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Volume Title: The Pattern of Financial Asset Ownership: Wisconsin Individuals, 1949

Volume Author/Editor: Thomas R. Atkinson

Volume Publisher: Princeton University Press

Volume ISBN: 0-691-04155-5

Volume URL: <http://www.nber.org/books/atki56-1>

Publication Date: 1956

Chapter Title: Front matter, The Pattern of Financial Asset Ownership Wisconsin Individuals, 1949

Chapter Author: Thomas R. Atkinson

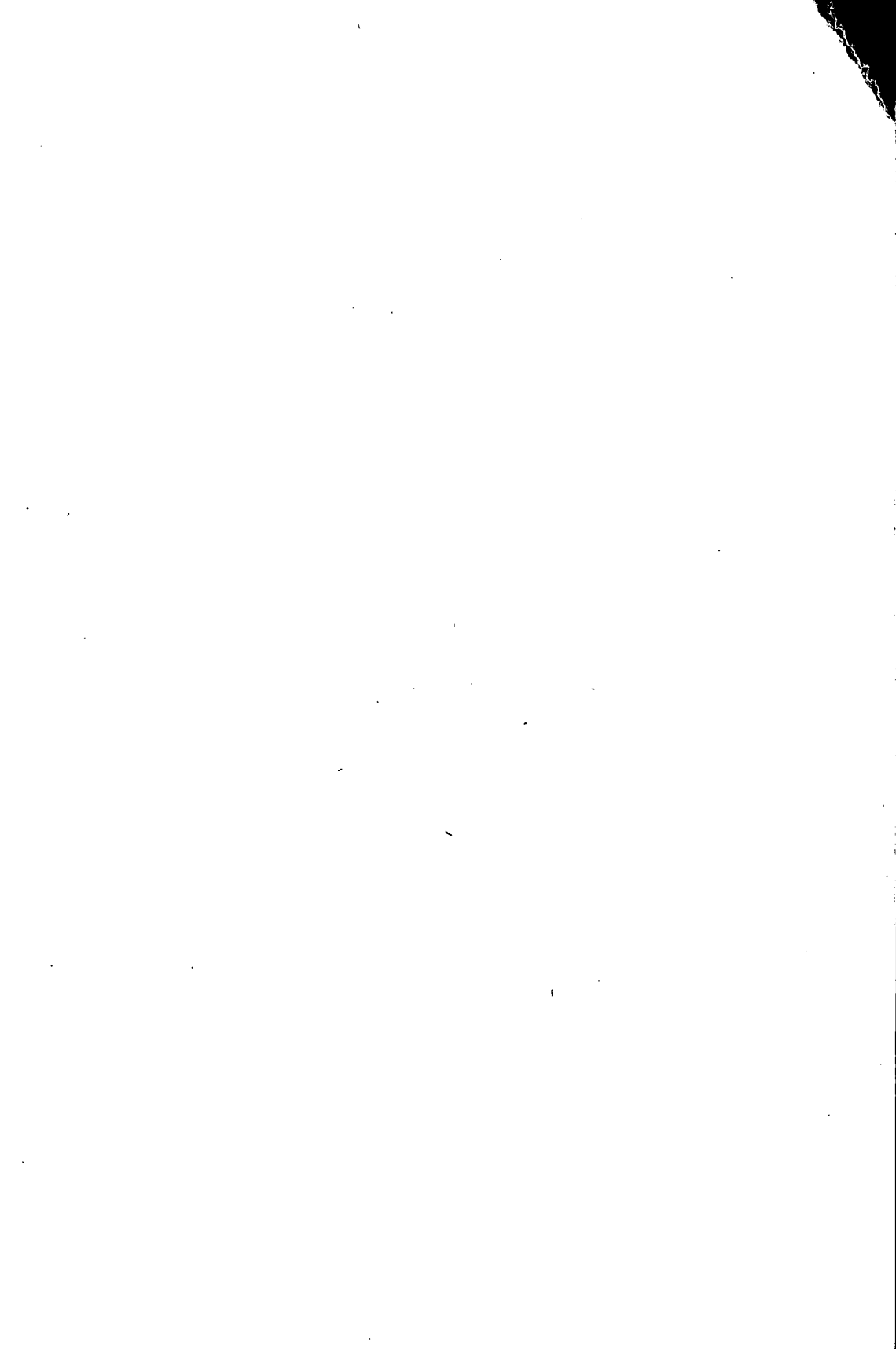
Chapter URL: <http://www.nber.org/chapters/c2811>

Chapter pages in book: (p. -20 - 0)

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The Pattern of Financial
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WISCONSIN INDIVIDUALS, 1949

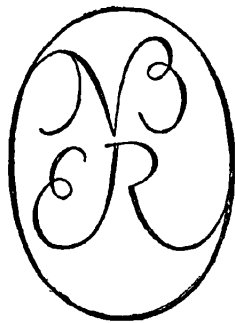




The Pattern
of Financial Asset
Ownership

Wisconsin Individuals, 1949

BY THOMAS R. ATKINSON



A STUDY BY THE
NATIONAL BUREAU OF ECONOMIC RESEARCH, NEW YORK

PUBLISHED BY
PRINCETON UNIVERSITY PRESS, PRINCETON
1956

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L.C. CARD 56-8387

Printed in the United States of America
by Princeton University Press, Princeton, New Jersey

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Foreword

As the title of this report states, the statistical data presented and analyzed herein relate to a single year, 1949, and to a single state, Wisconsin. These limitations on the study's scope are, of course, unfortunate. But while the limitations will be obvious to the reader when he picks up the book, it will be no less obvious to him when he puts it down that some remarkable contributions to our understanding of the factors affecting the ownership of stocks and bonds and other financial assets have been made. Indeed, it will become apparent that many of the results could not possibly be peculiar to a single year or to a single state. Most of them are so plausible that the reader is likely to fall into a trap, and forget that he is reading about Wisconsin, 1949. I hope that all readers will manage to avoid the trap. More than that, I hope that some will be sufficiently impressed by the prospects uncovered by Atkinson's exploration to start further investigations that will refute or verify the findings, and thereby lift some of them, at least, to the plane of generalization. If this book fathers such a train of consequences its contribution will indeed be great.

The study was completed under a collaborative agreement between the University of Wisconsin and the National Bureau of Economic Research. As Atkinson points out in his personal acknowledgments, assistance was obtained in the planning and execution of his study from associates at the University of Wisconsin; in addition, a grant of funds from the University of Wisconsin Research Committee sufficed to cover the major part of the clerical and related expenses involved in transcribing and processing data from individual tax returns. As an additional contribution, the University made available its machine tabulating and computing services.

Over the major part of the study's duration, Atkinson held an appointment as a research associate at the National Bureau under a grant from the Carnegie Corporation of New York.

It is a pleasure to record the satisfaction of the National Bureau with the success of this collaborative arrangement and to express our gratitude for the help of the several parties who made it possible.

R. J. SAULNIER

Director, Financial Research Program

March 1955

Acknowledgments

This study was begun as a doctoral dissertation at the University of Wisconsin and carried out as a joint research project under the sponsorship of the National Bureau of Economic Research and the University of Wisconsin. The author is deeply indebted to the Carnegie Corporation for his appointment as a research associate with the National Bureau and to the Bureau itself for an interim staff appointment which made the study possible. Appreciation is gladly acknowledged, also, to the University of Wisconsin, for providing funds for clerical help and making available the resources of the University in the preparation of the materials. The data on which this study is based were compiled in early 1950 with the cooperation, for which we are most grateful, of the Department of Taxation of the State of Wisconsin.

Professor James S. Earley of the University of Wisconsin played a crucial role both in planning the study and in guiding its execution. To Raymond J. Saulnier, Director of the Financial Research Program of the National Bureau, great credit is due for advice on the form and type of questions with which the study deals. Geoffrey H. Moore, Associate Director of Research, and David Durand, both of the National Bureau, have been instrumental in providing insights into many of the problems which were encountered. In the early stages of the study, the assistance of Professor W. D. Knight of the Bureau of Business Research of the University of Wisconsin and Arthur E. Wegner, then Commissioner of Taxation of Wisconsin, was of the utmost importance and is deeply appreciated. Without their help as well as the wholehearted cooperation of the local Assessors of Income and their staffs, this study would not have been possible. I am also indebted to Professors Frank Graner, Harold M. Groves, and Harold G. Fraine of the University of Wisconsin and to Daniel A. Kerth of Robert W. Baird and Company for frequent advice on specific problems. Professor Lawrence R. Klein of the University of Michigan and Raymond W. Goldsmith made many useful comments on the manuscript.

It may be truthfully said that without the helpful cooperation and assistance of the Computing Service of the University of Wisconsin this study would not have been possible. The enormous job of processing the mass of data was possible only by use of the mechanical tabulating equipment made available by this or-

ACKNOWLEDGMENTS

ganization. To Professor Kenneth J. Arnold and Fred Gruenberger, therefore, I acknowledge a considerable debt. Martha S. Jones of the National Bureau has also been helpful in this respect. Finally, credit is due to Mary Detrick, Caroline Evans, Marshall Schwid, and to Sue Atkinson, my wife, for the important role they played in preparing the original material for tabulation; to Catherine P. Martin for statistical assistance; to Mildred E. Courtney, who supervised the typing; to H. Irving Forman, who drew the charts; and to Mary Phelps for helpful editing.

In the final analysis, the success of a project of this type depends on the willingness of many individuals to provide assistance and cooperation in undertakings that go far beyond their normal procedures. The completion of this study testifies to the actual practicability of doing basic research in the social sciences even where a high degree of functional and administrative specialization would seem to preclude such studies.

THOMAS R. ATKINSON

March 1955

Contents

FOREWORD	ix
ACKNOWLEDGMENTS	xi
1. SUMMARY OF FINDINGS	3
Source of Data	8
The Relation of Income to Asset Holdings	11
The Relation of Occupation and City Size to Type of Asset Holding	13
Characteristics of Traded Stock Holdings	16
Suggested Areas for Further Research	22
2. FINANCIAL ASSET OWNERSHIP AND THE FLOW OF SAVINGS AND INVESTMENT	25
The Sources of Saving	28
The Flow of Personal Savings into Investment	31
Summary	38
3. USE OF WISCONSIN TAX RETURNS FOR ESTIMATES OF ASSET HOLDINGS	40
The Sample	40
Method of Valuing Asset Holdings	46
Time Deposits and Related Claims	46
Direct Debt Assets (bonds, notes, etc.)	47
Corporate Stocks	48
Traded stocks	49
Untraded stocks	50
Coverage of the Survey	53
4. THE RELATION BETWEEN INCOME STATUS AND THE PATTERN OF INVESTMENT	58
The Relation between Income and Financial Asset Ownership	60
Frequency of Ownership	60
Size of Holdings	65

CONTENTS

Comprehensive Measures of Financial Asset Ownership	68
Composition of Financial Asset Holdings	68
The Distribution of Financial Assets	74
Cause and Effect	78
5. THE EFFECTS OF OCCUPATION AND CITY SIZE ON INVESTMENT IN FINANCIAL ASSETS	86
Occupation	87
Ownership of Business Interest Stocks	96
Size of City	98
Localization of Investment	103
6. THE CHARACTERISTICS OF TRADED STOCK HOLDINGS	108
The Markets in Which Stocks Are Traded	109
Preferred versus Common Issues	112
Industry of Stocks Held	114
Risk Rating of Stock Holdings	119
Diversification	125
Yield	128
Average Turnover of Holdings	131
Price per Share	134
Summary	138
APPENDIX A. Tables	141
APPENDIX B. Wisconsin Income Tax Returns	163
INDEX	175

Tables

1. Comparative Saving by Income and Occupational Groups of Spending Units in the United States, 1949	30
2. Sources and Uses of Net New Investment Funds of the Personal Sector, 1949	33
3. Proportion of Spending Units in the United States Reporting Various Types of Additions to or Withdrawals from Savings, 1949	34
4. Distribution of Average Net Change in Total Assets by Type of Asset, for Income Groups of Urban Spending Units in the United States, 1941	36
5. Estimated Amount of Financial Assets Held by Individuals and Unincorporated Business Firms in the United States, 1949	38
6. Derivation of Blow-up Factors for Estimating Asset Holdings of Wisconsin Individuals from Sampled Tax Returns	45
7. Estimated Frequency of Ownership of Specified Types of Financial Asset by Wisconsin Individuals, 1949	61
8. Composition of Financial Asset Holdings for Income Groups of Wisconsin Individuals, 1949	69
9. Composition of Holdings of Time Deposits and Related Claims for Income Groups of Wisconsin Individuals, 1949	69
10. Composition of Direct Debt Asset Holdings for Income Groups of Wisconsin Individuals, 1949	70
11. Composition of Corporate Equity Asset Holdings for Income Groups of Wisconsin Individuals, 1949	70
12. Composition of Asset Holdings for Harvard Sample of Individual Investors Grouped by Income, 1949	72
13. Estimated Distributions of Value of Checking Accounts, U.S. Savings Bonds, and Life Insurance Premium Payments in the United States, 1950, by Income Group	76
14. Estimated Distribution of the Value of Traded or Marketable Stocks by Income Group: Three Surveys Compared	77
15. Relative Importance of Reported Components of Income for Income Groups of Wisconsin Individuals Having Financial Assets, 1949	78
16. Actual and Hypothetical Yields from Financial Asset Holdings of Wisconsin Individuals Grouped by Income, 1949	79
17. Composition of Asset Holdings for Harvard Sample of Individual Investors Grouped by Wealth, 1949	81
18. Frequency of Ownership of Liquid Assets and of Corporate Stock for Occupational Groups of Spending Units in the United States, Early 1949	89

CONTENTS

19.	Estimated Distributions of Value of Checking Accounts, U.S. Savings Bonds, and Life Insurance Premium Payments in the United States, 1950, by Occupational Group	92
20.	Composition of Financial Asset Holdings of Wisconsin Individuals Grouped by Occupation within Income Group, 1949	95
21.	Relative Importance of Business Interest Stock in Holdings of Traded and of Untraded Stock for Income Groups of Wisconsin Individuals, 1949	97
22.	Frequency of Ownership of Liquid Assets and of Corporate Stock for Community Size Groups of Spending Units in the United States, Early 1949	99
23.	Composition of Financial Asset Holdings for Wisconsin Individuals Grouped by Size of Community within Income Group, 1949	103
24.	Distribution of Traded Stock Holdings by Location of Operations of Issuing Corporation, for Income Groups of Wisconsin Individuals, 1949	105
25.	Estimated Turnover of Stocks Traded in Specified Markets and of Untraded Stocks, 1949	111
26.	Distribution of Traded Stock Holdings According to Market in Which Stock is Traded, for Income Groups of Wisconsin Individuals, 1949	112
27.	Distribution of Traded and of Untraded Stock Holdings between Preferred and Common Issues, for Income Groups of Wisconsin Individuals, 1949	114
28.	Distribution of Untraded Stock Holdings by Industry of Issuing Corporation, for Income Groups of Wisconsin Individuals, 1949	118
29.	Relation of Average Number of Issues Held, and of Percentage of Holders with Only One Issue, to Income Level and Size of Holding for Wisconsin Individuals Owning Traded Stock, 1949	127
30.	Yields of Traded and of Untraded Stock Held, for Income Groups of Wisconsin Individuals, 1949	131
31.	Estimated Turnover of Traded Stock Holdings for Income Groups of Wisconsin Individuals, 1949	132
32.	Distribution of Traded Stock Holdings Sold in 1949 by Length of Time Held, for Income Groups of Wisconsin Individuals	133
A-1.	Estimated Amount of Interest and Dividend Income from Financial Asset Holdings of Wisconsin Individuals, by Income of Recipient and Type of Asset, 1949	141
A-2.	Derivation of Market Value Equivalent for Untraded Stock Held by Income Groups of Wisconsin Individuals, 1949	142

CONTENTS

A-3.	Estimated Value of Financial Asset Holdings of Wisconsin Individuals, by Income of Holder and Type of Asset, 1949	143
A-4.	Estimated Value of Specified Types of Financial Asset Held by Wisconsin Individuals, and Estimated Number of Holders of Some Such Asset, by Size of Holdings and Income of Holder, 1949	144
A-5.	Estimated Number of Wisconsin Individuals Holding Specified Types of Financial Asset, by Income of Holder, 1949	146
A-6.	Estimated Mean and Median Size of Holdings for Specified Types of Financial Asset Held by Wisconsin Individuals, 1949, by Income of Holder	147
A-7.	Estimated Number of Wisconsin Individuals Holding Specified Types of Financial Asset, by Occupation and Income of Holder, 1949	148
A-8.	Estimated Value of Specified Types of Financial Asset Holdings of Wisconsin Individuals, by Occupation and Income of Holder, 1949	149
A-9.	Estimated Number of Wisconsin Individuals Holding Specified Types of Financial Asset, by Size of Community and Income of Holder, 1949	151
A-10.	Estimated Value of Specified Types of Financial Asset Holdings of Wisconsin Individuals, by Size of Community and Income of Holder, 1949	152
A-11.	Estimated Dividends from Traded and from Untraded Stocks, and Value of Holdings, for Income Groups of Wisconsin Individuals, 1949	154
A-12.	Industrial Classification of Traded Stock Holdings of Wisconsin Individuals, by Income of Holder, 1949	155
A-13.	Industrial Classification of Untraded Stock Holdings of Wisconsin Individuals, by Income of Holder, 1949	157
A-14.	Estimated Value of Rated Stock Holdings of Wisconsin Individuals, by Income of Holder and Grade of Stock, 1949	158
A-15.	Risk Position of Wisconsin Individuals Holding Rated Stock, by Income of Holder, 1949	159
A-16.	Estimated Value of Traded Stock Sold by Wisconsin Individuals, by Income of Holder and Length of Time Held, 1949	160
A-17.	Estimated Distribution of Wisconsin Individuals Holding Traded Stock, by Average Price Per Share Held and Income of Holder, 1949	161

Charts

1. Estimated Frequency of Ownership of Specified Types of Financial Asset, 1949, for Income Groups of Wisconsin Individuals	63
2. Estimated Frequency of Ownership of Specified Types of Financial Asset, for Income Groups of Spending Units in the United States	64
3. Median Size of Holdings of Specified Types of Financial Asset, 1949, for Income Groups of Wisconsin Individuals	66
4. Estimated Median Size of Holdings of Specified Types of Financial Asset, for Income Groups of Spending Units in the United States	67
5. Income Distribution of the Population and of Specified Types of Financial Asset Holdings of Wisconsin Individuals, 1949	75
6. Composition of Financial Asset Holdings for Wisconsin Individuals Grouped by Size of Holdings within Income Group, 1949	82
7. Occupational Distribution of the Population, and of Financial Asset Ownership by Wisconsin Individuals in 1949	90
8. Composition of Financial Asset Holdings for Occupational Groups of Wisconsin Individuals, 1949	93
9. Community Size Distribution of the Population and of Financial Asset Ownership by Individuals in Wisconsin, 1949	101
10. Composition of Financial Asset Holdings for Community Size Groups of Wisconsin Individuals, 1949	102
11. Relative Importance of Stocks of Selected Industries in the Traded Stock Holdings of Income Groups of Wisconsin Individuals, 1949	115-116
12. Distribution of Stockholdings by Fitch Agency Rating, 1949, for Income Groups of Wisconsin Individuals	121
13. Relationship between Income Level and Quality of Holdings for Wisconsin Individuals Owning Traded Stock, 1949	123
14. Relationship between Income Level and Risk Position for Wisconsin Individuals Grouped by Size of Holding of Traded Stocks, 1949	124
15. Distribution of Holders of Rated Stock by Risk Position, for Income Groups of Wisconsin Individuals, 1949	126
16. Relationship between the Quality and Yield of Rated Stock Holdings of Wisconsin Individuals, 1949	129
17. Distribution of Holders of Traded Stock by Average Price per Share of Their Holdings, 1949, for Income Groups of Wisconsin Individuals	135
18. Relationship between Income Level of Holder and Price per Share of Wisconsin Individuals' Holdings, 1949, for Stocks of Different Rating Grade	137