth in each of the six states adjusted using the Warren-Pearson Index to the 1910-1914 price level. Each of the six states shows substantial accumulation of Black wealth over this period.

Figure A.4 plots the white-to-Black per capita wealth ratios for each state. The pattern of rapid initial convergence followed by a slowdown that we document in our national series also holds for these six states.

Figure A.1: Excerpt from *The Negro Year Book* (Work, 1922)



Fifty-three Years of Progress 1866-1919

To a very large degree January first, 1866 was the beginning of the opportunity for the Negro in every part of the Nation to make progress. Thirteen days before this, that is, on December the eighteenth, 1865, the Thirteenth Amendment, declaring slavery abolished in the United States was adopted.

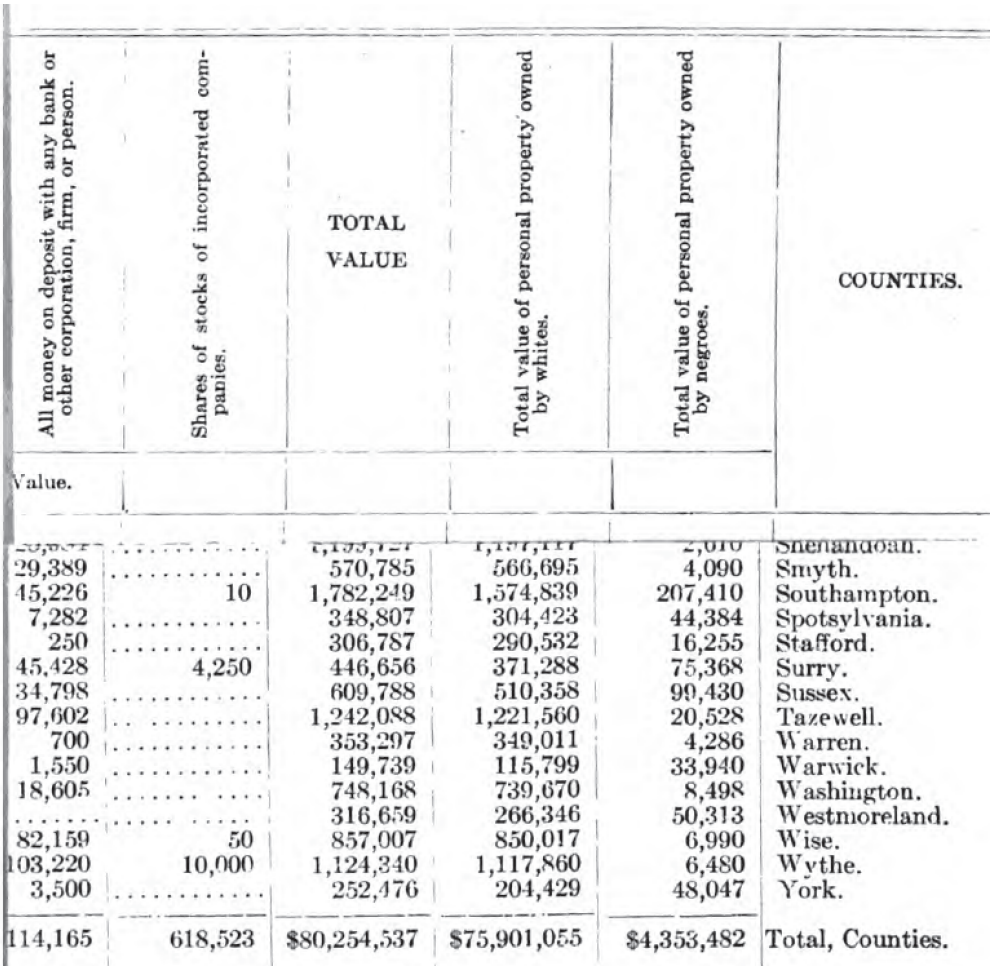
The Emancipation Proclamation of 1863 applied only to those states and sections of states then in rebellion against the Federal Government. There were almost a million slaves who were "for the present left precisely as if this proclamation were not issued." The decree of December 18, however, freed all. On and about the first day of the following January the late masters and the late slaves entered into agreements whereby the former were to furnish the land and the latter the labor to the end that both perchance might live and prosper. Thus white and black set to work to rebuild the wasted and devastated South. In this rebuilding the Negro not only tilled the soil of the South, cleared her forests and helped to build her cities, but in fifty-three years he has himself made a most remarkable progress The extent of this progress is shown in what follows:

Statistical Statement of Negro Progress in Fifty-three Years.

	1866	1919	Gain in Fifty-Three Yrs.
Economic Progress—			
Homes Owned	12,000	600,000	588,000
Farms Operated	20,000	1,000,000	980,000
Businesses Conducted	2,100	50,000	47,900
Wealth Accumulated	20,000,000	$1,100,000,000	$1,080,000,000
Educational Progress—			
Per Cent Literate	10	80	70
Colleges and Normal Schools	15	500	485
Students in Public Schools	100,000	1,800,000	1,700,000
Teachers in all Schools	600	38,000	37,400
Property for Higher Education	$ 60,000	$ 22,000,000	$ 21,940,000
Annual Expenditures for Education	$ 700,000	$ 15,000,000	$ 14,300,000
Raised by Negroes	$ 80,000	$ 1,700,000	$ 1,620,000
Religious Progress—			
Number of Churches	700	43,000	42,300
Number of Communicants	600,000	4,800,000	4,200,000
Number of Sunday Schools	1,000	46,000	39,000
Sunday School Pupils	50,000	2,250,000	2,200,000
Value of Church Property	$ 1,500,000	$ 85,900,000	$ 84,400,000

Notes: Excerpt from Work, 1922 depicting Work's estimates of total Black wealth in the United states in 1866 and 1919. Data sources: *The Negro Year Book* (Work, 1922).

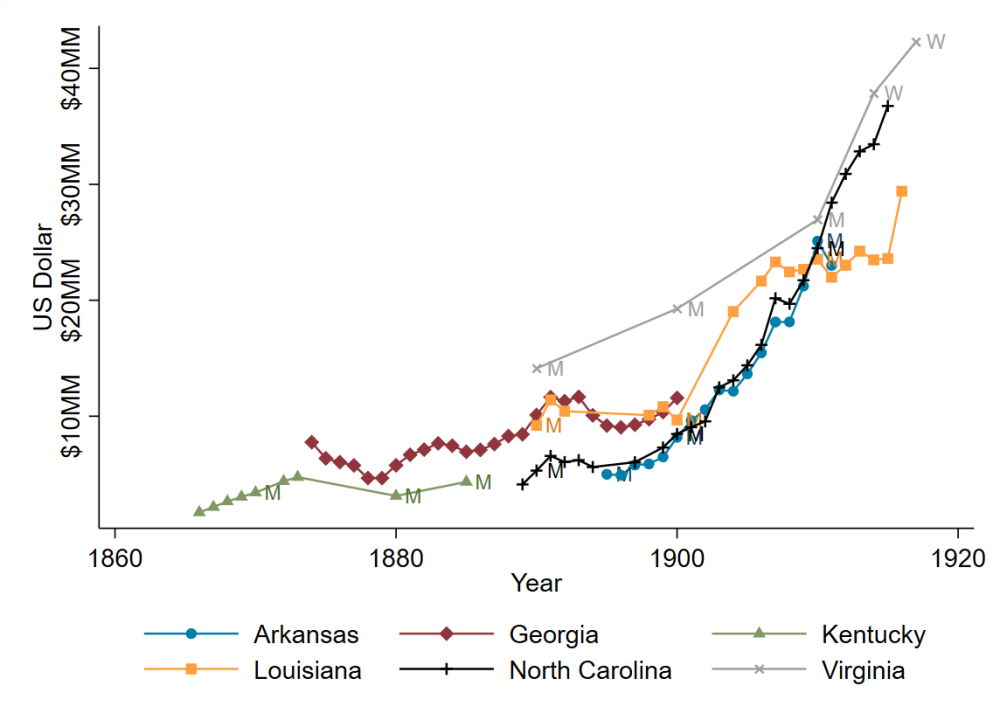
Figure A.2: Virginia auditor report, 1904



All money on deposit with any bank or other corporation, firm, or person.	Shares of stocks of incorporated companies.	TOTAL VALUE	Total value of personal property owned by whites.	Total value of personal property owned by negroes.	COUNTIES.
Value.					
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Shenandoah.
29,389	.....	570,785	566,695	4,090	Smyth.
45,226	10	1,782,249	1,574,839	207,410	Southampton.
7,282	.....	348,807	304,423	44,384	Spotsylvania.
250	.....	306,787	290,532	16,255	Stafford.
45,428	4,250	446,656	371,288	75,368	Surry.
34,798	.....	609,788	510,358	99,430	Sussex.
97,602	.....	1,242,088	1,221,560	20,528	Tazewell.
700	.....	353,297	349,011	4,286	Warren.
1,550	.....	149,739	115,799	33,940	Warwick.
18,605	.....	748,168	739,670	8,498	Washington.
.....	.....	316,659	266,346	50,313	Westmoreland.
82,159	50	857,007	850,017	6,990	Wise.
103,220	10,000	1,124,340	1,117,860	6,480	Wythe.
3,500	.....	252,476	204,429	48,047	York.
114,165	618,523	$80,254,537	$75,901,055	$4,353,482	Total, Counties.

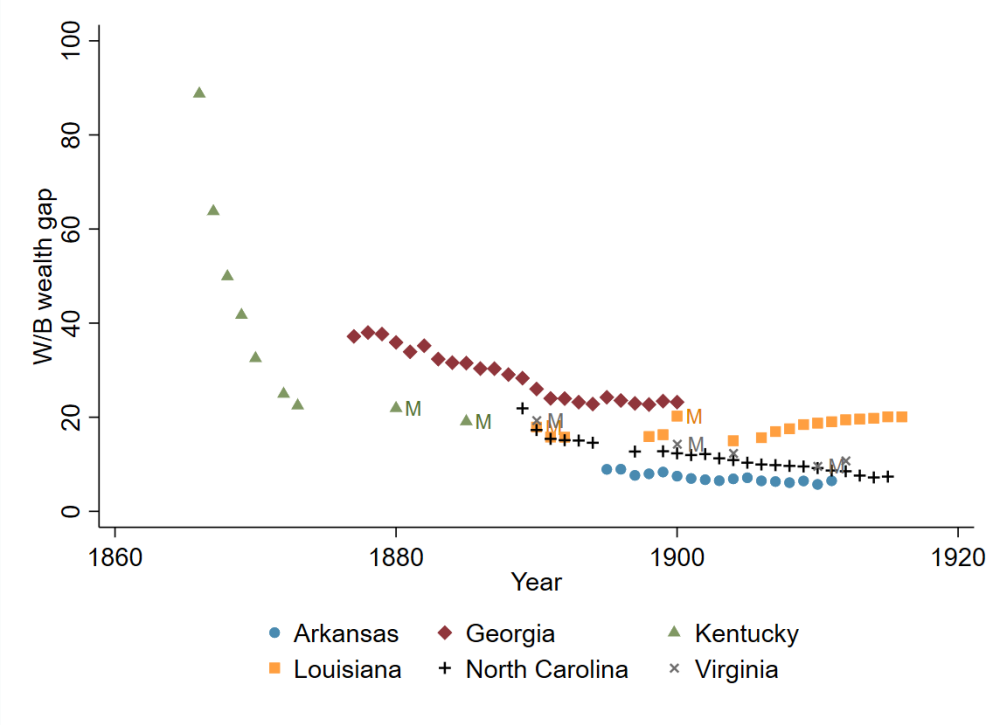
Notes: Excerpt from Virginia's Annual Report of the Auditor of Public Accounts for the year 1904 showing county totals of personal property for white and Black Virginians separately. Data sources: Auditor of Public Accounts (1904).

Figure A.3: Aggregate Black wealth by state, 1860-1920 (in $1910-1914)



Notes: Measures of aggregate Black wealth for the six southern states with auditor reports recording Black and white wealth or tax payments separately (Arkansas, Georgia, Kentucky, Louisiana, North Carolina, and Virginia). Estimates are adjusted to be in $1910-1914 using the Warren-Pearson Index (United States Bureau of the Census, 1949). Data sources: Southern state auditor reports (see Appendix Section A.1); Du Bois (1901); Margo (1984a): "M"; and Work (1922): "W".

Figure A.4: White-Black per capita wealth ratio by state, 1860-1920



Notes: White-to-Black per capita wealth gaps for the six southern states with auditor reports recording Black and white wealth or tax payments separately (Arkansas, Georgia, Kentucky, Louisiana, North Carolina, and Virginia). Data sources: Southern state auditor reports (see Appendix Section A.1); Du Bois (1901); Cummings and Hill (1918); Margo (1984a): "M"; and Work (1922): "W".

Table A.1: White-Black per capita wealth ratios from state tax records

	1870	1880	1885	1890	1895	1900	1910	1910
Arkansas								
Margo (1984b)						9	7	6
Our estimates						9	7	6
Georgia								
Margo (1984b)								
Our estimates		36	36	32	26	24	23	
Kentucky								
Margo (1984b)	36	22	22	19				
Our estimates	33							
Louisiana								
Margo (1984b)					18		20	25
Our estimates					14		16	19
North Carolina								
Margo (1984b)					17		13	9
Our estimates					17		12	9
Virginia								
Margo (1984b)					19		14	10
Our estimates							13	11

Notes: Wealth gap estimates from state auditor reports. Margo (1984b) refers to the data originally collected from southern state auditor reports and reported for selected years in Table 1 of that paper (Margo, 1984a). Data sources: Our estimates are calculated from a new digitization of the same reports and supplemented with data from Du Bois (1901) on Georgia.

Appendix B Additional details on construction of the historical racial wealth gap series

This appendix provides additional details on the construction of our long-run series.

B.1 Top-coding in the 1860 and 1870 censuses

There are very few top-coded observations in the 1860 and 1870 census (211 in 1860 and 432 in 1870). To adjust for top-coding, we take the earliest available estimates for wealth concentration at the very top of the U.S. wealth distribution from (Saez and Zucman, 2016b). They report that the top 0.01 percent of tax units owned 8.8 percent of total wealth in 1913. To impute wealth levels of top-coded observations, we take national estimates of total taxable wealth from (United States Bureau of the Census et al., 1924), which was $16,159,616,068 dollars in 1860 and use this to derive an estimate for average wealth of the top 0.01 percent of tax units. In the Census data, we consider the household to be equivalent to the tax unit and replace all top coded observations using this estimate for average top wealth. In other words, we estimate that the 533 households in the top 0.01 percent of the population in 1860 held average wealth of 2,668,456 dollars. We proceed with the same steps for 1870 and estimate that the 771 richest households in the top 0.01 percent of the wealth distribution held average wealth of $3,432,867. The estimate for national wealth in 1870 is $30,068,518,507.

B.2 Alternative assumptions around bottom-censoring in the 1870 census

In the first step, we consider the 1860 census data that does not have censoring at 100 dollars for personal property. We use these data to estimate the share of persons with personal wealth of zero conditional on having wealth below 100 dollars. For the Black population, we include the enslaved population of 3,858,866 persons with personal property of 0 dollars. We find that 99.4% of the Black population and 97.5% of the white population in 1860 that report personal property below 100 dollars report zero dollars of personal property. In the entire population only 15.1% of all individuals, 17.3% of white individuals and 1.3% of Black individuals, report positive values for personal property in 1860.

We then consider the 1870 data and find that the recording of personal property in 1870 also contains slightly above 80,000 non-zero observations below 100 dollars whereas there should be none (54,000 white individuals, 26,000 Black individuals). We consider these records as the result of data collectors not following the instructions and also recording values below 100 dollars. Based on these records, we estimate separately for the Black and white population conditional means for personal property below 100 dollars in 1870, i.e., we compute the conditional mean for positive personal property below 100 dollars for Black and white individuals. For Black individuals, we get a mean of 39 dollars and for white individuals a mean of 48 dollars. We impute these means

to a fraction of individuals that according to our 1860 estimates should have non-zero personal property below 100 dollars, i.e., we match the 1860 share for the Black and white population with "true zeros." Before the imputation, average personal property of Black individuals was 15 dollars and it is 15 dollars after the imputation. For white individuals, we have 248 dollars of average personal property before the imputation and 249 dollars including the imputation. The share of individuals with zero wealth in the group of individuals with less than 100 dollars is 99.8% for white individuals before the imputation and it is 97.5% after the imputation. For Black individuals, the share of Black individuals with zero personal property conditional on having less than 100 dollars of personal property is 99.4% after the imputation unchanged from the 99.4% before the imputation. The shares for zero wealth after the imputation are targeted based on the 1860 data.

In both years, we replace missing observations with zeros. In 1860, we replace 2,004 observations for real estate and 1,608 observations for personal property. In 1870, we replace 329 observations for real estate and 355 observations for personal property.

B.3 Estimating Black wealth growth rates from state tax data

We use data from the state auditor reports described in Appendix A.1 to estimate growth rates of Black wealth, which we then use to extrapolate Black wealth as recorded in the 1870 Census until the year 1922, the last year for which we have national wealth estimates from the Census Bureau's "Wealth, Public Debt, and Taxation" report. Specifically, we regress log wealth in state s on a linear time term t and state fixed effects δ_s:

$$\log w_{st} = \alpha + \beta t + \delta_s + \varepsilon_{st}. \tag{6}$$

Figure B.1 plots predicted log wealth ($\widehat{\log}_{st} = \hat{\alpha} + \hat{\beta} t + \hat{\delta}_s$) against observed log wealth for the six states using the estimated coefficients from regression equation 7. The figure shows a close fit to the data. Our extrapolation of Black wealth after 1870 using this estimated growth rate ($\hat{\beta}$) is described in Section 3.

B.4 Adjusting estimates from Work (1922)

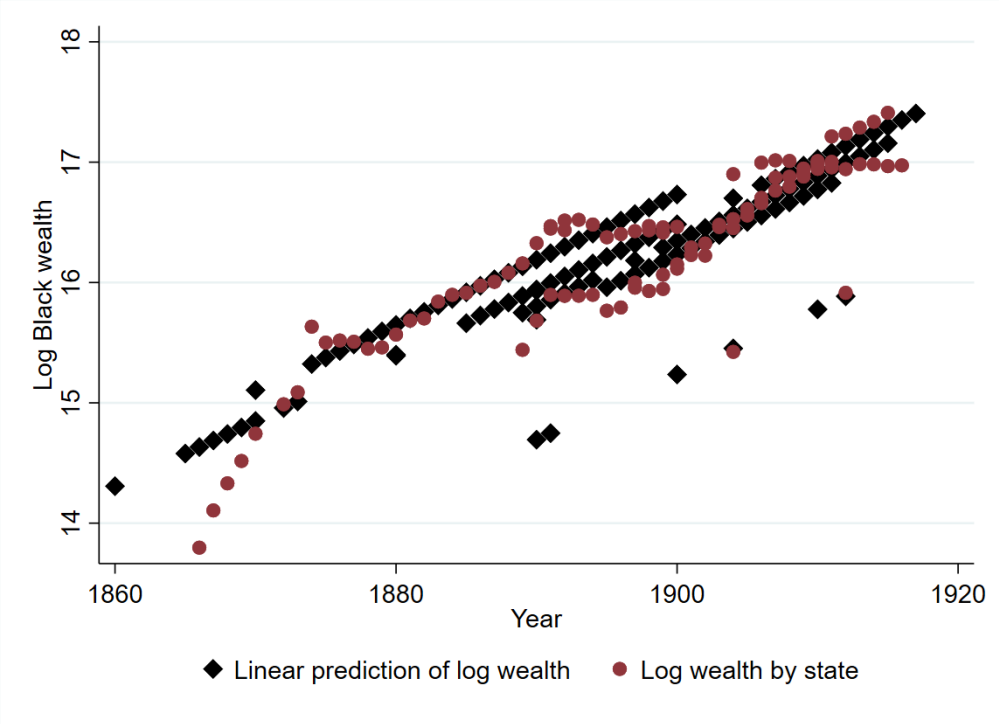
In this section, we describe our procedure for adjusting our estimates derived from from Work (1926), Work (1931), and Work (1938) and national wealth data from Saez and Zucman (2016a). Incorporating the raw racial wealth gap estimates from combining these sources yields in a large upward jump in the time series for the racial wealth gap when compared to the census data that precedes these points and the SCF+ which follow them. The reason for the higher level of the wealth gap is the low level for Black wealth drawn from Work's publications. There is no similar jump in national wealth estimates when transitioning from data from Saez and Zucman (2016b) to the figures from the Census Bureau's national wealth report.

We surmise that Work's estimates are based on the same state-level tax data we use to estimate Black wealth for the early 20th century. One reason for this is that he describes changes in wealth in the same states for which auditor reports breaking wealth down by racial group are available. Assessed values for tax purposes are substantially below their market value in these years. Appendix Figure B.2 which excerpts from United States Bureau of the Census et al. (1924) shows the ratio of market values to assessed values for the early 20th century. If estimates in Monroe Work are based on tax records, then they will understate on average wealth of the Black population relative to the estimates for total wealth that are used to construct the wealth of the white population as a residual. To adjust for this, we scale the racial wealth gap for these three years by assuming a linear time trend between 1922 and 1950.

We proceed as follows. We first construct the linear time trend between the average wealth gap over the period from 1912 to 1922 as starting point and 1950 and 1953 as the end point of the linear trend. We compare the average wealth gap for 1926, 1930, and 1936 implied by the linear trend to the average wealth gap implied by the original estimates from Work (1922). We take the ratios of these averages as the scaling factor that we then apply to the original Work estimates to adjust them in levels. Using this approach, we keep the time series variation implied by the Work estimates and adjust only their levels over time. The resulting adjustment factor is 0.603, which implies that we scale down the wealth gap by about 40 percent. Reassuringly, adjustment factor is similar to the assessment ratios for taxable wealth depicted in Appendix Figure B.2, the state-level average of which is 57%. The close alignment of the calibrated adjustment factor and the assessment ratio is consistent with the conjecture that Work relied on tax data as a major source for his estimates.

Figure B.3 plots the full series containing adjusted estimates from Work, as well as the unadjusted estimates for 1926, 1930, and 1936.

Figure B.1: Log wealth and predicted log wealth for six southern states



Notes: Log wealth and log wealth predicted using a linear time trend and state fixed effects. States included are Kentucky, North Carolina, Georgia, Arkansas, Virginia, and Louisiana. Data sources: Southern state auditor reports; Du Bois (1901); Work (1922); and Margo (1984a).

Figure B.2: Excerpt from U.S. "Wealth, Public Debt, and Taxation" report

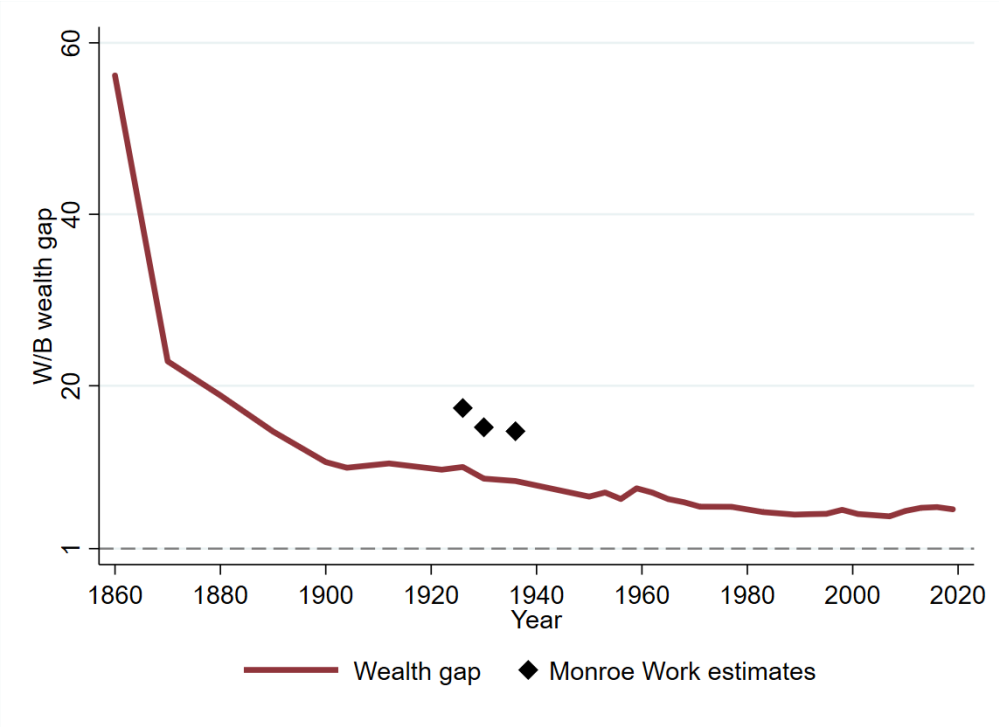
Per Cent of Estimated True Value of Real Property and Improvements Represented by Assessed Valuations

State	1922	1912	1904	1900	State	1922	1912	1904	1900
Alabama	47.7	40.0	45.9	46.7	Nebraska	70.1	15.0	17.7	18.7
Arizona	81.0	50.0	33.5	34.6	Nevada	50.0	30.0	37.7	36.5
Arkansas	22.6	28.0	38.7	39.4	New Hampshire	79.5	100.0	65.4	65.4
California	46.6	45.1	49.2	51.1	New Jersey	63.2	54.1	54.1	54.1
Colorado	73.6	25.0	40.4	30.8	New Mexico	43.0	25.7	25.7	35.4
Connecticut	63.2	66.7	80.7	80.2	New York	84.8	66.7	90.1	64.6
Delaware	77.5	56.7	56.7	56.6	North Carolina	75.7	60.0	60.0	54.2
District of Columbia	90.8	66.7	66.7	66.7	North Dakota	76.0	17.2	30.6	30.5
Florida	20.0	35.5	35.5	35.7	Ohio	70.2	90.0	46.4	47.6
Georgia	37.9	52.5	52.5	54.0	Oklahoma	62.3	[1] 50.0	25.1	24.5
Idaho	50.0	85.0	41.8	41.7	Oregon	43.5	63.5	30.1	29.8
Illinois	24.1	18.0	14.7	14.1	Pennsylvania	57.8	58.6	58.6	57.5
Indiana	80.2	45.0	60.3	62.1	Rhode Island	80.0	75.2	75.2	75.3
Iowa	12.7	11.7	19.8	20.1	South Carolina	20.3	33.3	46.5	47.1
Kansas	65.7	72.4	22.9	24.4	South Dakota	82.6	46.2	46.2	45.8
Kentucky	71.0	62.2	62.2	62.8	Tennessee	57.8	60.0	61.1	61.8
Louisiana	68.9	40.0	53.3	53.8	Texas	40.2	50.0	48.5	49.3
Maine	52.0	73.8	73.8	73.6	Utah	61.4	33.3	42.8	44.0
Maryland	64.0	65.8	65.8	65.5	Vermont	55.0	70.0	71.8	71.7
Massachusetts	77.5	90.6	90.6	90.4	Virginia	40.7	50.8	55.3	58.1
Michigan	85.2	58.7	62.7	62.7	Washington	28.0	42.3	46.0	47.7
Minnesota	34.7	37.1	37.7	36.6	West Virginia	40.0	49.7	49.7	51.2
Mississippi	44.5	54.8	54.8	54.2	Wisconsin	85.3	75.0	71.0	36.9
Missouri	59.1	40.0	40.5	42.0	Wyoming	72.4	100.0	31.4	30.2
Montana	28.7	43.5	43.5	45.7					

[1] Revised basis; in the report for 1912 the basis used was 25 per cent.

Notes: Excerpt from U.S. "Wealth, Public Debt, and Taxation" report. Data sources: United States Bureau of the Census et al. (1924).

Figure B.3: Historical racial wealth gap series with unadjusted Work estimates



Notes: The white-to-Black per capita wealth gap during 1860-2020, together with the per capita wealth gap in 1926, 1930, and 1936 using unadjusted estimates of national Black wealth from various editions of *The Negro Year Book*. Data sources: Authors' series; Work (1926), Work (1931), and Work (1938); and Saez and Zucman (2016b).

Appendix C Additional results, robustness checks, and sensitivity analyses for wealth gap series

This section presents additional results, robustness checks, and sensitivity analyses for our long-run wealth gap series whose construction is described in Section 3. We provide a summary of these results in Section 3.2 in the main text.

First, we explore the contribution of the abolition of slave wealth to the decline in the racial wealth gap after Emancipation. Figure C.1 presents the racial wealth gap when we exclude slave wealth from our 1860 estimate of white wealth while keeping our measure of per capita Black wealth the same. Excluding white wealth held in enslaved individuals reduces the racial wealth gap to 47 to 1. By comparison, the racial wealth gap in 1870 is 23 to 1. Growth in per capita Black wealth between 1860 and 1870 explains most of the reduction in the wealth gap over these ten years.

Figure C.2 considers the evolution of the racial wealth gap if we consider only the white population instead of the non-Black population in constructing the gap. Separate wealth information for white and non-Black individuals is only available in selected years. However, the differences between the two are nearly negligible in the historical period. In more recent decades, the wealth gap between white and Black Americans is larger than the gap between all non-Black versus Black Americans.

In Figure C.3, we examine the sensitivity of our racial wealth gap estimates to different assumptions around debt holding. Prior to 1950, we only observe gross wealth. We construct a lower bound for the wealth gap between 1860 and 1950 by assigning all observed aggregate debt in those years to the non-Black population. From 1950 onwards, we directly measure wealth net of debt for each racial group using the SCF+. This extreme assumption around debt holding lowers the racial wealth gap slightly in the historical period, with the biggest effects in 1870 (the gap declines from 23 to 20). In Figure C.4, we use the SCF+ microdata to compare the racial asset gap to the gap in net wealth from 1950 to the present. We find the asset gap to be slightly lower than the wealth gap throughout the whole period.

We explore the sensitivity of our racial wealth gap estimates to measuring wealth per capita vs. per household. Figure C.5 plots household size for Black and non-Black households over time. Differences in household size across racial groups are modest until the 1950s and 1960s and converge again in the 2000s. Figure C.6 compares the household-level racial wealth gap to our baseline series, which measures the per capita gap. We find that the two measures track each other closely due to the relatively small differences in household size over this period.

In Figure C.7 we leverage the richness of the SCF+ to compare different versions of the racial wealth gap in a single dataset. Despite some differences in levels, these alternative measures of the wealth gap show similar trends and fluctuations as our baseline series over this 70-year period.

C.1 Robustness of growth rate estimate for historical Black wealth

We rely on estimates of the growth rate of Black wealth to extrapolate its levels after 1870. In this section, we assess the quality and representativeness of our growth rate estimates using alternative data sources.

C.1.1 Comparison of growth rates in tax record states to national growth rates

As a first step, we show that Black wealth growth rates in the six states for which we have tax data are reasonably representative to those in the US as a whole over the same time period. We construct the growth rate in real wealth for the Black population measured as the difference in log real property values and log home values in the 1870 and 1930 censuses, respectively.[42] Figure C.8 shows the results. The dashed line in the figure shows the average across the six states (Kentucky, Arkansas, Virginia, Georgia, Louisiana, and North Carolina). The last bar depicts the national growth rate. We find that with the exception of Kentucky, for which we only have data for the 19th century, wealth growth rates in the six states are very similar to the national growth rate.

C.1.2 Black churches

In a second check, we provide an alternative estimate for Black wealth growth rates using information on the economic characteristics of Black churches. Black churches began forming before the Civil War and became centers of postbellum Black American life. New congregations would either buy land and build a structure for worshipping or would purchase white church buildings (Woodson, 1921; Rabinowitz et al., 1978). Typically, funds for church projects, buildings, and building improvements were raised from the community (Du Bois, 1903). According to Rabinowitz et al. (1978), Black churches became a testament to Black material progress after Emancipation. He writes that "[t]o trace the move of a church from its original building to another larger and more attractive one is to trace 'the progress of the race."'

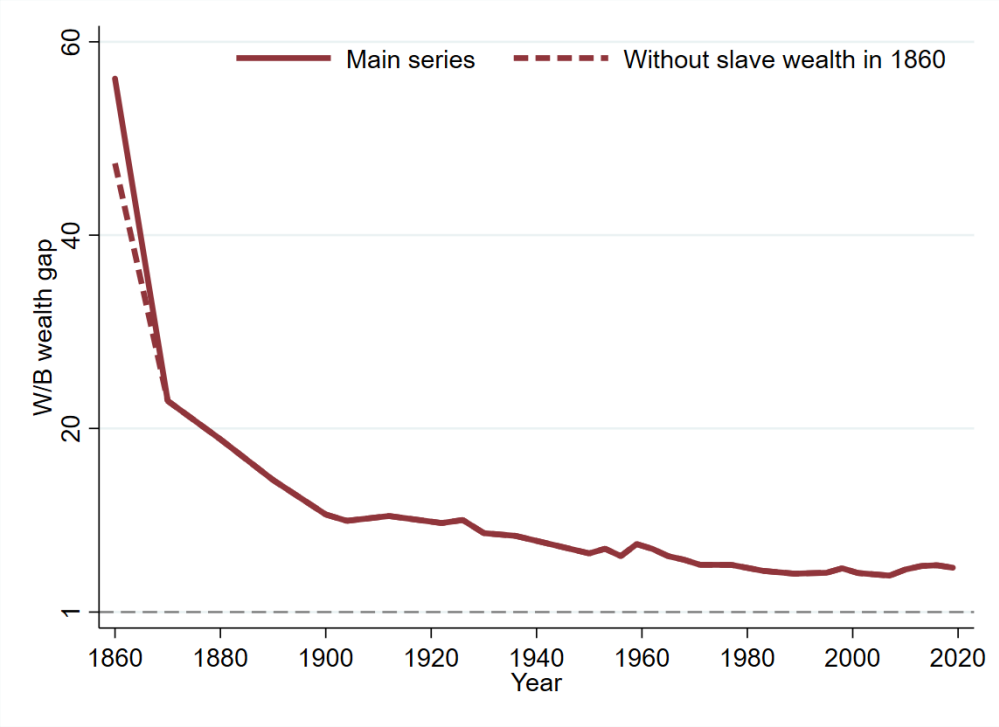
To measure the growth in the value of property owned by Black churches, we use data from the census of religious bodies. Table C.1 shows the wealth of Black churches in 1890, 1906, 1916, and 1926. Using these data, we regress log Black church property values on a linear time trend:

$$\log \text{Church Wealth}_t = \gamma + \beta^{\text{Church}} t + \epsilon_t. \tag{7}$$

We estimate an average growth rate ($\hat{\beta^{\text{Church}}}$) of 0.055, very similar to the trend in log Black wealth from the state auditor reports covering a similar period, from 1870 to 1917. This independent estimate of the growth rate from in Black wealth church property values corroborates our estimate from the state tax data.

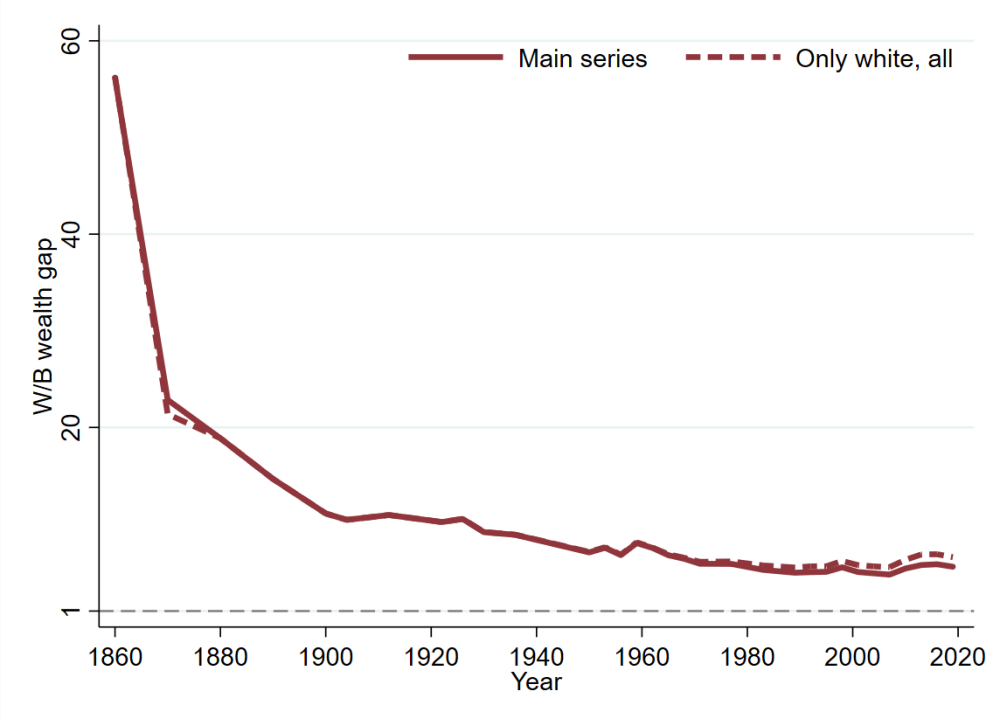
[42] We cannot separately identify home values from other real property in 1870, and the 1930 census does not include measures of personal property or real estate wealth beyond home values (for owner-occupied units).

Figure C.1: Wealth ratio, excluding slave wealth in 1860



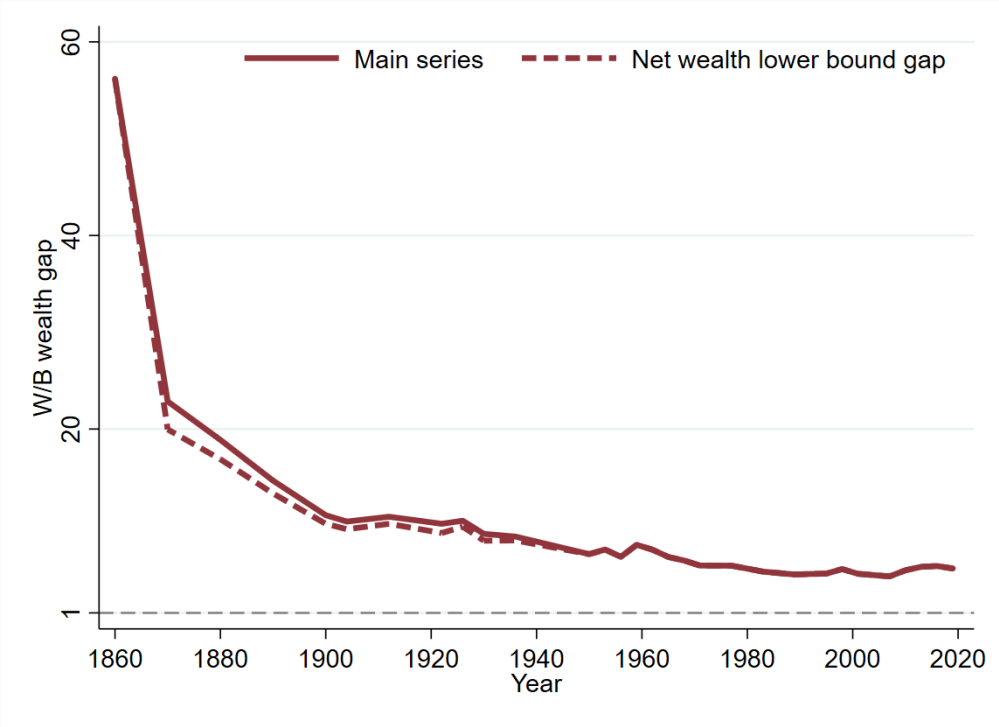
Notes: White-to-Black per capita wealth gap series with and with out slave wealth as part of our measure of white wealth in 1860. The solid line shows our baseline estimate (with slave wealth), and the red dashed line shows the gap when we exclude slave wealth. Data sources: Authors' series of the white-to-Black per capita wealth ratios from 1860 to 2020.

Figure C.2: Wealth ratio, excluding non-Black, non-white population



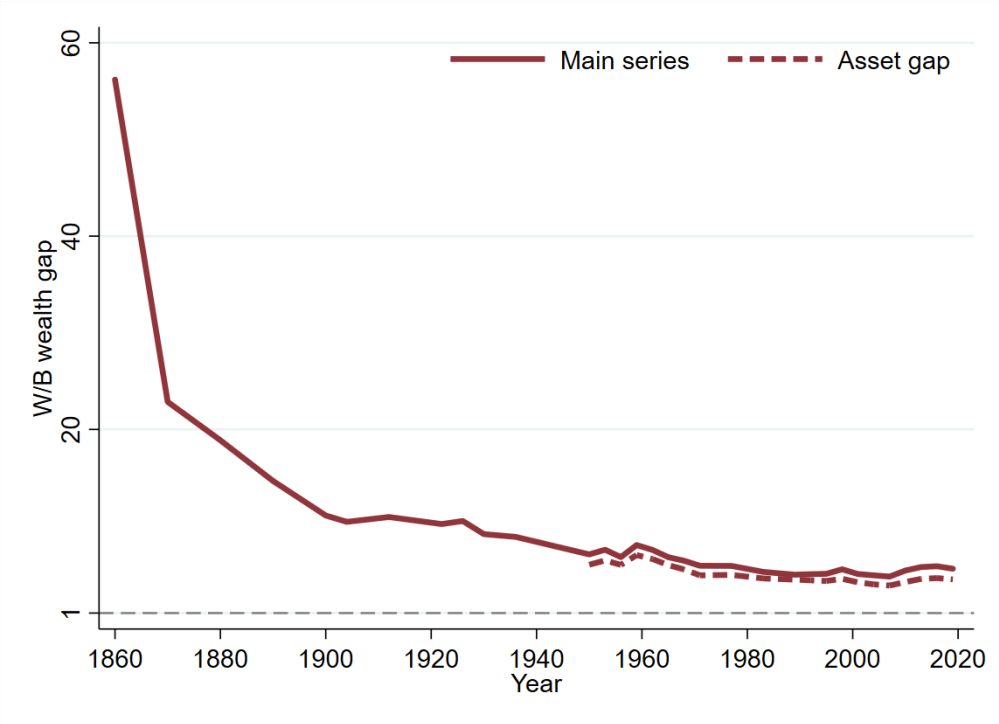
Notes: White-to-Black per capita wealth gap restricting the data to Black and white populations only. The red solid line shows our baseline estimate where we define white per capita wealth as non-Black per capita wealth. The red dashed line shows the wealth gap when we exclude the non-white, non-Black population from the sample for the years when direct measures of white wealth are available (1860, 1870, and 1950-2019. Data sources: Authors' series of the white-to-Black per capita wealth ratios from 1860 to 2020.

Figure C.3: Wealth ratio, adjusting for debt in the historical period



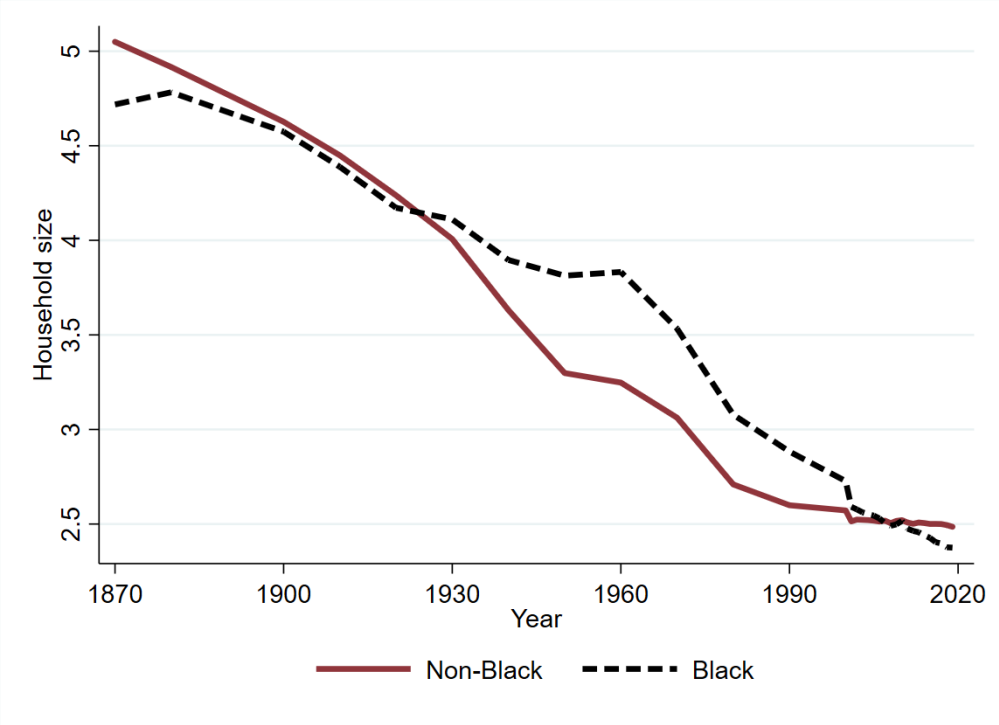
Notes: White-to-Black per capita wealth gap series with debt adjustments for the historical period (1870-1950). The solid line shows our baseline gap, which is the gap in gross wealth for the pre-1950 period. The dashed line shows our lower bound estimate of the wealth gap for this period, constructed by assigning all household debt to the non-Black population. Data sources: Authors' series of the white-to-Black per capita wealth ratios from 1860 to 2020.

Figure C.4: Wealth ratio, ignoring debt



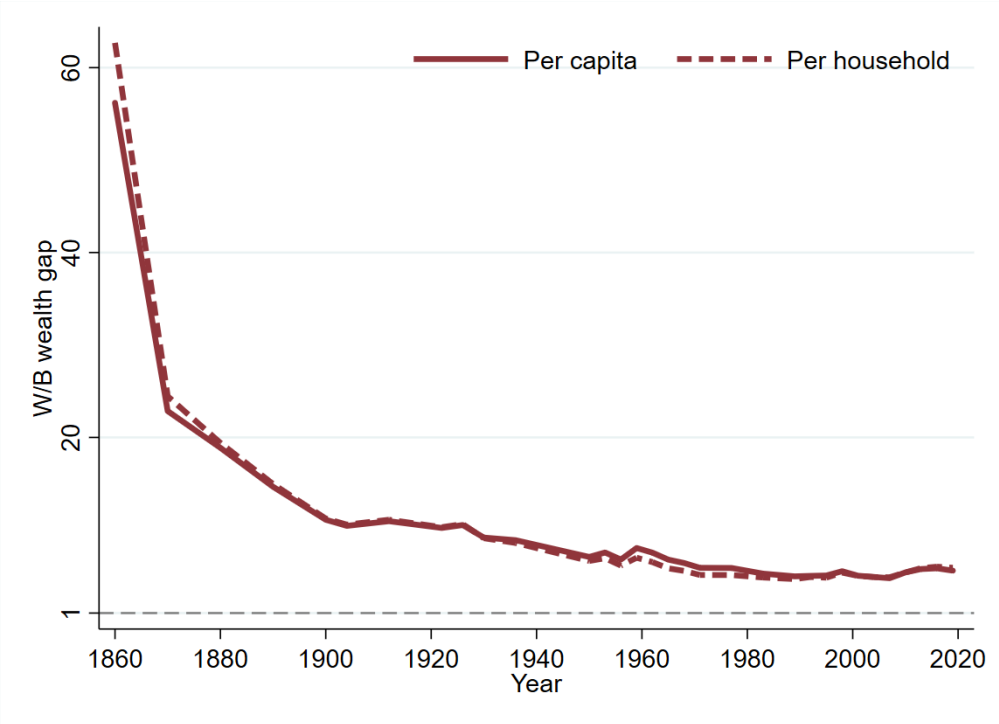
Notes: White-to-Black per capita asset gap series (excluding debt). The solid line shows our baseline series. The dashed line shows the racial asset gap after 1950 using SCF+ microdata. Data sources: Authors' series of the white-to-Black per capita wealth ratios from 1860 to 2020.

Figure C.5: Black and white household sizes, 1870-2020



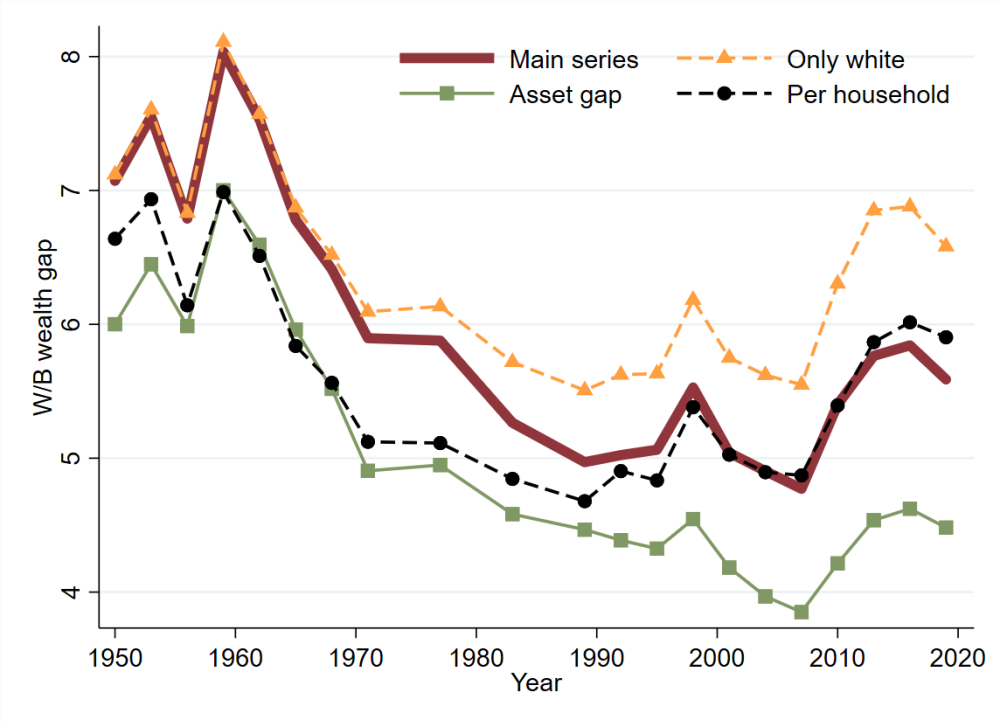
Notes: Household size by racial group from the census. The solid line shows non-Black household size over time. The dashed line shows Black household size. Data sources: Census (Ruggles et al., 2021).

Figure C.6: Per household racial wealth gap



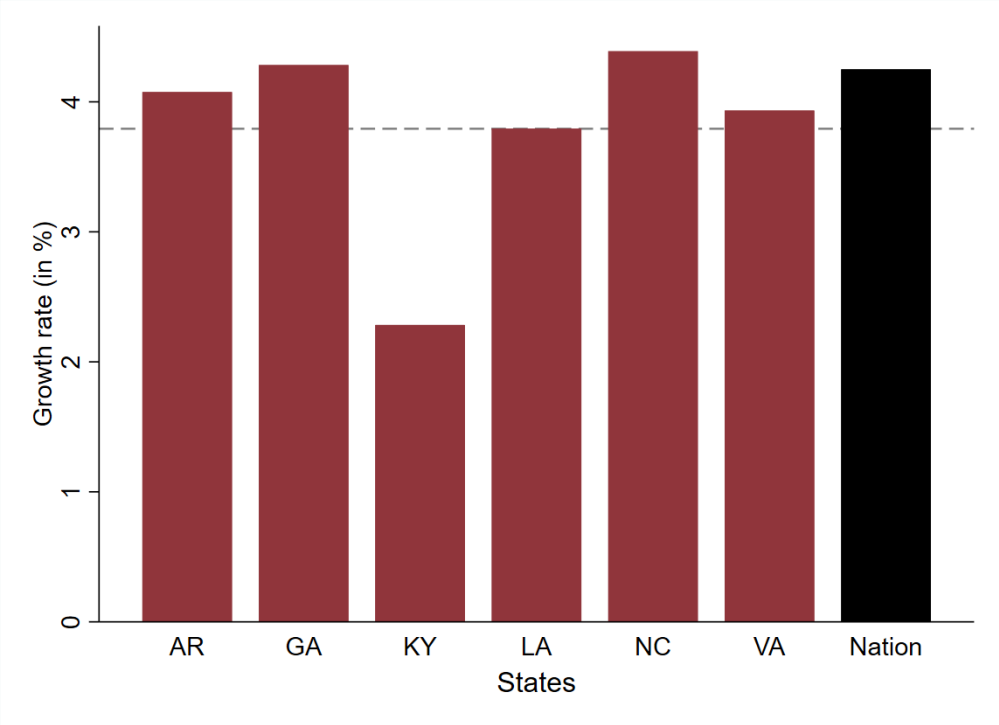
Notes: White-to-Black wealth gap series at the household level. The solid line shows the wealth ratio at the per capita level and the dashed line depicts the household level ratio. Data sources: Authors' series of the white-to-Black per capita wealth ratios from 1860 to 2020.

Figure C.7: Comparison of alternative wealth gap measures since 1950



Notes: The figure shows alternative measures of the racial wealth gap from 1950 to 2020. The solid line shows our baseline series. The dashed line with triangles shows the racial wealth gap if non-Black population is restricted to the white population. The solid line with squares shows the racial asset gap, excluding any debt holdings of households. The dashed line with dots shows the racial wealth gap at the household level. Data sources: SCF+.

Figure C.8: Comparison of tax state wealth growth rates to national using census data



Notes: State-level and national growth rates in real property values. The horizontal dashed line marks the average growth rate across the six southern states with data on wealth by racial group from 1860 to 1917. The states are Kentucky, Arkansas, Virginia, Georgia, Louisiana, and North Carolina. The dashed line shows the average growth rate across the six states. Data sources: 1870 and 1930 complete-count censuses (Ruggles et al., 2021).

Table C.1: Value of Black churches, 1890-1926

	1890	1906	1916	1926
Value of Black churches	$26,626,448	$56,636,159	$86,809,970	$205,782,628

Notes: Data on the value of Black church property from 1890 to 1926. All values are current dollar values. Data sources: Census of religious bodies (United States Bureau of Census, 1992).

Appendix D Alternative wealth gap estimate for 1930

We construct an alternative estimate of the racial wealth gap in 1930 and 1940 combining estimates of total farm value by owner status and racial group from the census of agriculture and home values by race from the census of population. Below, we detail how we construct white and Black farm and housing wealth, followed by a discussion of the financial wealth gap between the two groups, which we do not observe at a national level.

Farm wealth gap Tabulations of the census of agriculture from 1900 to 1940 provide breakdowns of total farm land and building value by racial group and owner status (owner, manager, or tenant). We calculate white farm wealth as the difference between total farm land and building values across all operated farms regardless of ownership status and total farm land and building values of Black-owned farms. We compute per capita farm wealth gaps from these two measures using the number of non-Black (NB) and Black (B) individuals:

$$\text{Per capita farm wealth gap} = \frac{\text{Farm wealth}^{NB}/\text{Non-Black pop}}{\text{Farm wealth}^{B}/\text{Black pop}},$$

where $\text{Farm wealth}^{NB} = \text{Farm value}^{\text{All}}_{\text{operated}} - \text{Farm value}^{\text{B}}_{\text{owned}}$ and $\text{Farm wealth}^{B} = \text{Farm Value}^{\text{B}}_{\text{owned}}$.

Housing wealth gap We use the census of population microdata from 1930 and 1940 to calculate housing wealth gaps. The 1930 census is the first census in which enumerators elicited home values from homeowners. We construct per capita housing wealth gaps as follows:

$$\text{Per capita housing wealth gap} = \frac{\text{Housing wealth}^{NB}/\text{Non-Black pop}}{\text{Housing wealth}^{B}/\text{Black pop}}.$$

Thus, we measure the ratio of non-Black-to-Black per capita home values in these years.

We construct an alternative overall wealth gap for 1930 and 1940 by summing farm and housing wealth for each group and calculating the per capita wealth ratio for combined farm and housing wealth. The results are extremely close to our baseline series.

Figure D.1 shows the farm and housing wealth gaps as well as an alternative overall wealth gap that sums farm and housing wealth for each racial group and divides by their respective populations. We calculate an alternative wealth gap in 1930 of 8.8 to one and a gap of 8.5 to 1 in 1940.

A key category of wealth missing from the estimates above is financial wealth. We lack comprehensive data on the financial wealth of Black Americans in these years. To assess how our estimates of the wealth gap in this period would change with the inclusion of financial wealth we examine the gap in the state of Virginia, for which we have data generously shared by Clarke (2019). We describe this exercise below.

Financial wealth We examine the per capita white-to-Black financial wealth gap in Virginia using data on banking, including data on Black banks in the state.

We begin by estimating Black deposit wealth stored in Black banks in Virginia (Clarke, 2019).[43] Afterwards, we take into consideration that not all Black households would have deposited their money in Black banks and scale the deposit wealth estimate by 1/0.27. The number 0.27 is coming from Pierce (2013), who shows that this was approximately the share of Black customers using Black businesses for various industries in the year 1944. For white bank deposits, we use the Virginia State Banking Commission Report which provides information on total deposits. We subtract this amount from our estimated value of total deposit wealth owned by Black Virginians.

Below is then our measure of deposit wealth gap per capita for each racial group in Virginia:

$$\text{Per capita deposit wealth gap} = \frac{(\text{Dep. wealth}^{NB})/\text{Non-Black pop}}{(\text{Dep. wealth}^{B}/0.27)/\text{Black pop}}.$$

Our final measure of the per capita white-to-Black deposit wealth gap is around 8 in 1920 and 13 in 1930, which we plot in Figure D.1. We now provide an alternative estimate of the wealth gap in 1930 taking into account financial wealth gaps.

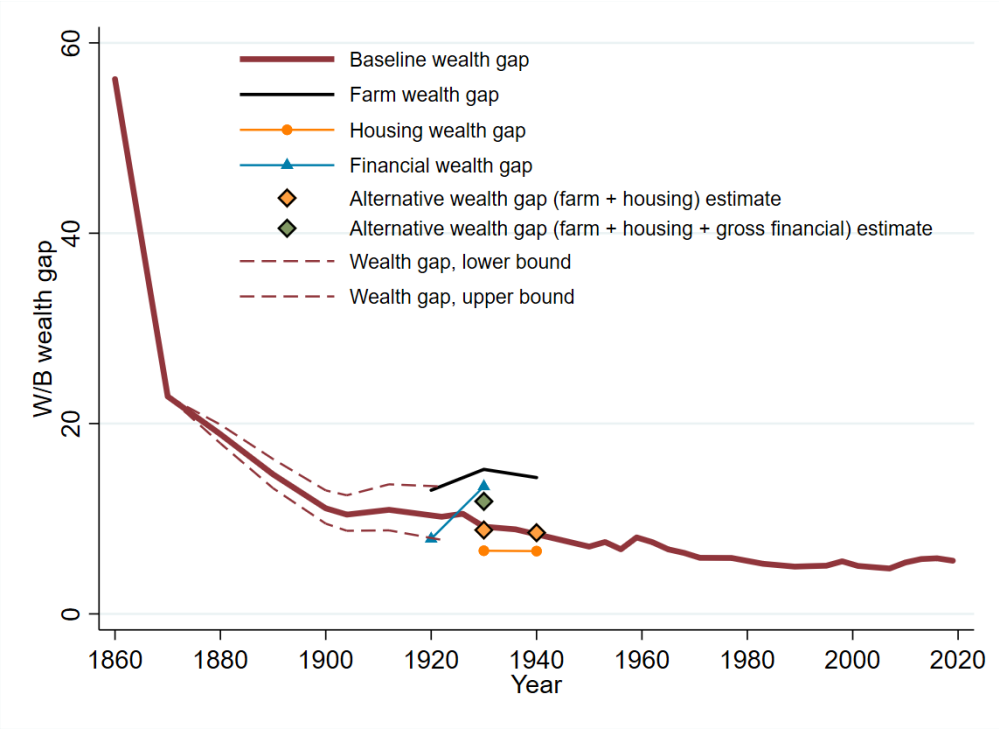
For this exercise, we make two assumptions. First, we assume that the Black population in Virginia is representative of the total Black population in the US. Second, we assume that the deposit wealth gap applies to other financial asset classes, such as equity and fixed-income assets.

Under these assumptions, we adjust our measure of the overall wealth gap in 1930 by taking the weighted average of the farm and housing wealth gap with the financial wealth gap calculated using data from Virginia, where the weights are financial wealth's share of overall wealth in 1930, calculated using data from Saez and Zucman (2016a). Figure D.1 plots this alternative overall wealth gap estimate for 1930 that includes financial wealth using the above methodology. The gap is 12 to 1, which is higher than the gap including just farm and housing wealth. Nevertheless, this level of gap is reasonably close to our overall baseline series, particularly taking into account the uncertainty in our wealth gap estimates stemming from our estimates of Black wealth growth rates using southern state tax data.[44]

[43] We thank Geoff Clarke for providing us with the balance sheet data and valuable advice on calculating Black financial wealth during the early 20th century.

[44] Figure D.1 also plots lower and upper bounds of the white-to-Black wealth gap from 1870 to 1922, the period for which we rely on southern state tax data. We calculate these bounds using the lower bound and upper bound of national Black wealth growth estimated using data from these states (for more details on the method, see Appendix A.1).

Figure D.1: Alternative wealth gap estimate for 1930 and 1940



Notes: Alternative wealth gap estimates for 1930 and 1940. The thick solid line is our benchmark white-to-Black per capita wealth gap series. The thin solid line presents the per capita farm wealth gap using values of farm land and buildings from the census of agriculture. The solid line with dots depicts the per capita housing gap using census of population data. The solid line with triangles shows our estimate of the per capita financial wealth gap in Virginia using data on total deposits and deposits at Black banks. The diamond is our alternative per capita wealth gap estimate based on farm and housing wealth. The square is our alternative per capita wealth gap estimate that takes financial wealth into account using estimates of the per capita financial wealth gap in Virginia. The dotted lines present the lower and upper bound of the per capita racial wealth gap based on lower and upper bounds of Black wealth growth rates estimated using southern state tax data. Data sources: Authors' series; complete-count census data (Ruggles et al., 2021); census of agriculture digitized by the authors (United States Bureau of the Census, 1935; United States Bureau of the Census, 1943; United States Bureau of the Census, 1952); Clarke (2019); Saez and Zucman (2016b).

Appendix E Alternative wealth gap estimate for 1936

We use data from the 1935-1936 Study of Consumer Purchases in the United States (SCPS) (Bureau of Labor Statistics, US Department of Labor, 2009) to provide an additional alternative estimate of the white-to-Black per capita racial wealth gap during the 1930s. The SCPS was conducted jointly by the Bureau of Labor Statistics, the Bureau of Home Economics, and the Department of Agriculture, with the aim of documenting the earning and spending habits of Americans based on sampling units that represent the demographic, regional, and economic characteristics of the United States.

In order to obtain a measure of Black and white wealth, we apply the capitalization method of Saez and Zucman (2016b) on the flow variables in the SCPS data.[45] Even though the SCPS does not provide the full range of different capital income sources, we do have separate information on households' (i) rental income, (ii) business income, and (iii) dividend income from stocks, bonds, bank accounts, trust funds, etc., which cover a substantial amount of the total flows. In addition to the flow values, the SCPS also provides information on the value of the household's main dwelling, as well as of farms (for farm owners). We utilize this information as well to complement our final Black and white wealth measure.

Housing wealth Households' are asked to report the rental income on their first and second home. For the capitalization method, it is important that we only consider rental income of tenant-occupied housing. Therefore, we exclude households if they reported to have lived fully in the reported house. Afterwards, we apply the capitalization factor to obtain the stock value for tenant-occupied housing wealth. This we combine with the reported data on the value of the households' main dwelling and thus obtain an estimate for total housing wealth.

Business wealth The SCPS provides data on up to ten household members for labor and/or business income, as well as a separate measure for labor income only. We subtract these two to obtain a clean measure for households' business income.[46]

Financial wealth The information on financial wealth in the SCPS data does not differentiate between asset classes, but only provides the combined interest and dividend income from stocks, bonds, bank accounts, trust funds, etc.. We capitalize this income variable using a capitalization factor that we obtain from combining the capitalization factors of equities with the factor for fixed-income assets. Specifically, we weight the factor for equities by the share of equities in total household wealth relative to the share of fixed-income assets and vice versa for the fixed-income capitalization factor. These two weighted factors are then added together to form the combined

[45] The capitalization factors for the different asset classes in 1936 can be found on Gabriel Zucman's website: https://gabriel-zucman.eu/uswealth/.

[46] It is not clear from the survey whether business profits other than labor income (from their business) are included in the category "business income".

capitalization factor that is applied to the interest income and dividends variable. Therefore, we assume that the composition of households' portfolios in the SCPS data broadly reflects the composition of U.S. household wealth by asset class in Saez and Zucman (2016b) which we use for weighting the two capitalization factors.[47]

Farm wealth In the SCPS, we have information on the total acres of farm land and the the share of acres that is owned by the household. Furthermore, households report the value of land and buildings on that farm. We utilize this information to obtain a proxy for the farm wealth of full farm owners.

Alternative wealth gap 1936 After we obtain values of total housing wealth, business wealth, financial wealth, and farm wealth separately for Black and white households, we aggregate all components and divide by their respective population totals to calculate the per capita white-to-Black wealth ratio (WR_{1936}):

$$WR_{1936} = \frac{House^{w}_{1936} + Bus^{w}_{1936} + Fin^{w}_{1936} + Farm^{w}_{1936}}{House^{b}_{1936} + Bus^{b}_{1936} + Fin^{b}_{1936} + Farm^{b}_{1936}} \cdot \frac{pop^{b}_{1936}}{pop^{w}_{1936}}. \tag{8}$$

.

Table E.1 presents the results. In the first column, we present our benchmark per capita white-to-Black wealth gap of 1936, which is at a level of 9 to 1. In column 2 and 3, we present two estimates of the wealth gap using the SCPS, one without weighting the data (WR_{1936}), and the other employing post-stratification methods to obtain a nationally representative sample (WR^{w}_{1936}).[48] We find the estimates to be extremely similar. The close alignment between this independent estimate of the racial wealth gap using an alternative data source and methodology corroborates the scaling approach we applied to Black wealth estimates from Work (1926), Work (1931), and Work (1938).

[47] With the SCPS, we are not able to obtain information on the households' cash holdings. Therefore, our estimated financial wealth gap may be larger than the true gap.

[48] We employ the post-stratification method developed by Berinsky (2006), using income-race-region cells for which we calculate weights such that the SCPS data matches the corresponding proportions of the 1940 U.S. census data. The data is weighted in several steps. First, we construct income (using quartiles to obtain four income groups), race (white, Black), and region (South, Non-South) cells in both the SCPS and the 1940 census data. Secondly, we calculate the proportions of each income-race-region cell for each data set. Lastly, we calculate the cell-specific weights w_c by applying the following formula:

$$w_c = \frac{\pi^{C}_{c}}{\pi^{SCPS}_{c}} \tag{9}$$

with c denoting a specific income-race-region cell and π^{C}_{c} and π^{SCPS}_{c} denoting cell proportions for census and SCPS, respectively. We let $w_i = w_c$ for each household i and by construction, the resulting weights are such that $\sum_i^N \frac{w_i}{N} = 1$. As a robustness check, we also compute weights using only race (white, Black) and region (South, Non-South) for a race-region cell definition. The results remain robust.

Table E.1: Per capita white-to-Black wealth gap in 1936

	1936 (data)	WR_{1936}	WR^{w}_{1936}
Wealth ratio (W/B)	8.9	9.00	9.15

Notes: Alternative estimate of the racial wealth gap based on data from the Study of Consumer Purchases in the United States (SCPS), 1935-1936. First column presents the white-to-Black per capita wealth gap in 1936 of our baseline series. The wealth ratio in the second column is our estimate from the SCPS without weighting the survey data. The last column presents the results with weights. Data sources: Authors' series; SCPS (Bureau of Labor Statistics, US Department of Labor, 2009).

Appendix F Black-to-white wealth ratios and Black Americans' share of national wealth, 1860-2020

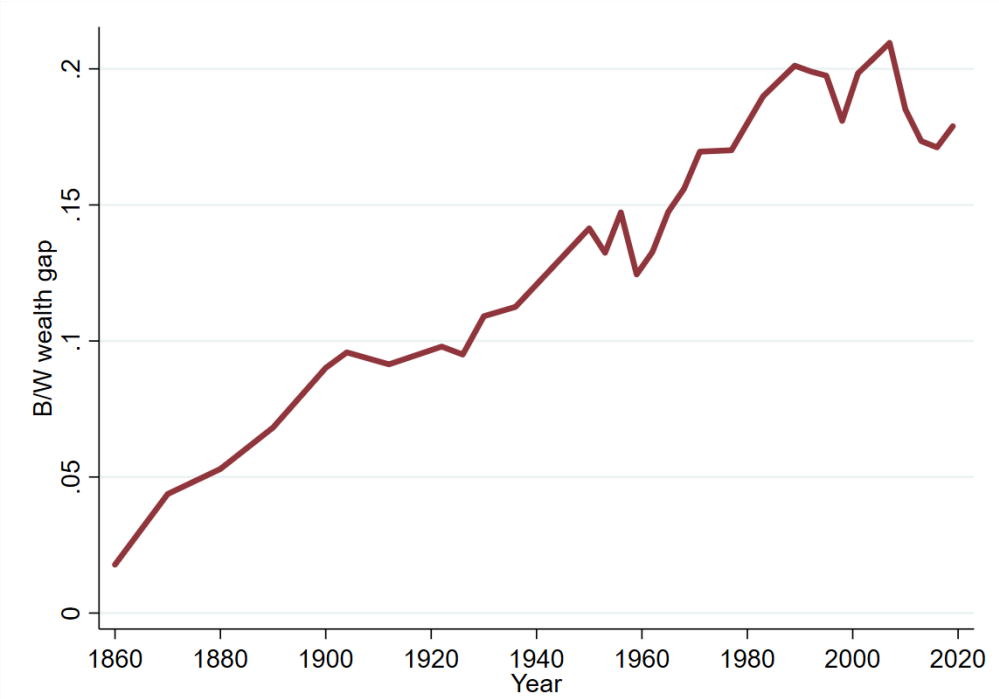
This section presents two alternative views of the racial wealth gap: the inverse wealth ratio (the ratio of Black-to-white per capita wealth) and Black Americans' share of national wealth.

Black-to-white wealth ratio Figure F.1 plots the inverse of our baseline wealth gap measure. Rather than depict the white-to-Black per capita wealth ratio, here we plot the Black-to-white per capita ratio. This view of the wealth gap allows for a more nuanced view of the dynamics of the gap during periods with very low levels of Black wealth, such as the late 19th century. We find that the Black-to-white wealth ratio has increased almost linearly from about 0.02 to around 0.17 today. This alternative view of the wealth gap also highlights slow convergence during the height of the Jim Crow era as well as post-1980. Black wealth as a share of white wealth has fluctuated around 17% over the last four decades, with a sharp drop during the Great Recession.

Black share of national wealth We also construct the time series of Black Americans' share of national wealth from 1860 to the present. Figure F.2 reports the results. In Appendix Figure F.1, we find that per capita Black wealth has represented a growing share of per capita white wealth over time. Figure F.2 instead depicts total Black wealth as a fraction of total national wealth. This measure is affected by per capita Black wealth holding but also by changes in Black Americans' share of the total population. We report the Black population share in Figure F.3.

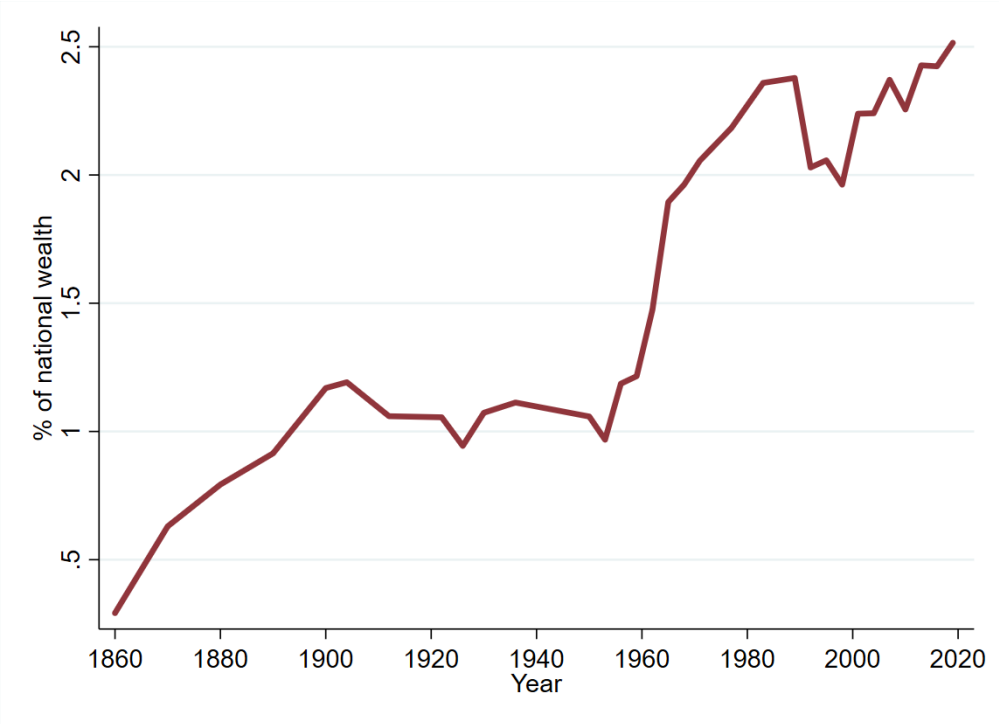
In 1870, five years after the end of the Civil War, the Black population in the U.S. held just 0.5% of the nation's wealth despite representing 14% of the population. The Black share of wealth increased steadily over the late 19th century but saw little change from 1900 to 1940. The share then increased dramatically from 1950 to 1980. The reason behind the different evolution of the per capita wealth ratio and the wealth share stem from the time series variation in the Black population share over time (Figure F.3). From 1860 to 1940, a period which encompasses the era of mass European migration to the United States (approximately 1880 to 1920), the Black population share of of the U.S. population fell from around 14% to less than 10%. Between 1950 and 1980 the Black population share climbed back up to just under 12%. In the early 20th century, the forces of rapid Black per capita wealth growth and declining Black population share counteracted each other, producing a flat trend in the Black share of national wealth. From 1950 to 1980, continued Black per capita wealth growth and a rebound in the Black share of the population combined to produce a large increase in the Black share of national wealth. Still, by 2020, the Black share of national wealth is low relative to the population share, at 2.5% compared to a population share of over 12%. The Black population share today is still about five times Black Americans' share of national wealth.

Figure F.1: Black-to-white wealth ratio: 1860-2020



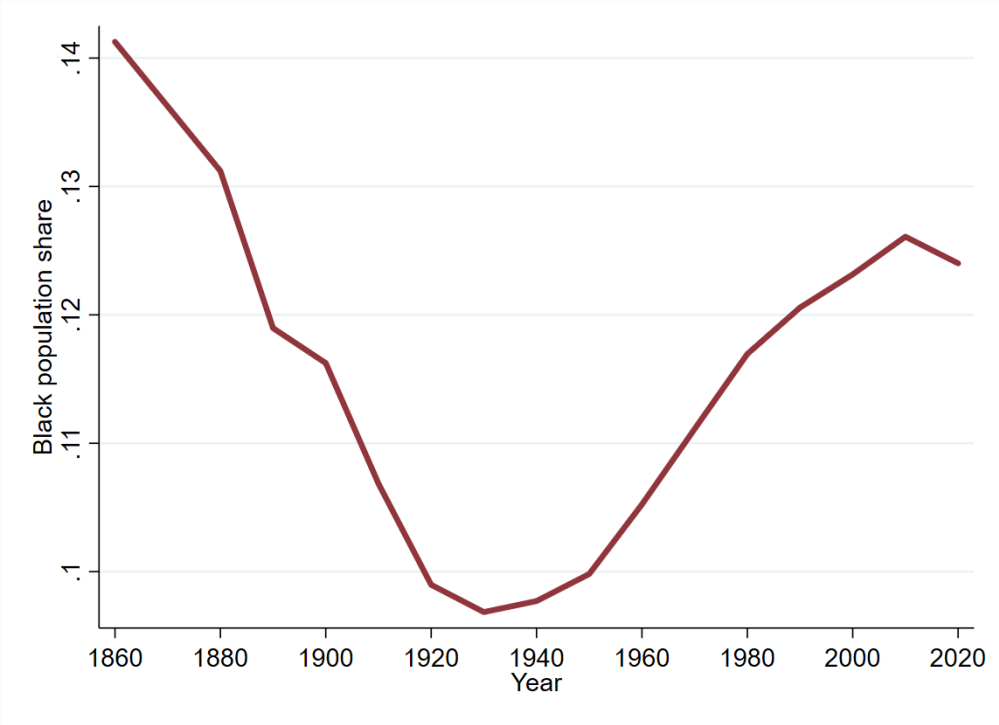
Notes: Authors' series of the Black-to-white per capita wealth ratio from 1860 to 2020. The Black-to-white wealth ratio is the inverse of our baseline series shown in Figure 1. Data sources: Authors' series of the white-to-Black per capita wealth ratios from 1860 to 2020.

Figure F.2: Black share of national wealth: 1860-2020



Notes: Authors' series of the Black share of national wealth from 1860 to 2020. Black share computed as total Black wealth as share of national wealth over time. Data sources: Authors' series of aggregate Black wealth and national wealth. Sources are described in Appendix A.

Figure F.3: Black share of U.S. population: 1860-2020



Notes: Share of Black population in the United States from 1860 to 2020. Sources: U.S. Census.

Appendix G Homeownership and housing wealth gaps, 1860-2020

We construct a time series of Black and white homeownership rates from census data, which can be compared to the series published by Collins and Margo (2011). First, we extract all housing value and homeownership information from the complete-count census data for 1860, 1870, 1900, 1910, 1920, 1930, and 1940. We then add data from the American Community Survey (ACS) for 1960 through 2019. To construct a homeownership indicator in 1860 and 1870, we consider all households reporting positive real estate wealth to be homeowners, following Collins and Margo (2011). For 1860, we add the enslaved population and assume that a counterfactual household size for enslaved Black persons is equivalent to the household size of free Black persons in 1860, or about five individuals. The resulting share of 20% of counterfactual household heads among the enslaved population corresponds to the share in the free Black population (19.2%). We replace all missing housing values with zeros.

We construct time series for housing values and homeownership rates by collapsing data for homeownership and housing values by year for Black and non-Black heads of households.[49] Thus, unlike our measures of the wealth gap, the housing gap and homeownership gap are per household and not per capita. Home values in the census data are only available from 1930 onwards. From 1960 onwards, we use the ACS. Housing values in these data are top-coded with time varying top-coding levels (see Table G.1).

We currently do not adjust the housing wealth series from the ACS for top-coding but provide a comparison to data from the SCF+ for 1950 onwards, which does not have top-coding of housing values. We also replace values coded as missing with zeros. We collapse the data annually using census-provided person weights.[50] To construct housing values and homeownership rates in the SCF+, we take the value of housing assets and consider a household as owning their home if the household reports positive housing assets. We collapse data by SCF+ survey year, using survey weights.

Figure G.1 shows white and Black homeownership rates from census, ACS, and the SCF+, with linear interpolations for years when no data are available.[51] Results are highly consistent with Collins and Margo (2011). Homeownership rates for white households decline slightly between 1860 and 1940 and show a strong increase between 1940 and 1960. After this, white homeownership rates follow a modest upward trend after 1960 followed by a small decrease after the financial crisis of 2008. For Black households, there is a large increase in homeownership rates between 1870 and 1900. Between 1900 and 1940, Black homeownership rates remain flat at just over 20 percent. Homeownership rates for Black households increased strongly between 1940 and 1960 from just over 20 percent to almost 40 percent. There is a slightly increasing trend between 1960 and 2007 and a larger drop compared to white households after the financial crisis. Today, homeownership

[49] Note, we do not make age or gender restrictions on household heads as in Collins and Margo (2011).
[50] These weights are equal to 1 in the complete-count censuses.
[51] Notably, the 1950 census microdata do not contain homeownership information.

rates of Black and white households are again at the levels they were in 1970 and a large racial homeownership gap persists.

The post-1950 data allow a comparison between SCF+ and census data. To improve estimates of the time series trends, we construct moving averages across three survey waves in the SCF+. Whereas the time series of homeownership rates for non-Black households can by accurately estimated using single survey waves, the moving average improves the estimated time series for Black households. Figure G.1 shows the estimated time series relative to the estimates from census data and show that the two estimates align closely, partly due to the fact that the SCF+ data has been stratified to the national homeownership rate.[52] The flatter slope of the increase in homeownership rates between 1950 and 1960 for both groups suggests a slightly more rapid increase during World War II.

In the next step, we compare the home values of Black and white households. We construct a housing value gap similar to our wealth gap series with the key difference that our housing gap is a per household gap, not a per capita gap. The gap that represents the ratio of the average home value of white households to Black households. We do not condition on homeownership so that the average home value also includes households with zero housing wealth. We also do not subtract debt to get home equity but consider the gross value of housing. In the SCF+ data, we again use three-wave moving averages as discussed above in the construction of homeownership rates. We offer two estimates based on SCF+ data. One estimate uses the reported housing value from the survey and the second one that we refer to as "top-coded" does not report values above the top-coding limit of the census from the nearest census wave (See Table G.1 for census top-coding values over time).

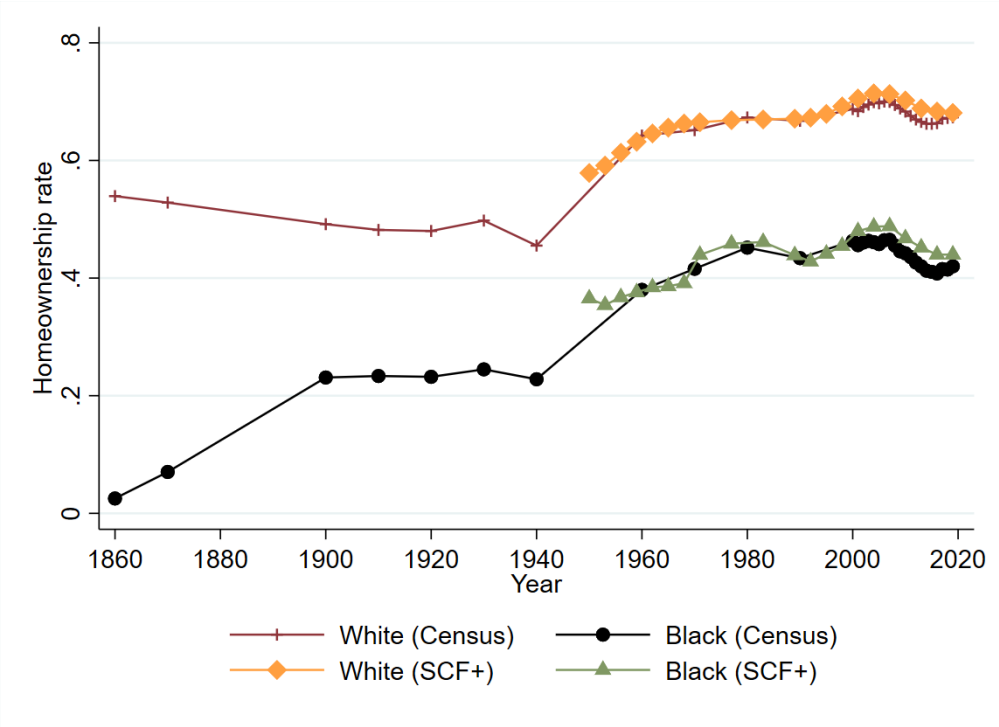
Figure G.2 shows the resulting home value gap series. Home value gaps in census align with those in the SCF+ data starting in 1960. In 1960, the ratio of average white households' housing assets to average Black households' housing assets was 3 and declined between 1960 and 1970 to around 2.5 where it still stands today. The gap moved downwards during the 1990s and 2000s, but increased substantially again after the financial crisis of 2008. The SCF+ shows a higher home value gap after 1960 at around 2.7, but the trend is similar to the gap estimated using census data. When we impose top-coding from the nearest census survey year to the SCF+ data, the housing gap is only modestly reduced. Before 1950, the census data show a much higher home value gap of 6 in 1940 and 6.5 in 1930. This gap falls by 50% between 1940 and 1960. As with the homeownership series, SCF+ estimates of the home value gap in 1950 fall below the linear interpolation of census home values for that year. This may be due to convergence occurring primarily between 1940 and 1950 and stabilizing thereafter.

Overall, between 1940 and 1960, Black households saw a large increase in homeownership rates than white households. Black homeownership rates increased by about 15 pp from 25% to 40% for the Black population and by 20 pp for the white population (from 45% to 65%). Expressed as a growth rate, the homeownership rate for the Black population grew by about 60% (from 25% to

[52]The SCF+ also match trends in and levels of homeownership rates by age.

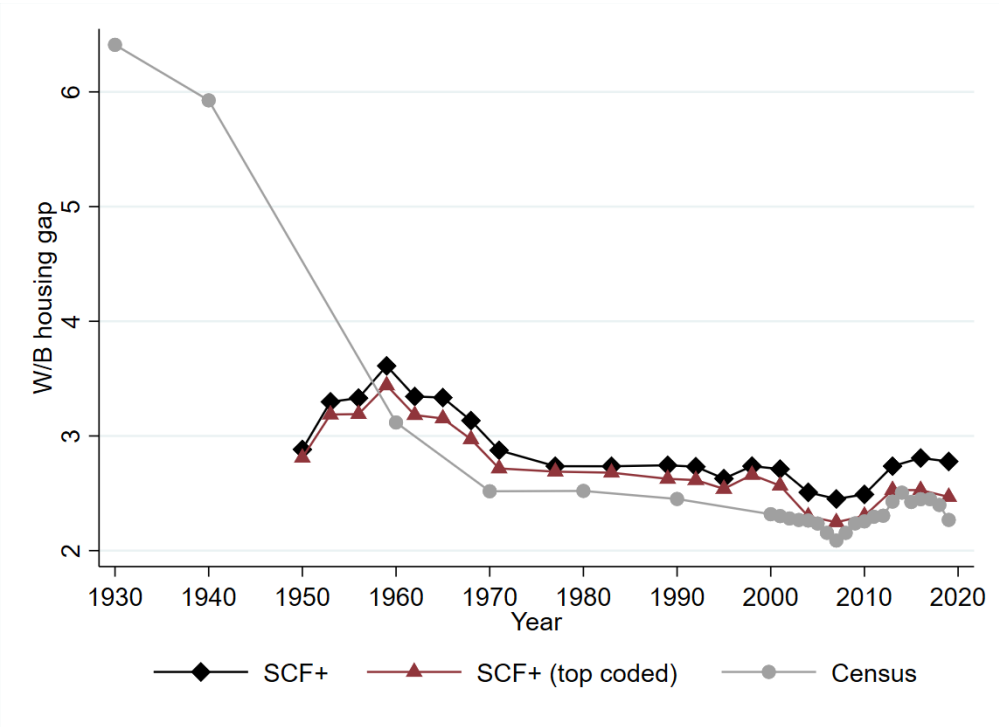
40%) and by 44% for the white population (from 45% to 65%). In growth terms, this increase for Black households exceeded that of white households and likely contributed to racial convergence in housing wealth during this period.

Figure G.1: White and Black homeownership rates, 1860-2020



Notes: The line with cross marks plots white homeownership rates from the census, and the line with dots shows Black homeownership rates from the census. The squares and triangles show white and Black homeownership rates, respectively, estimated from the SCF+ microdata. Data sources: Census (Ruggles et al., 2021), ACS, and SCF+.

Figure G.2: White-to-Black per household home value ratio, 1930-2020



Notes: White-to-Black ratio of housing values per household over time. The dots show census and ACS data. The diamonds show SCF+ data, and the triangles show SCF+ data with the top-coding from census and ACS data applied (Table G.1). Data sources: Census (Ruggles et al., 2021), ACS, and SCF+.

Table G.1: Top-coding of home values in census and ACS

Census	Top Code
1960	$35,000
1970	$50,000
1980	$200,000
2000	$1,000,000
ACS (2000-2007)	$1,000,000

Notes: Top-coding boundary for housing values for different time periods in census data and the American Community Survey (ACS). All values are current U.S. dollars. Data sources: census and ACS data (Ruggles et al., 2021).

Appendix H Racial gaps in q and s implied by fitting wealth accumulation model to the data

In section 4, we begin our simulation of racial wealth convergence based on our wealth accumulation model by assuming constant and equal wealth-accumulating conditions for Black and white Americans from 1870-2020. We do this to provide a benchmark for the path of convergence arising from initial gaps in wealth and income alone. The data show slower convergence relative to this benchmark, consistent with racial differences in capital gains (q) and saving rates (s). In this appendix, we quantify such differences by estimating the q^b and s^b that give us the best fit with our wealth gap series, assuming white households have capital gains and savings rates equal to the national averages, or $q^w = 1\%$ and $s^w = 5\%$.

We proceed as the following. Recall Equation 2, which is the law of motion of the per capita white-to-Black wealth gap:

$$WR_{t+1} \equiv \frac{W^w_{t+1}}{W^b_{t+1}} = WR_t \times \frac{1+q^w}{1+q^b} \times \frac{1+s^w \frac{Y^w_t}{W^w_t}}{1+s^b \frac{Y^b_t}{W^b_t}}. \tag{10}$$

The predetermined variables are the initial per capita wealth and income levels of Black and white Americans in 1870. We then simulate Y^w_t and W^w_t for $t > 1870$ using race-specific income growth rates (g^w, g^b) and the wealth-accumulating conditions of white Americans ($q^w = 1\%$ and $s^w = 5\%$). Afterwards, we estimate the parameters of interest $\theta = [q^b, s^b]$ that minimizes the sum of residuals between the fitted wealth gap $\hat{WR}_{t+1}$ and our actual wealth gap series WR_{t+1}.[53] By doing so, we impose that wealth-accumulating conditions have been worse for Black Americans, or $q^b < q^w = 1\%$ and $s^b < s^w = 5\%$. Our least squares method implies a savings rate of 3.9% and capital gains rate of 0.8% for Black Americans (see Figure H.1).

We examine whether racial differences in savings-induced wealth accumulation (s) or capital gains-induced wealth accumulation (q) have played the more dominant role in influencing racial wealth convergence over the past 150 years. To shed light on this question, we compare two counterfactual wealth gaps, one where we only allow for our estimated difference in saving rates ($s^w = 5\%$ and $s^b = 3.9\%$) while keeping capital gains equal across the two groups ($q^w = q^b = 1\%$) and the second where we only allow our estimated difference in capital gains ($q^w = 1\%$ and $q^b = 0.8\%$),

[53] Our approach can be formally described with the following equation:

$$Z_t = g(X_t; \theta_0) + \varepsilon_t$$
$$\hat{\theta}_{NLS} = \arg\min_{\theta \in \Theta} \sum_{t=1}^{T} \left(Z_t - g(X_t; \theta)\right)^2,$$

where the dependent variable Z_t is a non-linear function of observables (X_t), along with the parameters of interest θ_0 that lie in the parameter set Θ. Non-linear least squares methods estimate $\hat{\theta}_{NLS}$ that gives us the best fit to the data.

keeping savings rates equal ($s^w = s^b = 5\%$). The results are presented in Figure H.1. The thick dashed line represents the scenario with different saving rates and thin dashed grey line represents the scenario with different capital gains. This exercise points to a larger role for savings-induced wealth accumulation over the full 150-year period: the counterfactual wealth gap with only differences in saving rates yields a white-to-Black wealth ratio of 4.2 in 2019, while the counterfactual gap with just differences in capital gains is 3.5. However, as we note in Section 4.3, recent developments in the racial wealth gap suggest a growing role for racial differences in capital gains compared to savings-induced wealth accumulation.

Finally, as a robustness check on our non-linear least squares estimation approach, we also estimate q^b and s^b using Ordinary Least Squares (OLS) and our log-linearized version of Equation 2:

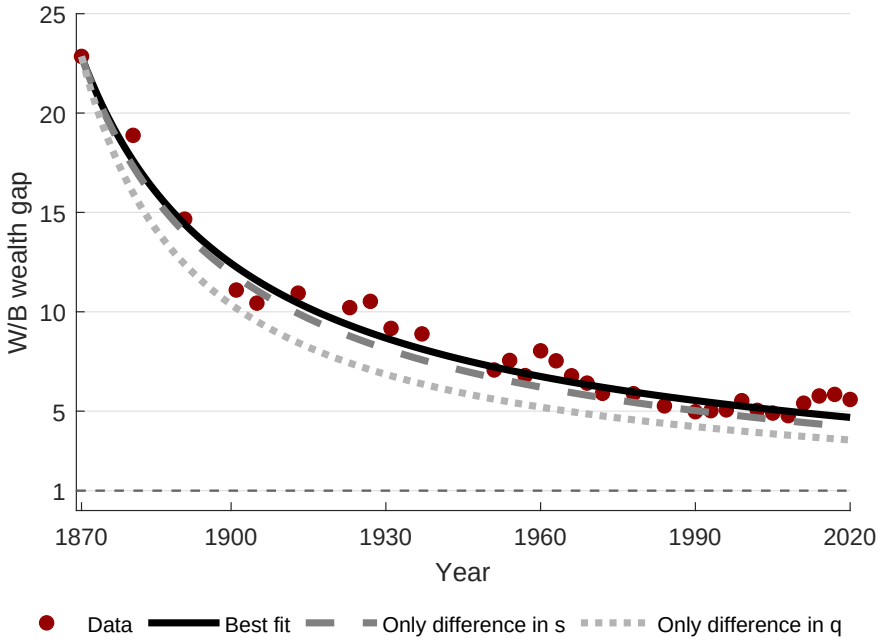
$$\underbrace{log\left(\frac{WR_{t+1}}{WR_t}\right) - s^w \frac{Y_t^w}{W_t^w}}_{\equiv Y_t} = (q^w - q^b) - s^b \underbrace{\frac{Y_t^b}{W_t^b}}_{\equiv X_t} \tag{11}$$

$$Y_t = \alpha + \beta X_t. \tag{12}$$

In order to estimate the parameters of interest ($\alpha = (q^w - q^b)$, $\beta = -s^b$), we need continuous values of Black and white income and wealth. Therefore, we simulate income over time using initial per capita income levels of Black and white multiplied by their annual income growth rates from 1870 to 2020. For wealth, we interpolate our per capita Black and white wealth data for periods when we do not have data. The results of the OLS regression is provided in Table H.1.

Using OLS, our point estimate of the saving rate for Black Americans is by 3.3%, which is very similar to our saving rate estimated with non-linear least squares (3.9%). Our OLS estimates imply that Black Americans had slightly higher capital gains, with a rate of 1.2% (as opposed to 1% for white Americans); however, our estimated gap $q^w - q^b$ is not significantly different from zero. These results underscore that racial differences in capital gains are unlikely to be the main factor driving the evolution of the racial wealth gap over the full historical period. Rather, racial differences in savings-induced capital gains have strongly contributed to the overall shape of the long-run wealth convergence.

Figure H.1: Simulation with estimated q^b and s^b



Notes: The grey dashed line is the simulation of Section 4, where we assume equal wealth-accumulating conditions throughout the whole simulation period 1870-2020 ($q^w = q^b$, $s^w = s^b$). The black solid line is the simulation result with q^b and s^b that gives us the best fit to the data. The red dots are our estimated wealth gap series. Data sources: Various, described in Section 3 and Appendix A.

Table H.1: Ordinary Least Squares: $\hat{\alpha}$ and $\hat{\beta}$

	Coefficients	Lower Bound	Upper Bound
$\hat{\alpha} = q^w - q^b$	-0.002	-0.012	0.007
$\beta = -s^b$	-0.033	-0.052	-0.013

Notes: Results from OLS regression. The first column presents the estimated coefficients. The last two columns show their lower and upper bounds using 95% confidence intervals. Data sources: Various, described in Section 3 and Appendix A.

Appendix I Estimating racial differences in q and s using the SCF+

I.1 Racial differences in savings rates

We estimate racial differences in savings rates using the synthetic saving rates approach of Saez and Zucman (2016b), applied to Black and white households separately.[54] As a first step, we decompose the accumulation of personal wealth at the U.S. aggregate level using an asset-specific accumulation equation, which decomposes the growth of a given asset into a volume effect (saving) and a price effect (capital gains or losses). Each asset (and liability) type that enters wealth portfolios can be expressed as

$$A_{t+1} = (1 + q_{t+1,A}) \cdot (A_t + S_{t,A}), \tag{13}$$

where A_{t+1} and A_t are the real value of an asset from households' wealth at time $t+1$ and t, and $S_{t,A}$ is the net-of-depreciation saving flow of the respective asset type A in time t. $q_{t+1,A}$ is then the real rate of capital gain (or loss) from asset type A between t and $t+1$. Since A_{t+1}, A_t, and $S_{t,A}$ can be observed in the National Accounts, $q_{t+1,A}$ is estimated as the residual of equation (13).

As a next step, we turn to the SCF+ and estimate the synthetic savings of all asset (and liability) classes for Black and white households separately. Again, for a given asset type A, a white (or Black) household accumulates wealth following the following transition equation:

$$A^j_{t+1} = (1 + q_{t+1,A}) \cdot (A^j_t + S^j_{t,A}), \tag{14}$$

with $j = \{b, w\}$ representing the two racial groups. Since we have estimates of the capital gains (or losses) for each asset class and A^j_t is observable from the SCF+, this time $S^j_{t,A}$ is estimated as residuals of the accumulation equation (14) and is denoted the "synthetic savings" for group j.[55] Total savings of households is then the sum of all savings in each asset class included in their wealth portfolio. We then divide total savings by total income to calculate savings rates by racial group.

One concern with the synthetic savings method applied to the SCF+ is that the data are a repeated cross-section, not a panel of individuals. Therefore, it is not possible to track changes in assets held by a certain individual from time t to $t+1$. This is particularly problematic in cases of estimating saving rates of different groups separately, where individuals can migrate across groups (Mian, Straub, and Sufi, 2020; Smith, Zidar, and Zwick, 2021). Given the stability of racial identity in the U.S., we do not believe this concern applies in our context. Nevertheless, we conduct an

[54] For similar approaches, see Wolff (2017), Bauluz and Meyer (2021), and Bauluz, Novokmet, and Schularick (2022).

[55] In order to obtain an adequate measure of savings, it is crucial to harmonize the asset class definitions of the SCF+ with the national accounts to match the accumulation equations 13 and 14. We follow the wealth definitions of Bauluz and Meyer (2021).

additional robustness check on our estimate of Black and white savings rates differentials using panel household survey data from the Panel Study of Income Dynamics (PSID). Following Dynan, Skinner, and Zeldes (2004) and Juster et al. (2006), we estimate Black and white households' "active" savings rates during 1984-2019 (s_t^j, where $j = \{b, w\}$), which is the total net amount of assets A that households newly purchased ($\sum_A NP_{t,A}^j$), relative to their total income Y_t^j:

$$s_t^j = \frac{\sum_A NP_{t,A}^j}{Y_t^j}. \tag{15}$$

The PSID provides information on the net purchase amount of the following asset categories: real estate other than main dwelling, farm or businesses, corporate equity, and IRAs. With respect to other asset classes, such as other financial assets and main dwelling, we proceed in the following manner. For savings in main dwelling, we assume that the active savings of families living in the same house between two consecutive waves equals the change in their mortgage principal and investments in home improvement. For households moving between two consecutive waves, we define active savings as the change in their home equity.

With respect to other financial assets, we assume that households do not earn any capital gains, such that the change in value between two consecutive waves reflect their net purchase amount. Finally, we also control for amounts of wealth transferred into a household due to a new household member moving in, as well as wealth transferred out due to a current household member moving out. We further exclude increases in assets coming from inheritances. For income, we calculate the average total income of households during two consecutive waves and multiply this with the number of years between these waves.

Note that the PSID only provides wealth data starting from 1984, such that we are only able to derive the active saving rates for the post-1980 period. In Table I.1 we compare our post-1980 white-Black gap in savings rates using the SCF+ and PSID. Results are highly similar across the two datasets and approaches.[56]

I.2 Racial differences in capital gains

We estimate racial inequality in capital gains following the approach of Xavier (2020), where we assume that households experience the same capital gains within each asset class. Thus, the only differences in capital gains we allow for are those stemming from differences in wealth portfolio composition.

We define the total capital gains of Black and white households (q^j, $j = \{b, w\}$) as the weighted

[56] Racial differences in savings rates can arise from differences in socioeconomic characteristics. Dal Borgo (2019), for example, analyzes saving rate differentials of 50-65 year old household heads by race in the U.S. and provides evidence that the differences in white-Black active savings can be solely explained by their socio-demographic characteristics, such as income.

sum of the capital gains on different asset classes based on their share of assets:

$$q_t^j = \sum_A \omega_{t,A}^j q_{t,A}, \tag{16}$$

where $q_{t,A}$ denotes the capital gains on asset class A and $\omega_{t,A}$ its weight as a share of total assets at time t. For $q_{t,A}$, we take estimates of real capital gain rates on equity, housing, business, and mortgage debt from Saez and Zucman (2016b), and we calculate the wealth portfolio shares $\omega_{t,A}$ using the SCF+. In Table I.2, we present the average capital gains on housing (both assets and debt), equity, and businesses, together with the average capital gains on total wealth portfolios by race.[57]

Overall, we observe that white households have experienced higher capital gains than their Black counterparts throughout the whole 1950-2020 period, a difference of 0.58 percentage points on average. However, this difference emerges entirely in the post-1980 period. Between 1950 and 1980, the racial difference in capital gains was zero. During this period, the equity market experienced large negative capital gains (-2.96% per year). At the same time, housing assets grew only slightly (by 0.7% per year), and capital gains on debt was large (around 4%). After 1980, both the equity and housing market experienced a boom. Nevertheless, equity experienced a much stronger increase in value (nearly 430%) compared to housing assets (a 50% increase). Since Black households hold only a small share of their total wealth in equity, this divergence between the equity and housing markets led to an overall divergence in Black and white individuals' capital gains.

The above approach to estimating racial gaps in capital gains ignores the role of potential racial differences in returns within an asset class. Recent evidence suggests such differences exist. Kermani and Wong (2021) document differences in housing returns stemming from Black homeowners' greater likelihood of foreclosure and short sales. Black homeowners also face higher effective property taxes compared to white households, due to systematic differences in assessed-to-market value ratios by race (Avenancio-León and Howard, 2019). Finally, Kroeger and Wright (2021) show that Black businesses are shorter lived than white-owned businesses, and leading to greater incidence of business closure translates and its associated costs on Black business owners. Still, we show in Section 4.3 that racial differences in portfolio composition alone are more than enough to explain the increase in the racial wealth gap between 1983 and today.

[57] We assume that fixed-income assets do not experience capital gains.

Table I.1: White-to-Black differences in saving rates: SCF+ vs. PSID

	SCF+	PSID
post-1980s	1.15 p.p.	1.08 p.p.

Notes: Differences between white and Black saving rates ($s^w - s^b$) in the SCF+ versus the PSID. For our estimates from the SCF+, we apply synthetic savings methods, and for our estimates using the PSID, we estimate active saving rates using data of the PSID. Both approaches are described in detail in Appendix I. Data sources: SCF+ and PSID.

Table I.2: Capital gains: 1950-2020

	Housing		Equity	Business	cg^w	cg^b	$cg^w - cg^b$
	Asset	Debt					
1950-1980	0.69%	4.23%	-2.96%	1.39%	-0.36%	-0.36%	0.00%
1980-2020	1.00%	4.54%	7.34%	-0.90%	1.26%	0.61%	0.65%
Whole sample period	0.87%	3.99%	2.93%	0.08%	0.63%	0.46%	0.58%

Notes: Estimated capital gains rates and capital gains rate differences between Black and white households. See Appendix I for details on estimation. Data sources: SCF+ and Saez and Zucman (2016b).

Appendix J The racial wealth gap along the distribution

Our analysis thus far has focused on mean wealth holdings and the average wealth gap, primarily due to a lack of microdata on Black and white wealth in the historical period. However, prior work has shown that the U.S. wealth distribution is highly skewed with a large difference between median and mean wealth holding (Kuhn and Rıos-Rull, 2016). In this Appendix section, we provide descriptive evidence on racial wealth gaps along the distribution using the SCF+, which provides microdata on wealth. This analysis sheds light on how the racial wealth gap varies along the distribution and what forces drive the gap at different points in the distribution compared to the mean.

Figure J.1 shows the evolution of the white-to-Black wealth gap at the mean, median, and 90th percentile of the household wealth distribution as well as growth rates in median wealth by racial group for the period 1950 to 2020.[58] Throughout the entire period, the wealth gap at the median (Figure J.1a) has been substantially larger than the wealth gap at the mean or 90th percentile. The wealth gap at the median in 1950 was nearly 25 to 1. By 1970 this number has fallen substantially, reaching a level of 10 to 1, however the gap has remained at this level for the last 5 decades. In contrast to the wealth gap at the median, the gap at the mean and 90th percentile have changed very little over the last 70 years, ranging from just under 5 to around 7 to 1. What can explain the sharp drop in the median wealth gap, particularly between 1960 and 1970? In Figure J.1b, we show the growth rates in median wealth by racial group for each decade between 1950 and 2020. Black wealth at the median grew dramatically between 1960 and 1970, precisely when the wealth gap at the median fell by more than half. This stark increase in median Black wealth during this decade suggests that civil rights era policies and improvements in labor standards that disproportionately benefited Black workers, may have also translated into absolute and relative improvements in the wealth position of median Black households.

Table J.1 sheds light on which asset classes account for the improved wealth position of the median Black household. We show the mean gross values of different assets, mean net wealth, and average total debt for households in the bottom 50%, 50-90%, and top 10% of each racial group's wealth distribution over time. Between 1950 and 1980, Black households in the bottom half of the Black wealth distribution saw large increases in housing wealth, liquid assets, and other non-financial assets. By contrast, bonds and equity wealth did not increase for the bottom 50%. Between 1980 and 2010, the median wealth gap is quite stable. Nevertheless, these decades saw large increases in equity and bond wealth for Black households in the bottom 50%. Increases in housing wealth were more modest. Overall, however, these improvements have been counteracted by large increases in debt-holding for this group, and net wealth for the bottom half of the Black wealth distribution actually fell in real terms between 1980 and 2010. In contrast to this, white

[58] We focus on the household-level gap in this section in keeping with the sampling frame in the SCF+, which is a household-level survey. As shown in panel (a) of Figure C.6, the household-level and per capita wealth gap do not differ substantially from each other. Nevertheless, as a robustness, we also calculated per capita wealth gaps at the median and 90th percentile by using the average household size of the 45th-55th percentile and 85th-95th percentile, respectively. Results remain robust.

households in the bottom 50% of the white wealth distribution have seen average wealth increase in all asset classes from 1950 to 1980 and from 1980 to 2010. Furthermore, although debt also increased for this group, net wealth still grew.

Detailed information on household asset portfolios in the SCF+ allows us to examine asset-specific wealth distributions by racial group. We summarize this information in Table J.2. The table shows the mean, median, and 90th percentile of wealth in that asset for Black and white Americans in 1950, 1980, and 2010, in $2019. A number of striking facts emerge from this analysis. First, as can be seen in the first panel of Table J.2, median holdings were zero within any asset class for Black households in 1950, indicating sizeable inequality in the distribution of assets. Even today, only the median of non-financial assets and liquid financial assets are positive for Black households. By contrast, the median holdings of housing and stocks – the two asset classes that experienced the greatest price gains over the last four decades – are typically zero for Black households. Hence, the median asset position for Black households resembles a situation of a household with a bank account and a car, but no notable savings that can yield high financial returns or capital gains. As a consequence, any capital gains in stocks or housing over the last decades bypassed the majority of the Black population whereas the median white household has always been a homeowner. Although the median white household did not benefit from rising stock prices, they still gained from rising house prices.

Moving further up the Black and white wealth distribution, we find that differences in asset positions across the two groups close to some extent. At the 90th percentile, Black households have positive holdings of all asset classes over time, yet equity holdings only turn positive during the 2010 decade. Differences in equity are large throughout these seven decades. In 1950, the 90th percentile of equity holdings of white households was more than double the wealth at the 90th percentile of the Black household wealth distribution. The 90th percentile of the Black wealth distribution increased in value between 1950 and 1980, but by 2010 this progress had reversed again. Hence, equity holdings at the top of the white equity wealth distribution grew more than the 90th percentile of overall Black wealth. Thus, while the overall wealth gap at the 90th percentile declined slightly over time, the gap remained at about 4.5 during the 2010 decade.

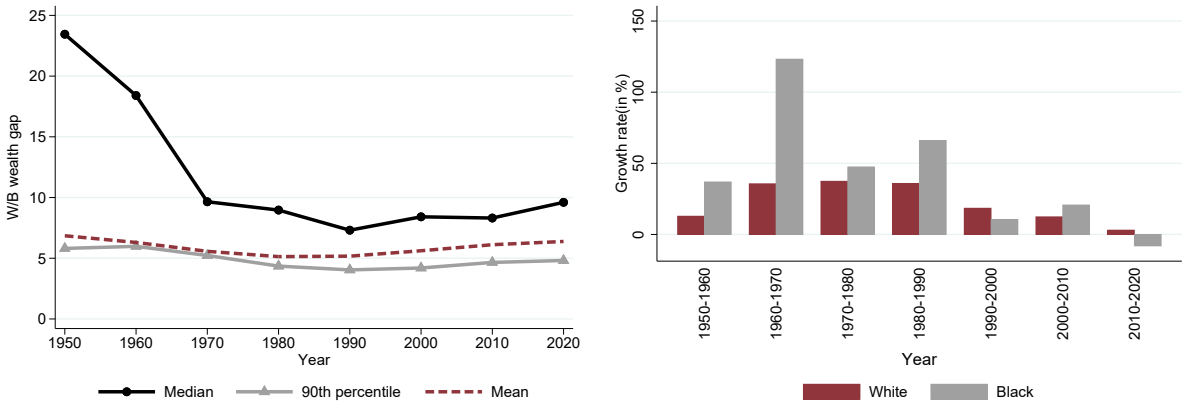
J.1 Racial wealth rank gap

The above discussion motivates examining an alternative measure of racial wealth inequality along the distribution. At each percentile of their respective wealth distributions, Black households have held lower levels of wealth than their white counterparts. Another way to represent this inequality is to measure the wealth rank gap: the difference between a Black household's percentile in the Black wealth distribution and the position that household would hold in the white wealth distribution. This method was pioneered by Bayer and Charles (2018) who examine the evolution of racial income gaps since 1940. Applying this technique to racial wealth in equality, we present the racial wealth rank gap at the median and the 90th percentile in Figure J.2.

As might be expected given the evidence presented above, Black households' position in the white wealth distribution has always been lower than their position in the Black wealth distribution. On average over the 1950-2020 period, Black households at the median have been 24 percentiles behind median white households. Black households at the 90th percentile of the Black distribution have been 28 percentiles behind 90th percentile white households. Figure J.2 also highlights dynamics in the rank gap. The median Black household saw a slow but steady closing of the rank gap between them and median white households, starting from a gap of 30 in 1950 and falling to a gap of 20 by 2010.[59] The rank gap at the 90th percentile has been more stable over time. Nevertheless, from 1970 to 1990, the 90th percentile Black households strongly improved their relative position, rising from the 55th to 65th percentile of the white wealth distribution. However, after 1990, the rank gap at the 90th percentile has remained roughly constant.

[59] In 2020, we observe a slight deterioration of their position to 28th percentile, likely due to the differential effects of the Great Recession.

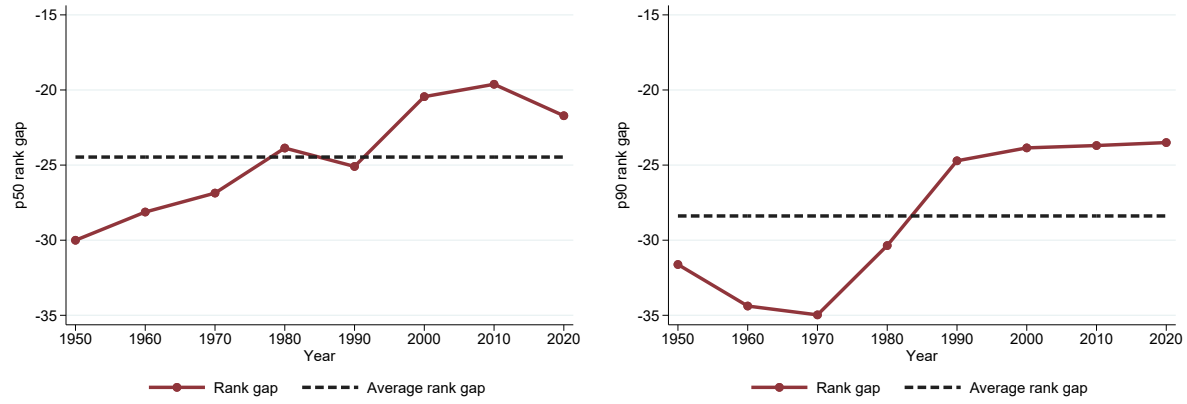
Figure J.1: The racial wealth along the distribution



(a) Wealth gap (b) Growth rates in median wealth by racial group

Notes: Panel (a) presents the household-level white-to-Black wealth gaps at the mean, median, and 90th percentile. Panel (b) presents growth rates in Black and white wealth at the median for each decade from 1950 to 2020. Data sources: SCF+.

Figure J.2: Racial rank gaps for net wealth at the median and 90th percentile



(a) Median (b) 90th percentile

Notes: The racial rank gap is the difference in percentage points between the rank that the wealth level of the median and 90th percentile takes in the wealth distribution of white households and the rank of the median white household. Dashed line shows the long-run average of the racial wealth rank gap. Data sources: SCF+.

Table J.1: Portfolio composition along the wealth distribution, 1950-2020

	White			Black		
	Bottom 50%	50%-90%	Top 10%	Bottom 50%	50%-90%	Top 10%
			1950			
Housing	11,578	81,475	211,709	8,777	74,490	150,962
Other non-financial assets	3,982	6,324	7,891	1,332	4,911	8,064
Bonds	1,095	6,721	42,723	210	1,045	4,285
Equity	444	18,158	960,158	58	23,391	794,589
Liquid financial assets	2,829	14,003	60,868	919	4,783	14,310
Net wealth	10,846	112,411	1,262,223	5,881	91,899	952,045
Total debt	9,083	14,271	21,125	5,415	16,720	20,164
			1980			
Housing	30,581	174,121	596,327	23,693	138,157	614,169
Other non-financial assets	7,116	14,938	33,630	5,629	14,728	98,476
Bonds	622	3,198	76,490	185	951	5,565.39
Equity	1,103	18,149	972,893	167	14,059	388,680.73
Liquid financial assets	6,304	34,567	121,649	3,896	21,682	35,044
Net wealth	25,721	217,928	1,865,101	18,893	171,903	1,131,058
Total debt	21,872	40,581	65,030	15,839	31,039	41,085
			2010			
Housing	67,117	282,972	1,392,797	37,734	260,536	1,233,594
Other non-financial assets	14,666	29,925	96,117	9,166	23,669	85,040
Bonds	3,476	41,952	392,895	2,345	34,520	159,914
Equity	5,344	79,321	2,022,536	2,772	44,783	1,067,539
Liquid financial assets	4,571	35,546	286,162	2,546	24,530	97,225
Net wealth	23,587	395,380	4,641,114	13,114	308,490	2,584,225
Total debt	73,935	109,596	227,501	43,079	103,164	236,915

Notes: The table shows mean asset positions, net wealth, and debt for Black and white households from different parts of their respective wealth distributions in 1950, 1980, and 2010. All values are in 2019 dollars. Housing includes other real estate. Equity includes business wealth. Also, bonds and equity include indirect holdings in form of mutual funds and DC pensions. Data sources: SCF+.

Table J.2: Black and white wealth distributions by asset class, 1950-2020

	White			Black		
	Mean	Median	90th	Mean	Median	90th
			1950			
Housing	62,911	34,645	148,989	20,678	0	61,553
Other non-financial assets	5,400	2,596	14,712	1,953	0	7,497
Bonds	7,985	0	16,499	403	0	185
Equity	111,692	0	142,293	11,101	0	0
Liquid financial assets	13,850	2,382	36,053	1,687	0	3,622
Net wealth	189,248	46,999	340,631	28,548	1,956	59,803
Total debt	12,589	634	43,923	7,275	660	21,026
			1980			
Housing	158,569	100,935	343,567	55,287	2,717	135,874
Other non-financial assets	13,592	8,391	28,876	8,959	3,242	22,122
Bonds	10,508	0	4,637	422	0	184
Equity	123,603	0	122,232	9,708	0	0
Liquid financial assets	31,961	5,386	81,148	7,725	648	19,250
Net wealth	322,036	107,966	595,354	66,877	17,197	140,867
Total debt	35,022	6,438	102,876	19,085	2,531	64,010
			2010			
Housing	331,872	164,726	686,356	111,295	0	306,345
Other non-financial assets	31,836	18,120	58,912	13,923	7,358	33,580
Bonds	69,993	88	137,363	12,727	0	28,476
Equity	347,705	5,491	474,769	32,433	0	38,436
Liquid financial assets	54,082	6,398	98,835	9,427	988	17,282
Net wealth	773,925	164,616	1,366,768	126,579	16,802	301,459
Total debt	109,422	35,141	294,562	60,836	11,052	191,334

Notes: The table shows mean, median, and 90th percentile asset positions, net wealth, and income for Black and white households from the full sample period of the SCF+. All values are in 2019 dollars. Housing includes other real estate. Equity includes business wealth. Also, bonds and equity include indirect holdings in form of mutual funds and DC pensions. Data sources: SCF+.

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