Data Appendix for “Changing Household Financial Opportunities and Economic Security”
by Karen Dynan

1. Survey of Consumer Finances (SCF) Data

   a. **Background about the SCF.** The primary source for household balance sheet data was the Survey of Consumer Finances (SCF), which has been conducted by the Federal Reserve Board on a triennial basis for nearly a quarter-century. The SCF contains comprehensive and high-quality information about the balance sheets of U.S. households, as well as data on household income, demographics, and attitudes. I used data from the 1983-2007 waves, each of which included between 3,000 and 4,500 households. (I did not use the 1986 SCF wave because it did not generate data comparable in scope with data from the other waves.) The data were drawn from the “full public data” files available at: http://www.federalreserve.gov/pubs/oss/oss2/scfindex.html

   For the 1989-2007 waves, when possible, the variables were constructed using the SAS code supplied by the SCF staff to create the summary variables used in the SCF Bulletin articles. See: http://www.federalreserve.gov/pubs/oss/oss2/bulletin.macro.txt. For the 1983 wave, code was written that creates variables that are as close as possible conceptually to the variables used for the later waves.

   b. **Net Worth, Assets, and Liabilities Measure.** Net worth was defined as the difference between a household’s assets (the value of checking accounts, savings accounts, certificates of deposit, savings bonds, money market accounts, cash/call money accounts, trusts, life insurance (cash value), homes, land contracts, other real estate, vehicles, thrift plans, IRAs, stocks, bonds, loans owed to the household, business assets, and "other" financial and nonfinancial assets) minus the value of a household’s liabilities (credit card debt, lines of credit debt, vehicle debt, mortgage debt, other real estate debt, consumer debt, business debt, and "other" debt). These balance sheet variables are measured as of the time that the household was surveyed.

   c. **Income Measure.** Household income equals the sum of wages and salaries, net business income, income from non-taxable investments, other interest income, dividends, capital gains from the sale of stocks, bonds or real estate, rental income, trust income, royalties, unemployment insurance, worker's compensation, child support, alimony, income from AFDC, SSI and other forms of assistance, Social Security income, other pension income, and “other” income. This income
information corresponds to the calendar year preceding the year in which the household was surveyed. The SCF contains no information about taxes paid.

d. **Imputation of 2008 Data.** To capture the important changes that have occurred in the U.S. financial landscape since the 2007 survey was conducted, I made a modest attempt to update the wealth of respondents to the 2007 survey as of the end of 2008. For each respondent, I extrapolated the value of equity held and businesses owned by the change in the Wilshire 5000 index, the value of residential real estate owned by the change in the LoanPerformance index of national house prices, and the value of non-residential real estate owned by an index of commercial real estate prices published by Moody’s Investors Service. For all other variables, including income and liabilities, the 2007 values were carried forward.

e. **Weights.** I used the analysis weights provided in the public use data sets to make the results representative of the population of U.S. households. These weights account for both the oversampling of wealthy households and for differential patterns of nonresponse.

f. **Sample Selection.** No observations were dropped when calculating summary statistics for the full U.S. population of households (consistent with the way that statistics are calculated by the SCF staff when providing summary analyses of their data).


a. **Background about the SFCC.** These data were used to calculate summary statistics for U.S. household balance sheets as of 1962. This survey, also conducted by the Federal Reserve Board, provides a somewhat more limited set of information, but is viewed as the direct ancestor of the SCF and includes many similar features such as an oversampling of high-wealth households. The survey included roughly 2500 households. The data are available at:


In creating the variables, I attempted to keep them as close as possible conceptually to the variables used for the SCF analysis. Much of my code was based on a program that Kevin Moore (now on the SCF staff) wrote for Chris Carroll’s “Portfolios of the Rich” paper, available at:


The program includes imputations for missing insurance and annuity information.
3. Aggregate Time Series Data

   a. *Personal Saving Rate (Figure 1).* From the National Income Product Accounts published by the Bureau of Economic Analysis.

   b. *Ratio of Household Net Worth to Income (Figure 1).* Household net worth from the U.S. Flow of Funds Accounts of the United States published by the Federal Reserve Board relative to nominal personal income from the National Income Product Accounts published by the Bureau of Economic Analysis.

   c. *Home Mortgage Debt (Figure 2).* Outstanding household sector home mortgage debt from the U.S. Flow of Funds Accounts of the United States published by the Federal Reserve Board.

   d. *House Prices (Figure 2).* U.S. national house prices from LoanPerformance, a division of First American CoreLogic, Inc.

   e. *Ration of Household Debt to Income (Figure 4).* Total household sector debt from the U.S. Flow of Funds Accounts of the United States published by the Federal Reserve Board relative to nominal personal income from the National Income Product Accounts published by the Bureau of Economic Analysis.