TABLE 8-2.—*Comparison of personal saving and net worth changes for the period 1901–49*

[In billions]

	Holdings		Change in net worth	Saving 1901–49	Difference (3−4)
	End of 1900	End of 1949			
	(1)	(2)	(3)	(4)	(5)
1. Real estate	$45.3	$349.4	$304.1	$108.7	$195.4
2. Producer durables	2.2	28.8	26.6	20.1	6.5
3. Consumer durables	6.0	99.3	93.3	81.2	12.1
4. Inventories	7.2	31.9	24.7	3.0	21.7
5. Currency	1.3	23.3	22.0	22.3	−.3
6. Deposits	6.1	120.2	114.1	118.5	−4.4
7. Life insurance reserves	1.6	58.8	57.2	58.1	−.9
8. Pension and retirement funds	0	45.7	45.7	46.2	−.5
9. U.S. Government securities	.6	61.6	61.0	67.4	−6.4
10. Other bonds	3.9	17.7	13.8	25.3	−11.5
11. Stocks	10.7	117.8	107.1	50.2	56.9
12. Mortgage holdings	4.2	25.3	21.1	17.8	3.3
13. Equity in unincorporated business	6.3	68.8	62.5		62.5
14. Other assets	4.1	24.2	20.1	1.1	19.0
15. Total assets	99.4	1,072.8	973.4	619.9	353.5
16. Debt	14.9	105.3	90.4	94.7	−4.3

Source: Ibid., p. 197. For notes, see original table.

This table shows that savings account for about two-thirds of the rise of net worth. The largest increase in an item over the amount of savings toward the accumulation of this asset is in real estate.

Between 1900 and 1949 the current value of real estate held by individuals has increased by about $200 billion more than owners' saving, i.e., the amounts which have been spent for construction and related outlays, after account is taken of depreciation allowances on original cost basis and of increase in mortgage debt. This represents well over one-half of individuals' total unearned increment. The valuation difference of $200 billion, of which about two-fifths is accounted for by the increase in the value of land while nearly three-fifths reflects the increase in the level of construction costs, is equal to over three-fifths of the current value of all real estate held by individuals at the end of 1949.[65]

It will be noted that the other two items that reveal large gains in relation to the savings made available are inventories and stocks.

Another interesting item in relation to the inflation problem is the growth of liquid assets in relation to total assets. Where liquid assets tend to rise to that extent the protection against inflation is reduced. By liquid assets we mean monetary metals, currency, commercial bank deposits, deposits in other financial institutions, U.S. Government and State and local government securities. For example, for households the percentage of liquid assets to total assets rose from 7.8 percent in 1900 to 10 percent in 1929, to 23.6 in 1945 and 19.7 percent in 1949. For business enterprises, the percentages in these years were 11.4, 11.1, 47.4, and 35.5.[66]

This increase of the share of liquid assets is an important factor in the rise of the share of intangible to total assets. Here are the percentages for 1900, 1929, 1945, and 1949:

[65] Ibid., pp. 196–198.
[66] Ibid., p. 202.