

Table 1 Microeconomic Model Calibration

Calibrated Parameters			
Description	Parameter	Value	Source
Permanent Income Growth Factor	Γ	1.03	PSID: Carroll (1992)
Interest Factor	R	1.04	Conventional
Time Preference Factor	β	0.96	Conventional
Coefficient of Relative Risk Aversion	ρ	2	Conventional
Probability of Zero Income	\wp	0.005	PSID: Carroll (1992)
Std Dev of Log Permanent Shock	σ_ψ	0.1	PSID: Carroll (1992)
Std Dev of Log Transitory Shock	σ_θ	0.1	PSID: Carroll (1992)

Model Characteristics Calculated From Parameters			
Description	Symbol and Formula		
Finite Human Wealth Measure	\mathcal{R}^{-1}	$\equiv \Gamma/R$	0.990
PF Finite Value of Income Measure	\sqsupset	$\equiv \beta\Gamma^{1-\rho}$	0.932
Growth Compensated Permanent Shock	$\underline{\psi}$	$\equiv (\mathbb{E}[\psi^{-1}])^{-1}$	0.990
Uncertainty-Adjusted Growth	$\underline{\Gamma}$	$\equiv \Gamma\underline{\psi}$	1.020
Utility Compensated Permanent Shock	$\underline{\underline{\psi}}$	$\equiv (\mathbb{E}_t[\psi^{1-\rho}])^{1/(1-\rho)}$	0.990
Utility Compensated Growth	$\underline{\underline{\Gamma}}$	$\equiv \Gamma\underline{\underline{\psi}}$	1.020
Absolute Patience Factor	\mathfrak{P}	$\equiv (R\beta)^{1/\rho}$	0.999
Return Patience Factor	\mathfrak{P}_R	$\equiv R^{-1}(R\beta)^{1/\rho}$	0.961
PF Growth Patience Factor	\mathfrak{P}_Γ	$\equiv \Gamma^{-1}(R\beta)^{1/\rho}$	0.970
Growth Patience Factor	\mathfrak{P}_Γ	$\equiv \underline{\Gamma}^{-1}(R\beta)^{1/\rho}$	0.980
Finite Value of Income Measure	$\underline{\underline{\sqsupset}}$	$\equiv \beta\Gamma^{1-\rho}\underline{\underline{\psi}}^{1-\rho}$	0.941