Estimation results v2.0

This version: results from estimating discount factor distributions separately for the three education groups.

Targets: For each group the targets are the median LW/PI ratio and the [20,40,60,80] Lorenz Pts for that group's liquid wealth distribution.

Dropouts

Estimated (beta, nabla) = **[0.87509113, 0.13891492]**

	Median LW/PI ratio	Lorenz points
Data	4.64	[0., 0.01, 0.6, 3.58]
Model	4.64	[0., 0.02526, 0.6210, 3.5758]

Highschool

Estimated (beta, nabla) = **[0.96597689, 0.03307152]**

	Median LW/PI ratio	Lorenz points
Data	30.2	[0.06, 0.63, 2.98, 11.6]
Model	30.17	[0.2537, 1.3490, 3.9593, 11.1340]

College

Estimated (beta, nabla) = **[0.9886787, 0.00772621]**

	Median LW/PI ratio	Lorenz points
Data	112.8	[0.15, 0.92, 3.27, 10.3]
Model	112.8	[0.4666, 1.6383, 3.9869, 9.8184]

Overall population

With the discount factor distributions estimated for each group as above, we can calculate statistics for the overall population which were **not targeted** in the estimation.

	Lorenz points – whole popl.	Wealth shares [d, h, c]
Data	[0.03, 0.35, 1.84, 7.42]	[0.8, 17.9, 81.2]
Model	[0.0867, 0.6481, 2.380, 7.3979]	[0.96, 16.65, 82.40]

Average MPCs

With these estimates we also get the following average MPCs for each of the education groups:

Group	Average MPC
Droupouts	0.57
Highschool	0.25
College	0.08