Table 1: Summary Statistics

Data is from the most recent 2019 Survey of Consumer Finances (SCF) public database published by the Federal Reserve. All variables are discussed in detail in the Empirical Analysis section. All observations are self-employed (entrepreneur) households for the 1998–2019 survey years, with a total observation of 9,522 households, among which 383 are African American households.

Panel A: Summary Statistics of All Self-employed Households (9,522 household observations)

Name	Definition	Mean	S.D.	Min	Median	Max
Bad_Credit	Dummy variable (=1 if the respondent has bad credit, and 0 otherwise)	0.1645	0.371	0	0	1
Black	Dummy variable (=1 if the respondent is African American, and 0 otherwise)	0.0402	0.196	0	0	1
Planner	Dummy variable (=1 if the respondent uses financial planner, and 0 otherwise)	0.5774	0.494	0	1	1
Black_Planner	Interaction term (= Black * Planner)	0.0198	0.139	0	0	1
Female	Dummy variable (=1 if the respondent is a female, and 0 otherwise)	0.0737	0.261	0	0	1
Black_Female	Interaction term (= Black * Female)	0.0096	0.097	0	0	1
College	Dummy variable (=1 if the respondent attended college, and 0 otherwise)	0.7896	0.408	0	1	1
Black_College	Interaction term (= Black * College)	0.0245	0.155	0	0	1
Age	The age of the respondent in the survey year	54.38	12.54	18	54	95
Age_Group	Categorical variable taking the value of 1– 6, (<35 yrs = "1"; ≥ 75 yrs = "6")	3.49	1.25	1	3	6
Net_Asset	Net worth of the respondent (in $ millions and 2019 dollar terms)	34.632	108.3	−7.98	3.5	1,858
House_Income	Household income of the respondent (in $ millions and 2019 dollar terms)	2.6542	12.33	0	0.3	6800
Business_Income	Business income of the respondent (in $ millions and 2019 dollar terms)	1.513	7.164	−2.51	0.087	230.6
Yes_Fin_Risk	Dummy variable (=1 if the respondent is willing to take financial risk)	0.0882	0.283	0	0	1

Panal B: Variable Correlations (9,522 household observations)

	Bad Credit	Black	Planner	Female	College	Age_ Group	Net_ Asset	House_ Income	Business_ Income	Yes_Fin_ Risk
Bad_Credit	1									
Black	0.110	1								
Planner	−0.080	−0.035	1							
Female	0.094	0.128	−0.029	1						
College	−0.144	−0.091	0.14	−0.034	1					
Age_Group	−0.199	−0.089	0.075	−0.041	0.118	1				
Net_Asset	−0.101	−0.047	0.05	−0.073	0.099	0.185	1			
House_Income	−0.067	−0.034	0.036	−0.05	0.068	0.089	0.596	1		
Business_Income	−0.067	−0.035	0.021	−0.048	0.055	0.077	0.545	0.653	1	
Yes_Fin_Risk	0.017	−0.005	−0.024	−0.041	0.065	−0.014	0.11	0.089	0.067	1