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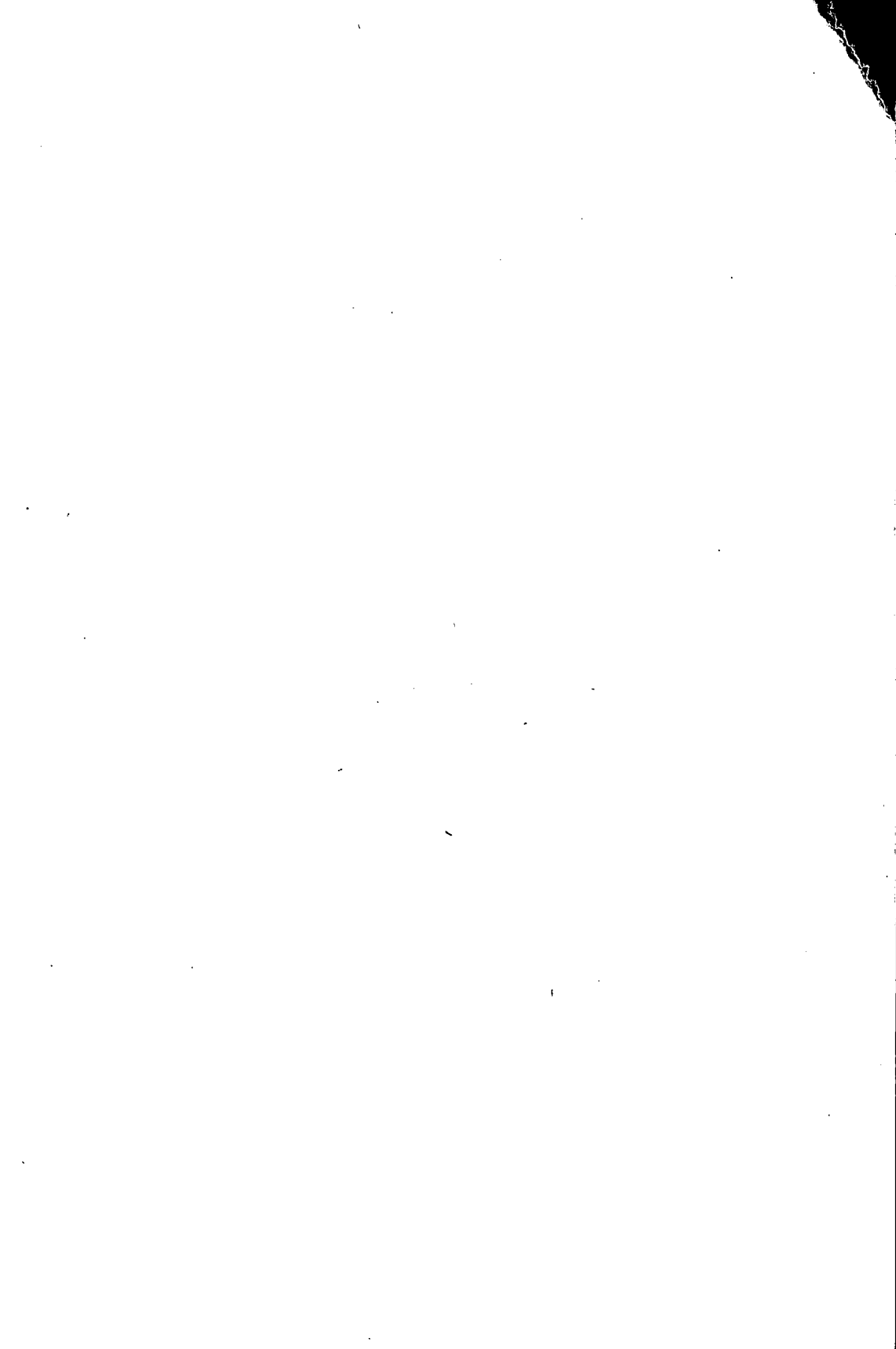
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The Pattern of Financial
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WISCONSIN INDIVIDUALS, 1949

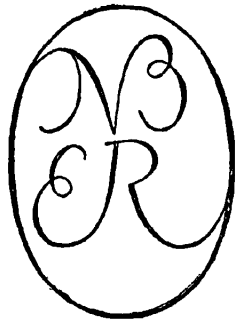




The Pattern
of Financial Asset
Ownership

Wisconsin Individuals, 1949

BY THOMAS R. ATKINSON



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

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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-

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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

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