

Table 1: Endogenous

| Variable | \LaTeX | Description |
|----------|----------|-------------|
| C | C | C |
| cm | c_M | cm |
| ch | c_H | ch |
| l | l | l |
| hm | h_M | hm |
| hh | h_H | hh |
| k | k | k |
| km | k_M | km |
| kh | k_H | kh |
| x | x | x |
| xm | x_M | xm |
| xh | x_H | xh |
| r | r | r |
| T | T | T |
| w | w | w |
| y | y | y |
| zm | z_M | zm |
| zh | z_H | zh |

Table 2: Exogenous

| Variable | \LaTeX | Description |
|----------|--------------|-------------|
| eh | ϵ_H | eh |
| em | ϵ_M | em |

Table 3: Parameters

| Variable | \LaTeX | Description |
|----------|------------|-------------|
| a | a | a |
| b | b | b |
| e | e | e |
| beta | β | beta |
| delta_m | δ_M | delta_m |
| delta_h | δ_H | delta_h |
| eta | η | eta |
| lambda | λ | lambda |
| rho_h | ρ_H | rho_h |

Table 3 – Continued

| Variable | \LaTeX | Description |
|----------|-----------------|-------------|
| rho_m | ρ_M | rho_m |
| tau_k | τ_k | tau_k |
| tau_h | τ_h | tau_h |
| theta | θ | theta |
| sigma_m | σ_M | sigma_m |
| sigma_h | σ_H | sigma_h |
| gamma | γ | gamma |
| psi | ψ | psi |

Table 4: Parameter Values

| Parameter | Value |
|------------|--------|
| a | 0.580 |
| b | 0.665 |
| e | 0.400 |
| β | 0.990 |
| δ_M | 0.024 |
| δ_H | 0.024 |
| η | 0.325 |
| λ | 1.005 |
| ρ_H | 0.950 |
| ρ_M | 0.950 |
| τ_k | 0.700 |
| τ_h | 0.250 |
| θ | 0.294 |
| σ_M | 0.010 |
| σ_H | 0.010 |
| γ | 0.000 |
| ψ | -0.502 |