Falling Behind: The Role of Inter- and Intragenerational Processes in Widening Racial and Ethnic Wealth Gaps through Early and Middle Adulthood

Alexandra Killewald, *Harvard University*
Brielle Bryan, *Rice University*

Whites' wealth advantage compared to blacks and Hispanics is vast and increases with age. While prior research on wealth gaps focuses primarily on wealth levels, we adopt a life-course perspective that treats wealth as a cumulative outcome and examine wealth accumulation across individuals' lives. We test to what extent intergenerational disadvantage and disparities in achieved characteristics explain accumulation disparities. We hypothesize that disparities in wealth determinants, like income and education, family and household characteristics, and homeownership and local context, increase through early and middle adulthood, widening wealth accumulation gaps. Using the National Longitudinal Survey of Youth 1979, we show that whites accumulate wealth more rapidly than blacks and Hispanics throughout early and middle adulthood, with the result that both groups fall further behind whites in amassed wealth with each passing year. Furthermore, the accumulation gap grows substantially in the 30s, so that blacks and Hispanics in this age range lose ground at an increasing annual rate. We find that adjusting for intergenerational disadvantage reduces the Hispanic-white and black-white gaps in wealth accumulated between ages 20 and 50 by over 40 percent and 50 percent, respectively, and even more in young adulthood. Yet, disparities in outcomes like income, marriage, and homeownership rise with age; together, these intragenerational processes explain a greater share of accumulation gaps in middle adulthood than at younger ages. These findings highlight that wealth gaps in the United States are both shaped by intergenerational legacies of disadvantage

Lonnie Berger, Siwei Cheng, Katherine Magnuson, Michelle Robinson, and Christine Schwartz provided helpful comments. An earlier version of this manuscript was presented at the 2015 Annual Meeting of the Population Association of America, San Diego, CA, USA. This work was supported by an Emerging Scholars Small Grant award from the University of Wisconsin Institute for Research on Poverty. The NLSY79 survey is sponsored and directed by the U.S. Bureau of Labor Statistics and conducted by the Center for Human Resource Research at The Ohio State University. Interviews are conducted by the National Opinion Research Center at the University of Chicago. *Direct all correspondence to Alexandra Killewald, 438 William James Hall, Harvard University, 33 Kirkland St, Cambridge, MA 02138, USA; email: killewald@fas.harvard.edu; 617-495-3818.*

Social Forces 97(2) 705–740, December 2018
doi: 10.1093/sf/soy060
Advance Access publication on 13 July 2018

and created fresh in each generation through unequal distribution of achieved wealth-enhancing traits.

Racial and ethnic wealth disparities in the United States are vast. In 2013, the median white household had net worth—the total value of all assets less the value of all debts—13 times that of the median black household and 10 times that of the median Hispanic household (Pew Research Center 2016). Prior research has sought to identify the causes of wealth disparities, typically predicting current wealth as a function of current individual traits or parental traits during the respondent's childhood. This cross-sectional approach is ill suited to studying wealth, which is a measure of the stock of resources, rather than a point-in-time flow (see the discussion in Killewald, Pfeffer, and Schachner [2017]). A smaller research literature investigating wealth accumulation has done so pegging change to calendar year rather than to individual age. Thus, past research has not investigated wealth disparities as they unfold across the life course.

We bring a life-course perspective to the study of race/ethnicity differences in wealth, examining wealth accumulation through early and middle adulthood. Wealth inequality results from differences in year-by-year asset and debt accumulation processes. Rather than predicting wealth levels, which are the product of many years of prior circumstances, with current measures of wealth-generating traits or coarse approximations of lifetime circumstances, we tighten the conceptual link between predictors and outcomes by focusing on how the circumstances of a given year are associated with individuals' wealth accumulation in that year. We assess how much racial disparities in wealth accumulation between ages 20 and 50 are reduced after adjusting for an intergenerational legacy of disadvantage for Hispanics and blacks compared to their white peers. Next, we consider how much residual disparities are reduced after adjusting for racial disparities in intragenerational processes in three key domains: education and income, family and household, and homes and place.

Furthermore, we examine whether blacks' and Hispanics' wealth accumulation disadvantage relative to whites is concentrated at particular points in the life course. Wealth disparities may grow with age because blacks and Hispanics consistently accumulate less wealth than whites at every age, or their wealth accumulation may be particularly stymied at certain points in the life course. Drawing on the life-course perspective, we hypothesize that racial disparities in wealth-relevant traits increase during the transition to adulthood, magnifying wealth accumulation gaps. Major life transitions in young adulthood, including education, marriage, homeownership, and grandparental death, may trigger wealth transfers from older generations to offspring, increasing racial disparities in wealth accumulation that reflect disparities in social origins. The transition to adulthood also involves changes in wealth-relevant intragenerational processes, including marriage, homeownership, and career establishment. To the extent that these transitions happen more frequently or earlier for whites than for blacks and Hispanics, they will also contribute to a widening of the wealth

accumulation gap with age. Thus, we expect that accumulation gaps will be larger during middle adulthood than in early adulthood.

Race and Wealth Across Generations and the Life Course

Blacks' and Hispanics' wealth disadvantage relative to whites begins in early adulthood and grows in absolute terms across the life course, at least through middle adulthood (Gittleman and Wolff 2004; Land and Russell 1996; Oliver and Shapiro 2006). Yet, there is little prior research on race differences in wealth accumulation, hampering our understanding of the processes that generate this pattern. Modeling wealth growth over a twenty-five-year period, Shapiro, Meschede, and Osoro (2013) find that race differences in homeownership, income, education, gifts and inheritances, and unemployment each contribute to whites' wealth accumulation advantage relative to blacks. Other scholars using a lagged dependent variable approach have found a residual black wealth disadvantage that is not fully explained by characteristics such as income, inheritance, and education (Conley 2001; Di, Belsky, & Liu 2007).[1] Hurst et al. (1998) and Gittleman and Wolff (2004)[2] model five-year wealth gains and for the most part do not find statistically significant race gaps in accumulation after controlling for characteristics such as income, education, and marital status, while Altonji and Doraszelski (2005) find that income and demographic differences between white and black couples explain between about half and three-quarters of the accumulation gap over five years.

These studies are an important first step in understanding racial/ethnic wealth accumulation disparities. We build on this research in two ways. First, prior research models change in wealth across calendar years, rather than placing wealth accumulation in the context of the life course. By contrast, we examine the pattern of wealth growth by age, following the life-course directive to consider individuals as following long-term trajectories that are influenced by age-graded processes (Elder 1994). We document at what ages blacks and Hispanics particularly fall behind white peers in wealth accumulation and evaluate whether the characteristics explaining race/ethnicity differences in wealth accumulation differ through early and middle adulthood.

Second, we consider two distinct types of processes that may contribute to wealth accumulation gaps: intergenerational legacies of disadvantage versus year-specific race differences in achieved wealth-relevant traits, such as income, marriage, and homeownership, that cannot be explained by intergenerational disadvantage. We hypothesize that both processes generate widening accumulation gaps with age. By analyzing each in turn, we develop a portrait of the processes by which wealth inequality magnifies with age.

Social Origins

Social origins may be associated with individuals' wealth through both direct and indirect pathways. Directly, parents may transfer wealth to their children.

Indirectly, characteristics of parents and the broader social context may shape individuals' wealth accumulation patterns in adulthood through social, human, and cultural capital; financial knowledge and preferences; and attitudes toward savings and consumption.

A legacy of racial discrimination and inequality disadvantages blacks' wealth positions (Conley 1999; Oliver and Shapiro 2006), leaving black parents with fewer resources, on average, than their white peers. Race disparities in social origins explain some of the race gap in wealth not explained by individual characteristics, such as income and education (Conley 1999). Disparities in gifts and inheritances contribute to whites' wealth advantage compared to blacks (Avery and Rendall 2002; Gittleman and Wolff 2004; McKernan et al. 2014). There is less research on the contribution of disparities in social origins to the Hispanic-white wealth gap, although McKernan et al. (2014) find no evidence that gifts and inheritances contribute to it.

Rather than showing that social origins have direct effects on wealth net of achieved characteristics, we estimate how much of the race/ethnicity gap in wealth accumulation through the first three decades of adulthood can be explained purely by a legacy of disadvantage—that is, whites' more advantaged social origins. Understanding the interdependence of parental traits and offspring wealth outcomes takes up the "generation" approach to the life course (Elder 1994). Yet, we do not expect that disparities in social origins will fully explain race/ethnicity gaps in wealth accumulation. For example, even for offspring from the same decile of the parental wealth distribution, adult wealth levels are lower for blacks than for whites (Pfeffer and Killewald 2018). The share of the accumulation gap that remains unexplained by social origins reveals to what extent wealth inequality is created fresh in each generation.

Intragenerational Processes

Next, we consider what intragenerational processes are associated with wealth accumulation disparities that cannot be explained by social origins. In keeping with the life-course perspective, which emphasizes the interweaving of multiple trajectories (Elder 1994), we consider that racial disparities in yearly wealth accumulation are likely to be the product of racial disparities in other life domains, not all of which can be fully explained by intergenerational disadvantage. Thus, we expect that additionally adjusting for adults' achieved outcomes will further reduce wealth accumulation disparities compared to considering social origins alone. Although race disparities in achieved outcomes relevant to wealth accumulation may occur for multiple reasons, racial discrimination in hiring, housing, and lending markets (for a review, see Pager and Shepherd [2008]) is one likely contributor.

We do not propose to identify all possible sources of these year-by-year disadvantages; instead we focus on three domains that prior research suggests are important wealth determinants: income and education, family and household characteristics, and homeownership and local context. We test to what extent

racial/ethnic disparities in each domain explain residual wealth accumulation gaps that remain after accounting for disparities in social origins.

Income and Education

A major determinant of individuals' wealth accumulation in a given year should be the amount of income from which they can save, and income and earnings disparities explain a substantial share of racial/ethnic wealth gaps (Barsky et al. 2002; Campbell and Kaufman 2006). To avoid confounding the roles of marriage and labor markets, we first consider how personal labor income contributes to race/ethnicity accumulation gaps. Education is also positively associated with both wealth levels and wealth accumulation, above and beyond the pathway from education to income (e.g., Conley 2001; Yamokoski and Keister 2006). Provided that social origins do not explain the entirety of racial and ethnic differences in achieved education and personal labor income, we expect that these achieved traits will contribute to disparities in wealth accumulation, above and beyond the role of social origins.

Family and Household

Differences by race/ethnicity in family status and household composition are likely to further contribute to wealth gaps, net of social origins, income, and education. For women, marriage is associated with substantial increases in needs-adjusted family income (Light 2004), which should in turn facilitate wealth accumulation. Marriage may also motivate changes in financial habits, if individuals become oriented toward saving for a joint future. Empirically, marriage is positively associated with wealth, even net of income (Addo and Lichter 2013; Yamokoski and Keister 2006; Zagorsky 2005), and race differences in marriage histories explain a portion of the black-white wealth gap (Addo and Lichter 2013). Given greater similarity in whites' and Hispanics' marriage patterns compared to blacks' (Raley, Sweeney, and Wondra 2015), we expect that marriage will play a smaller role in explaining the Hispanic-white wealth accumulation gap.[3]

Variation by race/ethnicity in the timing of parenthood and number of children ever born (Martin et al. 2015) may also shape wealth accumulation disparities. The effects of children on wealth are ambiguous: children may motivate increased savings, as parents aim to provide their expanded household with adequate housing and save for offspring higher education, but caring for children is also costly. Prior research has produced mixed findings about the association between parenthood and wealth (e.g., Campbell and Kaufman 2006; Yamokoski and Keister 2006), so it is unclear whether racial/ethnic differences in fertility patterns exacerbate or attenuate accumulation gaps.

Compared to white adults, black and Hispanic adults are more likely to live in multigenerational households (Cohen and Casper 2002). Living in a "doubled up" household, which includes living with parents while an adult, can lead to considerable savings on housing costs (Pilkauskas, Garfinkel, and McLanahan 2014). Thus, we expect that whites' greater likelihood of living independently from their parents may suppress the white advantage in wealth accumulation,

particularly in young adulthood when co-residence with parents is relatively common.

Homes and Place

Last, we consider the role of homeownership and local characteristics in whites' wealth accumulation advantage, again net of differences in social origins, education, and income. Even after adjusting for other characteristics, whites have higher rates of homeownership entrance and lower rates of homeownership exit compared to both blacks and Hispanics (Charles and Hurst 2002; Hall and Crowder 2011; Killewald and Bryan 2016; Sharp and Hall 2014). Homeownership is in turn positively associated with subsequent wealth (Di, Belsky, and Liu 2007; Killewald and Bryan 2016). Thus, racial/ethnic disparities in homeownership contribute to wealth disparities (Killewald and Bryan 2016; Oliver and Shapiro 2006; Shapiro, Meschede, and Osoro 2013).

Furthermore, homes owned by blacks do not appreciate as rapidly as those owned by whites (Oliver and Shapiro 2006), and the wealth benefits of homeownership are smaller for blacks and Hispanics than for whites (Killewald and Bryan 2016). At least part of this difference is due to residential segregation: black and Hispanic households are disadvantaged in home value appreciation and, hence, wealth accumulation, in part because of the neighborhoods in which they live (Flippen 2004). Thus, we expect that a portion of whites' wealth accumulation advantage will be explained by higher rates of homeownership, greater wealth accumulation returns to homeownership, and more advantaged local context.

Wealth accumulation across the life course

Both processes described above—intergenerational reproduction of disadvantage and intragenerational disparities in achieved determinants of wealth accumulation—suggest widening wealth accumulation disparities with age. As individuals age, they are more likely to experience a grandparental or parental death and receive any associated bequests, magnifying the consequences of social origins disparities for the accumulation gap. In terms of achieved characteristics, wages grow more slowly with age for black and Hispanic men than white men (Tomaskovic-Devey, Thomas, and Johnson 2005). In this cohort, race/ethnicity gaps in marital status increased between ages 25 and 35 before stabilizing between ages 35 and 45 (Aughinbaugh, Robles, and Sun 2013). We anticipate (and show later) that disparities in homeownership rates also increase through early adulthood.

Taking up the "age" perspective on the life course (Elder 1994), we consider that both the magnitude of wealth accumulation gaps and the contributors to them may vary through young and middle adulthood. In general, we expect that disparities in wealth accumulation are modest in the 20s, when young adults of all racial/ethnic groups have, on average, relatively low levels of wealth-enhancing traits, and racial and ethnic disparities in these traits, while present, are smaller than in later adulthood. As individuals age into the 30s and 40s, we

expect larger accumulation gaps as disparities in wealth-relevant characteristics grow.

Data and Methods

We use data from the National Longitudinal Survey of Youth 1979 (NLSY79) (Bureau of Labor Statistics, U.S. Department of Labor 2017), which includes 12,686 men and women first interviewed in 1979, when they were ages 14–22. They have subsequently been interviewed annually through 1994 and biennially since, with the response rate remaining over 78 percent through 2012 (National Longitudinal Surveys 2017). Respondents are ages 20–28 in the first wave asset information was collected (1985) and 47–56 in the most recent wave it was collected (2012).

We exclude members of discontinued NLSY79 subsamples and respondents who are not non-Hispanic black, non-Hispanic white, or Hispanic. All financial variables are adjusted to 2012 dollars using the Consumer Price Index (CPI). We use data from the 19 survey waves between 1985 and 2012,[4] yielding an analytic sample of 127,446 person-year observations from 8,438 individuals. Item-missing values are multiply imputed.

Between 1985 and 2012, the NLSY79 collected net worth data for the respondent and spouse in all survey waves except 1991, 2002, 2006, and 2010. Total net worth is generally the sum of the net worth (value minus any loan or debt) of: housing, vehicle(s), cash savings, stocks and bonds, farms, businesses, other properties, and other (residual) valuable items or debts. The NLSY79 imputes missing values for specific assets when possible, and we employ these imputed values. In 1994, the NLSY79 began including the solely held assets of the respondent's unmarried partner in measures of net worth. We adjust wealth by the square root of family size, including cohabiting romantic partners starting in 1994, to better capture disposable resources in excess of family needs. We top- and bottom-code wealth at the 95th and 5th percentiles for each year to avoid unduly influential outliers.

Our models use wealth accumulation—the difference in wealth across periods—as the outcome to focus on factors associated with wealth gains at each age. Wealth reports are error-prone, and first differences exacerbate the problem (Bosworth and Smart 2009; Juster, Smith, and Stafford 1999). To reduce measurement error, we construct an averaged, annualized measure of wealth accumulation. If wealth were observed in every year, a possible annualized wealth accumulation measure would be:

$$accum_{it} = \frac{w_{it+1} - w_{it-4}}{5}$$

w_{it} is the wealth in dollars of an individual i in year t. In other words, annualized accumulation is measured as wealth in the next year minus wealth five years prior, divided by 5 to get a yearly accumulation amount. To reduce measurement error, we could average this measure across five different starting years, like this:

$$accum_{it} = \frac{\sum_{q=t+1}^{q=t+5} \frac{w_{iq} - w_{iq-5}}{5}}{5} = \frac{\bar{w}_{i,t+1,\,t+5} - \bar{w}_{i,t-4,t}}{5}$$

where $\bar{w}_{i,t+1,t+5}$ is average wealth for individual i over the years $t+1$ to $t+5$.

In the NLSY79, wealth is not measured in all years, and the interval between wealth measurements varies from one to four years. Thus, we average over observed wealth reports, allowing variability in the number of contributing wealth reports. We construct our dependent variable as:

$$accum_{it} = \frac{\bar{w}_{i,t+1,\,t+5} - \bar{w}_{i,t-4,t}}{\overline{year}_{i,t+1,\,t+5} - \overline{year}_{i,t-4,t}}$$

The denominator allows that the wealth reports contributing to the first and second terms of the numerator may not be five years apart, on average. On average, 5.5 years' worth of wealth data (3 years in the early period and 2.5 years in the later period) contribute to the wealth accumulation measure. We drop 5.7 percent of all non-missing person-years between 1985 and 2010 due to missing data on the wealth accumulation measure.[5]

We use (conditional) median regression to reduce the influence of outliers. We use custom sample weights supplied by the NLSY79 to make the respondents who participated in any of the years in which wealth data were collected nationally representative.[6]

We present six models, described in more detail below. They are descriptive rather than causal. In addition to the threat of unmeasured confounders, our accumulation measure is particularly susceptible to reverse causality, since it depends in part on wealth measured prior to the covariates.

Baseline

The Baseline model controls only for sex, age, race/ethnicity, and the interaction between race/ethnicity and age. This model estimates how the pace of wealth accumulation changes for blacks, Hispanics, and whites between ages 20 and 50. Race/ethnicity is captured with two dummy variables identifying non-Hispanic black and Hispanic respondents, with non-Hispanic whites the reference category.[7]

To facilitate interpretation of the results, we center age at 20—the youngest age of respondents in 1985. After inspecting a lowess plot of wealth accumulation by age, we specified age as a linear spline function with knots at ages 28 and 41, allowing wealth accumulation to speed or slow with age differently across the life course.

We control for sex with a binary variable set to one if the respondent is female.

Social Origins

The Social Origins model estimates how much wealth accumulation disparities are reduced after adjusting for the intergenerational legacy of disadvantage for blacks and Hispanics relative to whites. We include parental income and

education as two key measures of parental resources, along with direct transfers in the form of gifts and inheritances. We adjust for family structure during childhood and number of siblings, as parental marital disruption and more siblings are both associated with lower adult net worth and contribute to race/ethnicity disparities in adult wealth (Keister 2004). We also include as measures of social origins the religion in which the respondent was raised and immigrant generation, each of which prior research has identified as associated with offspring wealth (as reviewed in Killewald, Pfeffer, and Schachner [2017]).

In 1988, the NLSY79 asked about gifts and inheritances received in 1987 and in prior years. Subsequently, the NLSY79 has collected data on new gifts or inheritances received. We measure the receipt of direct transfers with a variable indicating the value of inheritances or gifts received by the respondent and his or her spouse or partner since the last survey year, normalized by the square root of family size and top-coded at the 95th percentile of the year-specific distributions.

Parents' education is measured as highest grade level completed by the respondent's residential biological parent(s) in 1979, categorized as no high school diploma (reference category), a high school diploma, some college, a four-year college degree, or more than a four-year degree.[8] For respondents with no residential parent, maternal values are used if available, else paternal values are used. Parents' income is measured using total family income in 1979 for respondents residing with their parents at the first survey wave. We specify parents' income as a linear spline with knots at the quartiles of the distribution. Because nearly 30 percent of respondents were not residing with their parents in 1979 and exit from the parental home during young adulthood is non-random, we multiply impute parental income but also include a dummy variable that identifies cases with imputed values.

Respondents' number of siblings is measured with a linear count. Foreign-born statuses of the respondent, respondent's mother, and respondent's father are measured using three dummy variables. Respondents who could not identify foreign-born status of their mother or father because they never knew that parent are identified with two dummy variables. Family structure at age 14 is measured using four mutually exclusive categories identifying with whom the respondent lived: both biological parents (reference category), one biological parent and one stepparent, one biological parent and no stepparent, or no biological parent. We capture religion in which the respondent was raised with categories for Protestant (reference category), Catholic, Jewish, other religion, or no religion.

Income and Education

The next three models consider how further adjusting for different domains of intragenerational processes reduces residual racial/ethnic disparities in wealth accumulation that were not accounted for by intergenerational disadvantage. The Income and Education model adds individuals' personal income and education to the Social Origins model. We begin with this domain of achieved

characteristics because of the strong association between income and wealth (Killewald, Pfeffer, and Schachner 2017) and the prominent role of earnings in explaining the black-white wealth gap (Barsky et al. 2002). We measure individual labor income with the respondent's income in the prior calendar year from wages or military employment. Given prior evidence that income and earnings are non-linearly associated with wealth (Barsky et al. 2002; Killewald 2013), we specify income as a linear spline with knots at the quartiles of the distribution. We also include a lagged (linear) measure of labor income to capture the association between income history and savings propensity. As with wealth, income is top- and bottom-coded at the 95th and 5th percentiles of the year-specific distributions.

We measure current educational attainment with the same five categories as parental education, based on highest degree received. We also include a dummy variable for current full-time school enrollment to account for the possibility that wealth accumulation is delayed during periods of investment in future wealth-generating potential.

Family and Household, Homes and Place

Next, we adjust for family and household characteristics and homeownership and local context. We have no reason to privilege one of these domains over the other, so we estimate two separate models, one of which adds the family and household traits to the Income and Education model and one of which instead adds the homeownership and local context measures. We finish by estimating the Total model, which includes both domains.

The Family and Household model adds to the Income and Education model variables that adjust for independent residence, marriage, and parenthood. We create a dummy variable set to one if the individual is currently living independently (not with parents) and also include a linear measure of the number of consecutive years the respondent has been living independently. We measure marital status with an indicator for currently married and parenthood with a linear count of the respondent's number of children.[9]

The Homes and Place model adds to the Income and Education model variables that adjust for homeownership and local characteristics. We measure homeownership with an indicator for whether the respondent and/or spouse/partner own or are making payments to own their home. As discussed previously, black and Hispanic homeowners may receive smaller wealth benefits from homeownership, so we allow the association between homeownership and wealth accumulation to vary by race and ethnicity. To measure local demographic and economic context, we incorporate county-level percent non-Hispanic black, percent Hispanic, and homeownership rates from decennial Census data and five-year ACS estimates, linearly interpolating as necessary.[10] We also include an NLSY79-constructed measure of the local unemployment rate in March of each survey year. The rate is the metropolitan statistical area (MSA) rate for respondents living in an MSA and the unemployment rate for all non-MSA parts of the state for respondents not living in MSAs.[11]

To facilitate interpretation of the median regression results, we simulate for each model the black-white and Hispanic-white (residual) gaps in accumulated wealth between ages 20 and 50. We calculate the estimated (residual) gap in wealth accumulation at each age, based on the coefficients on the race/ethnicity variables and their interactions with age, and then sum these estimated disparities across ages to generate the simulated gaps.

Results

Table 1 displays weighted descriptive statistics, separately by race and ethnicity, for the dependent and independent variables in our models. As expected, there are large differences by race and ethnicity in both social origins and adult outcomes. One-quarter of non-Hispanic whites completed at least a four-year college degree by age 25, compared to only 10 percent of non-Hispanic blacks and 9 percent of Hispanics. Individual labor income is 67 percent as high for non-Hispanic blacks ($24,874) and 80 percent as high for Hispanics ($29,428) as for whites ($36,988). Whites have parents with higher average income and higher levels of education, have fewer siblings, and are more likely to have lived with both biological parents at age 14. Whites are most likely to have received a gift or inheritance and, among those who receive, receive the largest transfers on average.

In the full sample, mean family-size-adjusted wealth is $55,923, while the median is only $16,162, illustrating the right skew in the wealth distribution. Median adjusted wealth is $24,233 for whites, compared to only $2,134 for blacks and $6,141 for Hispanics. Median wealth accumulation, using our annualized measure, is $116 per year for blacks and $451 for Hispanics, compared to $2,591 for whites.

Figure 1 displays the 25th and 50th percentiles of the family-size-adjusted wealth distributions by race and ethnicity, smoothed with a three-year moving average, from ages 21 to 50. At age 21, the 25th percentile of the wealth distribution is similar across race and ethnic groups: $0 for blacks and Hispanics compared to $340 for whites. Consistent with Maroto's (2016) finding that wealth gaps between whites and both blacks and Hispanics increase across the wealth distribution, we find larger wealth differences at the median: $255 for blacks, compared to $1,244 for Hispanics and $2,836 for whites. Even at age 21, the 25th percentile of the white wealth distribution is above the median of the black wealth distribution.

Although the race gap in wealth appears early, it grows vastly with age. At age 21, the gap in median wealth is $2,581 between blacks and whites and $1,591 between Hispanics and whites. By age 30, the black-white median wealth gap exceeds $21,000, and the Hispanic-white gap is over $17,000. At age 50, the black-white median wealth gap is over $125,000 and the Hispanic-white gap is over $80,000. Put differently, the amount of wealth that the median black and Hispanic accrue by age 50 is surpassed by the median white at age 29 and 38, respectively.

We predicted that blacks and Hispanics accumulate wealth more slowly than whites and that accumulation gaps widen with age. The second prediction hinges on widening racial/ethnic disparities with age in other wealth-relevant

Table 1. Descriptive Statistics

	All	Non-Hispanic black	Hispanic	Non-Hispanic white
Person-level				
Black (non-Hispanic)	17.2%	–	–	–
Hispanic	7.8%	–	–	–
Age in 1979 (std dev)	17.7 (2.3)	17.6 (2.3)	17.6 (2.3)	17.7 (2.3)
Female	49.9%	50.9%	50.4%	49.6%
Social Origins				
Parents' education				
No high school diploma (reference)	25.2%	46.4%	63.0%	16.8%
High school diploma	41.8%	35.9%	22.1%	45.1%
Some college	13.0%	10.1%	7.1%	14.3%
4-year college degree	11.8%	5.1%	4.9%	14.0%
More than 4-year college degree	8.2%	2.5%	3.0%	10.0%
Parents' income in 1979 (std dev)	$76,311 (48,728)	$43,308 (34,859)	$51,028 (36,737)	$87,419 (48,087)
Foreign born	4.3%	2.7%	28.1%	2.4%
Number of siblings (std dev)	3.4 (2.3)	4.6 (3.0)	4.6 (3.0)	3.0 (1.9)
Mother foreign born	6.9%	2.4%	40.7%	4.4%
Never knew mother	0.2%	0.3%	0.2%	0.1%
Father foreign born	6.1%	2.4%	39.0%	3.6%
Never knew father	1.1%	3.7%	1.6%	0.5%

Household structure at age 14				
Living with both biological parents (reference)	74.9%	50.5%	66.0%	81.4%
Living with one biological parent, one stepparent	7.4%	7.9%	8.3%	7.2%
Living with one biological parent only	14.8%	33.9%	20.8%	9.8%
No biological parents present	2.9%	7.8%	4.9%	1.5%
Religion raised				
No religion	3.9%	4.2%	2.2%	4.0%
Protestant (reference)	49.6%	77.9%	6.9%	47.6%
Catholic	35.7%	7.5%	86.0%	36.9%
Jewish	1.1%	0.1%	0.2%	1.5%
Other religion	9.7%	10.3%	4.7%	10.1%
Education (at age 25)				
No high school diploma (reference)	12.9%	20.0%	30.6%	9.4%
High school diploma	43.8%	45.2%	37.2%	44.2%
Some college	22.3%	24.8%	23.4%	21.6%
4-year college degree	16.8%	8.5%	7.2%	19.7%
More than 4-year college degree	4.2%	1.6%	1.6%	5.0%
Individuals	8,438	2,843	1,847	3,748

(*Continued*)

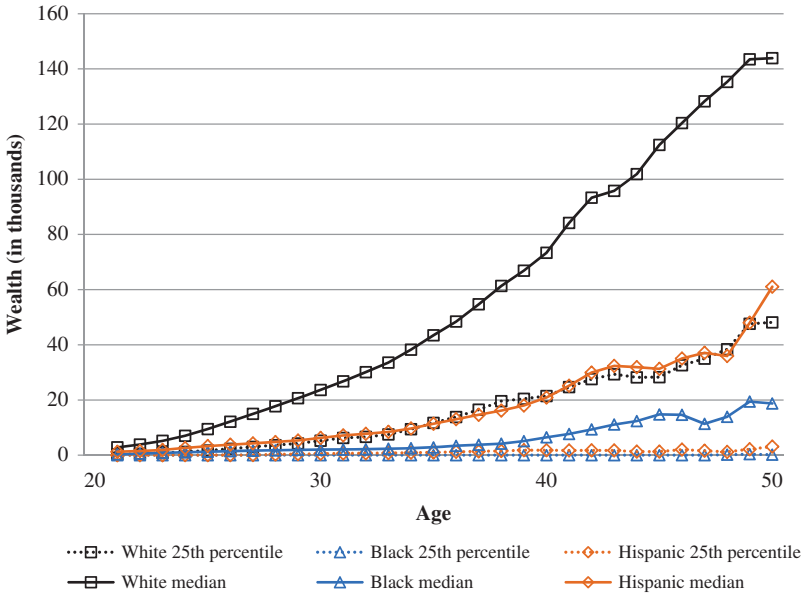
Table 1. ***continued***

	All	Non-Hispanic black	Hispanic	Non-Hispanic white
Person-year level				
Wealth (mean) (std dev)	$94,807 (176,759)	$31,652 (90,302)	$61,580 (139,054)	$112,547 (190,713)
Median	$25,859	$3,660	$10,638	$39,535
Wealth—*family-size-adjusted* (mean) (std dev)	$55,923 (103,553)	$19,199 (54,960)	$34,895 (79,740)	$66,412 (111,611)
Median	$16,162	$2,134	$6,141	$24,233
Annual wealth growth—*family-size-adjusted* (mean) (std dev)	$5,588 (17,786)	$1,787 (11,694)	$3,442 (14,935)	$6,676 (19,024)
Median	$1,548	$116	$451	$2,591
Social Origins				
Received any inheritance	11.1%	4.7%	5.9%	13.1%
Inheritance amount, if any (std dev)	$31,645 (126,246)	$19,097 (101,494)	$18,940 (77,294)	$33,018 (129,232)
Inheritance amount, if any—*family-size-adjusted* (std dev)	$20,607 (88,508)	$11,550 (56,026)	$12,140 (53,572)	$21,570 (91,359)
Income & Education				
Personal labor income	$34,373	$24,874	$29,428	$36,988
(std dev)	(29,621)	(24,271)	(27,137)	(30,438)
Education				
No high school diploma (reference)	10.4%	16.5%	25.6%	7.5%
High school diploma	41.6%	43.8%	37.8%	41.4%

Some college	24.3%	27.6%	25.5%	23.4%
4-year college degree	17.7%	9.6%	8.2%	20.4%
More than 4-year college degree	6.2%	2.5%	2.9%	7.3%
Current student	5.7%	4.8%	5.2%	5.9%
Family & Household				
Married	56.3%	33.0%	53.3%	61.9%
Number of children (std dev)	1.1 (1.2)	1.1 (1.3)	1.3 (1.3)	1.0 (1.2)
Living independently	87.5%	77.6%	84.1%	90.1%
Years of independent residence, if independent (std dev)	10.9 (7.6)	9.3 (7.3)	10.1 (7.5)	11.2 (7.7)
Homes & Place				
Homeowner	46.2%	23.2%	35.3%	52.5%
Local characteristics				
County percent non-Hispanic black (std dev)	12.9 (13.6)	26.8 (16.0)	10.1 (9.8)	10.0 (11.2)
County percent Hispanic (std dev)	9.4 (12.9)	8.7 (11.1)	30.0 (22.1)	7.5 (9.9)
County percent homeowners (std dev)	65.8 (11.2)	60.7 (12.0)	59.0 (12.4)	67.7 (10.2)
Local labor market percent unemployed (std dev)	6.6 (2.7)	6.3 (2.4)	7.5 (3.4)	6.6 (2.7)
Person-years	127,446	42,966	27,306	57,174

Note: Weighted values. Values are means or proportions, with standard deviations in parentheses, unless otherwise noted. Values above are based on non-missing cases for each variable. Missing values are multiply imputed for analyses. All dollar-value variables have been adjusted for inflation to 2012 values.

Figure 1. Wealth across the life course, by race/ethnicity.



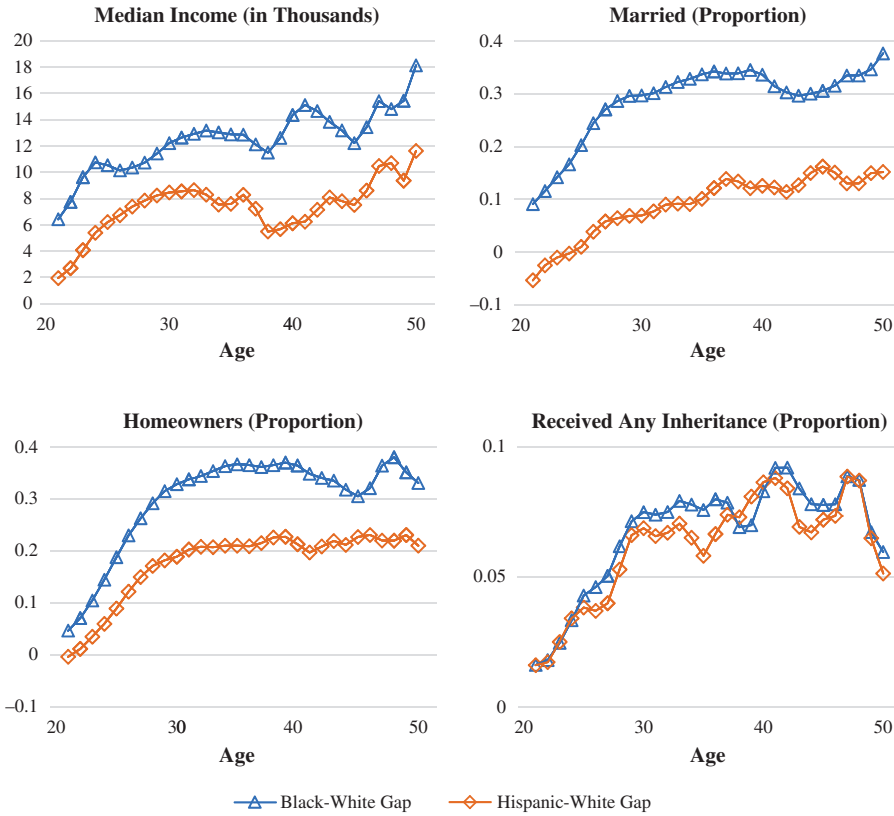
Weighted values. Wealth is adjusted for family size and adjusted for inflation to 2012 values. Wealth is top-coded at the 95th percentile and bottom-coded at the 5th percentile for each year. Lines have been smoothed by using rolling three-year averages of wealth at each age. E.g., at age 25 wealth is plotted in the above graph as .25*wealth at 24 + .5*wealth at 25 + .25*wealth at 26.

characteristics. Figure 2 shows racial/ethnic disparities by age in four selected wealth-relevant traits, chosen to represent each of the processes we consider: proportion having ever received any inheritance (Social Origins), median personal labor income (Income and Education), proportion married (Family and Household), and proportion homeowners (Homes and Place). Each panel in the figure shows the deficit of the black or Hispanic median or proportion relative to the white median or proportion. Except for marriage and homeownership rates for Hispanics at the very youngest ages, the lines lie above zero, indicating whites' advantaged position. Each of the panels shows upward trends through the 20s, highlighting growing gaps in wealth-relevant traits through young adulthood. For the most part, these trends continue in the 30s, although the differences are not as sharp, and the Hispanic-white median income gap declines during this period.

Baseline accumulation patterns

Table 2 displays the results of our multivariate models. Because we have adjusted wealth by dividing by the square root of family size, coefficients can be interpreted as associations for a family of one. The first column shows results

Figure 2. Income, marriage, homeownership, and inheritance across the life course, by race/ethnicity.



Weighted values. Income includes only respondent's own labor income, adjusted for inflation to 2012 values. Income is top-coded at the 95th percentile and bottom-coded at the 5th percentile for each year. Lines have been smoothed by using rolling three-year averages at each age. E.g., at age 25 income is plotted in the above graph as .25*income at 24 + .5*income at 25 + .25*income at 26.

from the Baseline model, which estimates wealth accumulation as a function only of sex, age, race/ethnicity, and the interaction between age and race/ethnicity. Accumulation rates are slightly lower ($47) for women than for men. For simplicity, we describe the patterns for men, and the results for women are just slightly shifted down. The results for men are also shown visually in figure 3. For 20-year-old non-Hispanic white men, estimated median wealth accumulation is $1,921 per year (the constant). The coefficient on the first age term, $25.4, estimates the linear association of age with accumulation between ages 20 and 28. In other words, for whites, the speed of annual wealth accumulation is estimated to increase slowly between ages 20 and 28, although the rate of increase is not statistically significantly different from zero. Between ages 28 and 41, wealth accumulation accelerates for whites: accumulation increases $186 with each additional year, reaching $4,547 per year by age 41 for white men. After 41, annual accumulation

Table 2. Median Regression of Annual Wealth Growth on Race and Age over the Life Course

	(1) Baseline	(2) (1) + Social Origins	(3) (2) + Income & Education	(4) (3) + Family & Household	(5) (3) + Homes & Place	(6) Total
Black (non-Hispanic)	−1,556.6***	−338.0***	−827.2***	−750.5***	−858.9***	−762.2***
	(120.9)	(99.9)	(100.4)	(86.7)	(94.5)	(93.1)
Hispanic	−1,399.4***	−680.0***	−835.1***	−887.0***	−933.8***	−917.9***
	(134.3)	(109.2)	(106.8)	(94.7)	(98.3)	(98.6)
Age[a]						
20 to 28	25.4	1.2	−119.9***	−132.7***	−176.2***	−162.1***
	(19.2)	(15.9)	(14.3)	(12.2)	(12.3)	(12.2)
29 to 41	186.3***	169.7***	81.4***	74.7***	36.7***	44.5***
	(14.2)	(13.1)	(9.9)	(9.5)	(8.0)	(8.1)
42+	−368.0***	−359.2***	−299.8***	−313.0***	−251.8***	−260.8***
	(39.5)	(32.3)	(27.2)	(28.4)	(27.7)	(29.5)
Black*Age[a]						
20 to 28	−57.2***	−34.6**	49.1***	68.8***	110.2***	108.9***
	(19.6)	(16.0)	(14.6)	(12.5)	(12.6)	(12.6)
29 to 41	−174.0***	−153.3***	−68.6***	−62.1***	−29.0***	−33.3***
	(14.3)	(13.2)	(10.0)	(9.7)	(8.1)	(8.2)
42+	319.3***	278.4***	205.3***	184.0***	175.7***	166.6***
	(39.5)	(32.9)	(28.6)	(29.1)	(28.9)	(30.5)
Hispanic*Age[a]						
20 to 28	−35.3	−12.6	56.7***	82.7***	114.7***	126.4***
	(21.8)	(16.9)	(15.6)	(13.6)	(13.2)	(13.5)

29 to 41	−157.8***	−139.8***	−71.9***	−63.1***	−32.0***	−34.7***
	(15.8)	(14.1)	(10.7)	(10.2)	(8.7)	(8.8)
42+	248.6***	226.8***	180.4***	152.6***	130.7***	123.3***
	(41.0)	(35.0)	(34.3)	(33.6)	(34.8)	(34.9)
Female	−46.5*	−13.1	368.3***	455.5***	233.1***	392.9***
	(26.2)	(18.4)	(19.4)	(24.8)	(14.5)	(20.6)
Inheritance amount ($1000s, family-size-adjusted)		141.7***	120.8***	119.3***	116.4***	115.8***
		(13.7)	(7.8)	(8.7)	(10.9)	(9.4)
Parents' education						
High school diploma		257.8***	60.7***	46.6***	44.6***	44.4***
		(29.5)	(20.3)	(17.4)	(16.1)	(16.9)
Some college		741.3***	36.5	34.7	51.5	58.0
		(80.7)	(52.0)	(46.7)	(40.5)	(35.9)
4-year college degree		1,807.6***	143.6*	124.2	204.3**	163.0*
		(144.4)	(81.5)	(99.5)	(94.5)	(96.9)
More than 4-year college degree		2,274.4***	302.2**	282.1***	332.3***	347.4***
		(164.0)	(123.6)	(101.4)	(96.9)	(95.9)
Parents' income (spline, $1000s)						
Bottom quartile		−2.9***	−6.2***	−4.8***	−4.0***	−3.2***
		(1.1)	(1.2)	(1.2)	(0.9)	(1.0)
Second quartile		12.4***	7.8***	6.3***	4.8***	4.2**
		(2.7)	(2.1)	(1.9)	(1.7)	(1.7)
Third quartile		20.7***	9.1***	9.5***	6.6***	7.0***
		(3.5)	(2.9)	(2.6)	(2.3)	(2.2)
Top quartile		41.6***	24.2***	24.3***	22.9***	22.7***
		(4.1)	(3.2)	(3.2)	(2.8)	(2.8)

(*Continued*)

Table 2. ***continued***

	(1) Baseline	(2) (1) + Social Origins	(3) (2) + Income & Education	(4) (3) + Family & Household	(5) (3) + Homes & Place	(6) Total
Missing parent income		121.6*** (28.1)	72.9*** (23.6)	45.1** (22.5)	45.6** (17.8)	58.7*** (19.0)
Number of siblings		−31.1*** (2.5)	0.9 (2.3)	3.0 (2.3)	−0.1 (1.8)	3.7* (2.1)
Foreign born		−227.2*** (87.9)	−75.1 (94.1)	−106.8 (75.3)	−54.9 (76.3)	−70.9 (70.7)
Mother foreign born		203.9** (100.1)	90.9 (80.8)	100.0 (69.3)	133.1** (63.7)	153.2** (64.9)
Never knew mother		1,023.0 (1,210.6)	828.4* (478.9)	706.1 (658.7)	887.4 (581.9)	678.1 (525.4)
Father foreign born		475.1*** (104.6)	134.2* (81.4)	119.0* (65.8)	144.9** (61.8)	122.8** (57.9)
Never knew father		44.2* (22.7)	114.1*** (33.9)	107.0*** (24.5)	52.5** (26.1)	88.8*** (23.8)
Household structure at age 14						
Living with one biological parent, one stepparent		−399.6*** (29.9)	−285.7*** (32.2)	−272.0*** (29.5)	−223.3*** (29.1)	−212.9*** (25.1)
Living with one biological parent only		−127.5*** (18.9)	−148.4*** (18.7)	−112.5*** (18.1)	−63.9*** (14.9)	−49.5*** (17.4)
No biological parents present		−296.8*** (23.6)	−238.8*** (26.8)	−220.3*** (24.4)	−139.1*** (23.4)	−102.7*** (25.8)

Religion raised					
None	−217.9***	9.5	−1.2	81.0**	77.9**
	(37.2)	(31.2)	(35.2)	(32.0)	(39.5)
Catholic	335.0***	142.6***	134.9***	163.9***	171.0***
	(49.7)	(40.7)	(38.9)	(32.9)	(33.7)
Jewish	475.0	103.2	112.8	278.6	180.1
	(438.5)	(400.3)	(315.4)	(238.1)	(344.2)
Other	−144.0***	−129.8***	−171.7***	−132.6***	−143.8***
	(25.6)	(29.9)	(28.4)	(25.4)	(28.7)
Personal labor income (spline, $1000s)					
Bottom quartile		−67.3***	−87.3***	−62.3***	−71.9***
		(7.8)	(7.8)	(6.3)	(6.9)
Second quartile		11.9***	10.8***	11.7***	10.1***
		(1.9)	(1.9)	(1.6)	(1.8)
Third quartile		14.2***	10.6***	4.0	5.6**
		(3.4)	(3.1)	(2.9)	(2.7)
Top quartile		138.0***	140.2***	132.3***	133.8***
		(5.7)	(5.6)	(5.5)	(5.4)
Lagged personal labor income ($1000s)		9.9***	8.2***	6.6***	6.3***
		(1.4)	(1.3)	(1.3)	(1.3)
Education					
High school diploma		117.3***	66.2***	69.4***	40.7***
		(14.2)	(13.4)	(11.0)	(13.5)

(*Continued*)

Table 2. ***continued***

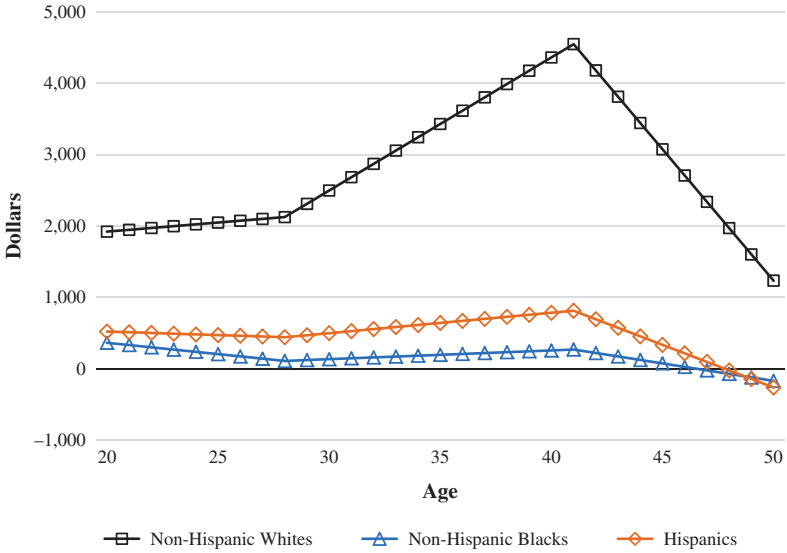
	(1) Baseline	(2) (1) + Social Origins	(3) (2) + Income & Education	(4) (3) + Family & Household	(5) (3) + Homes & Place	(6) Total
Some college			404.0*** (38.2)	321.8*** (35.0)	335.2*** (32.7)	293.2*** (30.1)
4-year college degree			2,839.5*** (119.2)	2,658.7*** (114.1)	2,673.5*** (109.9)	2,566.2*** (107.4)
More than 4-year college degree			4,486.8*** (238.8)	4,393.9*** (252.6)	4,372.3*** (250.4)	4,288.2*** (254.4)
Current student			−224.9*** (47.8)	−154.6** (65.5)	−116.1** (54.1)	−110.4** (52.5)
Married				798.4*** (32.8)		350.8*** (24.5)
Number of children				−197.8*** (9.7)		−182.5*** (7.9)
Living independently				−82.8*** (18.3)		−55.5*** (18.4)
Years of independent residence				13.0*** (3.1)		−2.2 (2.7)
Homeowner					1,826.1*** (67.3)	1,765.1*** (65.8)
Black*Homeowner					−1,616.8*** (86.4)	−1,566.4*** (85.2)

Hispanic*Homeowner					−967.2***	−921.8***
					(111.6)	(110.8)
Local characteristics (all 0–100)						
County percent non-Hispanic black					−4.8***	−5.2***
					(0.5)	(0.6)
County percent Hispanic					−1.6***	−2.7***
					(0.6)	(0.7)
County percent homeowners					0.3	0.4
					(0.6)	(0.7)
Local labor market percent unemployed					−44.5***	−43.5***
					(2.8)	(3.0)
Living outside US					−224.1***	−235.9***
					(73.0)	(48.8)
Constant	1,921.4***	804.9***	1,086.5***	1,084.8***	1,596.2***	1,510.1***
	(118.0)	(106.4)	(107.1)	(93.9)	(110.3)	(113.1)
Person-years	127,446	127,446	127,446	127,446	127,446	127,446

Standard errors in parentheses; * $p < 0.05$ ** $p < 0.01$ *** $p < 0.001$

[a]Age variables represent linear effects of age within the listed age ranges.

Figure 3. Baseline median annual wealth accumulation, by race/ethnicity.



Weighted values. Calculations based on results from Baseline model (1). Wealth is adjusted for family size and adjusted for inflation to 2012 values. Wealth is top-coded at the 95th percentile and bottom-coded at the 5th percentile for each year.

falls to just $1,235 at age 50. To summarize, for whites, wealth tends to grow through early and middle adulthood—accumulation is always positive. Annual accumulation rates increase substantially between 28 and 41, while they are stable earlier in the 20s and decline through the 40s.

For blacks and Hispanics, the picture is quite different. Again, we discuss the results for men. As shown in figure 3, blacks and Hispanics accumulate wealth more slowly than whites at every age. Disparities grow slightly in the 20s and substantially through the 30s before falling in the 40s. At age 20, estimated median black and Hispanic wealth accumulations for men are only $365 ($1,921.4 – $1,556.6) and $522 ($1,921.4 – $1,399.4) per year, respectively, compared to $1,921 for white men. While whites' wealth accumulation rate increases slightly between ages 20 and 28, annual accumulation rates for blacks and Hispanics fall through the early and mid-20s, reaching $110 and $443 at age 28, respectively. In the late 20s and 30s, while whites' annual accumulation rate grows $186 each year, for blacks and Hispanics the rates of increase are only $12 and $29, respectively. Thus, while the black-white annual accumulation gap was already over $1,500 at age 20, by age 41 blacks are falling behind their white counterparts at a rate of $4,300 per year. For Hispanics, the accumulation disparity with whites grows from about $1,400 per year at age 20 to $3,700 per year at 41. In summary, young blacks and Hispanics begin with less wealth than their white peers, fall behind more each year, and through the 20s and especially the 30s fall behind at a faster rate each year. As a result, the widening of the wealth gap accelerates with age.

The pattern in the 40s is somewhat different. While blacks' and Hispanics' wealth accumulation slows, it does so less dramatically than whites'. Thus, although blacks and Hispanics continue to accumulate wealth more slowly than whites through the 40s, further widening the wealth gap, the accumulation gap narrows, slowing the pace at which the wealth gap widens.

Control variable results

We describe the results of our control variables briefly before discussing the implications for accumulation gaps by race and ethnicity across the life course. The second column of table 2 shows the Social Origins model results. Inheritance received, higher parental education, higher parental income (among those in the top three quartiles), having fewer siblings, being native born, having foreign-born parents, and living with both biological parents at age 14 (reference category) are all associated with greater wealth accumulation. Compared to being raised Protestant (reference category), being raised Catholic and being raised Jewish are both associated with more rapid wealth accumulation (although the latter is not statistically significant and extremely imprecisely estimated), while being raised with no religion and being raised in another religion are both associated with significantly lower rates of accumulation.

The third column of table 2 shows the results of the Income and Education model. For those in the bottom quartile of the income distribution, higher income is not associated with greater wealth accumulation, perhaps indicating that at low income levels, additional income translates into improved current well-being (more food or a better apartment), not savings. In the top three quartiles, higher income is associated with greater wealth accumulation, and the association is strongest in the top quartile. Wealth accumulation is also positively associated with lagged income, net of current income, and with higher education, while it is negatively associated with current student status.

The Family and Household model shows that marriage is associated with faster wealth accumulation, while children are associated with slower accumulation. Current independent residence is associated with somewhat slower wealth accumulation, but this disadvantage attenuates with time spent in independent residence.

In the Homes and Place model, for whites, homeownership is associated with a gain of over $1,800 in yearly wealth accumulation, but the gain is only $200 and $900 for black and Hispanic homeowners, respectively. Local characteristics are also associated with wealth accumulation, net of both social origins and individuals' achieved characteristics: wealth accumulation is lower in areas that have a higher proportion of black and Hispanic residents and higher unemployment rates.

Simulated race/ethnicity differences in total accumulated wealth

Table 3 shows our simulated race/ethnicity gaps in total wealth accumulated between ages 20 and 50. In the Baseline model, through these three decades, the

Table 3. Simulated Race Gap in Accumulated Wealth, Ages 20 to 50

	Black-white gap		Hispanic-white gap	
	Difference	% Baseline explained	Difference	% Baseline explained
Overall				
Baseline	$80,802		$71,005	
Social Origins	$37,070	54%	$42,067	41%
Social Origins + Income & Education	$20,786	74%	$21,012	70%
+ Family & Household	$13,965	83%	$16,550	77%
+ Homes & Place	$2,616	97%	$6,150	91%
Total	$1,146	99%	$4,079	94%
20s				
Baseline	$18,257		$15,705	
Social Origins	$5,056	72%	$7,494	52%
Social Origins + Income & Education	$6,180	66%	$5,928	62%
+ Family & Household	$4,540	75%	$5,294	66%
+ Homes & Place	$3,769	79%	$4,323	72%
Total	$2,864	84%	$3,652	77%
30s				
Baseline	$31,452		$27,075	
Social Origins	$16,113	49%	$16,895	38%
Social Origins + Income & Education	$8,803	72%	$8,489	69%
+ Family & Household	$6,038	81%	$6,356	77%
+ Homes & Place	$1,658	95%	$2,242	92%
Total	$1,075	97%	$1,323	95%
40s				
Baseline	$31,093		$28,225	
Social Origins	$15,901	49%	$17,677	37%
Social Origins + Income & Education	$5,803	81%	$6,596	77%
+ Family & Household	$3,388	89%	$4,900	83%
+ Homes & Place	−$2,811	109%	−$415	101%
Total	−$2,792	109%	−$896	103%

disadvantage in family-size-adjusted wealth accumulation compared to whites totals $81,000 and $71,000 for blacks and Hispanics in one-person families, respectively. These accumulation gaps are on top of disparities in starting wealth at age 20, which are modest (less than $3,000 at the median) compared to disparities that accumulate through young and middle adulthood. As anticipated by the patterns in figure 3, the accumulation gap is narrowest in the 20s (about $18,000 for blacks and $16,000 for Hispanics) and wider in the 30s and 40s (roughly $31,000 in each decade for blacks and about $28,000 in each decade for Hispanics). Note that the magnitudes of the simulated gaps in table 3, which are based on summing estimated gaps in median accumulation at each age, are not directly comparable to the numbers in figure 1, which are based on evolving observed gaps in median wealth *levels*.

As shown in the second and fourth columns of table 3, adjusting for race/ethnicity disparities in social origins reduces blacks' and Hispanics' disadvantage relative to whites in wealth accumulated between ages 20 and 50 by 54 percent and 41 percent, respectively. Adjusting for social origins reduces the black-white and Hispanic-white disparities in wealth accumulated in the 20s by 72 percent and 52 percent, respectively. Adjusting for social origins also reduces disparities in wealth accumulated in the 30s and 40s, but the fraction of the gap explained is smaller: 49 percent and 37–38 percent for the black-white and Hispanic-white gaps, respectively. In dollar terms, adjusting for disparities in social origins reduces the accumulation gap by slightly more in the 30s and 40s relative to the 20s. The difference is that later accumulation gaps are much larger, so the proportional contribution is less. Thus, we find that adjusting for blacks' and Hispanics' intergenerational disadvantage substantially reduces accumulation gaps, and this is particularly true in early adulthood.

We now examine how further adjusting for disparities in intragenerational processes, manifested as differences in achieved characteristics, further reduces accumulation gaps. As shown in table 3, adjusting for disparities in own labor income and education, as well as social origins, reduces the baseline black-white and Hispanic-white accumulation gaps by 74 percent and 70 percent, respectively. Thus, adding education and income to the Social Origins model reduces baseline black-white and Hispanic-white accumulation gaps by an additional 20 and 29 percentage points, respectively. Given the widening racial/ethnic gaps in income shown in figure 2, it is unsurprising that adjusting for income and education reduces accumulation gaps more substantially at older ages. Compared to the Social Origins model, adjusting for income and education reduces the black-white and Hispanic-white accumulation gaps in the 40s an additional 32 and 40 percentage points, respectively. By contrast, adjusting for differences in income and education in the 20s reduces the Hispanic-white accumulation gap by only an additional 10 percentage points and *increases* the black-white accumulation gap in the 20s compared to adjusting for differences in social origins alone.

Results from the Family and Household models are shown in row 4. Adjusting for family and household characteristics reduces the baseline black-white and Hispanic-white accumulation gaps by an additional 9 and 7 percentage points, respectively. In absolute dollars, the contribution of marriage and

household differences is larger in the 30s and 40s than in the 20s, but in percentage terms there are no clear patterns.

Row 5 shows the results of the Homes and Place model, which adds measures of homeownership and local context to the Income and Education model. Compared to the Income and Education model, adjusting for homeownership, the lower returns to homeownership for blacks and Hispanics relative to whites, and local characteristics, reduces the baseline black-white and Hispanic-white accumulation gaps by an additional 23 and 21 percentage points, respectively.[12] As expected from the evidence in figure 2 that racial/ethnic disparities in homeownership rise substantially through the 20s, adjusting for homeownership and local characteristics reduces the accumulation gap by more in the 30s and 40s than in the 20s: 13 and 10 percentage points for the black-white and Hispanic-white gaps in wealth accumulation in the 20s, respectively, compared to 28 and 24 percentage points in the 40s.

Our Total model adds both the family and household characteristics and the homeownership and local context characteristics to the Income and Education model. In this final model, we have almost completely accounted for the baseline racial/ethnic disparities in wealth accumulation between ages 20 and 50: 99 percent of the black-white gap and 94 percent of the Hispanic-white gap.

Robustness checks

We experimented with alternative model specifications to test the robustness of our results. Rather than predicting wealth accumulation, an alternative is to model subsequent wealth as a function of covariates in the current year, including current wealth. Our approach is a type of change score or first-difference model, while the alternative is often referred to as a lagged dependent variable model. Conceptually, we prefer our approach because it assumes that current circumstances determine only how much money an individual adds to or subtracts from his or her net worth that year, not overall wealth that was amassed long ago. Nonetheless, to test the sensitivity of our results, we estimated a lagged dependent variable model that uses covariates in a given year, including current wealth, to predict wealth four years later, to accommodate the four-year spacing in wealth data collection in recent years. Consistent with our main results, we find that wealth accumulation gaps are already present in young adulthood but widen through the 20s and 30s before converging in the 40s and that both initial accumulation gaps and the moderating role of race in accumulation patterns across the life course are attenuated after adjusting for social origins and achieved outcomes (see Table S4).

Although our models explain the vast majority of both blacks' and Hispanics' disadvantage in wealth accumulation compared to whites, slight residual gaps remain. We estimated a model that included other achieved characteristics as predictors, including employment sector, union membership, disability status, and incarceration. We found that these traits do not explain any more of the gaps, net of the previously considered predictors.

We recognize that neither marriage (Schneider 2011) nor homeownership (Hall and Crowder 2011; Killewald and Bryan 2016) is exogenous to own wealth. We estimate a version of the Income and Education model that also controls for a quadratic in current net worth[13] and then test whether adding family and household characteristics or homeownership and local context measures explains any more of the race/ethnicity gaps in accumulated wealth, above and beyond their joint association with current net worth. Further adding family and household characteristics to the model does not substantially reduce residual accumulation gaps, but adding homeownership and local context measures reduces both the black-white and the Hispanic-white accumulation gaps by an additional 7 percentage points (Table S7). These results are suggestive of a unique explanatory role for homeownership in wealth disparities, consistent with prior research, while the evidence for a unique role for family and household traits is weaker. To reiterate, we consider our results descriptive and suggestive of possible channels of wealth accumulation, not causal estimates.

To assess whether accumulation gaps follow similar patterns across asset types, we repeated our models on specific wealth components: real vs. financial and housing vs. non-housing wealth (Tables S8–S11). The most substantial difference across components is that we explain less of the total accumulation gap in housing wealth among homeowners than in other components: only 49 percent and 47 percent of the black-white and Hispanic-white gaps, respectively, in our Total model (Table S10). These results further point to the importance of housing and mortgage markets in the perpetuation of wealth inequality.

Our main models adjust for family size by dividing net worth (and inheritance value) by the square root of family size. We also estimated models that (a) made no adjustment for family size or (b) divided each financial measure by family size rather than its square root (Tables S5 and S6). Our main conclusions about the substantial shares of accumulation gaps that can be accounted for by adjusting for both social origins and education and income, as well as the greater relative contribution of achieved characteristics at older ages, are unaffected by family-size adjustments. Compared to our main models, the Family and Household and Homes and Place models explain somewhat more of residual wealth gaps when there is no adjustment for family size. The result for the Family and Household model is unsurprising, as marriage mechanically facilitates wealth accumulation by combining the accumulation of two individuals, and this mechanical effect is unaccounted for if we make no adjustments for household size. Conversely, the Family and Household and Homes and Place models explain somewhat less of the residual wealth gaps when we use per-capita family-size adjustment.

Conclusion

The race gap in wealth has attracted considerable attention, yet scholars have typically focused theoretically on correlates of wealth levels, rather than wealth growth. We describe the wealth accumulation patterns of black, Hispanic, and white adults born around 1960 as they age through young adulthood and into

middle adulthood. By focusing on wealth accumulation, our approach matches determinants and outcomes more closely in time, considering how present circumstances shape present opportunities for wealth accumulation. We demonstrate that race/ethnicity gaps in wealth accumulation are not the result of a single, constant disadvantage, but change across the life course in magnitude. Consistent with prior research, we find that even among young adults, whites hold more net worth than their black or Hispanic peers. We further show that blacks and Hispanics accumulate wealth less rapidly than whites through early and middle adulthood. This disadvantage in accumulation grows particularly through the 30s. By age 50, the median of the white wealth distribution is $125,000 above the median for blacks and $80,000 above the median for Hispanics. These disparities in accumulated wealth are far greater than the initial disparities in young adulthood, when both wealth levels and rates of wealth accumulation are more modest across all race/ethnicity groups. In summary, compared to whites, black and Hispanic young adults start with less wealth, accumulate wealth more slowly, and fall behind at a faster rate each year in their 30s.

After describing accumulation patterns, we turn to descriptive analyses that simulate how the race gap in accumulated wealth between ages 20 and 50 is attenuated after adjusting for racial disparities in other characteristics. Drawing on the generation perspective on the life course, we first consider the explanatory power of legacies of intergenerational disadvantage. We find that accounting for disparities in social origins alone reduces the black-white and Hispanic-white gaps in accumulated wealth between ages 20 and 50 by 54 percent and 41 percent, respectively. These findings highlight the long arm of history, as decades of discrimination and segregation give white and non-white young adults very different sets of childhood experiences and parental resources.

Although intergenerational disadvantage explains a substantial share of the simulated wealth accumulation gaps, much remains unexplained. Our subsequent models show how adjusting for racial and ethnic disparities in education and income, family and household characteristics, and homeownership and local context each further reduce wealth accumulation gaps, above and beyond disparities in social origins. These models highlight that while the past is important, racial and ethnic wealth disparities are also "recreated anew" in the current generation.

Our analyses also engage the age perspective on the life course. We show that disparities in wealth-relevant characteristics, including income, marriage, homeownership, and inheritance receipt, widen with age, so that these characteristics play a more pronounced role in explaining wealth accumulation gaps in the 30s and 40s than in the 20s. By contrast, social origins have their proportionally largest explanatory power in the 20s, not because they contribute less in absolute terms to accumulation gaps at older ages, but because intragenerational processes grow in their importance. Thus, we show that the age pattern of wealth accumulation disparities is tied to disparities in other age-graded processes that are key components of the life course: work, marriage and children, and residence. We find that disparities created anew in the current generation take on an

increasing role in explaining wealth accumulation gaps as individuals age. While disparities in these domains have multiple causes and our analyses are not designed to identify the role of discrimination, there is ample evidence of discrimination in hiring, housing, and lending markets (Pager and Shepherd 2008). Contemporary discrimination is likely responsible for a portion of the race gap explained by intragenerational processes, just as a legacy of discrimination shapes the portion of the race gap explained by social origins.

Of course, our analyses have limitations. Future research might deepen the analysis of wealth from the life-course perspective by considering whether and how the timing of life-course events shapes wealth accumulation and disparities by race/ethnicity. For example, early and late marriages may be associated differently with subsequent wealth accumulation. Our analyses focused on how widening disparities in wealth-relevant traits are associated with the widening accumulation gap, but future research might also explore how the strength of association between these traits and wealth accumulation varies by age.

At each stage, our models may either overestimate or underestimate the explanatory power of a particular process for the race/ethnicity gap in wealth accumulation. For example, some aspects of social origins that contribute to disparities in wealth and asset ownership, including parental wealth and the economic positions of extended family members (Conley 1999; Hall and Crowder 2011; Heflin and Pattillo 2002), are unmeasured in the NLSY79. Thus, the role of social origins in wealth accumulation disparities may be understated. Such omissions may in turn overstate the contribution of subsequent variables. For example, if income is shaped by an aspect of social origins not captured by our model, the extent to which adjusting for income reduces racial/ethnic disparities in wealth accumulation above and beyond intergenerational disadvantage will be overstated. Endogeneity concerns are heightened for the models that adjust for family and household characteristics and homeownership and local context, since these characteristics are known to be endogenous to own wealth. Our analyses are a first exploration rather than the final word on the precise share of wealth accumulation gaps attributable to different processes. Future analyses would also benefit from using administrative data or other, less error-prone sources of wealth data that would allow a more direct measure of annual wealth accumulation than our constructed approximation.

Our analyses describe the experiences of a particular cohort of adults currently at midlife and may not generalize to other cohorts or ages. The NLSY79 respondents are not old enough to follow into later adulthood and old age, when social origins may reemerge as particularly important determinants of racial disparities in wealth accumulation due to parental death and inheritance receipt. We have insufficiently large sample sizes to describe wealth patterns for racial/ethnic groups other than whites, blacks, and Hispanics or to decompose the Hispanic sample into subgroups based on nativity or nationality. Furthermore, the Hispanics included in the NLSY79, who were residents of the United States as adolescents in 1979, are representative neither of current Hispanic US residents in these birth cohorts nor of younger cohorts of Hispanic residents of the United States.

Because our analyses are based on a small number of birth cohorts, we are also unable to distinguish between age and period effects. Of particular concern is the timing of the Great Recession in the lives of this cohort: NLSY79 respondents were ages 44–51 when surveyed in 2008. While the downturn in wealth accumulation in the 40s emerges even in the pre-recession periods in these data, the Great Recession may have exacerbated it, and patterns may be different in other cohorts. In younger cohorts, the Great Recession may instead stymie wealth accumulation in the 20s and 30s. Future research can evaluate how later cohorts compare to the NLSY79 cohort in terms of wealth accumulation patterns by age and race and the explanatory power of intergenerational disadvantage versus racial disparities in achieved outcomes. Given enduring racial/ethnic disparities in wealth, income, homeownership, and marriage (Pew Research Center 2016; Raley, Sweeney, and Wondra 2015), we are not optimistic that wealth accumulation gaps will be lower for today's young adults than for the NLSY79 cohort, and we expect that age-graded life-course processes, including work, marriage, and residence, will continue to contribute to accumulation gaps that rise with age.

Our results highlight that both generation and age perspectives on the life course are needed to understand wealth accumulation disparities through middle adulthood. We show that racial/ethnic disparities in wealth and wealth accumulation are neither constant across the life course nor explained by the same characteristics at all ages. We demonstrate the substantial disadvantages in wealth accumulation that blacks and Hispanics face relative to their white peers due to their social origins. At the same time, we show that racial/ethnic disparities in age-graded processes in other domains of the life course, including work, the family, and residence, widen during the transition to adulthood; the growing size of these disparities helps explain the wider disparities in wealth accumulated during the 30s and 40s versus the 20s. As the second generation ages into middle adulthood and becomes parents themselves, these growing disparities in accumulated wealth become the disparate social origins of the next generation. Thus, our research sheds new light on the sources of both black-white and Hispanic-white wealth disparities and how legacies of disadvantage unfold both across generations and over the course of an individual life.

Notes

1. Although Conley (2001) finds that the gap is not statistically significant after adjusting for portfolio composition.
2. Gittleman and Wolff (2004) model proportional wealth gains relative to initial wealth. Given blacks' lower starting wealth, race disparities in absolute accumulation are muted in this approach.
3. This is consistent with Campbell and Kaufman's (2006) findings, although they do not seek to estimate the role of marriage in wealth disparities by race/ethnicity net of factors such as education and income.
4. We also use data on covariates from 2014 in the multiple imputation of missing data.

5. Annualized wealth accumulation can be computed even for survey years in which asset information was not collected. The general findings and patterns remain the same when observations from these years are excluded.
6. There is little evidence of selective attrition by race, education, or social origins (see Table S1 of the Online Supplement). Stata median regression packages cannot incorporate both sampling weights and clustered standard errors with a multiply imputed dataset. In our main analyses, standard errors are not clustered, since our emphasis is on point estimates rather than statistical significance. The Online Supplement (Tables S2 and S3) shows unweighted median regressions with and without standard errors clustered at the individual level to illustrate the consequences of this decision; clustering generally does not affect the statistical significance of the coefficients. We also do not weight the analyses to account for the varying precision of accumulation measures according to how many years of net worth data contribute.
7. The NLSY79 household screener classifies respondents as either Hispanic, non-Hispanic black, or non-Hispanic/non-black. We identify non-Hispanic whites using respondent-reported primary or only ethnic "origin or descent." We code non-Hispanic/non-black respondents who identify their ethnicity as English, French, German, Greek, Irish, Italian, Polish, Portuguese, Russian, Scottish, or Welsh as non-Hispanic white.
8. We assume less than 12th grade is no high school diploma, exactly 12th grade is a high school diploma, one to three years of college is some college education, four years of college is a four-year college degree, and five or more years of college is more than a four-year degree.
9. Allowing interactions between gender, marriage, and parenthood did not explain any more of either the black-white or the Hispanic-white accumulation gap.
10. For respondents living outside the United States, we include a dummy variable indicating non-US residence and set local characteristics variables to their grand means.
11. For the few observations for which this measure is missing, we use the linearly interpolated county-level unemployment rate from Census data and ACS five-year estimates.
12. Allowing homeownership or race to moderate the association between local characteristics and wealth accumulation did not meaningfully increase the explanatory power of the Homes and Place model.
13. When net worth in the current year is not available, we use the most recent report within the last four years.

About the Authors

Alexandra Killewald is Professor of Sociology at Harvard University. Her research explores how family shapes inequality in the contemporary United States. Recent publications include "Money, Work, and Marital Stability: Assessing Change in the Gendered Determinants of Divorce," in *American Sociological Review*; "Wealth Inequality and Accumulation," with Fabian Pfeffer and Jared Schachner, in *Annual Review of Sociology*; and "Generations of Advantage: Multigenerational Correlations in Family Wealth," with Fabian Pfeffer, in *Social Forces*.

Brielle Bryan is Assistant Professor of Sociology at Rice University and a recent graduate of the Harvard University Sociology & Social Policy PhD program. Her research examines inequality and stratification in the United States,

implications of criminal justice system contact, and race. Recent publications include "Paternal Incarceration and Adolescent Social Network Disadvantage," in *Demography*; and "Does Your Home Make You Wealthy?," with Alexandra Killewald, in *RSF: The Russell Sage Foundation Journal of the Social Sciences*.

Supplementary Material

Supplementary material is available at *Social Forces* online.

References

Addo, F. R., and D. T. Lichter. 2013. "Marriage, Marital History, and Black-White Wealth Differentials among Older Women." *Journal of Marriage and Family* 75(2):342–62. https://doi.org/10.1111/jomf.12007

Altonji, J. G., and U. Doraszelski. 2005. "The Role of Permanent Income and Demographics in Black/White Differences in Wealth." *Journal of Human Resources* 40(1):1–30.

Aughinbaugh, A., O. Robles, and H. Sun. 2013. "Marriage and Divorce: Patterns by Gender, Race, and Educational Attainment." *Monthly Labor Review*, U.S. Bureau of Labor Statistics, October 2013. https://doi.org/10.21916/mlr.2013.32.

Avery, R. B., and M. S. Rendall. 2002. "Lifetime Inheritances of Three Generations of Whites and Blacks." *American Journal of Sociology* 107(5):1300–1346. https://doi.org/10.1086/344840

Barsky, R., J. Bound, K. K. Charles, and J. P. Lupton. 2002. "Accounting for the Black-White Wealth Gap: A Nonparametric Approach." *Journal of the American Statistical Association* 97(459):663–73.

Bosworth, B. P., and R. Smart. 2009. "Evaluating Micro-Survey Estimates of Wealth and Saving." Working Paper No. CRR WP 2009-4. Chestnut Hill, MA: Center for Retirement Research at Boston College. Retrieved from http://crr.bc.edu/wp-content/uploads/2009/01/wp_2009-4-508.pdf (last accessed June 13, 2018).

Bureau of Labor Statistics, U.S. Department of Labor. 2017. *National Longitudinal Survey of Youth 1979 Cohort, 1979–2014 (Rounds 1–26)*. Columbus: Center for Human Resource Research, Ohio State University [producer and distributor].

Campbell, L. A., and R. L. Kaufman. 2006. "Racial Differences in Household Wealth: Beyond Black and White." *Research in Social Stratification and Mobility* 24(2):131–52. https://doi.org/10.1016/j.rssm.2005.06.001

Charles, K. K., and E. Hurst. 2002. "The Transition to Home Ownership and the Black-White Wealth Gap." *Review of Economics and Statistics* 84(2):281–97.

Cohen, P. N., and L. M. Casper. 2002. "In Whose Home? Multigenerational Families in the United States, 1998–2000." *Sociological Perspectives* 45(1):1–20. https://doi.org/10.1525/sop.2002.45.1.1

Conley, D. 1999. *Being Black, Living in the Red: Race, Wealth, and Social Policy in America*. Berkeley: University of California Press.

_____. 2001. "Decomposing the Black-White Wealth Gap: The Role of Parental Resources, Inheritance, and Investment Dynamics." *Sociological Inquiry* 71(1):39–66. https://doi.org/10.1111/j.1475-682x.2001.tb00927.x

Di, Z. X., E. Belsky, and X. Liu. 2007. "Do Homeowners Achieve More Household Wealth in the Long Run?" *Journal of Housing Economics* 16(3–4):274–90. https://doi.org/10.1016/j.jhe.2007.08.001

Elder, G. H. Jr. 1994. "Time, Human Agency, and Social Change: Perspectives on the Life Course." *Social Psychology Quarterly* 57(1):4–15. https://doi.org/10.2307/2786971

Flippen, C. 2004. "Unequal Returns to Housing Investments? A Study of Real Housing Appreciation among Black, White, and Hispanic Households." *Social Forces* 82(4):1523–51.

Gittleman, M., and E. N. Wolff. 2004. "Racial Differences in Patterns of Wealth Accumulation." *Journal of Human Resources* 39(1):193–227. https://doi.org/10.2307/3559010

Hall, M., and K. Crowder. 2011. "Extended-Family Resources and Racial Inequality in the Transition to Homeownership." *Social Science Research* 40(6):1534–46. https://doi.org/10.1016/j.ssresearch.2011.07.002

Heflin, C. M., and M. Pattillo. 2002. "Kin Effects on Black-White Account and Home Ownership." *Sociological Inquiry* 72(2):220–39. https://doi.org/10.1111/1475-682X.00014

Hurst, E., M. C. Luoh, F. P. Stafford, and W. G. Gale. 1998. "The Wealth Dynamics of American Families, 1984–94." *Brookings Papers on Economic Activity* 1998(1):267–337.

Juster, F. T., J. P. Smith, and F. Stafford. 1999. "The Measurement and Structure of Household Wealth." *Labour Economics* 6(2):253–75. https://doi.org/10.1016/S0927-5371(99)00012-3

Keister, L. A. 2004. "Race, Family Structure, and Wealth: The Effect of Childhood Family on Adult Asset Ownership." *Sociological Perspectives* 47(2):161–87. https://doi.org/10.1525/sop.2004.47.2.161

Killewald, A. 2013. "Return to *Being Black, Living in the Red*: A Race Gap in Wealth That Goes beyond Social Origins." *Demography* 50(4):1177–95. https://doi.org/10.1007/s13524-012-0190-0

Killewald, A., and B. Bryan. 2016. "Does Your Home Make You Wealthy?" *RSF: The Russell Sage Foundation Journal of the Social Sciences* 2(6):110–28.

Killewald, A., F. T. Pfeffer, and J. N. Schachner. 2017. "Wealth Inequality and Accumulation." *Annual Review of Sociology* 43:379–404. https://doi.org/10.1146/annurev-soc-060116-053331

Land, K. C., and S. T. Russell. 1996. "Wealth Accumulation across the Adult Life Course: Stability and Change in Sociodemographic Covariate Structures of Net Worth Data in the Survey of Income and Program Participation, 1984–1991." *Social Science Research* 25(4):423–62. https://doi.org/10.1006/ssre.1996.0019

Light, A. 2004. "Gender Differences in the Marriage and Cohabitation Income Premium." *Demography* 41(2):263–84. https://doi.org/10.1353/dem.2004.0016

Maroto, M. 2016. "Growing Farther Apart: Racial and Ethnic Inequality in Household Wealth across the Distribution." *Sociological Science* 3:801–24. https://doi.org/10.15195/v3.a34

Martin, J. A., B. E. Hamilton, M. J. K. Osterman, S. C. Curtin, and T. J. Mathews. 2015. "*Births: Final Data for 2013.*" National Vital Statistics Reports Vol. 64, No. 1. Hyattsville, MD: National Center for Health Statistics.

McKernan, S.-M., C. Ratcliffe, M. Simms, and S. Zhang. 2014. "Do Racial Disparities in Private Transfers Help Explain the Racial Wealth Gap? New Evidence from Longitudinal Data." *Demography* 51(3):949–74. https://doi.org/10.1007/s13524-014-0296-7

National Longitudinal Surveys. 2017. "Retention & Reasons for Noninterview." Retrieved November 30, 2017, from https://nlsinfo.org/content/cohorts/nlsy79/intro-to-the-sample/retention-reasons-noninterview (last accessed June 13, 2018).

Oliver, M. L., and T. M. Shapiro. 2006. *Black Wealth/White Wealth: A New Perspective on Racial Inequality*, 2nd ed. New York: Routledge.

Pager, D., and H. Shepherd. 2008. "The Sociology of Discrimination: Racial Discrimination in Employment, Housing, Credit, and Consumer Markets." *Annual Review of Sociology* 34:181–209.

Pew Research Center. 2016. "*On Views of Race and Inequality, Blacks and Whites Are Worlds Apart.*" Washington, DC. Retrieved from http://assets.pewresearch.org/wp-content/uploads/sites/3/2016/06/ST_2016.06.27_Race-Inequality-Final.pdf (last accessed June 13, 2018).

Pfeffer, F. T., and A. Killewald. 2018. "Generations of Advantage: Multigenerational Correlations in Family Wealth." *Social Forces* 96(4):1411–42. https://doi.org/10.1093/sf/sox086

Pilkauskas, N. V., I. Garfinkel, and S. S. McLanahan. 2014. "The Prevalence and Economic Value of Doubling Up." *Demography* 51(5):1667–76. https://doi.org/10.1007/s13524-014-0327-4

Raley, R. K., M. M. Sweeney, and D. Wondra. 2015. "The Growing Racial and Ethnic Divide in U.S. Marriage Patterns." *The Future of Children* 25(2):89–109.

Schneider, D. 2011. "Wealth and the Marital Divide." *American Journal of Sociology* 117(2):627–67. https://doi.org/10.1086/661594

Shapiro, T., T. Meschede, and S. Osoro. 2013. "*The Roots of the Widening Racial Wealth Gap: Explaining the Black-White Economic Divide." Research and Policy Brief*. Waltham, MA: Institute on Assets and Social Policy. Retrieved from https://iasp.brandeis.edu/pdfs/Author/shapiro-thomas-m/racialwealthgapbrief.pdf (last accessed June 13, 2018).

Sharp, G., and M. Hall. 2014. "Emerging Forms of Racial Inequality in Homeownership Exit, 1968–2009." *Social Problems* 61(3):427–47. https://doi.org/10.1525/sp.2014.12161

Tomaskovic-Devey, D., M. Thomas, and K. Johnson. 2005. "Race and the Accumulation of Human Capital across the Career: A Theoretical Model and Fixed-Effects Application." *American Journal of Sociology* 111(1):58–89. https://doi.org/10.1086/431779

Yamokoski, A., and L. A. Keister. 2006. "The Wealth of Single Women: Marital Status and Parenthood in the Asset Accumulation of Young Baby Boomers in the United States." *Feminist Economics* 12(1–2): 167–94. https://doi.org/10.1080/13545700500508478

Zagorsky, J. L. 2005. "Marriage and Divorce's Impact on Wealth." *Journal of Sociology* 41(4):406–24. https://doi.org/10.1177/1440783305058478