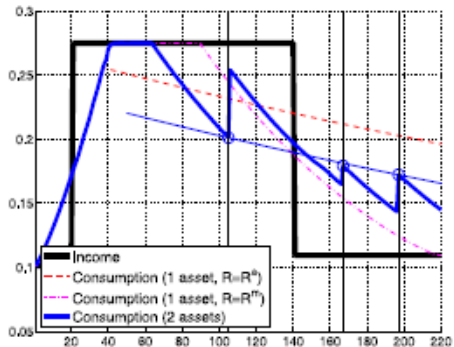


(a) Life-cycle asset accumulation



(b) Life-cycle income and consumption path

FIGURE 1.—Example of life-cycle of a poor hand-to-mouth agent in the model.