

Crowther, Naomi; Roos, Louisa

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Shaping women's fortunes: Inheritance and gender disparities

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TRiSS Working Paper Series

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Shaping Women's Fortunes: Inheritance and Gender Disparities

Naomi Crowther and Louisa Roos

School: Economics

Email address: crowthen@tcd.ie and roosl@tcd.ie

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Keywords: Gender Wealth Gaps, Inheritance, Inequality

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Shaping Women's Fortunes: Inheritance and Gender Disparities

Naomi Crowther and Louisa Roos¹

Abstract

Women are more dependent on intra- and inter-generational transfers for wealth accumulation than men (Bartels et al. 2023, Black et al. 2022), yet the role of inheritance in closing gender wealth gaps remains poorly understood. Using Swedish registry inheritance data between 2002-2004 and panel data on individual wealth portfolios and labour income from 1999-2007, we compare the evolution of women and men's wealth and income pre and post inheriting. Results indicate that inheritance does not facilitate a convergence between women and men's wealth in the longer term. The evidence suggests that gender differences in wealth portfolio composition play a role, whereby women are more likely to store inheritance in assets that provide little capital growth. This difference is less pronounced among younger cohorts. As such, we posit that differences in portfolio evolution for older women are explained by structural barriers to wealth accumulation that accrue over the lifecycle. Moreover, women appear to reduce their labour supply proportionally more than men after losing a parent, which would further exacerbate diverging wealth accumulation trajectories. By disentangling the effect of losing a parent from receiving an inheritance, we attribute the larger effect to care responsibilities. Considering these results, inheritance should not be considered an effective tool to reduce gender inequality, as it makes no permanent difference to gender wealth gaps.

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¹ Trinity College Dublin, crowthen@tcd.ie and roosl@tcd.ie

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1 Introduction

Inheritance shapes patterns of wealth accumulation, perpetuating wealth inequality intergenerationally and reproducing the unequal distribution of capital and income in society (Piketty 2014, Morelli et al. 2021). Inheritance typically constitutes a larger share of women's wealth compared to men's (Deere & Doss 2006, Black et al. 2022) as women depend more on inter- and intra-generational transfers with fewer opportunities to independently accumulate wealth in the labour market (Gornick & Sierminska 2021). Furthermore, as divorce rates continue to rise, the importance of women's asset ownership is becoming increasingly evident, underscoring that marriage alone cannot be relied upon for lifelong economic security. Despite the extensive literature on the drivers and consequences of gender earnings gaps (Blau & Kahn 2000, Goldin & Mitchell 2017), the key mechanisms explaining gender wealth gaps and their implications remain underexplored. A better understanding of these dynamics is important because wealth accumulation matters for economic empowerment, as well as status, influence and social advantage in society (Deere & Doss 2006; Hillesland 2018).

In this paper, we use Swedish registry data to investigate the impact of inheritance on gender wealth portfolios and labour supply, exploiting the arguably random timing of parental death. The identification strategy relies on the assumption that the exact timing of a person's death within the period of observation is as good as random in a country with universal access to health care. Individual and time fixed effects regression and an event study compare wealth portfolios of sons and daughters before and after inheriting, thereby allowing us isolate the impact of inheritance from pre-existing trends in wealth accumulation.²

The estimation uses Swedish registry data on inheritance between 2002-2004, which has been matched to registry data on wealth portfolios and labour income of decedents and heirs between 1999-2007. Under Swedish law, spouses own property separately (Sarvik et al. 2023) meaning that wealth registers provide information on the allocation of wealth *within* households. Sweden thus offers a particularly useful setting for researching gender inequalities in wealth. Under Swedish inheritance law, the default is for the estate to be equally divided between legal

² Robustness checks are conducted employing the imputation approach for staggered treatment developed by Borusyak et al. (2023). This imputation method estimates fixed effects solely among untreated observations, imputes untreated outcomes for treated observations and then created treatment effects based on weighted averages of the differences between actual and imputed outcomes.

heirs, whereby closer relatives inherit before distant ones. At least 50% of the estate must be divided by this rule and the rest may be allocated via a will.

Findings indicate that inheritance does lead to slightly larger relative increase in women's net wealth, however, this difference is small and disappears completely long term. Using an event study with time and individual fixed effects we can investigate how heirs' wealth changes relative to the year before inheriting, comparing dynamics by gender. Despite the fact that inheritance is a larger share of women's pre-inheritance wealth, on average, the wealth transfer does not translate into larger relative wealth growth for women compared to men within five years. We explore two possible drivers of this: variations in wealth portfolio composition and differences in labour supply adjustments.

Firstly, we detect gender differences in how inheritance affects wealth portfolios. Daughters exhibit a larger increase in defensive assets, which do not provide much scope for capital growth, such as cash and bonds, and sons in growth assets, such as property. Further analysis points towards this being driven by differences in how inheritance is invested rather than an unequal transmission of real wealth from parents to sons versus daughters. We show this using parents' real wealth in the period before death as a predictor for growth in real wealth of children in the period immediately afterwards.

The evidence points towards gender differences in wealth accumulation trajectories being driven by structural factors rather than preferences. Heterogeneity analysis indicates that for women in the lower income brackets, inheritance has a lasting impact on wealth accumulation. Given that women are likely to reduce labour supply to perform unpaid care responsibilities, these results suggest that wealth transfers to care givers may counter one key reason for diverging wealth accumulation trajectories between women and men. Moreover, the gender difference in portfolio adjustments after inheriting are less pronounced among younger cohorts, suggesting that underlying differences in preferences may not be the driving factor.

Further, we disentangle the impact of parental death from that of inheritance on the labour supply of heirs. Inheritance can affect incentives to work, which, in turn, can affect wealth accumulation. We compare heirs whose parents have died leaving behind little or no inheritance with those who receive a significant wealth transfer to isolate the impact of the positive wealth shock. Overall, it appears that women decrease their labour supply more than

men after inheriting. However, when isolating the impact of inheritance, it appears that men exhibit a larger decrease in labour income, meaning women are less likely than men to substitute labour income with inherited wealth.

We posit that the labour response for women is a combination of the Carnegie effect (dampening effect of inheritance on work effort) and shifts in care burdens, explaining the overall larger effect. To investigate this, we explore whether this may be explained by increased care responsibilities associated with looking after the surviving parent, in line with recent trends of re-familialisation of elder care in Sweden (Szebehely & Meagher 2018). To do so, we compare labour adjustments of women in cases where the deceased was married, leaving behind a surviving spouse who may require care, with women in cases where the deceased was widowed. We find that the decrease in labour income is larger for women when the deceased parent was married. These results underscore that a more equitable distribution of care work is central to addressing gender gaps in earnings and, ultimately, wealth accumulation.

This paper contributes to the growing body of research on the societal impact of inheritance on wealth inequality (e.g., Elinder et al. 2018, Boserup et al. 2016, Nekoei & Seim 2023). Most of this literature uses household-level data, which masks the distribution of asset control within households (Grabka et al., 2015; Bessière & Gollac, 2023). In instances where the gender dimension is considered, this is usually achieved by looking at the gender of the household head, which confounds marital status and gender (Deere & Doss 2006). This paper is one of the few studies that calculates gender wealth gaps at the individual-level, thereby delving inside the black box of the household. By leveraging individual-level data, we offer a more nuanced gender perspective and advance the literature on inheritance and gender wealth disparities. Few studies have examined this at the individual level: Bartels et al. (2023) and Black et al. (2022) highlight women's greater reliance on inheritance for wealth accumulation, while Grabka et al. (2015) show that inheritance reduces gender wealth gaps within households. These works, however, rely on cross-sectional analyses, observing inheritance effects at a single point in time. Given gendered differences in wealth portfolios (Smith, 1974; Sedo & Kossoudji, 2004; Watson & McNaughton, 2007; Chang, 2010, Goldsmith-Pinkman & Schue, 2022), inheritance's dynamic impact on wealth trajectories remains unclear. Our panel data allow us to explore these dynamics, revealing that inheritance is insufficient to significantly change women's wealth accumulation patterns or close gender wealth gaps. Furthermore, we uncover gendered differences in wealth composition following inheritance, particularly across asset

types (e.g., real versus financial). Prior work (Bessière & Gollac, 2023; Trinh, 2024) shows that sons are more likely to inherit productive assets like businesses or property. Although our data only capture inheritance value, not asset type, we provide suggestive evidence against gender differences in the inheritance of real assets in Sweden. Thus, disparities in wealth composition post-inheritance likely stem from heirs' investment choices rather than the types of assets inherited.

Finally, this paper contributes to the literature on labour supply responses to inheritance by gender. Inheritance has been shown to have a dampening effect on work effort on average— the so-called Carnegie effect (e.g. Holtz-Eakin et al. 1993, Cox 2014, Elinder et al. 2012). However, papers looking into negative impact of inheritance on labour supply by gender are inconclusive (Belloc et al. 2023, Bø et al. 2019, Doorley & Pestel 2016, Niizeki & Hori, 2019, Ling 2022) and do not clearly differentiate between the effect of losing a relative and the impact of receiving an inheritance. Given women's disproportionate share of care work, it is conceivable that the loss of a parent may influence labour supply decisions. For example, Vangen (2019) finds that caring for parents has a negative impact on children's labour supply in the period around parental death and Jensen and Zhang (2024) similarly document shifts in care responsibilities. In this paper we disentangle the extent to which inheritors adjust their labour supply as a result of the positive wealth shock or in response to losing a parent. We find evidence that, upon inheriting, men reduce their labour supply more than women in response to the positive wealth shock, demonstrating a stronger Carnegie effect. For women, meanwhile, parental death itself appears to lead to a larger reduction in labour supply and we provide suggestive evidence that this is linked to unpaid care responsibilities. We therefore contribute to the literature on the impact of inheritance on women's labour supply by isolating the effect of parental death from the positive wealth shock, thereby adding an additional mechanism.

The remainder of this paper is structured as follows: section 2 outlines the context and data and section 3 introduces the empirical specification. The results are described in section 4, first focusing on effects on wealth and granular wealth portfolios, running heterogeneity by income bracket. The proceeding subsection explores labour income responses and investigates potential mechanisms driving the results. Finally, a discussion and concluding remarks are presented in section 5.

2 Context and data

In this paper, we use the Swedish Belinda database, which contains individual level data on inheritance based on estate inventory reports for the universe of deceased Swedes and their heirs from 2002-2004 (Elinder et al. 2014). During this period, the law required an estate report to be filed for every person who passed away in order to calculate the inheritance tax and the division of inheritance between heirs. The default is for the estate to be equally divided between legal heirs, whereby closer relatives inherit before distant ones. At least 50% of the estate must be divided by this rule and the rest may be allocated via a will. In cases where there is a surviving spouse, the spouse has the right to use and manage the estate for the rest of their life, before it is then passed on to their common children. The common children are considered direct heirs with a delayed right to inherit, meaning they must wait until the second parent passes away to receive the inheritance from the first deceased parent. Negative wealth is not inherited, meaning that debts that cannot be paid by the estate are written off. The Belinda database is linked to the Swedish wealth³, tax and labour market registry, such that outcomes of heirs therein can be tracked for up to five periods before and after inheritance. Detailed information on the datasets can be found in Elinder et al.'s 2014 paper.

Table 1 provides an overview of sample sizes of heirs by relationship to the deceased. Most notably, it is apparent that women are overrepresented amongst surviving spouses (almost 70%). This is because women are more likely to be the younger spouse and live longer on average. This, coupled with the 25% pension gap - the difference between the average pension received by men and women, expressed as a percentage of the average pension received by men - in Sweden (Eurostat 2022), means that older women are more likely to be drawing from inherited wealth in their old age. Also of note is that aunts, mothers, sisters, and female non-relatives appear in higher numbers among heirs than their male counterparts. This may be indicative of a deliberate effort to counteract economic gender inequality through bequeathing, a result of women having spent more time caring for the deceased leading up to the death, or an indication that men are more likely to receive in-vivo inheritance (Bessière & Gollac, 2020). Indeed, a paper by Erixson and Ohlsson (2019) finds that children more likely to have supported their parents in old age, for example because of proximity to their parents, inherit

³ Assets are valued at current market prices and refer to 31 December of each survey year (https://www.statistikdatabasen.scb.se/pxweb/en/ssd/START_HE_HE0104/TillgOversiktAldReg/).

more on average. This evidence on the gender composition of the heirs already hints at gender differences in the motives of inheritance. Table 2 indicates the wealth portfolio composition for all heirs in the year before inheriting in mean values. There is a pronounced gender wealth gap of approximately 30%.

Table 1: Relation of heirs to deceased.

	(1) Male	(2) Female	(3) Female share
Adopted child	5,467	5,582	51%
Adopted grandchild	684	653	49%
Uncle/aunt	90	251	74%
Child	231,164	226,363	49%
Child's spouse	118	193	62%
Father/Mother	4,232	5,911	58%
Foster child	462	424	48%
Grandchild	59,627	59,581	50%
Grandparent	40	60	60%
Great nephew/niece	23,788	23,232	49%
Greatgrandchild	1,373	1,303	49%
Half-sibling	1,360	1,583	54%
Half-sibling's child	2,000	2,121	51%
Niece/Nephew	52,484	53,335	50%
None	12,013	16,280	58%
Registered partner	13	4	24%
Sibling	20,585	26,390	56%
Cohabitant	2,113	4,219	67%
Spouse	28,443	62,443	69%
Stepchild	1,049	1,092	51%
N	447,108	491,020	52%

Source: Belinda dataset 2002-2004.

Table 2: Wealth portfolios – all heirs

(in 000's)	(1) men	(2) women
Total net wealth	637.7 (5783.4)	447.9 (1349.3)
Financial wealth	243.4 (5403.1)	183.3 (722.4)
Real wealth	632.2 (2224.5)	426.2 (1162.5)
Debt	265.8 (1140.5)	172.7 (462.3)
Own home value	340.4 (592.7)	250.8 (506.0)
Agricultural property value	136.4 (1067.5)	53.1 (400.4)
Cash	78.8 (444.5)	62.1 (197.6)
Fixed income fund	5.1 (30.7)	6.2 (32.2)
Bonds	6.6 (276.3)	4.7 (62.2)
<i>N</i>	385,881	419,049

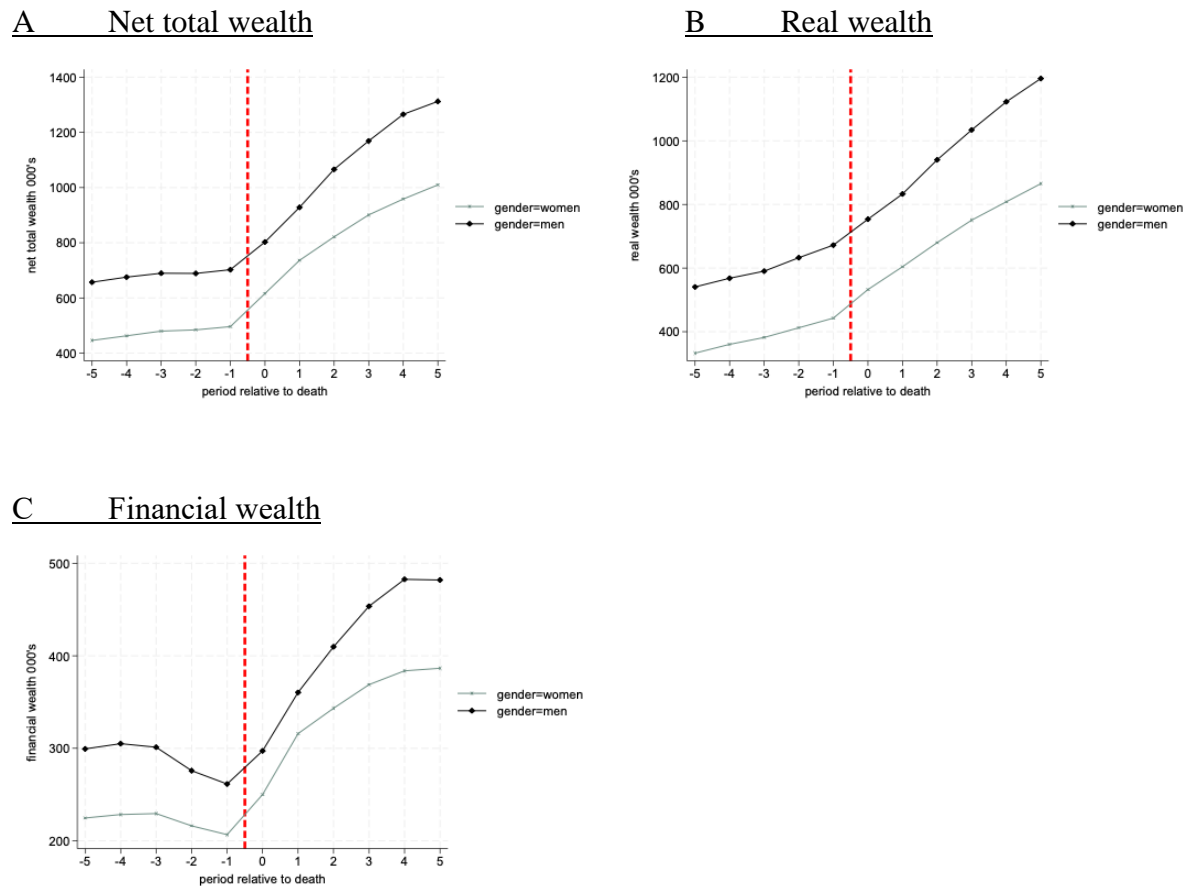
Source: Swedish wealth registry 1999-2007. Mean values. Sample restricted to the year before inheritance and to heirs above the age of 18. Real wealth covers physical assets, such as properties. Own home value is the gross value excluding mortgages and is valued based on tax returns and municipal house prices. Each asset type indicates the individual's share in cases where it is jointly owned with, for example, a spouse.

Figure 1 shows the evolution of wealth by gender over five periods before and after inheritance including all types of heirs. It appears that inheritance contributes to closing the gender net wealth gap (1.A) in the periods immediately after inheriting⁴. However, the reduction in the gender wealth gap does not persist in the long run, with the gap widening again within five years. This may be explained by differences in wealth portfolios and the nature of wealth accumulation by gender. Figure 1.B suggests that inheritance does not have a perceptible

⁴ The gap closes by approximately 22'000 SEK from the year before inheritance to the year of inheritance (significant at the 0.01 level). The mean wealth gaps are plotted in Appendix Figure A.

impact on the gender gap in real wealth. Figure 1.C, meanwhile, indicates a clear reduction in gender gaps in financial wealth post-inheritance. However, within five years the absolute gap appears to have returned to pre-inheritance levels.

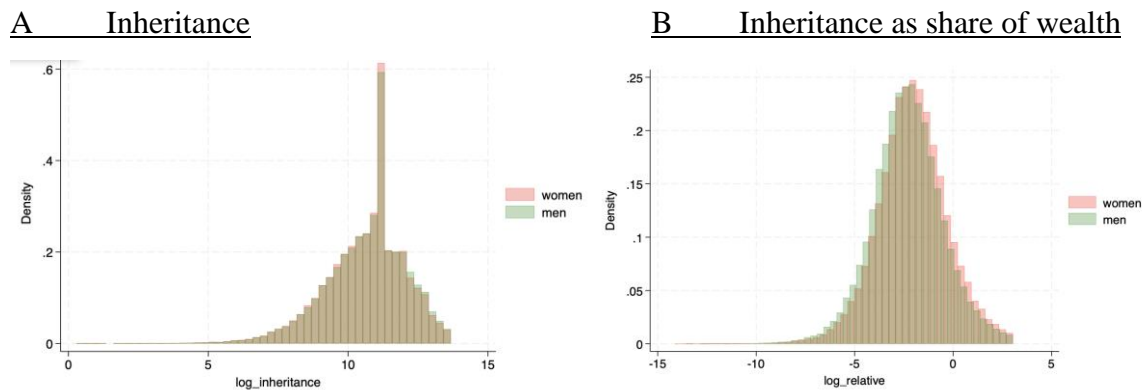
Figure 1: Wealth by gender pre and post inheritance – all heirs



Source: Swedish wealth registry 1999-2007. The sample is limited to heirs above the age of 18 with above zero inheritance and excludes heirs who die within the observation period. Real wealth covers physical assets, such as properties.

To minimise endogeneity in allocation of inheritance and to observe responses of heirs who are likely to still be economically active, this paper will from now onwards focus the analysis on direct descendants, i.e. children, of the deceased. For this sample, the legal default in Sweden is that inheritance be equally distributed. At least half of the inherited amount must follow this rule, and the remainder can be allocated via a will (roughly 15% of inheritances are covered by a will). It appears that the majority of the population follow the default rule as inheritance amounts by gender appear to be balanced (Figure 2.A⁵). However, when inheritance is considered as a share of pre-inheritance wealth (dividing by wealth of heir in the year before inheritance), it is evident that inheritance makes up a larger share of daughter's wealth than sons (Figure 2.B). This descriptive evidence confirms that, despite on average equal division of inheritance between children, inheritance makes up a larger share of women's pre-existing wealth, which should contribute to closing gender wealth gaps, at least in the short run.

Figure 2: Inheritance by gender (Swedish krone) – children only



Source: Belinda dataset 2002-2004 and Swedish wealth registry 2001-2003. Zero inheritances and the top 1% has been dropped. *Log relative* is the log of inheritance divided by wealth in the year before inheriting for those with above zero wealth.

3 Main empirical specification

This paper exploits the arguably random timing of death to explore the impact of inheritance by gender. Previous literature looking at the impact of inheritance by gender has used survey data comparing individuals cross-sectionally (Grabka et al. 2015, Bartels et al. 2023) or aggregated capitalised total income received over a 19-year period (Black et al. 2022); this paper gives a more detailed perspective on the evolution of individuals' wealth portfolios over time using registry data over the period of inheritance. This analysis focuses on children of the

⁵ The peak in this distribution can be explained by the tax thresholds, under which no inheritance tax is liable. This stood at 70,000 SEK for children (Elinder et al. 2014).

deceased as this group of heirs is legally entitled to inherit from their parents. The other largest group of heirs, spouses, are thereby excluded given the gender composition of this sample (70% women) and because they are likely to already be retired, providing less scope for inheritance to change their economic trajectory. A two-way fixed effects regression compares individuals who have inherited with those who have not yet inherited as follows:

$$Y_{i,t} = \tau_t + \lambda_i + \beta_1 \text{inherited}_{i,t} + \beta_2 \text{inherited}_{i,t} * \text{female}_i + C_{i,t} + \epsilon_{i,t} \quad (1)$$

where $Y_{i,t}$ indicates net total wealth, real wealth, financial wealth, debt, own-home value, agricultural property, cash in bank accounts, fixed income funds, bonds, τ_t indicates year fixed effects, λ_i indicates individual fixed effects, $\text{inherited}_{i,t}$ indicates a dummy equal to one after year of death and zero before, and controls ($C_{i,t}$) includes age, age squared and both terms interacted with *female*. The sample is restricted to “children” aged 18 and above.

To explore dynamic effects over time, the regression analysis will be complemented with an event study specification:

$$Y_{i,t} = \tau_t + \lambda_i + \sum_{t=-5}^{t=5} \beta_t * \text{period}_t + C_{i,t} + \epsilon_{i,t} \quad (2)$$

where τ_t indicates year fixed effects, λ_i indicates individual fixed effects, and period indicates period relative to time inherited with $t=-1$ and $t=-5$ omitted. The sample is limited to “children” above the age of 18 and the sample is split by gender. Robustness checks will employ the imputation approach for staggered treatment developed by Borusyak et al. (2023). In this specification, the final group of heirs is dropped, as these do not have any not-yet-treated units as a comparison group. As there are no not-yet-treated units in later periods, the Borusyak method does not allow for longer run analysis and is therefore not the preferred estimation method.

Finally, to explore impacts of inheritance on labour supply, a triple difference specification is employed to disentangle the impact of parental loss from the wealth transfer, by comparing individuals based on the amount inherited, as follows:

$$Y_{i,t} = \tau_t + \lambda_i + \beta_1 post_{i,t} + \beta_2 post_{i,t} * female_i + \beta_3 post_{i,t} * highinheritance_i + \beta_4 post_{i,t} * female_i * highinheritance_i + C_{i,t} + \epsilon_{i,t} \quad (3)$$

where $Y_{i,t}$ = employment (extensive margin) and total income (from employment and self-employment), τ_t = year fixed effects, λ_i = individual fixed effects, $post_{i,t}$ = dummy equal to one after year of death and zero before, $highinheritance_i$ = dummy equal to one if an individual inherits above the 75th percentile of non-zero inheritances to children (roughly 100'000 SEK or 10'000 EUR) in the sample and zero otherwise, $C_{i,t}$ = age, age squared, both age variables interacted with *female* and number of children in the household. The sample is limited to “children” aged between 18 and 65 and includes those who inherit a null amount.

4 Results

This section begins by outlining the results of the specifications introduced in the previous section, first looking at aggregated wealth measures and then digging deeper into the asset types and presents a heterogeneity analysis by income bracket. It then explores the potential drivers of gender differences in the evolution of wealth in more detail. The subsequent part of this section investigates the impact of inheritance on the labour supply of women and men, using specification 3 to disentangle the impact of parental death from the wealth transfer and explores potential mechanisms.

4.1 Wealth accumulation

This section implements the two-way fixed effects estimation outlined above (equation 1), analysing the impacts of inheritance on wealth accumulation by gender. All variables have been transformed using the hyperbolic inverse sinh function, which is preferable to using logged values in instances where variables can take negative values (as is the case with net wealth). Table 3 confirms that inheritance increases net wealth for both genders (0.05 standard deviations for men and 0.06 for women⁶), but the impact is larger for daughters.⁷ This appears to be driven primarily by a jump in financial wealth, which increases more for daughters than

⁶ The independent variable is residualised with respect to the individual fixed effects and controls to isolate relevant variation in the treatment, as proposed in Mummolo and Peterson (2018).

⁷ The results are similar when excluding inheritances covered by a will (Appendix Table A) and excluding inheritances that indicate *intervivo* gifts above the taxable threshold in the ten years prior (Appendix Table B).

for sons (0.05 standard deviations for sons and 0.07 standard deviations for daughters). The dynamics differ, however, for real wealth, which increases more for sons than for daughters (0.02 standard deviations). This may be driven by differences in inheritances, whereby sons are more likely to inherit real wealth (Leopold & Schneider 2011), or because sons are likelier to use their inheritance to purchase real assets. Which is driving these results in the Swedish context is explored later in this section. Finally, men appear to reduce their debt more upon inheriting than women (0.02 standard deviations for men; 0.01 for women). The results suggest that women are less likely than men to experience an increase in real wealth upon inheriting and are more likely to store inheritance in financial wealth, a significant share of which is stored in bank deposits (approximately 38% on average across the sample) that deliver low returns over time (Nekoei & Seim 2023). More granular wealth portfolios are investigated later in the section in Table 4.

Table 3: Wealth effects

VARIABLES	(1) net wealth	(2) financial wealth	(3) real wealth	(4) debt
inherited	0.640*** (0.0231)	0.408*** (0.0112)	0.165*** (0.0114)	-0.113*** (0.0109)
inherited x female	0.0472* (0.0285)	0.192*** (0.0144)	-0.0451*** (0.0144)	0.0482*** (0.0138)
Linear combination	0.69***	0.60***	0.12***	-0.06***
Y mean - women	8.84	10.12	9.64	9.12
Individual FE	✓	✓	✓	✓
Year FE	✓	✓	✓	✓
Observations	2,291,462	2,291,462	2,291,462	2,291,462
R-squared	0.043	0.090	0.036	0.017
Number of individuals	257,984	257,984	257,984	257,984

Source: Belinda data set 2002-2004. Swedish wealth registry 1999-2007. Sample limited to children of the deceased above the age of 18 who receive a non-zero inheritance. All variables are transformed using the inverse hyperbolic sinh function. Real wealth covers physical assets, such as properties. Controls include age, age squared, and both interacted with the female dummy. Y mean is calculated in $t=-1$. Standard errors are clustered at the family level.

The following event studies depict the dynamics over time by gender, whereby the first observed period and the period before inheriting are omitted, such that the dynamics are to be interpreted in relative terms. Given that the event studies include year fixed effects and control for age and age squared, the results can be interpreted as changes in the wealth accumulation

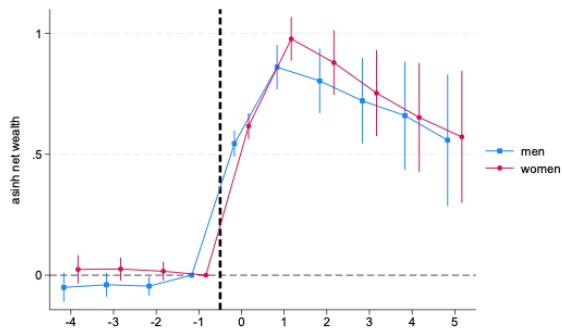
rate. Figures 3 shows the evolution of net wealth yearly in the four periods preceding and five succeeding the year of death for daughters and sons of the deceased. Figure 3.A. shows that, immediately after inheriting, net total wealth increases more for daughters than sons in relative terms, but the difference does not appear to be statistically significant. Delving into the components of net wealth, we see a larger relative increase in financial wealth (3.B) for women immediately after inheriting, yet five periods later, the gender difference appears statistically insignificant. Meanwhile, real wealth increases more for men and this divergence exacerbates over time (Figure 3.C). Figure 3.D indicates that inheritance decreases debt accumulation in the short run, but again the impact does not seem permanent and there is no statistically significant gender difference.⁸ The dynamics for net wealth and financial wealth are similar when running a joint regression (Appendix Figure B), while for real wealth the gender difference appears less pronounced. We, however, prefer the split sample approach, as it allows for covariates and fixed effects to vary by gender (Small 2024). The gendered dynamics also appear similar when we restrict the sample to unmarried⁹ individuals (Appendix Figure C) or to mixed gender families, i.e. families with at least one daughter and one son (Appendix Figure D).

⁸ These results are consistent with those from the imputation method of Borusyak et al. (2023), which accounts for dynamic effects (Appendix tables C and D).

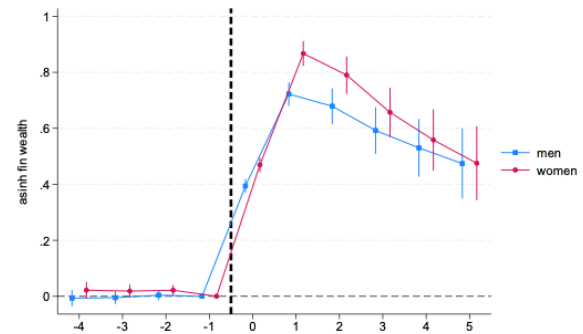
⁹ This does not include divorced or widowed individuals or those in registered partnerships.

Figure 3: Event studies by gender

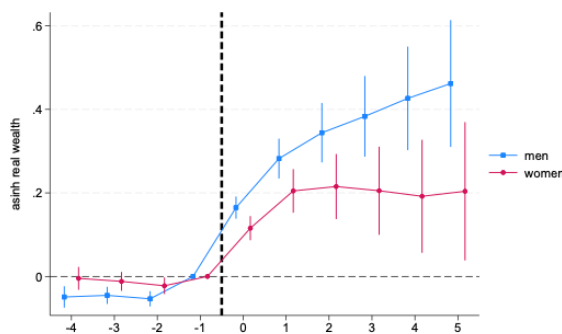
A Total net wealth



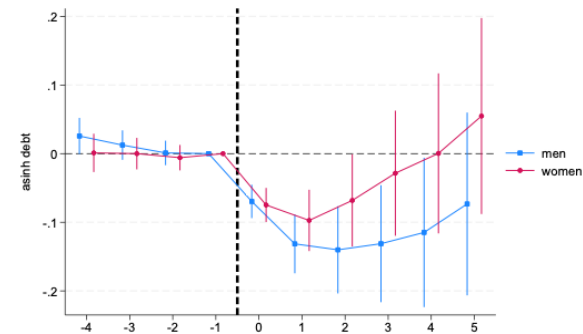
B Financial wealth



C Real wealth



D Debt



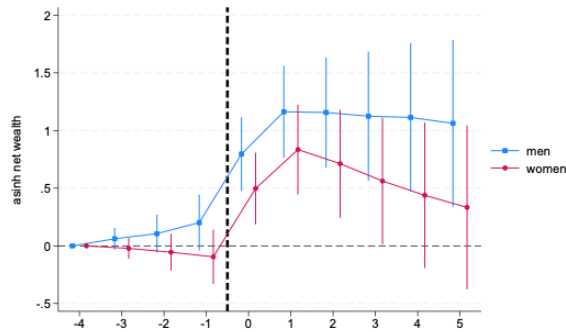
Source: Belinda data set 2002-2004. Swedish wealth registry 1999-2007. Sample limited to children of the deceased above the age of 18 and with above zero inheritance. All variables are transformed using an inverse hyperbolic sinh function. Real wealth covers physical assets, such as properties. $T=0$ indicates the year of death. Periods $t=-1$ and $t=-5$ are omitted. Individual and yearly fixed effects are included and the regressions control for age and age squared.

It is conceivable that heirs may adjust their wealth portfolios in anticipation of receiving inheritance. To allow for such anticipation effects, the following set of event studies use five and four years prior to inheritance as the base years (as opposed to the $t=-1$ and $t=-5$). Figure 4.A suggests that there are no clear anticipation effects, although men are already enjoying a gradual acceleration in wealth accumulation leading up to inheritance. This approach, which tracks longer term wealth accumulation trajectories rather than narrowly identifying jumps in wealth after inheriting, indicates no statistically significant difference in the coefficients by gender. Yet it appears that men's wealth accumulation trajectory remains higher five years after inheriting compared to five years prior. For women, wealth accumulation five years after inheriting is not significantly different from five years prior, despite the short-run boost from inheritance. Figure 4.B shows no statistically significant gender difference in the impact of inheritance on longer-term financial wealth accumulation trajectories, although five years later the impact on financial wealth for women is not significantly higher, whilst this is the case for

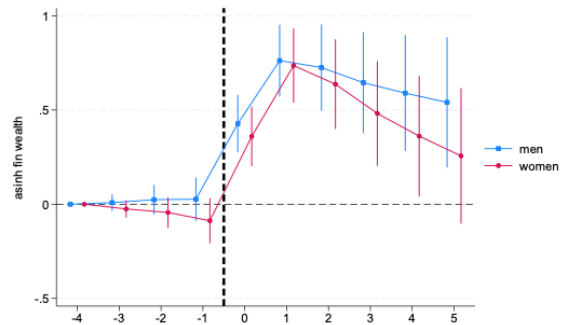
men. Figure 4.C. illustrates that men are accumulating real wealth prior to inheriting; inheritance may enable an acceleration of this process, but this is not clearly discernable from pre-trends. For women, meanwhile, inheritance boosts real wealth accumulation only in the short run. Figure 4.D. appears to mirror 4.C. perhaps because men are using their inheritances to pay off loans on real assets. Overall, these figures imply that inheritance allows men to boost their already growing wealth, whilst for women, inheritance may provide a relative boost in the short run, but this is not enough to counter the diverging wealth accumulation processes. Whether the heterogeneity in patterns of wealth accumulation by gender can be explained by structural disadvantages faced by women or differences in liquidity preferences, investment choices or financial literacy should be examined in more detail in future research.

Figure 4: Event studies by gender (omitting $t=-4$ and $t=-5$)

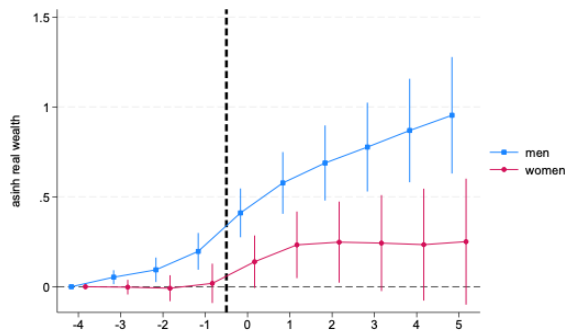
A Total net wealth



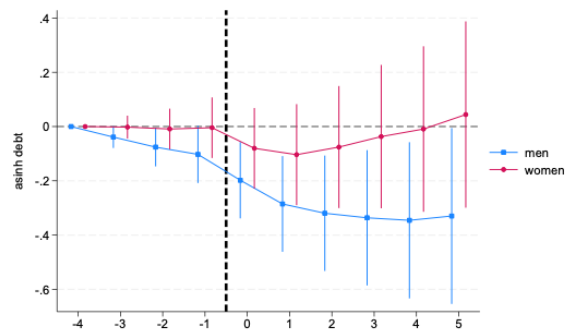
B Financial wealth



C Real wealth



D Debt



Source: Belinda data set 2002-2004. Swedish wealth registry 1999-2007. Sample limited to children of the deceased above the age of 18 and with above zero inheritance. All variables have been transformed using an inverse hyperbolic sinh function. Real wealth covers physical assets, such as properties. $T=0$ indicates the year of death. The first two periods observed ($t=-5$ and $t=-4$) are omitted. Individual and yearly fixed effects are included and the regressions control for age and age squared.

The next set of results analyses the impacts on more granularly disaggregated wealth portfolios. Existing literature suggests that women are more likely to hold their wealth in assets with lower returns, such stocks and cash, compared to men who have a greater share in real estate (Smith 1974, Sedo & Kossoudji 2004, Watson & McNaughton 2007, Chang 2010). This may be explained by differences in earnings, which result in women being denied mortgages to purchase property, such that women have less scope to benefit from long-term rises in housing prices (Meriküll et al. 2021). Table 4 indicates that the wealth held in real estate increases significantly more for sons (0.02 standard deviations¹⁰) than daughters (0.01 standard deviations).¹¹ For agricultural property, there is no statistically significant gender difference.

¹⁰ The independent variable is residualised with respect to the individual fixed effects and controls to isolate relevant variation in the treatment, as proposed in Mummolo and Peterson (2018).

¹¹ These effects are similar when using the computation method of Borusyak et al. 2023. Results can be found in Appendix tables E and F.

Meanwhile, women experience a larger increase in cash stored in bank accounts (0.04 standard deviations for men, 0.06 for women) and bonds (0.03 standard deviations for men and 0.04 for women). Finally, men see larger increases in fixed income funds (0.04 standard deviations for men, 0.03 for women). Overall, it appears women see larger increases in defensive assets, which are less likely to accrue value over time and are easier to deplete, and men in growth assets, such as real estate.

Table 4: Wealth portfolios

VARIABLES	(1) own home value	(2) ag property value	(3) cash	(4) fixed income fund	(5) bonds
inherited	0.108*** (0.0109)	0.062*** (0.006)	0.432*** (0.0169)	0.316*** (0.011)	0.155*** (0.0107)
inherited x female	-0.037*** (0.0135)	-0.005 (0.007)	0.225*** (0.0218)	-0.01*** (0.0149)	0.037*** (0.014)
Linear combination	0.07***	0.06***	0.66***	0.216***	0.19***
Y mean - women	5.89	1.08	7	1.71	1.35
Individual FE	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓
Observations	2,291,462	2,291,462	2,291,462	2,291,462	2,036,786
R-squared	0.022	0.009	0.04	0.0215	0.0088
Number of individuals	257,984	257,984	257,984	257,984	257,851

Source: Belinda data set 2002-2004. Swedish wealth registry 1999-2007. All variables have been transformed using the inverse hyperbolic sinh function. Own home value is the gross value excluding mortgages and is valued based on tax returns and municipal house prices. Controls include age and age squared, and both interacted with the female dummy. Y mean is calculated in $t=-1$. Sample limited to children of the deceased above the age of 18 and with above zero inheritance. Standard errors are clustered at the family level.

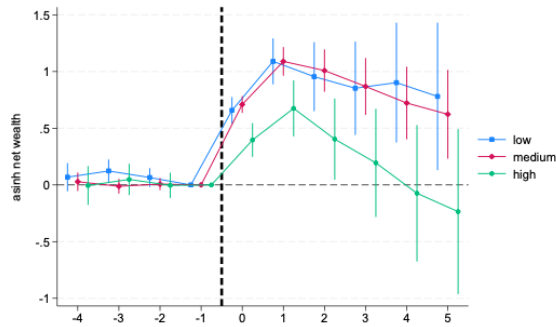
4.2 Heterogeneity analysis by income

This section further investigates heterogeneity to ascertain which women benefit the most from inheritance. We run heterogeneity analysis along income lines, whereby individuals are divided into three income groups based on their total income (from employment and self-employment) in the year before inheritance, as follows: low (below 25th percentile including zero), medium (between the 25th and 75th percentile) and high (above the 75th percentile). The sample is to the working age population (18-65 years old). Figure 5 shows that inheritance leads to particularly large increases in net wealth for women in the low to medium income brackets and, for these

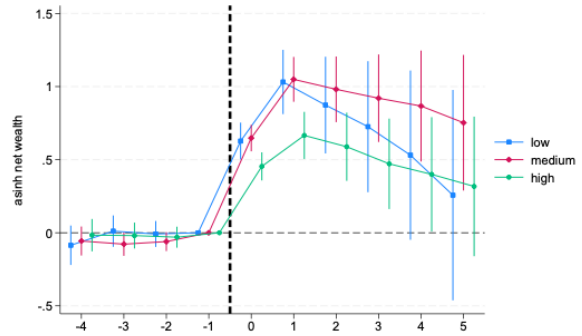
groups, the effect on net total wealth remains significantly higher five periods later. For men the same is true only for the middle-income bracket. Gender differences influence the factors contributing to lower earnings and decisions to exit the labour market. Women are more likely than men to reduce their labour supply in the market economy in order to dedicate their labour to home production. The results suggest that wealth transfers to women primarily engaged in unpaid domestic work may meaningfully boost their wealth accumulation.

Figure 5: Net total wealth – heterogeneity by income class

A Women



B Men



Source: Belinda data set 2002-2004. Swedish wealth registry 1999-2007. Sample limited to children of the deceased between the ages of 18 and 65 with above zero inheritance. Total net wealth has been transformed using an inverse hyperbolic sinh function. *Low* indicates total income (from employment and self-employment) below the 25th percentile in the year before inheriting, *medium* between the 25th and 75th percentile and *high* above the 75th percentile. T=0 indicates the year of death. Period t=-5 and t=-1 are omitted. Individual and yearly fixed effects are included and the regressions control for age and age squared.

4.3 Mechanisms – gender differences in wealth accumulation

As mentioned above, the larger increase in real wealth for sons may be explained by sons being more likely to inherit real wealth than daughters. Given that the data does not disaggregate inheritance into types of wealth, the following analysis provides suggestive evidence that real wealth is not passed on differentially by gender. We use parents' real wealth in the period before death as a predictor for growth in real wealth of children in the period immediately afterwards, comparing sisters and brothers as follows:

$$Y_{i,t} = \tau_t + \lambda_f + \beta_1 post_{i,t} + \beta_2 female + \beta_3 realwealth_{p,t-1} + \beta_3 post_{i,t} * female_i + \beta_4 post_{i,t} * realwealth_{p,t-1} + \beta_6 post_{i,t} * female_i * realwealth_{p,t-1} + C_{i,t} + \epsilon_{i,t} \quad (4)$$

where λ_f are family level fixed effects and $realwealth_{p,t-1}$ is the real wealth of the deceased in the year before death. The sample is restricted to those above 18 who inherit a positive amount and whose parent had above zero real wealth in the year before death. The time horizon is restricted to one year after inheritance and standard errors are clustered at the family level. β_5 indicates whether real wealth of parents is differentially passed on to daughters compared to sons. Table 5 confirms a positive relationship between real wealth of children after inheriting and the real wealth of their parent in the year prior. The triple interaction term, however, is insignificant, which implies that real wealth of parents is not passed on differentially by gender. Consequently, the larger increase in real wealth for men outlined above is likely to be driven by difference in how inheritance is invested, rather than unequal distribution of inheritances.

Table 5: Transmission of real wealth

VARIABLES	(1) real wealth
inherited	-1.511*** (0.173)
inherited x parent real wealth in t-1	0.135*** (0.0128)
female	-0.224 (0.808)
female x parent real wealth in t-1	0.134*** (0.0379)
inherited x female	-0.0333 (0.243)
inherited x female x parent real wealth in t-1	0.0128 (0.0179)
Y mean - female	9.5
Family FE	✓
Year FE	✓
Observations	533,173
R-squared	0.488

Source: Belinda data set 2002-2004. Swedish wealth registry 1999-2005. Real wealth has been transformed using the inverse hyperbolic sinh function. Y mean is calculated in $t=-1$. Sample limited to children of the deceased above the age of 18 who inherit above zero and whose parent had above zero real wealth in the period before dying. Individuals who inherit multiple times in the sample period are dropped. The time horizon is restricted to 1 year after death. The regression controls for age, age squared, and both age variables interacted with the female dummy. Standard errors are clustered at the family level.

Differences in investment choices between men and women may be explained by women's lower wealth levels acting as a barrier to property ownership, underlying preferences, different investment advice (Nelson 2015), or a combination of these factors. To further investigate the nature of these differences the final part of this section compares wealth portfolio changes of young heirs (under 30), a cohort for whom large differences in wealth have not yet accumulated. Table 6 confirms that the gender wealth gap for this group is much smaller than for the working age sample. One may attribute this to lower levels of gender inequality for younger generations in general, however, the differences in labour income appear to be of similar magnitude, suggesting this group is not inherently more gender equal. Comparing Table 4 with Table 7 reveals that gender differences in the effects of inheritance on wealth portfolios are less pronounced among this younger cohort, with younger women being no less likely than their male counterparts to hold their wealth in real estate. This can be taken as suggestive evidence that gender differences in investment choices are not intrinsically determined but crystallise as a function of diverging access to wealth.

Table 6: Gender Gaps – young v. working age direct descendants, year before inheriting.

	(1) Working age (18-64)	(2) Young sample (18-29)
Net total wealth gap	25%	2%
Total income gap	29%	28%
N	232,683	8,160

Source: Swedish wealth registry 1999-2005. All variables have been winsorised (top and bottom 1% for net total wealth and top 1% for total income). Gender gaps are calculated using mean values in the year before inheriting. Sample limited to children of the deceased with above zero inheritances.

Table 7: Wealth portfolios – young sample (18-29)

VARIABLES	(1) own home value	(2) ag property value	(3) cash	(4) fixed income fund	(5) bonds
inherited	0.453*** (0.0804)	0.201*** (0.0389)	1.311*** (0.105)	0.436*** (0.0636)	0.20*** (0.0534)
inherited x female	-0.021 (0.099)	-0.008 (0.048)	0.455*** (0.1415)	-0.042 (0.0897)	0.016 (0.0735)
Linear combination	0.43***	0.19***	1.767***	0.39***	0.216***
Y mean - women	1.9	0.37	4.89	1.17	0.82
Individual FE	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓
Observations	67,994	67,994	67,994	67,994	56,527
R-squared	0.037	0.0015	0.013	0.003	0.0005
Number of individuals	14,015	14,015	14,015	14,015	12,356

Source: Belinda data set 2002-2004. Swedish wealth registry 1999-2007. All variables have been transformed using the inverse hyperbolic sinh function. Controls include age, age squared, and both variables interacted with the female dummy. Y mean is calculated in $t=-1$. Sample limited to children of the deceased above the age of 18 and under 30. Standard errors are clustered at the family level.

4.5 Labour impacts

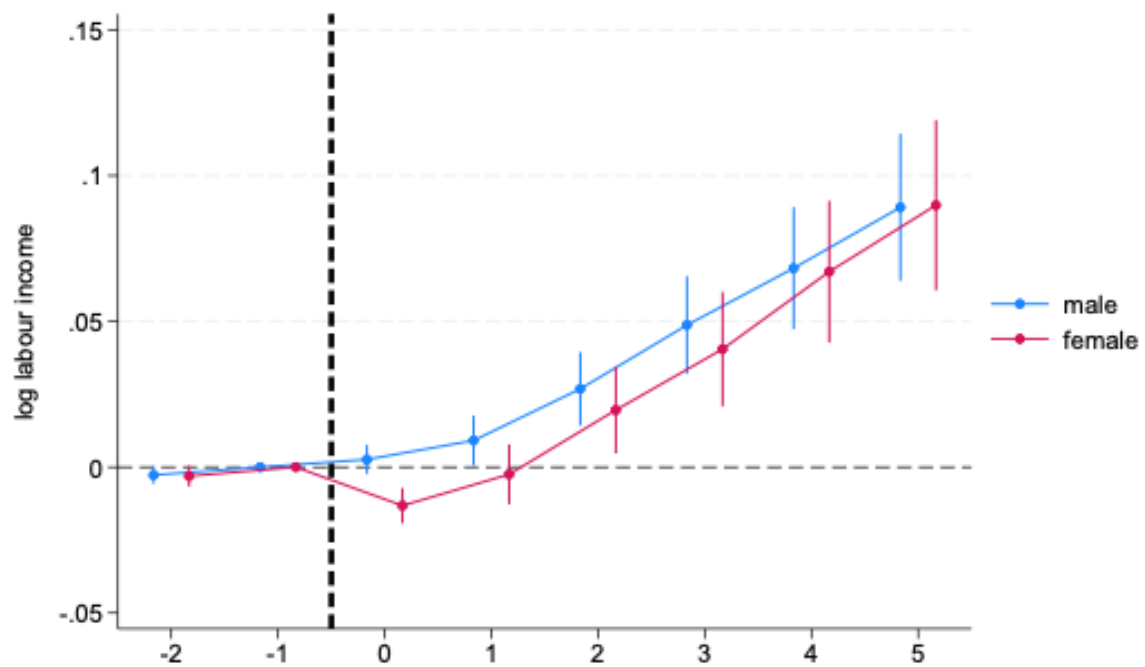
The transfer of wealth between generations can alter heirs' incentives to work, leading to adverse effects on productivity and tax collection. The dampening effect of inheritance on work effort – the so-called Carnegie effect – is well documented in the literature (e.g. Holtz-Eakin et al. 1993, Cox 2014) and has been shown to hold in Sweden (Elinder et al. 2012). Yet there is no consensus in the literature whether this effect is stronger for men or women; Belloc et al. (2023), Bø et al. 2019, Doorley and Pestel (2016) and Niizeki and Hori (2019), for example, document a larger labour decline for women, whilst Ling (2022) finds the opposite. Moreover, this literature does not clearly differentiate between the effect of losing a relative and the positive wealth shock. Given women's disproportionate share of care work in an economy, it is conceivable that the loss of a parent may influence labour supply decisions. For example, Vangen (2019) finds that caring for parents has a negative impact on children's labour supply in the period around parental death and Jensen and Zhang (2024) attribute this partly to shifts in care work. This section implements specification 3 outlined in section 3 to disentangle the impact of parental death on paid labour supply from the positive wealth shock. Given that

Sweden has a tax-based universal coverage for eldercare (Swedish Institute 2024), the results of this section may be considered a lower bound estimate for other countries, which rely more heavily on informal care provision.

Figure 7 depicts the evolution of income over time for all heirs, including those with zero inheritance. There appears to be a decline in the labour supply only for women. However, these results reflect adjustments triggered by the positive wealth shock and the loss of a parent combined. The regression results in Table 8, therefore, disentangle these two effects. The coefficient of *post* can be interpreted as the labour impact of parental death, while the interaction term between *post* and *high* is the additional impact of inheriting a substantial amount and can therefore be interpreted as the Carnegie effect. The respective interaction terms with *female* indicate whether these impacts differ significantly by gender. The triple interaction term indicates a lower decline in labour income for women (extensive margin: 0.003 standard deviations¹², intensive margin: 0.01 standard deviations) than for men (extensive margin: 0.01 standard deviations, intensive margin: 0.02 standard deviations), once the impact of inheritance is isolated from the parental death effect. These results suggests that previous research outlining a larger labour supply decline for women after inheriting may be confounding the impact of losing a relative with the impact of inheritance per se.

¹² The independent variable is residualised with respect to the individual fixed effects and controls to isolate relevant variation in the treatment, as proposed in Mummolo and Peterson (2018).

Figure 7: Total income (whole sample)



Source: Belinda data set 2002-2004 and longitudinal integrated database for health insurance and labour market studies (LISA) 1999-2009. Total income includes income from self-employment. Sample limited to children of the deceased between the ages of 18 and 65 and includes those with zero inheritances. T=0 indicates the year of death. Periods $t=-1$ and $t=-3$ are omitted. Individual and yearly fixed effects are included. Controls include age, age squared and number of children in the household.

Table 8: Labour impacts

VARIABLES	(1) employment (extensive margin)	(3) log total income (intensive margin)
post	8.95e-05 (0.000716)	-0.00894*** (0.00242)
post x high inheritance	-0.00389*** (0.00134)	-0.0270*** (0.00441)
post x female	-0.00263*** (0.000913)	-0.0208*** (0.00325)
post x female x high inheritance	0.00455** (0.00194)	0.0124* (0.00650)
post + post x female	-0.003***	-0.03***
post x high inheritance + post x high inheritance x female	0.001	-0.015***
Y mean - women	0.85	11.88
Individual FE	✓	✓
Year FE	✓	✓
Observations	3,312,373	2,832,453
R-squared	0.026	0.036

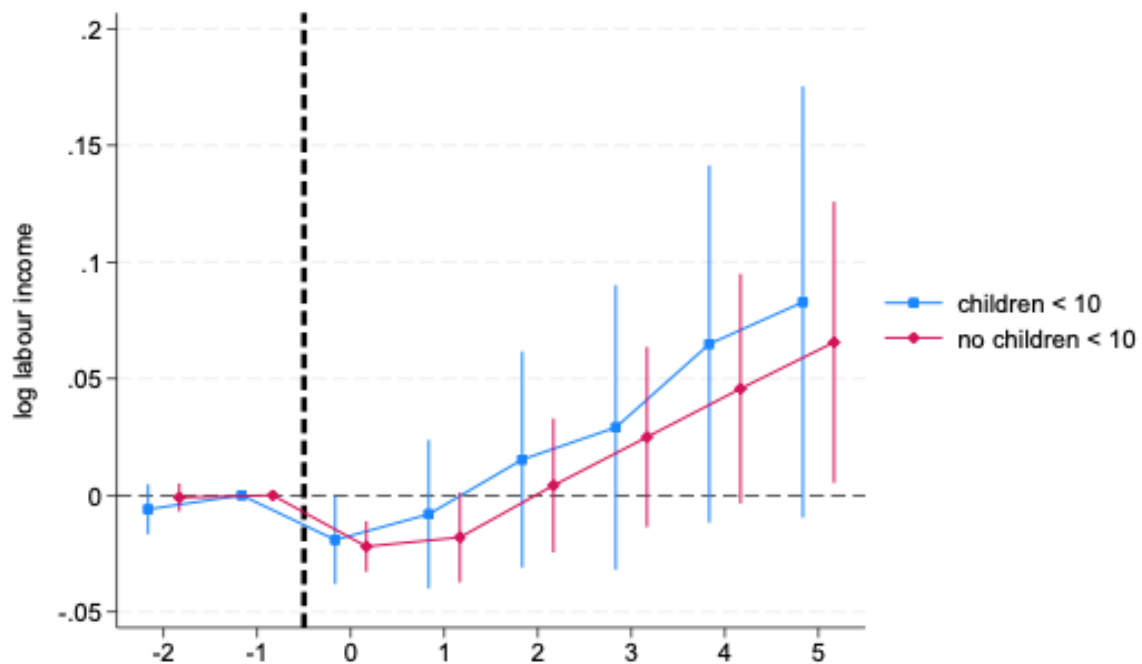
Source: Belinda data set 2002-2004 and longitudinal integrated database for health insurance and labour market studies (LISA) 1999-2009. High is a dummy variable equal to 1 if an individual inherited above the 75th percentile of inheritances and zero otherwise. Total income includes income from self-employment. Y mean is calculated in $t=-1$. The sample is limited to children of the deceased above the age of 18 and under 65 and includes those with zero inheritance. Controls include age, age squared, both age variables interacted with the female dummy and number of children in the household. Standard errors are clustered at the family level.

5 Mechanisms – gender differences in labour adjustments

Two obvious reasons the death of a parent may result in extra care responsibility are, firstly, that the parent may have provided childcare to grandchildren for which new arrangements must be found and, secondly, that, in the case where there is a surviving parent, children are providing extra care for the surviving spouse (Jensen & Zhang 2024). In the former situation, the results should be driven by individuals who have young children in the household. However, when comparing daughters with children under 10 in the household to daughters without children (Figure 8), the coefficients appear similar in magnitude and, if anything, the decline in labour income appears more precisely estimated for daughters without children under 10.¹³ These findings suggest the effects are not driven by a decline in childcare provision.

¹³ Results for men can be found in appendix Figure F.

Figure 8: Heterogeneity by children under 10 in the household (female sample)



Source: Belinda data set 2002-2004 and longitudinal integrated database for health insurance and labour market studies (LISA) 1999-2009. Sample limited to daughters of the deceased between the ages of 18 and 50. Logged total income includes income from employment and self-employment. $T=0$ indicates the year of death. Periods $t=-1$ and $t=-5$ are omitted. Individual and yearly fixed effects are included. Controls include age and age squared.

Seeking evidence for the second driver, Figure 9 shows heterogeneity analysis based on the marital status of the parent (married or widowed)¹⁴. The assumption is that additional care work is most likely to arise in cases where the deceased parent was married, meaning that there is a surviving partner who may need additional care. Given that direct descendants of deceased are more likely to inherit when their deceased parent is widowed, we additionally split the sample by inheritance amount, whereby the high inheritance group is defined the same as in specification 3 above, i.e. having inherited above the 75th percentile, or approximately 10'000 EUR. For both groups, we see a statistically significant drop in income for those whose parents were married. This suggestive evidence supports the conjecture that labour supply reductions for women around the time they lose a parent may be driven by increased elder care responsibilities.

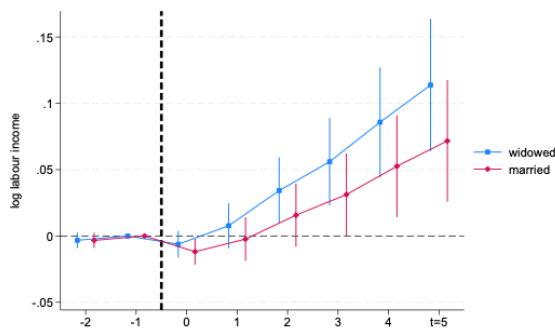
Interestingly, labour supply appears to increase over the medium run for the low-inheritance group. We suggest two potential explanations for this. Firstly, daughters who inherit a

¹⁴ Figure E in the appendix shows the equivalent graphs for men.

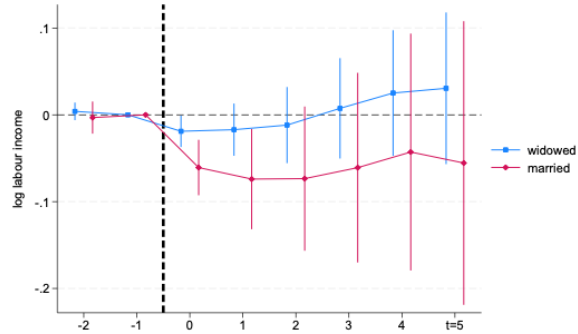
significant amount are likelier to come from higher socio-economic backgrounds meaning they can outsource care responsibilities more easily. Meanwhile, for the daughters from lower socio-economic backgrounds, the death of a parent may reduce care responsibilities, freeing time for paid work. Moreover, women who inherit less may have more pressure to earn additional money, especially considering gender pension gaps.

Figure 9: Heterogeneity by marital status of parent (female sample)

A Low inheritance



B High inheritance



Source: Belinda data set 2002-2004 and longitudinal integrated database for health insurance and labour market studies (LISA) 1999-2009. Sample limited to daughters of the deceased between the ages of 18 and 65. Logged total income includes income from employment and self-employment. High is a dummy variable equal to 1 if an individual inherited above the 75th percentile of inheritances and zero otherwise. *Widow* and *married* refer to the marital status of the deceased the year before passing away. $T=0$ indicates the year of death. Periods $t=-1$ and $t=-5$ are omitted. Individual and yearly fixed effects are included. Controls include age and age squared.

5. Discussion and conclusion

This paper has explored the gender impacts of inheritance on wealth accumulation and labour supply using detailed registry data. Specifically, the paper investigates the impact of inheritance on children of the deceased, who are more likely to inherit while they are economically active and for whom the legal default in Sweden is for inheritance to be distributed equally. The results presented indicate that inheritance does increase women's net wealth more in relative terms, but the difference is small and disappears over time. Disaggregating wealth portfolios into real and financial wealth suggests that inheritance leads to a larger increase in defensive assets for women and growth assets for men. Taking parental wealth as a predictor for children's wealth post inheriting suggests that these differences are driven by children's investment choices rather than sons inheriting more real wealth. Heterogeneity analysis indicates that inheritance is particularly beneficial for the wealth accumulation of poorer women, suggesting that wealth transfers may be an effective tool to boost wealth accumulation for this group of women.

Exploration into the labour responses of heirs' sheds light onto existing literature on Carnegie effects by gender. For men, the positive wealth shock of inheritance appears to be the main driver behind the decrease in labour after inheriting. We propose that, for women, the reduction in labour supply is a more complex interplay between changes in the volume of unpaid work associated with losing a relative and the positive wealth shock. Heterogeneity analysis shows that the decrease in labour supply of women is stronger in cases where there is a surviving spouse, perhaps due to increased caring responsibilities. In addition, given women's lower pre-existing wealth and pensions, they may have less scope to reduce their labour supply to consume more leisure, explaining the lower Carnegie effect.

In conclusion, inheritance makes up a larger share of women's pre-existing wealth and, as such, may decrease gender wealth gaps in the short term, however, on average, inheritance does not appear to permanently alter gender differences in wealth accumulation trajectories. In addition, results suggest that women reduce their labour supply not to consume more leisure but to fill care gaps created by parental death. This underscores that a more equitable distribution of care work is central to addressing all economic gender gaps.

Appendix

Table A: Wealth effects – excluding heirs with wills

VARIABLES	(1) net total wealth	(2) financial wealth	(3) real wealth	(4) debt
inherited	0.604*** (0.0255)	0.391*** (0.0124)	0.163*** (0.0124)	-0.113*** (0.0119)
inherited x female	0.0476 (0.0315)	0.182*** (0.0160)	-0.0645*** (0.0157)	0.0517*** (0.0151)
Linear combination	0.65***	0.57***	0.1***	-0.06***
Y mean	8.72	9.97	9.94	9.59
Individual FE	✓	✓	✓	✓
Year FE	✓	✓	✓	✓
Observations	1,873,984	1,873,984	1,873,984	1,873,984
R-squared	0.041	0.088	0.033	0.016
Number of individuals	210,872	210,872	210,872	210,872

Source: Belinda data set 2002-2004. Swedish wealth registry 1999-2007. Sample limited to children of the deceased above the age of 18 who receive non-zero inheritance which are not covered by a will. All variables are transformed using the inverse hyperbolic sinh function. Standard errors are clustered at the family level. Controls include age, age squared, and both interacted with the female dummy.

Table B: Wealth effects – excluding inheritances with previous gifts

VARIABLES	(1) net total wealth	(2) financial wealth	(3) real wealth	(4) debt
inherited	0.652*** (0.0241)	0.404*** (0.0117)	0.17*** (0.0118)	-0.107*** (0.0113)
inherited x female	0.0460 (0.0298)	0.192*** (0.0151)	-0.0432*** (0.0150)	0.0492*** (0.0142)
Y mean	8.73	10.01	9.98	9.73
Individual FE	✓	✓	✓	✓
Year FE	✓	✓	✓	✓
Observations	2,139,390	2,139,390	2,139,390	2,139,390
R-squared	0.043	0.090	0.036	0.017
Number of individuals	242,216	242,216	242,216	242,216

Source: Belinda data set 2002-2004. Swedish wealth registry 1999-2007. Sample limited to children of the deceased above the age of 18 who receive non-zero inheritance which do not include previous intervivo-gifts above the taxable threshold in the ten years prior. All variables are transformed using the inverse hyperbolic sinh function. Standard errors are clustered at the family level. Controls include age, age squared and both variables interacted with the female dummy.

Table C: Wealth effects using imputation method (Borusyak et al. 2023) - women

VARIABLES	(1) net wealth	(2) fin wealth	(3) real wealth	(4) debt
inherited	0.74*** (0.029)	0.61*** (0.014)	0.13*** (0.017)	-0.09*** (0.014)
FE	ind, year	ind, year	ind, year	ind, year
Observations	629,812	629,812	629,812	629,812

Source: Belinda dataset 2002-2004 and Swedish wealth registry 1999-2007. All variables are transformed using an inverse hyperbolic sinh function. Sample limited to children of the deceased above 18. Standard errors are clustered at the family level. Controls include age and age squared.

Table D: Wealth effects using imputation method (Borusyak et al. 2023) - men

VARIABLES	(1) net wealth	(2) fin wealth	(3) real wealth	(4) debt
inherited	0.64*** (0.029)	0.50*** (0.014)	0.20*** (0.015)	-0.08*** (0.013)
FE	ind, year	ind, year	ind, year	ind, year
Observations	645,832	645,832	645,832	645,832

Source: Belinda dataset 2002-2004 and Swedish wealth registry 1999-2007. All variables are transformed using an inverse hyperbolic sinh function. Sample limited to children of the deceased above 18. Standard errors are clustered at the family level. Controls include age and age squared.

Table E: Wealth portfolio effects imputation method (Borusyak et al. 2023) - women

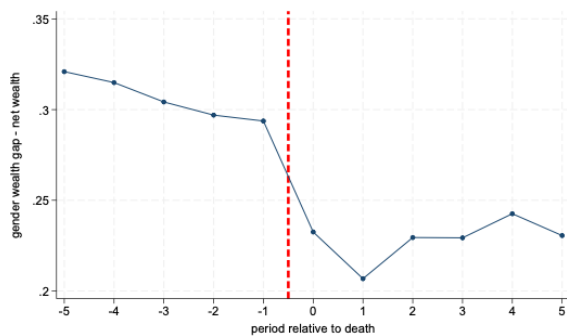
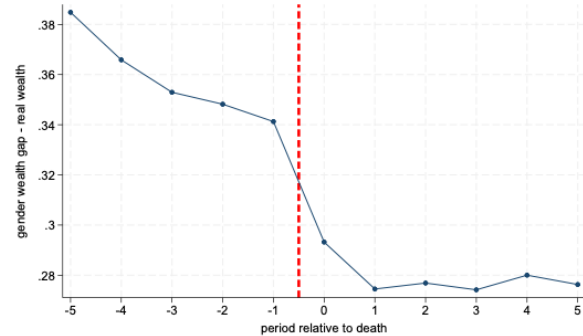
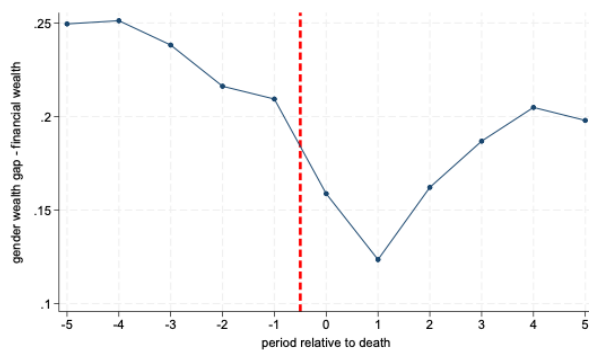
VARIABLES	(1) own home value	(2) ag property value	(3) cash	(4) fixed income fund	(5) bonds
inherited	0.09*** (0.0149)	0.063*** (0.007)	0.648*** (0.020)	0.380*** (0.013)	0.256*** (0.011)
FE	ind, year	ind, year	ind, year	ind, year	ind, year
Observations	629,812	629,812	629,812	629,812	629,812

Source: Belinda dataset 2002-2004 and Swedish wealth registry 1999-2007. All variables are transformed using an inverse hyperbolic sinh function. Sample limited to children of the deceased above 18. Standard errors are clustered at the family level. Controls include age and age squared.

Table F: Wealth portfolio effects imputation method (Borusyak et al. 2023) - men

VARIABLES	(1) own home value	(2) ag property value	(3) cash	(4) fixed income fund	(5) bonds
inherited	0.116*** (0.015)	0.082*** (0.0077)	0.525*** (0.019)	0.293*** (0.011)	0.167*** (0.011)
FE	ind, year	ind, year	ind, year	ind, year	ind, year
Observations	645,832	645,832	645,832	645,832	645,832

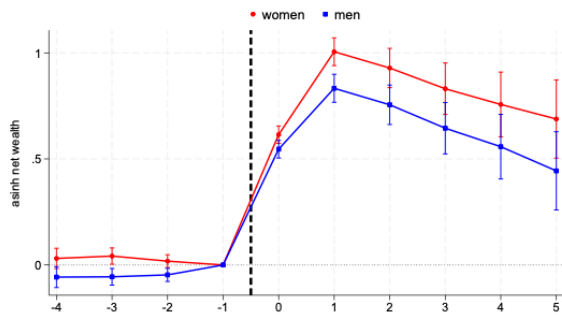
Source: Belinda dataset 2002-2004 and Swedish wealth registry 1999-2007. All variables are transformed using an inverse hyperbolic sinh function. Sample limited to children of the deceased above 18. Standard errors are clustered at the family level. Controls include age and age squared.

Figure A: Gender wealth gap pre and post inheritance – all heirs**A** Net total wealth gap**B** Real wealth gap**C** Financial wealth gap

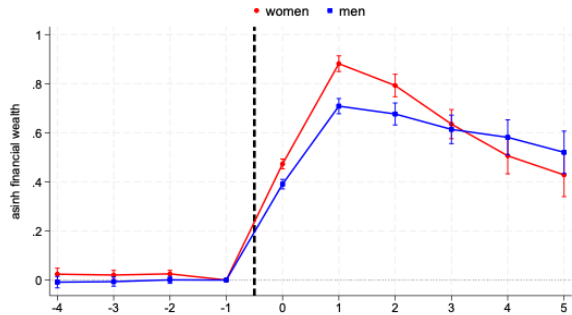
Source: Swedish wealth registry 1999-2007. The sample is limited to heirs above the age of 18 with above zero inheritance and excludes heirs who die within the observation period. The gap is calculated as follows: $1 - \text{mean}(\text{women}) / \text{mean}(\text{men})$. Real wealth covers physical assets, such as properties.

Figure B: Event studies by gender – joint regression

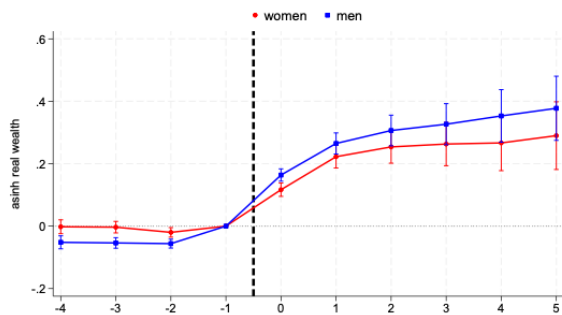
A Total net wealth



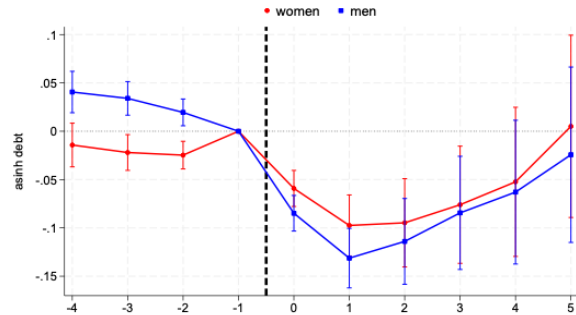
B Financial wealth



C Real wealth



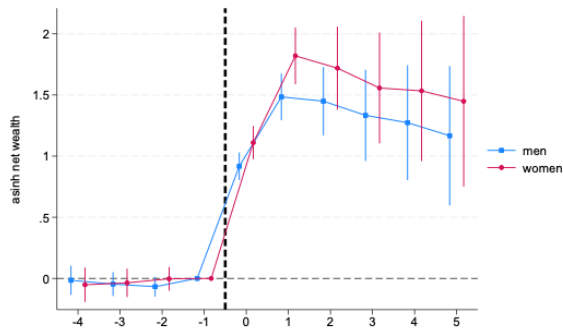
D Debt



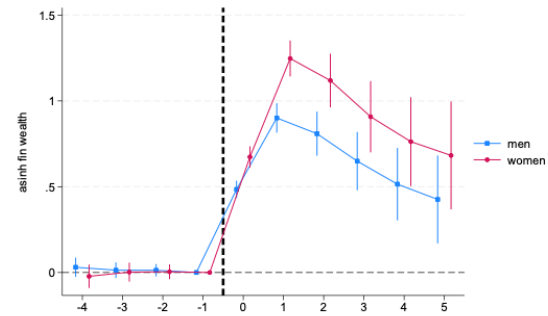
Source: Belinda data set 2002-2004. Swedish wealth registry 1999-2007. Results based on a joint regression, plotting the linear combination terms for women. Sample limited to children of the deceased above the age of 18, with above zero inheritance. All variables are transformed using an inverse hyperbolic sinh function. Real wealth covers physical assets, such as properties. T=0 indicates the year of death. Periods $t = -1$ and $t = -5$ are omitted. Individual and yearly fixed effects are included and the regressions control for age, age squared and both age variables interacted with the female dummy.

Figure C: Event studies by gender – unmarried sample

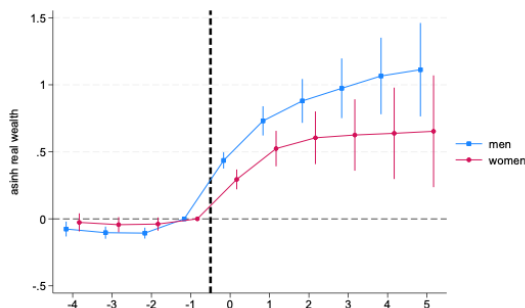
A Total net wealth



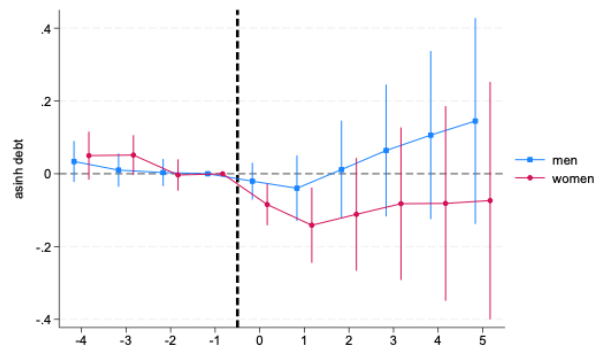
B Financial wealth



C Real wealth



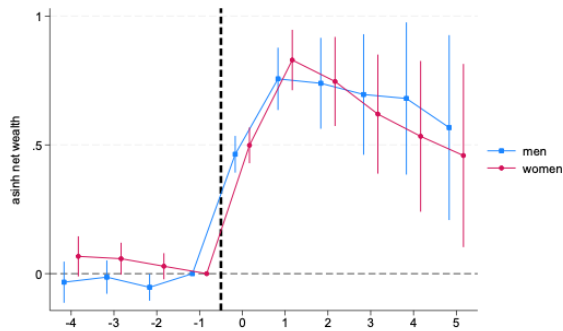
D Debt



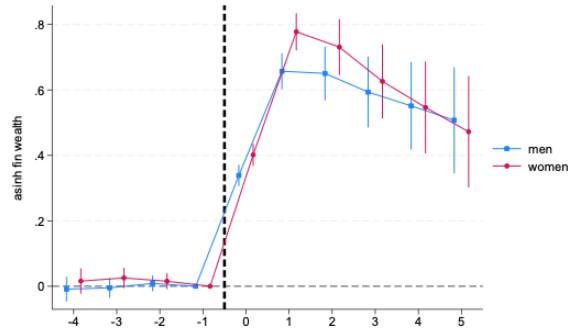
Source: Belinda data set 2002-2004. Swedish wealth registry 1999-2007. Sample limited to children of the deceased above the age of 18, with above zero inheritance and who are unmarried (excluding divorced). All variables are transformed using an inverse hyperbolic sinh function. Real wealth covers physical assets, such as properties. $T=0$ indicates the year of death. Periods $t=-1$ and $t=-5$ are omitted. Individual and yearly fixed effects are included and the regressions control for age and age squared.

Figure D: Event studies by gender – mixed families

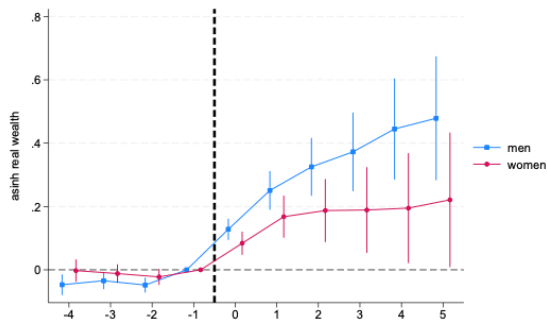
A Total net wealth



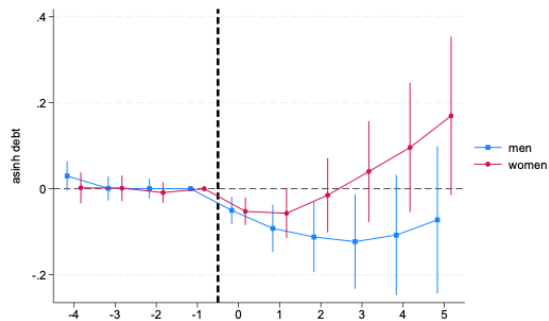
B Financial wealth



C Real wealth

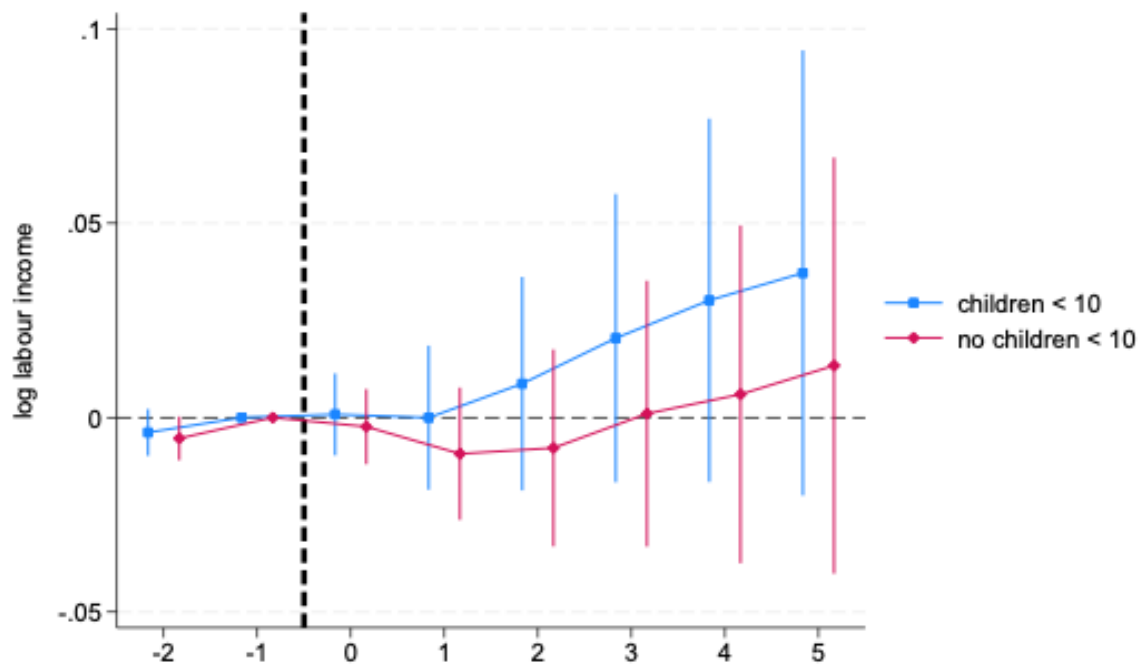


D Debt



Source: Belinda data set 2002-2004. Swedish wealth registry 1999-2007. Sample limited to children of the deceased above the age of 18, with above zero inheritance in mixed gender families, i.e. with at least one son and one daughter. All variables are transformed using an inverse hyperbolic sinh function. Real wealth covers physical assets, such as properties. T=0 indicates the year of death. Periods $t=-1$ and $t=-5$ are omitted. Individual and yearly fixed effects are included and the regressions control for age and age squared.

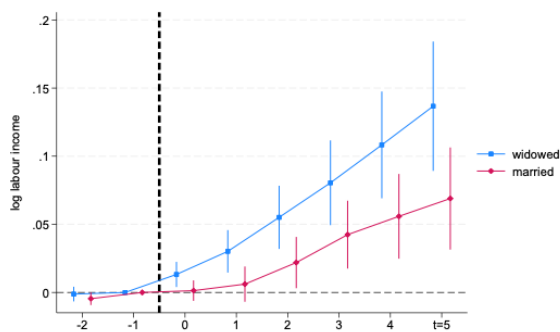
Figure E: Heterogeneity by children under 10 in the household (male sample)



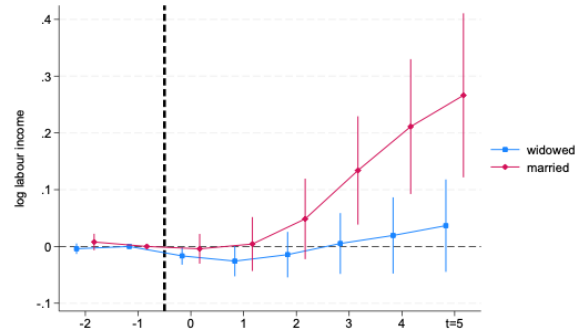
Source: Belinda data set 2002-2004 and longitudinal integrated database for health insurance and labour market studies (LISA) 1999-2009. Sample limited to sons of the deceased between the ages of 18 and 50. Logged total income includes income from employment and self-employment. $T=0$ indicates the year of death. Periods $t=-1$ and $t=-5$ are omitted. Individual and yearly fixed effects are included. Controls include age and age squared.

Figure F: Heterogeneity by marital status of parent (male sample)

A Low inheritance



B High inheritance



Source: Belinda data set 2002-2004 and longitudinal integrated database for health insurance and labour market studies (LISA) 1999-2009. Sample limited to sons of the deceased between the ages of 18 and 65. Logged total income includes income from employment and self-employment. High is a dummy variable equal to 1 if an individual inherited above the 75th percentile of inheritances and zero otherwise. *Widow* and *married* refer to the marital status of the deceased the year before passing away. $T=0$ indicates the year of death. Periods $t=-1$ and $t=-5$ are omitted. Individual and yearly fixed effects are included. Controls include age and age squared.

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