Table 1
 Definitions and Comparisons of Conditions

Perfect Foresight Versions	Uncertainty Versions
Finite Human Wealth Condition (FHWC)	
$\Gamma/R < 1$	$\Gamma/R < 1$
The growth factor for permanent income	The model's risks are mean-preserving
$\Gamma$ must be smaller than the discounting	spreads, so the PDV of future income is
factor R for human wealth to be finite.	unchanged by their introduction.
Absolute Impatience Condition (AIC)	
<b>Þ</b> < 1	<b>p</b> < 1
The unconstrained consumer is	If wealth is large enough, the expectation
sufficiently impatient that the level of	of consumption next period will be
consumption will be declining over time:	smaller than this period's consumption:
$c_{t+1} < c_t$	$\lim_{m_t \to \infty} \mathbb{E}_t[c_{t+1}] < c_t$
Return Impatience Conditions	
Return Impatience Condition (RIC)	Weak RIC (WRIC)
<b>1</b> /R < 1	$\wp^{1/\rho}\mathbf{p}/R < 1$
The growth factor for consumption ${f p}$	If the probability of the zero-income
must be smaller than the discounting	event is $\wp = 1$ then income is always zero
factor R, so that the PDV of current and	and the condition becomes identical to
future consumption will be finite:	the RIC. Otherwise, weaker.
$c'(m) = 1 - \mathbf{P}/R < 1$	$c'(m) < 1 - \wp^{1/\rho} \mathbf{P}/R < 1$
Growth Impatience Conditions	
PF-GIC	GIC
$\mathbf{p}/\Gamma < 1$	$\mathbf{P}\mathbb{E}[\psi^{-1}]/\Gamma<1$
Guarantees that for an unconstrained	By Jensen's inequality, stronger than
consumer, the ratio of consumption to	the PF-GIC.
permanent income will fall over time. For	Ensures consumers will not
a constrained consumer, guarantees the	expect to accumulate $m$ unboundedly.
constraint will eventually be binding.	$\lim_{m_t \to \infty} \mathbb{E}_t[m_{t+1}/m_t] = \mathbf{p}_{\underline{\Gamma}}$
Finite Value of Autarky Conditions	
PF-FVAC	FVAC
$\beta\Gamma^{1-\rho} < 1$	$\beta \Gamma^{1-\rho} \mathbb{E}[\psi^{1-\rho}] < 1$
equivalently $\mathbf{p}/\Gamma < (R/\Gamma)^{1/\rho}$	
The discounted utility of constrained	By Jensen's inequality, stronger than the
consumers who spend their permanent	PF-FVAC because for $\rho > 1$ and
income each period should be finite.	nondegenerate $\psi$ , $\mathbb{E}[\psi^{1-\rho}] > 1$ .