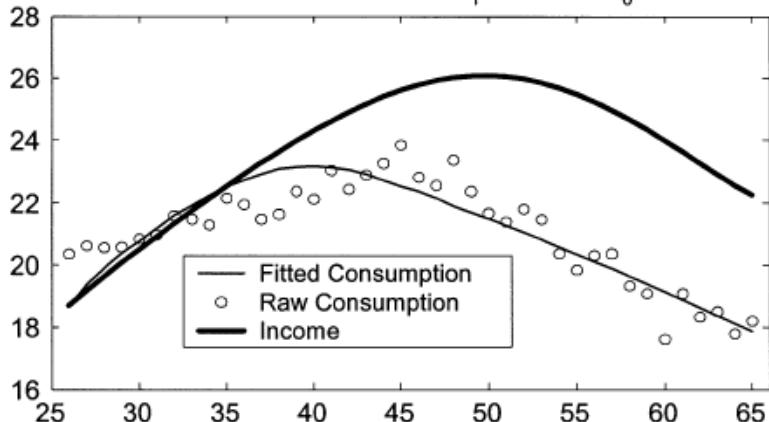


Thousands
of 1987 dollars Panel A: Baseline Estimation
 $\beta = 0.960$, $\rho = 0.514$, $\gamma_1 = 0.071$, $\gamma_0 = 0.001$



Panel B: Various β

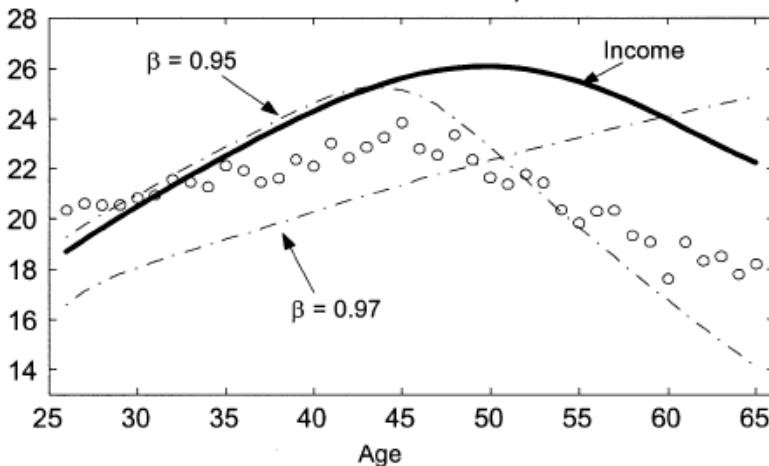


FIGURE 5.—The fitted consumption profile.