

Reference: J. Conesa, and D. Krueger, Social Security Reform with Heterogeneous Agents, Review of Economic Dynamics, 2, p. 757-95.

TABLE V
Steady-State Results

Var.	No heterogeneity		Het. (sym. case)		Het. (asym. case)	
	In. St.St.	Fi. St.St.	In. St.St.	Fi. St.St.	In. St.St.	Fi. St.St.
b	50%	0%	50%	0%	50%	0%
r	6.0%	4.9%	5.5%	4.3%	3.4%	2.0%
w	1.18	1.25	1.21	1.30	1.36	1.49
h	32.8%	34.5%	31.3%	33.2%	29.4%	31.0%
K/Y	2.98	3.30	3.12	3.51	3.84	4.49
y	1.04	1.17	1.08	1.22	1.31	1.51
SS/y	38.9%	0	38.9%	0	38.9%	0
$cv(lab)$	0.52	0.51	0.71	0.68	1.39	1.38
$cv(weal)$	0.81	0.93	0.92	0.94	1.17	1.58
EV^{SS}	—	12.7%	—	12.8%	—	11.2%

Figure 1: Steady state results for 3 simulations: 1) deterministic ("no heterogeneity"), 2) symmetric idiosyncratic risk and 3) asymmetric risk

Notation: *In. St.St.* – initial steady state (with social security), *Fi. St. St.* – final steady state (without social security), b – replacement rate, r – interest rate, w – wage, h – average hours worked, K/Y – capital to output ratio, y – output, SS/y – share of social security contributions in output, cv – coefficient of variation, EV^{SS} – consumption equivalent variation).

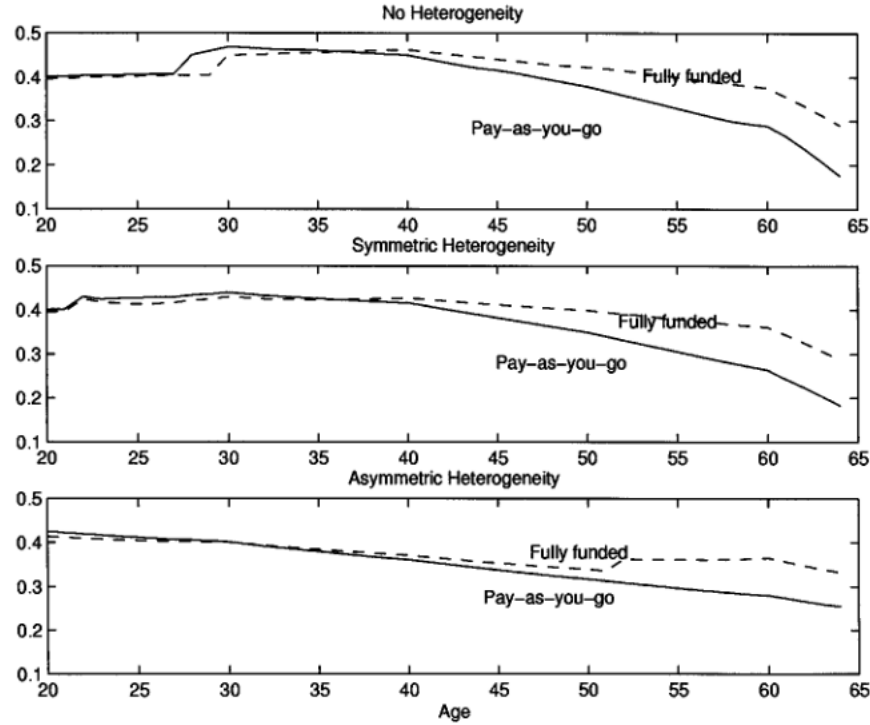


Figure 2: Age profile of average hours with and without social security

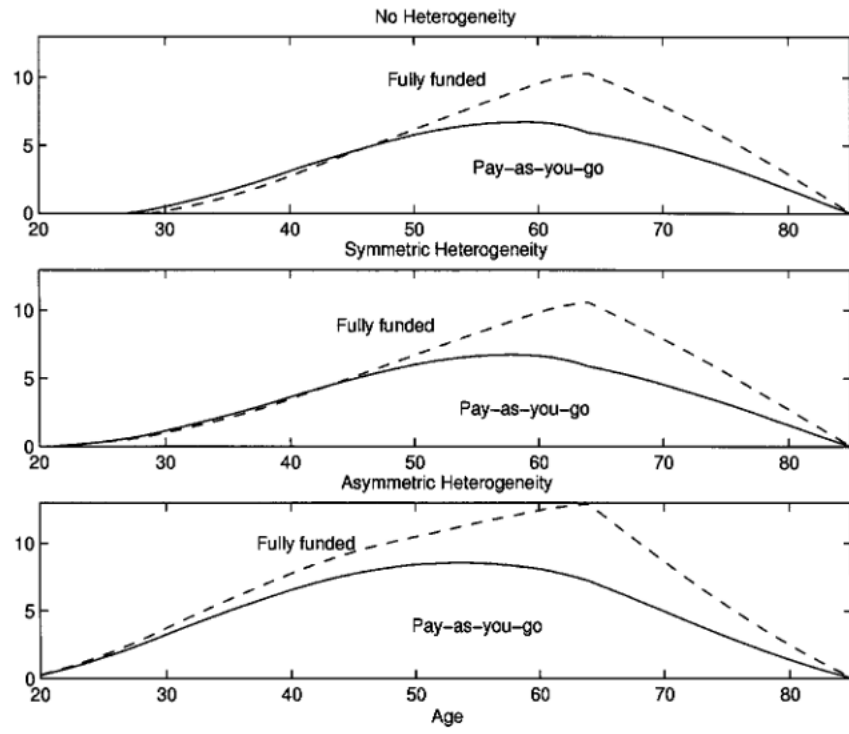


Figure 3: Age profile of average asset holdings with and without social security