Supplemental Table 1 compares non-targeted moments in a version of our model with an exogenously fixed labor supply to the data, while Supplemental Table 2 lists our main results concerning changes in the goods sector’s employment share in this model. We have found that none of our results have changed significantly. In the baseline version of this model, the saving glut is responsible for 14.3 percent of the decline in the goods sector’s employment share, compared to the 15.1 percent figure we reported in the previous manuscript. The results of our sensitivity analyses all change by similar amounts and the model’s performance on non-targeted expenditure shares is virtually unchanged.

**Supplemental Table 1: Non-targeted moments in model with fixed labor supply**

|  |  |  |
| --- | --- | --- |
| **Statistic** | **Data** | **Model** |
| Intermediate share of U.S. gross output, 1995 | 44.71 | 48.35 |
| Intermediate share of U.S. gross output, 2011 | 43.68 | 46.71 |
| *Change* | -1.04 | -1.64 |
|  |  |  |
| Goods share of U.S. intermediates, 1995 | 43.21 | 40.19 |
| Goods share of U.S. intermediates, 2011 | 36.40 | 34.59 |
| *Change* | -6.81 | -5.60 |
|  |  |  |
| Goods share of U.S. consumption, 1995 | 15.30 | 13.76 |
| Goods share of U.S. consumption, 2011 | 13.63 | 11.17 |
| *Change* | -1.66 | -2.59 |
|  |  |  |
| Goods share of U.S. investment, 1995 | 40.46 | 34.66 |
| Goods share of U.S. investment, 2011 | 40.26 | 34.66 |
| *Change* | -0.19 | 0.00 |
|  |  |  |
|  |  |  |
| Std. dev. of U.S. goods trade balance, 1992-2012 | 1.54 | 1.45 |
| Std. dev. of U.S. services trade balance, 1992-2012 | 0.24 | 0.19 |

**Supplemental Table 2: Main results on model with fixed labor supply**

|  |  |  |  |
| --- | --- | --- | --- |
| **Model** | **Benchmark** | **No-saving-glut counterfactual** | **Difference** |
| Baseline | 99.27 | 85.01 | 14.26 |
|  |  |  |  |
| *Sensitivity analyses* |  |  |  |
| Trade wedges | 94.21 | 85.01 | 9.20 |
| Homothetic preferences | 94.06 | 80.93 | 13.13 |
| No intermediates | 66.24 | 53.56 | 12.68 |
| Same GO/GDP in all US sectors | 86.30 | 75.62 | 10.68 |