A Comparison of Farm and Nonfarm Households

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Agricultural and Rural Finance
Markets in Transition

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Abstract

This study compares the economic well-being of farm and nonfarm households using data from the 2001 Agricultural Resource Management Survey and the 2001 Survey of Consumer Finances. Comparisons are made in terms of income and wealth using Tukey-Kramer mean separation tests, regression analysis, and Gini coefficients. The results show that income and wealth of rural residence and intermediate farms are comparable to those of nonfarm households without businesses, while the well-being of commercial farms is similar to that of nonfarm households with businesses. Income and wealth vary across life-cycle stages, with a less pronounced cycle for the income of commercial farms.

Keywords: farm households, income, life-cycle hypothesis, non-farm households, wealth, well-being.

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Introduction

The economic well-being of farm households and the parity of well-being between farm and nonfarm households have been of enormous interest to agricultural policy. However, comparisons between farm and nonfarm households are complicated because of their diversity. Many farm households have complex organization and structure while engaging in various farm and nonfarm activities. Nonfarm households also differ along several important dimensions, one of which is whether they engage in entrepreneurial/business activities.

The objective of this study is to undertake a comprehensive comparison of the economic well-being of farm and nonfarm households using two national, representative surveys. Specific objectives include: 1) to compare income and wealth of farm and nonfarm households using Tukey-Kramer mean comparisons tests, 2) to compare households based on their involvement in business activities for nonfarm households and on their diverse typology for farm households, 3) to examine the equality of the income and wealth distributions among different types of households using Gini coefficients, and 4) to examine the life-cycle differences in income and wealth of these households.

Previous Studies

Several studies considered the life-cycle hypothesis. Jappelli (1999) confirmed the hump-shaped life-cycle of wealth using data from Italy. He also found that the wealth decumulation at higher age was much more pronounced for poorer households and households headed by individuals with lower education. Baek and Hong (2004) defined life-cycles not only by considering age but also by incorporating marital status, employment status, and the presence of children. Their results, using the 1998 Survey of Consumer Finances, confirm that the life-cycle stages are important determinants of consumer debt. Poterba and Samwick (1997) found that there are significant differences in the portfolio allocation of wealth across different life-cycle stages using the Survey of Consumer Finances. Milligan (2004) found similar results using data from Canada.

The Survey of Consumer Finances data have been extensively used for research. Two studies are particularly relevant to this research. Aizcorbe, Kennickell, and Moore provided various statistics on family finances of households and examined changes in finances between 1998 and 2001. Gentry and Hubbard (2004) considered the role of entrepreneurship (whether the households had a business) on wealth accumulation and found that entrepreneurial households had higher wealth and income than nonentrepreneurial households.

Carlin and Reinsel (1973) were among the first agricultural economists to define farm family well-being by combining income and wealth. Their approach combined the current income with the current net worth expresses as annuity into a single measure of well-being. Their findings showed that the distribution of well-being across farm families was more equally distributed when both income and wealth were considered together.

Only a few studies compared farm and nonfarm households using national, representative data sets. Mishra et al. (2002) provided statistics on the business income to total income ratio, the business net worth to total net worth ratio, the returns on assets, and Gini coefficients for both farm and nonfarm households. El-Osta and Morehart (2002) further analyzed the wealth distribution of farm households. Hopkins and Morehart (2004) compared the cumulative distributions of income and wealth for farm and nonfarm households. This study provides a more comprehensive analysis of the economic well-being between farm and nonfarm households, based on the type and life-cycle stages of the household.

Methodology

The comparisons between farm and nonfarm households are conducted for all households and then by household type and age group. The life-cycle hypothesis is tested where households are expected to have highest income during their middle age stages and highest net worth in the last stages before retirement. Three methods are used to compare the economic well-being of farm and nonfarm households: the Tukey-Kramer mean separation tests, regression analysis, and Gini coefficients.

Tukey-Kramer Mean Separation Tests
Tukey-Kramer tests are used to test for the equality of mean income and net worth for all farm and nonfarm households and also based on household type and age group. The *t*-test is used to compare means when only two groups are present. However, when the means of more than two groups are to be compared to each other, multiple comparison tests need to be used. With equal group sizes, the appropriate test is the Tukey test, while with unequal group sizes the appropriate test to compare multiple means is the Tukey-Kramer test. If a pairwise *t*-test is applied to compare multiple means, then the confidence level would not be $(1-\alpha)$ but rather $(1-k\alpha)$, where α is the significant level and k is the number of groups compared. With the Tukey-Kramer test, two means are significantly different from each other when

$$\frac{\left|\bar{y}_i - \bar{y}_j\right|}{s\sqrt{\frac{\left(1/n_i + 1/n_j\right)}{2}}} \geq q(\alpha;k,v)$$

where $\bar{y}_i$ and $\bar{y}_j$ are the means for group *i* and *j*, *s* is the root mean square error also known as the pooled standard deviation, n_i and n_j are the number of observations in the *i*th and *j*th group, and $q(\alpha;k,v)$ is the critical value for the studentized distribution of *k* normally distributed variables with *v* degrees of freedom at the α significance level.

Regression Analysis
The life-cycle hypothesis is also tested using regression analysis. Regression models account for the complex survey design in the estimations (see Dubman). Income and net worth for farm and

nonfarm households are compared across life-cycle stages represented by indicator variables. Education and family size are assumed to affect income and wealth and are included as control variables.

Inequality Distributions

The inequalities in the distributions of income and wealth are measured using Gini coefficients. A Gini coefficient of 0 shows a perfectly equal distribution where all households have the same level of income or net worth. On the other hand, a Gini coefficient of 1 shows an extreme inequality where one household holds all income or net worth. A difference of 0.01 is considered statistically significant. The Gini coefficient is calculated using the following formula:

$$G = 1 + \frac{1}{n_i} - \frac{2}{\bar{y}_i n_i^2} \sum_{i=1}^{n_i} (n_i - i + 1) y_i$$

where the households are ranked in ascending order of y_i an $\bar{y}_i$ and n_i are the mean and number of observation of group i, respectively.

Data and Results

This study uses data from two national surveys: the Survey of Consumer Finances (SCF) and the Agricultural Resource Management Survey (ARMS). Both data sets include weights to expand the sample households in the data to represent all farm and nonfarm households in the U.S. The SCF is conducted triennially by the Federal Reserve Board, while ARMS is conducted annually by the U.S. Department of Agriculture. The most recent 2001 SCF data include information for 4,442 households. Fifty one households in the SCF data reported that they had a farm business and are subsequently excluded from the analysis, leading to 4,391 nonfarm households. The nonfarm households in the SCF are further subdivided into 3,088 households without businesses and 1,303 households with businesses. The ARMS data for 2001 include information for 7,343 households. Based on the USDA's farm typologies, farm households are grouped into 1,940 rural residence farms (limited-resource, retirement, and residential/lifestyle), 2,435 intermediate farms (those with sales less than $250,000 and whose operators report farming as their major business) and 2,968 commercial farms (those with sales greater than $250,000).

Descriptive Statistics

Table 1 and table 2 provide descriptive statistics for farm and nonfarm households. On average, farm households have slightly lower income of $63,983 than nonfarm households which have an average income of $69,157. On the other hand, farm households have net worth of $539,701 which is higher than the nonfarm households' average wealth of $394,310. When formally testing equality of means using Tukey-Kramer tests, the results show that the average income and net worth do not differ significantly between farm and nonfarm households.

Income and wealth differ by type of household. The average income is $69,271 for rural residence farms, $39,007 for intermediate farms, and $129,991 for commercial farms. The average wealth is $376,360 for rural residence farms, $647,711 for intermediate farms, and $1,488,831 for commercial farms. When the three types of farm households are compared against each other using the Tukey-Kramer test, their income and net worth turn out to be significantly different.

Nonfarm households without businesses have an average income of $54,446 and wealth of $231,901 whereas nonfarm households with businesses have an income of $169,224 and wealth of $1,499,031. The Tukey-Kramer test show that both the mean income and net worth differ significantly based on whether or not the nonfarm households have businesses.

Mean separation tests are also conducted for the three types of farm households and two types of nonfarm households, with these 5 types of households considered together (table 3). The results show that nonfarm households with businesses outperform nonfarm households without businesses, rural residence farm households, and intermediate farm households in terms of income and net worth. No other means are significantly different from each other. These findings indicate that rural residence farms and intermediate farms are comparable to wage-earning nonfarm households whereas commercial farms are comparable to nonfarm households with businesses.

Income and net worth exhibit patterns consistent with the life-cycle hypothesis. The mean separation tests for income and wealth based on age group are shown in tables 4, 5, and 6. The average income for farm households is highest for the 35-44 age group while for nonfarm households it peaks for the 45-54 age group. Income for both farm and nonfarm households is significantly lower in the early (age <34) and late (age>65) stages than in the middle stages of the life cycle. The average incomes for age groups 35-44, 45-54, and 55-64 are not significantly different from each other for both farm and nonfarm households. There are fewer significant differences in mean incomes across the life-cycle stages when separate groups by household type are examined. The life cycle is less pronounced for nonfarm households without businesses where the average income only differs across ages<34 and ages 45-54 and for commercial farms where the average income only differ across ages 45-54 and 55-64.

Net worth for both farm and nonfarm households increases over the life cycle, reaches its highest average for age group 55-64, and then declines during retirement years. These findings are consistent with the life-cycle hypothesis. Wealth for farm households in the <34, 35-44, and 45-54 age groups are significantly lower than the average wealth for age groups 55-64, and >65 years (tables 5 and 6). Similar results are found for nonfarm households, although with fewer significant differences. The results also show that similar life-cycle trends are followed by the five household types.

Overall, the descriptive statistics and Tukey-Kramer mean separation tests support the life-cycle hypothesis for all farm and nonfarm households and by household type. The major result is that when the five household types are simultaneously compared, the income and wealth of nonfarm households with businesses and commercial farms do not differ significantly from each other and the income and net worth of nonfarm households without businesses do not differ significantly from those of rural residence and intermediate farms.

Regression Analysis
The life-cycle hypothesis is tested using regression analysis where the different stages of the life-cycle (ages 35-44, 45-54, 55-64, >65) are represented with dummy variables. The results shown in tables 7 and 8 indicate that in comparison to the age group of less than 34 years, both farm and

nonfarm households generally exhibit higher incomes and net worth later in life, with the exception of farm household's income with heads older than 65 years. The regression results show different trends by household type. For example, commercial farms do not exhibit a strong life-cycle in income, except for the middle aged households of 45-54 years. For all but rural residence farms, income for households between 35-44 years of age is not significantly higher than the income of those households with heads younger than 35 years of age. On the other hand, households with heads between 35-44 years are the only group with significantly higher wealth in comparison to households with heads younger than 35 years. Both education and household size are associated with higher income and wealth for all farm and nonfarm households. When considering household type, the household size only has a positive effect on the income of rural residence farms and wage-earning nonfarm households and the net worth of wage-earning nonfarm households and insignificant effect for other types of households.

In summary, the regression results confirm the findings from the Tukey-Kramer mean separation tests that both farm and non-farm households exhibit strong life cycle in income and wealth. The only exception is that the income of commercial farms does not follow strongly the life-cycle hypothesis. Moreover, education and income are shown to be positively associated with household income and wealth.

Inequality Distributions
Gini coefficients for all farm and all nonfarm households and for groups of households based on their type and age are shown in tables 9 and 10. The results show that wealth is slightly more equally distributed than income for farm households, with coefficients of 0.5659 and 0.5993, respectively. The income inequality tends to increase from rural residence to intermediate to commercial farm households. Wealth inequality is highest for rural residence farms, lower for commercial farms, and lowest for intermediate farms. For nonfarm households, income is more equally distributed than net worth, with Gini coefficients of 0.5604 and 0.8070, respectively. Nonfarm households without businesses generally have more equally distributed incomes and less equally distributed net worth than do nonfarm households with businesses.

Income and wealth inequalities also vary along the life-cycle stages of the households. The income inequality generally tends to increase over the life cycle. For farm households, the income inequality peaks for ages greater than 65 years while for nonfarm households the income inequality is highest for ages 55 to 64. The wealth inequality is generally highest in the earliest stages of the life cycle and then tends to diminish for households headed by older individuals. For farm households, the wealth inequality peaks at ages 35 to 44 while for nonfarm households the wealth inequality is highest for the youngest households of less than 34 years of age.

Overall, the results show that the life-cycle stages of income and wealth inequality of farm and nonfarm households exhibit similar patterns. The major difference is that wealth is more equally distributed than income for farm households, whereas the opposite result is true for nonfarm households with income being more equally distributed than wealth.

Conclusions

This paper compares the economic well-being of farm and nonfarm households using national, representative data from the USDA's Agricultural Resource Management Survey and the 2001 Federal Reserve Board's Survey of Consumer Finances. Economic well-being is measured by the level of households' income and net worth. The study uses three methods to compare households: Tukey-Kramer mean separation tests, regression analysis, and Gini coefficients of inequality distributions.

Income and wealth comparisons between farm and nonfarm households reveal several interesting results. The Tukey-Kramer mean comparison tests show that income and wealth differ among some types of households and are similar across others. Income and wealth differ significantly across rural residence, intermediate, and commercial farms. The well-being also significantly differs across nonfarm households without and with businesses. The well-being of rural residence farms is generally similar to wage-earning nonfarm households, while commercial farms have similar economic well-being to nonfarm households running a business. Both commercial farms and nonfarm households with businesses have significantly higher income and wealth than rural residence and intermediate farms and wage-earning nonfarm households. The Tukey-Kramer tests and regression analysis show that both farm and nonfarm households follow the life-cycle pattern for income and net worth. Income is higher for the 35-44, 45-54, and 55-64 age groups and significantly lower for the <34 and >65 age groups, whereas wealth is significantly higher for the 55-64 age group in comparison to the other groups. Commercial farms tend to have a less pronounced life-cycle in income.

Income and wealth inequality among farm households and among nonfarm households are examined using Gini indices of inequality. Results show that wealth is more equally distributed than income for farm households while income is more equally distributed than wealth for nonfarm households. Income inequality tends to be highest for households headed by middle age individuals, while the wealth inequality is generally highest among households headed by younger individuals.

While farm households on average are comparable to nonfarm households in well-being, the results from this study show that different types of farm and nonfarm households differ significantly from each other. A more comprehensive analysis reveals that the level of income and net worth and their distribution among households and across life-cycle stages may differ significantly across different types of households. The insights from this study may have important implications for farm policy focusing on the economic well-being of farm households.

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Table 1. Descriptive Statistics for Farm Households

	All Farm Households	Rural Residence Farm Households	Intermediate Farm Households	Commercial Farm Households
Mean income				
All	63,983	69,271	39,007	129,991
Age <34	51,085	58,073	26,994	84,978
Age 35-44	72,240	75,835	44,991	114,605
Age 45-54	71,568	71,279	37,515	161,035
Age 55-64	68,981	77,294	46,346	102,143
Age >65	48,846	55,679	35,147	141,738
Mean net worth				
All	539,701	376,360	647,711	1,488,831
Age <34	224,213	143,723	284,285	796,248
Age 35-44	313,455	181,468	404,316	1,026,620
Age 45-54	560,036	370,658	657,933	1,718,304
Age 55-64	663,742	494,738	789,487	1,534,475
Age >65	653,350	525,172	701,188	2,020,450
Number of sample households				
All	7,343	1,940	2,435	2,968
Age <34	391	109	135	147
Age 35-44	1,429	317	371	741
Age 45-54	2,369	653	629	1,087
Age 55-64	1,700	443	586	671
Age >65	1,454	418	714	322
Number of represented households				
All	2,094,322	1,287,854	659,933	146,534
Age <34	141,565	93,059	39,567	8,939
Age 35-44	374,525	251,239	88,001	35,286
Age 45-54	586,856	396,806	136,728	53,322
Age 55-64	461,321	278,867	149,987	32,467
Age >65	530,054	267,883	245,650	16,521

Table 2. Descriptive Statistics for Nonfarm Households

	All Nonfarm Households	Nonfarm Households without Businesses	Nonfarm Households with Businesses
Mean income			
All	69,157	54,446	169,224
Age <34	44,269	40,409	89,327
Age 35-44	76,871	61,791	163,379
Age 45-54	97,506	73,044	205,172
Age 55-64	89,819	68,176	190,104
Age >65	47,328	38,802	154,757
Mean net worth			
All	394,310	231,901	1,499,031
Age <34	84,471	53,149	450,075
Age 35-44	259,876	134,957	976,475
Age 45-54	492,734	253,223	1,546,933
Age 55-64	730,121	386,470	2,322,445
Age >65	566,381	414,773	2,476,549
Number of sample households			
All	4,391	3,088	1,303
Age <34	801	728	73
Age 35-44	924	657	267
Age 45-54	1,048	625	423
Age 55-64	722	415	307
Age >65	896	663	233
Number of represented households			
All	105,606,015	92,070,412	13,535,603
Age <34	24,092,658	22,191,452	1,901,206
Age 35-44	23,630,400	20,122,584	3,507,817
Age 45-54	21,705,723	17,687,234	4,018,489
Age 55-64	13,925,286	11,453,441	2,471,845
Age >65	22,251,948	20,615,701	1,636,247

Table 3. Tukey-Kramer Tests for Farm and Nonfarm Households by Household Type Group

Household type group (a)	Household Type Group (b)				
	Nonfarm Households without Businesses	Nonfarm Households with Businesses	Rural Residence Farm Households	Intermediate Farm Households	Commercial Farm Households
Income					
Nonfarm households without businesses	X	-114,778*	-14,825	15,439	-75,545
Nonfarm households with businesses		X	99953*	130217*	39,233
Rural residence farm households			X	30264	-60,720
Intermediate farm households				X	-90,984
Commercial farm households					X
Net worth					
Nonfarm households without businesses	X	-1267,130*	-144,459	-415,810	-1,256,930
Nonfarm households with businesses		X	1,122,671*	851,320*	10,200
Rural residence farm households			X	-271,351	-1,112,471
Intermediate farm households				X	-841,120
Commercial farm households					X

Notes: The numbers in the table are differences in means between group (a) and group (b). The asterisks denote significant differences at the 95% significance level.

Table 4. Tukey-Kramer Tests for Farm Households by Age Group

Age group (a)	Age <34	Age 35-44	Age 45-54	Age 55-64	Age >65
Income for all farm households					
Age <34	X	21155*	20483*	17895	-2239
Age 35-44		X	-672	-3260	-23394*
Age 45-54			X	-2587	-22722*
Age 55-64				X	-20135*
Age >65					X
Income for rural residence farm households					
Age <34	X	17762	13206	19221	-2394
Age 35-44		X	-4555	1459	-20156*
Age 45-54			X	6014	-15601
Age 55-64				X	-21615*
Age >65					X
Income for intermediate farm households					
Age <34	X	17997*	10520	19352*	8153
Age 35-44		X	-7476	1355	-9844*
Age 45-54			X	8831	-2367
Age 55-64				X	-11199*
Age >65					X
Income for commercial farm households					
Age <34	X	29627	76056	17165	56760
Age 35-44		X	46429	-12462	27132
Age 45-54			X	-58891*	-19297
Age 55-64				X	39594
Age >65					X

Note: The column group header "Age Group (b)" spans the five age columns.

Notes: The numbers in the table are differences in means between group (a) and group (b). The asterisks denote significant differences at the 95% significance level.

Table 5. Tukey-Kramer Tests for Farm Households by Age Group

Age group (a)	Age Group (b)				
	Age <34	Age 35-44	Age 45-54	Age 55-64	Age >65
Net worth for all farm households					
Age <34	X	89242	335822*	439529*	429137*
Age 35-44		X	246580*	350287*	339895*
Age 45-54			X	103707*	93315*
Age 55-64				X	-10392
Age >65					X
Net worth for rural residence farm households					
Age <34	X	37745	226935*	351015*	381449*
Age 35-44		X	189190*	313270*	343704*
Age 45-54			X	124080*	154514*
Age 55-64				X	30434
Age >65					X
Net worth for intermediate farm households					
Age <34	X	120031	373649*	505202*	416903*
Age 35-44		X	253618*	385171*	296872*
Age 45-54			X	131553*	43254
Age 55-64				X	-88299
Age >65					X
Net worth for commercial farm households					
Age <34	X	230372	922055*	738227*	1224202*
Age 35-44		X	691684*	507856*	993830*
Age 45-54			X	-183828	302147
Age 55-64				X	485975
Age >65					X

Notes: The numbers in the table are differences in means between group (a) and group (b). The asterisks denote significant differences at the 95% significance level.

Table 6. Tukey-Kramer Tests for Nonfarm Households by Age Group

	Age Group (b)				
Age group (a)	Age <34	Age 35-44	Age 45-54	Age 55-64	Age >65
Income for all nonfarm households					
Age <34	X	32602*	53236*	45550*	3059
Age 35-44		X	20635	12948	-29543*
Age 45-54			X	-7686	-50177*
Age 55-64				X	-42491*
Age >65					X
Income for nonfarm households without businesses					
Age <34	X	21382	32635*	27767	-1607
Age 35-44		X	11253	6385	-22989
Age 45-54			X	-4868	-34242*
Age 55-64				X	-29374
Age >65					X
Income for nonfarm households with businesses					
Age <34	X	74052	115845*	100777	65430
Age 35-44		X	41793	26725	-8623
Age 45-54			X	-15068	-50416
Age 55-64				X	-35348
Age >65					X
Net worth for all nonfarm households					
Age <34	X	175405	408263*	645649*	481910*
Age 35-44		X	232858	470245*	306505*
Age 45-54			X	237387	73648
Age 55-64				X	-163739
Age >65					X
Net worth for nonfarm households without businesses					
Age <34	X	81808	200074*	333322*	361624*
Age 35-44		X	118266	251514*	279816*
Age 45-54			X	133248	161551*
Age 55-64				X	28303
Age >65					X
Net worth for nonfarm households with businesses					
Age <34	X	526400	1096858	1872370*	2026474*
Age 35-44		X	570458	1345970*	1500074*
Age 45-54			X	775512	929616
Age 55-64				X	154104
Age >65					X

Notes: The numbers in the table are differences in means between group (a) and group (b). The asterisks denote significant differences at the 95% significance level.

Table 7. Regression Results for Farm Households

	All Farms	Rural Residence Farms	Intermediate Farms	Commercial Farms
Income				
Intercept	-1231	-507	2869	61013
	(12907)	(16476)	(9729)	(86001)
Age class 35-44	17043**	13965*	16130	13120
	(6007)	(7320)	(11278)	(37802)
Age class 45-54	18453*	12161	7931*	80310**
	(9608)	(12127)	(4549)	(24986)
Age class 55-64	21643**	22270*	23181**	456
	(9519)	(12099)	(4958)	(45985)
Age class >65	6001	7796	10749**	49500
	(9594)	(14314)	(4794)	(48769)
Education	15670**	16781**	7910**	16462
	(3590)	(4326)	(2457)	(20569)
Household size	4690**	5427**	2015	205
	(2162)	(2572)	(1812)	(9860)
Adj. R-squared	0.018	0.038	0.031	0.004
Net worth				
Intercept	-331650**	-361955**	-25224	-621086
	(121844)	(144564)	(52561)	(734576)
Age class 35-44	49777	18326	133249**	196976
	(90307)	(124618)	(57220)	(196574)
Age class 45-54	330081**	225871**	387390**	1205221**
	(27823)	(31209)	(84830)	(252738)
Age class 55-64	475214**	373149**	540440**	927276**
	(47696)	(53184)	(53842)	(247475)
Age class >65	534839**	467486**	471213**	1610608**
	(59681)	(59959)	(47139)	(538330)
Education	153152**	157330**	93714**	376722**
	(28457)	(33621)	(25592)	(130340)
Household size	46724**	30624	18413	100737
	(20821)	(23325)	(16856)	(102179)
Adj. R-squared	0.044	0.157	0.050	0.023

Table 8. Regression Results for Nonfarm Households

	All Nonfarm Households	Nonfarm Households without Businesses	Nonfarm Households with Businesses
Income			
Intercept	-66,314**	-34,732**	-152,338**
	(13190)	(11542)	(58391)
Age class 35-44	20,488**	14,191	57,907
	(10395)	(9042)	(42743)
Age class 45-54	45,435**	28,747**	105,141**
	(10496)	(9258)	(41091)
Age class 55-64	50,832**	32,825**	107,159**
	(12009)	(10666)	(44687)
Age class >65	23,148**	12,256	86,343*
	(10742)	(9207)	(49721)
Education	31,032**	21,902**	62,800**
	(3193)	(2814)	(12988)
Household size	10,809**	6,885**	15,104
	(2766)	(2439)	(10305)
Adj. R-squared	0.03	0.03	0.02
Net worth			
Intercept	-840,321**	-446,578**	-1,926,427**
	(117347)	(67693)	(631386)
Age class 35-44	78,749	36,811	432,205
	(92479)	(53030)	(462187)
Age class 45-54	342,201**	173,287**	1,027,153**
	(93376)	(54296)	(444324)
Age class 55-64	683,679**	362,748**	1,923,584**
	(106837)	(62557)	(483211)
Age class >65	643,851**	449,735**	2,203,143**
	(95571)	(53998)	(537638)
Education	269,385**	152,291**	672,968**
	(28404)	(16501)	(140438)
Household size	79,823**	38,821**	76,630
	(24612)	(14305)	(111426)
Adj. R-squared	0.03	0.05	0.03

Table 9. Inequality Measures for Farm Households

	All Farm Households	Rural Residence Farm Households	Intermediate Farm Households	Commercial Farm Households
Gini coefficients for income				
All	0.5993	0.4796	0.6255	0.9582
Age <34	0.5996	0.4680	0.8442	0.8372
Age 35-44	0.5432	0.3956	0.5622	1.0542
Age 45-54	0.5790	0.4442	0.6886	0.8231
Age 55-64	0.6091	0.4944	0.6157	1.1906
Age >65	0.6196	0.5605	0.5725	0.9593
Gini coefficients for net worth				
All	0.5659	0.5784	0.4593	0.5461
Age <34	0.5611	0.4865	0.4756	0.5444
Age 35-44	0.8291	1.2112	0.4483	0.4858
Age 45-54	0.5466	0.4606	0.4711	0.5841
Age 55-64	0.4871	0.4653	0.4277	0.4679
Age >65	0.4856	0.4885	0.4275	0.5217

Table 10. Inequality Measures for Nonfarm Households

	All Nonfarm Households	Nonfarm Households without Businesses	Nonfarm Households with Businesses
Gini coefficients for income			
All	0.5604	0.4984	0.6041
Age <34	0.4398	0.4169	0.4776
Age 35-44	0.5018	0.4347	0.5692
Age 45-54	0.5762	0.5044	0.6119
Age 55-64	0.6154	0.5592	0.6295
Age >65	0.5681	0.5133	0.5948
Gini coefficients for net worth			
All	0.8070	0.7626	0.7376
Age <34	0.8656	0.8511	0.7685
Age 35-44	0.7665	0.6908	0.6804
Age 45-54	0.7718	0.7077	0.6848
Age 55-64	0.7898	0.7288	0.7203
Age >65	0.7543	0.7069	0.7345