

Index

- Abel, A. B., 82, 110, 127, 215, 227
- Accelerated Cost Recovery System, 273–278
- Adequacy of savings, 23, 429–453
- Adulthood, age of, 53, 74, 75
- Age-consumption profile, 11, 24–26, 60, 64, 70, 71, 75, 196
- Age-earnings profile, 6–8, 24–26, 44, 55, 58, 64, 70, 71, 133, 196
- Age-wealth relationship, 76–79
- AK model. *See* Auerbach-Kotlikoff dynamic life cycle simulation model
- Altruistic bequests, 2, 5, 76, 81, 82, 84, 85
- Altruistic families, 86–87, 103, 217, 218, 241–242, 259, 456–476
- annuity insurance in, 109–110
- borrowing present value of future earnings, 111, 112–119
- constrained altruistic model, 119–122
- risk-sharing arrangements, 111
- testing the model, 469–475
- Ando, A., 76, 77, 196, 197, 238, 244, 297
- Annuity insurance, 7, 9, 141, 405, 406–410, 434, 435, 443. *See also* Social Security
- absence of private insurance, 2, 227
- demand for, 79–80
- family as incomplete annuities market, 88–90, 95–104
- family life-span risk pooling, 109–139
- fertility decisions and, 84
- government pensions and national saving, 227
- imperfections in arrangements, 27
- intergenerational transfers and, 82–83, 196
- life-span extension and, 374
- savings impact of alternative insurance arrangements, 133–138
- selfish life cycle model, 122–128
- switching from family to perfect insurance, 112–119
- wealth transmission in the stochastic steady state, 128–133
- Asset revaluation, 215, 216
- Atkinson, A. B., 44, 76, 77, 197, 244
- Auerbach, A. J., 75, 198, 200, 202, 213, 214, 217, 236, 244, 258, 264–289, 337–357, 463
- Auerbach-Kotlikoff dynamic life cycle simulation model (AK model), 24–26, 31, 198–204, 244–250, 266, 279–280, 341–343
- Bagwell, K., 82
- Barro model. *See* Infinite horizon model
- Barro, R. J., 60, 81, 82, 171, 193, 207, 241, 242, 304, 330, 458, 462, 463
- Barsky, R., 226
- Becker, G. S., 81, 425
- Bequest-resource elasticity, 83
- Bequests, 62–63, 74, 76, 84, 406–410
- altruistic bequests, 2, 5, 76, 81, 82, 84, 85
- contingent bequests, 28, 405, 408, 409, 418–420, 424, 425, 427, 485
- cross-section bequest regressions, 484
- elasticity of, 404–427, 484
- involuntary bequests, 94, 110, 127–128, 197, 426
- life insurance purchase and, 409–410, 422, 424
- lifetime earnings and bequest elasticity, 418–424

- Bequests (cont.)
 nonaltruistic bequests, 2, 27, 31, 81, 82, 89
 saving incentive, 80–81
 utility of bequest model, 84
- Bernheim, B. D., 77, 78, 79, 82, 83, 84, 196, 462
- Bevan, D., 76
- Black, F., 203
- Blinder, A. S., 218, 221, 458, 462
- Blue Cross and Blue Shield, 144
- Blume, M. E., 93
- Bond markets, 235, 236, 240, 256
- Boskin, M. J., 84, 85, 184, 185, 191, 196, 217, 218, 222, 455–476
- Bradford, D. F., 213
- Brittian, J. A., 84
- Brumberg, R., 196, 238, 297
- Buiter, W. H., 236
- Burbidge, J. B., 77
- Capital accumulation
 intergenerational transfers in, 43–65, 74
 life cycle modeling of rates of, 344
 unfunded Social Security and household wealth accumulation, 380–400, 494
- Capital intensity
 and life-span extension, 363–369
 general equilibrium changes in, 324–330
- Capital mobility, international comparisons of, 175–178, 209–210
- Capital revaluations, 216
- Capital stock
 adjustment costs, 266–267
 and life-span extension, 363–369
 reduction generated by social security, 316–332
 steady state capital stock and Social Security, 320–322
- Chamley, C., 203, 208
- Children
 bequests to, 84, 95
 consumption expenditures on, 53, 56, 61, 63, 64, 83
 disinheritance of, 84
 transfers to, 82, 425
 visitation and wealth, 84
- Cohort risk-sharing arrangements, 481–482
- Consumption, 242
 age-consumption profile, 6, 11, 24–26, 60, 64, 70, 71, 75, 196
 age-related differences in marginal propensities to consume, 193–194
 aggregate household consumption, 84–85
 aggregate time series consumption data, 482
 cross-cohort differences in marginal consumption propensities, 213, 215, 216
 cross-section studies of, 20–22
 financing out of lifetime full earnings, 49–50
 government. *See* Government consumption
 household consumption data, 173, 174, 483
 lifetime consumption profile, 44
 longitudinal profiles of, 54, 58, 70, 71
 low net wages and high net interest rates, 325
 marginal propensities to consume, 238, 260, 458, 459, 483
 married couples' consumption paths, 96–97, 99
 models of, 3–23, 196. *See also* names of specific models
 old-age consumption, financing of, 429–453
 optimal consumption plan, 466–467
 panel studies of, 20–22
 past patterns of, 484
 rationality of choices, 22–24
 satiation, 83
 single person's consumption plans, 90–95, 97
 structural tax policy and, 186–187, 189–190, 202–203, 205, 210–211
 time series analysis of, 17–20, 456, 482
 trade-off between current and future consumption and leisure, 184
- Contingent bequests, 28, 405, 408, 409, 418–420, 424, 425, 427, 485
- Corporations
 investment incentives, 215–216
 repurchasing of shares by, 213–214
- Cox, D., 84
- Credit institutions, 1
- Cross-section analysis, 20–22, 482, 483, 484
- Crowding out, 235, 242–244, 247, 248, 262, 265, 455, 456, 493
- Danziger, S. J., 76, 196

- Darby, M. R., 44, 71, 73, 196, 259, 462, 463
- David, M., 77, 222, 462
- David, P. A., 174
- Davies, J., 82, 110, 196
- Demographics, 1, 10–11, 51, 169
- importance of demographic change to savings, 30–32
 - life-span extension, effects of, 358–374
 - nonaltruistic bequests and, 31
 - Social Security affected by life-span extension, 373–374
 - Social Security responses to, 337–357
- Denison, E. F., 174
- Denison's Law, 174
- Diamond, P. A., 77, 187, 221, 222, 226, 261, 429
- Dicks-Mireaux, L., 77, 196, 222, 261
- Disability insurance, 2, 10, 30, 141, 223, 226, 348
- Disaster insurance, 223
- Divorce rates, 11, 31
- Dolde, W., 197, 221, 244
- Dooley, M. P., 176
- Eaton, J., 176, 226
- Eckstein, Z., 82, 110, 127, 227
- Economic growth, 1
- Economic Recovery Tax Act of 1981, 17, 265, 268, 286
- Economic risks, 1
- Economic welfare, and life-span extension, 360–363
- Educational expenditures, 63, 75
- Eichenbaum, M., 82, 110, 227
- Eisner, R., 236, 290, 296, 301
- Equilibrium capital intensity, and Social Security, 316–332
- Euler equation study, 18–19
- Family insurance, 80, 83, 88–90, 95–104, 434, 485
- savings impact of alternative insurance arrangements, 133–138
 - selfish life cycle model, 122–128
 - switching from family to perfect insurance, 112–119
 - wealth transmission in the stochastic steady state, 128–133
- Federal deficits. *See* Government debt
- Feldstein, M. S., 175, 212, 213, 258, 316, 384, 400, 436, 462, 479, 481, 482
- Fertility decisions
- and annuity purchase, 84
 - and long-run savings behavior, 31
- Fifty-five-period life cycle model, 24, 142, 147, 151–154, 198, 222, 279
- Financial crowding out, 235
- Fiscal policy, 1, 11, 12, 16, 33, 165, 166, 170, 229, 494
- deficit delusion, 290–303
 - deficit financing, 2, 234–262
 - dynamic inconsistency of, 171, 172, 228–229
 - empirical analysis of debt policies, 462–475
 - impact of debt policy on saving, 455–476
 - implicit provision of insurance and, 223–227
 - investment incentives. *See* Investment incentives
 - labeling receipts and payments, 291–293, 296–297
 - life cycle model and, 297–299, 304
 - loose fiscal policy, 179
 - neutrality of debt in life cycle model, 304
 - potential for fiscal illusion, 179–183, 255–258
 - precautionary savings and, 33
 - real v. illusory policy, 183–184, 236, 251
 - simulation analysis of economic deficits, 244–255
 - subsidization of pension, 3
 - taxation. *See* Taxation
 - tight fiscal policy, 179
- Fischer, S., 228
- Flemming, 76
- France, capital per worker in, 178
- Friedman, B., 80
- Friedman, J., 84
- Friend, I., 93
- Full employment deficit, 180
- Fullerton, D., 458
- Germany, capital per worker in, 178
- Gersovitz, M., 176
- Gifts, 71, 101, 102
- Gilde, 223
- Gordon, R. H., 218, 225, 458, 462
- Goulder, L. H., 176
- Government bonds, 235, 236, 240, 256
- Government consumption
- growth in, 2, 13–14, 456, 457
 - infinite horizon model and, 212

- Government consumption (cont.)
 intertemporal budget constraints, 168, 170, 178–195
 intramarginal changes in level or timing of, 192–193
 rate of, 173, 174, 182
 reduction in, 16–17
 tax-financed changes in, 33, 168, 190–193, 210–212
 tax structure changes and, 33
 welfare provided to the private sector, 174
- Government debt, 178, 194, 494
 accounting deficits, 236, 290, 455
 deficit delusion, 290–303
 definition of, 180–183
 economic impact of deficit financing, 234–262
 empirical analysis of debt policies, 462–475
 empirical analysis of economic deficits, 258–259
 fiscal illusion and, 255–258
 hidden economic surpluses and, 215
 impact of debt policy on saving, 455–476
 implicit commitments to future expenditures as, 180
 improved deficit accounting, 236, 290, 291, 301
 income tax cut and, 17
 intergenerational redistribution and, 298–300
 investment incentives and, 253, 254
 labeling receipts and payments, 291–293, 296–297
 life cycle model and, 297–299
 liquidity constraints and deficit financing, 259–261
 neoclassical analysis of, 238–242
 official deficits, 236, 238, 460
 short-run deficits, 285–288
 simulation analysis of economic deficits, 244–255
 Social Security's effect on, 179, 180, 331, 338
 spending on transfer payments and, 182, 183
 unfunded retirement programs and, 250–252
- Government insurance, 223–227. *See also* specific types of insurance, e.g., Unemployment insurance
- Government transfer policies, 455, 461
 Government transfers, 53, 213, 238, 240, 256, 298
 Gramm-Rudman legislation, 290
 Gross private saving rate, 174
- Hall, R. E., 192, 222, 261, 482
 Harberger, A. C., 175, 176, 187
 Harrison, A. J., 77
 Hausman, J. A., 77, 221, 222, 261
 Hayashi, F., 73, 77, 215, 222
- Health expenditures. *See also* Medicaid; Medicare
 government insurance, 223
 “live with it case,” 145, 148–151, 156–157, 159–160
 precautionary savings and, 141–162
 private insurance, 146, 149–151, 153–157, 159–160
 self-payment, 146–151, 156–157, 159
 size of uninsured expenditures, 143–145
 uncertain, 28, 29, 83
- Health insurance, 2
 Heckman, J., 185, 221
 Hickman, B., 174
 Horioka, C., 175
 Household budget constraints, 236–237, 301, 460
 Household wealth accumulation, and unfunded Social Security, 380–400
 Housing wealth, 78, 79
 Hubbard, R. G., 82, 110
 Human capital formation, and marginal taxation, 184–185
 Hurd, M. D., 77, 78, 79, 84, 222, 458
- Individual retirement accounts, 272
 Infinite horizon model, 4–8, 12–16, 18–21, 456–476, 480, 482–483
 government consumption and, 212
 proportional taxation in, 207–208
 specification of return and earnings uncertainty, 467–469
 with demographics and uncertain earnings and returns, 464–469
- Insurance market, 1, 10
 Interest elasticity of saving, 190, 191
 Interest rates
 budget deficits and high rates, 234
 calculation of net nominal interest rate series, 54, 56
 crowding out and, 235, 236

- government intertemporal budget constraints and, 179
 interest earned on intergenerational transfers, 51
 lifetime wealth and savings behavior and, 325
 marginal products of capital and, 249–250
 real interest rate changes, 8
 Intergenerational altruism, 27, 217, 218, 241–242, 265, 456–476
 testing the model, 469–475
 Intergenerational redistribution, 12–13, 16–17, 298–302, 459–461
 Intergenerational tax policy, 33, 168, 169, 193–195
 savings impact of, 212–221
 simulation analyses, 218–221
 Intergenerational transfers, 8, 9, 27–28, 68–85, 259, 265, 455, 459, 461. *See also* Bequests; Children; Gifts
 accumulated flows of net transfers, 483
 aggregate capital accumulation and, 43–65, 74
 annuity insurance and, 82, 83, 196
 constrained altruistic model, 119–122
 data on notaxed transfers, 61
 empirical analyses of, 83–85, 216–218
 explanations for, 81–83
 flow data on, 71–73
 from future to current generations, 239–241
 importance of to savings, 69–81
 life span risk pooling and, 109–139
 selfish life cycle model, 122–128
 Social Security. *See* Social Security
 stock of transfer wealth and, 61–64
 structural tax policy and, 207
 wealth transmission in the stochastic steady state, 128–133
 International capital mobility, 175–178, 209–210
 International saving rates, 175–178
 Interspousal transfers, 57–58, 95
 Intertemporal preferences, 169, 221–222, 228
 Inter vivos transfers, 28, 84
 Intragenerational redistribution, 14–15, 458
 Intragenerational tax policy, 33, 169, 195, 221–223
 Investment incentives, 215–216, 236, 252–253, 257, 264, 265–268, 288, 300, 302
 Accelerated Cost Recovery System, 273–278
 capital income taxation and, 253–254, 287
 economic deficits and, 253–254
 reduction in, 459, 460
 relationship to other fiscal policies, 269–273
 simulation analysis of, 280–285
 Involuntary bequests, 94, 110, 127–128, 197, 426
 Isard, P., 176

 Kaplan, R. S., 324
 Keynesian model of consumption, 4, 5, 7, 8, 13, 14, 15, 16, 18, 21, 23
 King, M. A., 77, 196, 213, 222, 261, 458
 Kurz, M., 83, 196

 Labor earnings, 54
 age-earnings profile, 6–8, 24–26, 44, 55, 58, 64, 70, 71, 133, 196
 altruistic families borrowing present value of future earnings, 111, 112–119
 bequest elasticity and lifetime earnings, 418–424
 career switches and, 372–373
 consumption and leisure financed out of lifetime full earnings, 49–50
 entrepreneurial earnings, 54, 60, 70
 experience and schooling affecting, 416, 418, 420, 422
 lifetime earnings, 410–424, 425, 426, 437
 longitudinal profiles of, 53, 58, 60, 70, 71
 low net wages and high net interest rates, 325
 random taxation and, 226, 227
 uncertain future earnings, 27–28, 226–227
 wage elasticity of saving, 191
 Labor supply, 1, 2
 incentives, and investment incentives, 254
 life-span extension and, 362–363
 participation rates, 55, 80–81
 skilled labor force and life-span extension, 369–373
 Lau, L. J., 192, 196, 217, 218
 Lawrence, E., 222, 459
 Learner, 279
 Leimer, D. R., 463
 Leisure
 age-related differences in marginal propensities to consume, 193–194

- Leisure (cont.)
 cross-cohort differences in marginal consumption propensities, 213
 financing out of lifetime full earnings, 49–50
 increase in lifetime leisure, 362, 363
 structural tax policy and, 186, 202, 203, 205, 210, 211
 trade-off between current and future consumption and, 184
- Leland, H. E., 226
- Lesnoy, S. D., 463
- Life cycle consumption choice, 22–24, 22
- Life cycle model, 238–242, 244, 265, 455, 462
 capital stock and social security, 320–324
 4–9, 12–13, 18, 20–22, 196, 480, 482–484
 debt neutrality in, 304–310
 inability to explain US wealth, 344
 of saving, 297–299
 simulation of life-cycle economy with social security, 488–495
 unfunded Social Security and household wealth accumulation, 380–400
- Life cycle savings
 capital accumulation and, 43–65
 Social Security and, 317–320, 381–385
- Life cycle wealth, 69–74, 82
 definition of, 73–74
 estimation of, 52–56
 flow data used to calculate, 71–73
 sex differences in, 58
 simulation studies of, 75–76
 size of, 56–61
 transfer wealth and, 45–52, 73
- Life expectancy, 2, 28
 effects of life-span extension, 358–374
- Life insurance, 23–24, 30, 405, 406–410
 bequests and purchase of, 409–410, 422, 424
 Social Security annuity and, 410
 total value of death benefits, 63
- Life-span extension, effects of, 358–374
- Liquidity constraints, 20, 22, 33, 222, 223, 237, 458, 459
 deficit financing under, 259–261
 effects on current consumption and aggregate savings, 24–25
 possible future liquidity constraints, 27
- Long, S. H., 144
- Lubitz, J., 144
- MaCurdy, T. E., 219
- Makiw, G. N., 226
- Marriage
 consumption paths of married couples, 96–97, 99
 equal consumption marriage contract, 101–102
 interspousal transfers, 57–58, 95
 mixed-age marriages, 100–101
- Medicaid, 28–30, 142, 144, 146–150, 155, 157, 159–160
- Medical insurance. *See* Health expenditures
- Medicare, 30, 141, 144, 338
- Menchik, P. L., 77, 84, 222, 462
- Miller, B., 226
- Miller, M. H., 197, 244
- Mirer, T. W., 44, 196, 462
- Mirrlees, J. A., 226
- Mishkin, F., 222, 261
- Modigliani, F., 71, 73, 74, 75, 196, 197, 238, 244, 297
- Monetary policy, 235
- Money, printing of, 179
- Multicohort life cycle model, 244
- Munnell, A., 463
- Musgrave, P., 176
- National saving rate, 2–3, 172, 175–178, 190, 192, 200, 206, 227, 242, 455
- Neoclassical models, applicability of, 169, 185, 230, 237–242, 245, 262, 308
- Net worth data, 483–484
- Nonaltruistic bequests, 2, 27, 31, 81, 82, 89
- Nonprofit institutions, 56–57, 60
- Nursing home care, 3, 144, 145, 447
- Oulton, N., 44, 76
- Output per capita, and life-span extension, 360–369
- Overlapping generations life cycle model, 3–4, 6, 188, 207
- Peled, D., 82, 110, 227
- Pellechio, A., 258, 462
- Per capita output, and life-span extension, 360–369
- Perfect foresight, general equilibrium life cycle model, 244, 245, 479
- Permanent-income model of consumption, 4
- Perrson, T., 305
- Pieper, P. J., 236, 290, 296, 301
- Population growth. *See* Demographics

- Poterba, J. M., 215
- Precautionary savings, 10, 28–30
 fiscal policy and, 33
 health expenditures and, 141–162
 life span risk pooling and, 109–139
 reduced need for, 2
- Prihoda, R., 144
- Productivity growth, 7–8, 51
- Rationality
 of consumer choices, 22–24
 of expectations, 1
- Ricardo, D., 193
- Robb, A. L., 77
- Robertson, A. H., 373
- Rosen, H., 226
- Rossiter, L. F., 143, 144
- Sachs, J. D., 175, 279
- Sahasakul, C., 458
- Salinger, M. A., 215
- Sandmo, A., 226
- Saving rate, 2–3, 172, 175–178, 190, 192, 200, 206, 227, 242, 455
- Savings incentives, 264–266, 270, 288–289
 simulation analysis of, 280–285
- Scadding, J. L., 174
- Self-employed individuals, 54, 60, 70
- Sheshinski, E., 82, 110, 197, 227, 244
- Shleifer, A., 83, 84
- Shorrocks, A. F., 77
- Shoven, J., 82, 109–139
- Shoven, J. B., 176, 227
- Simulation analysis, 199, 204–206
 of economic deficits, 244–255
 of intergenerational tax policy, 218–221
 of investment and savings incentives, 280–285
 of life-cycle economy with social security, 488–495
 of Social Security responses to demographic transition, 339–357
 time-series regressions using simulated data, 495–498
- Skill composition of labor force, and life-span extension, 369–373
- Skinner, J., 198, 200, 202, 226, 236
- Smith, D. E., 81
- Smolensky, E., 196
- Social insurance programs, 183
- Social Security, 18, 30, 104, 141, 296, 297, 324, 429, 430
- demographic transition and, 337–357
- empirical tests of effect on savings, 479–498
- equilibrium capital intensity and, 316–332
- general equilibrium modeling of economic impact of, 340–343
- government debt affected by, 331, 338
- household saving and funded programs, 110
- household wealth accumulation and the unfunded system, 380–400
- impact on steady-state labor supply and savings, 197
- implicit taxation of labor supply of older workers, 363, 373, 374, 388
- intergenerational redistribution and, 299–300, 301, 302
- intertemporal allocation of consumption and, 431, 432, 443, 447, 452, 453
- life cycle savings and, 317–320, 381–385
- life insurance purchase and, 410, 426
- life-span extension and, 373–374
- marginal return on marginal tax contribution, 458
- pay-as-you-go financing of, 179, 180, 220, 380, 493
- payroll tax adjustments, 337, 340, 342–343, 348, 351–353, 356–357
- private transfers replaced by, 330
- projection of benefits, 392, 399, 436, 437
- reduction in future benefits, 16–17
- retirement age, 340, 353, 357, 384, 394, 396, 398
- retirement intentions and, 388–389, 390, 394, 396, 398, 436
- savings response to, 22, 110, 197, 227, 317–320, 381–385, 479–498
- simulation of life-cycle economy with social security, 488–495
- specification bias in time-series regressions, 485–488
- steady state capital stock and, 320–322
- taxation of benefits, 337, 338, 340, 353
- “taxes” as “insurance premia,” 226
- “taxes” as “loans,” 250, 251, 293–296
- trust fund, 338, 340, 353, 356, 357, 380
- uncertainty of old age consumption and, 330
- unfunded system, 60, 213, 216, 220, 250–252, 316–332, 348, 350, 380–400, 459, 461, 480
- wealth, 216, 217, 258, 463, 483, 484, 488

- Spivak, A., 79, 80, 82, 84, 88–106, 109–139, 222, 227, 434, 484
- Starrett, D., 205
- Stiglitz, J. E., 76
- Subjective time preference rates, 2
- Summers, B. D., 83
- Summers, L. H., 43–65, 71, 73, 82, 84, 137, 185, 196, 197, 198, 206, 214, 215
- Supply side responses, to tax cuts, 219
- Sussman, M. B., 84
- Svensson, L., 305
- Taussig, M., 196
- Tax Equity and Fiscal Responsibility Act of 1982, 353
- Tax Reform Act of 1986, 17
- Taxation
- Accelerated Cost Recovery System, 273–278, 272
 - capital income taxation, 15–16, 185, 187–191, 198, 202, 205–211, 213–215, 221, 225–226, 271, 281–282, 287, 300, 458
 - compensated and uncompensated policy changes, 15–16, 33, 168
 - consumption taxation, 15–17, 200, 202, 204–208, 210, 212, 252, 267, 271–272
 - distortionary, 2, 15–17, 190, 195, 203, 457
 - divided taxation, 214
 - government consumption changes and, 33, 168, 190–193, 210–212
 - implicit insurance and, 223, 225
 - implicit tax on post-sixty-five earnings, 316
 - increase in income tax progressivity, 33, 300
 - intergenerational tax policy, 168, 169, 193–195, 212–221
 - intragenerational tax policy, 169, 195, 221–223
 - investment incentives and, 253, 254
 - life cycle model and structural tax policy, 197–204
 - lump sum taxation, 187, 188, 225, 226, 256
 - marginal taxation and human capital formation, 184–185
 - negative income taxation, 184
 - permanent tax cuts, 243
 - progressivity of rate structure in a life cycle model, 206–207
 - proportional taxation in an infinite horizon model, 207–208
 - real after-tax returns, 3
 - recapture taxation, 272, 273–278
 - reductions in tax progressivity, 16, 17
 - sensitivity analysis of simulated structural tax policy, 204–206
 - small open economy with structural tax policy, 209–210
 - of social security benefits, 337, 338, 340, 353
 - structural tax policy, 167–168, 185–190, 196–210, 252
 - temporary tax cuts, 219–220, 245, 247–249, 298, 301, 460
 - uncertainty and intercohort risk pooling, 481–482
 - wage taxation, 15–16, 200, 202–212, 226, 252, 255, 271, 272, 300, 459
 - wealth tax, 213, 215, 228, 271, 272
 - welfare veil of, 184
- Technological change, 169
- TIAA-CREF annuities, 80
- Tiebout, C. M., 171
- Time-series analysis, 463
- of cohort consumption, 482
 - of consumption, 17–20, 456
 - regressions using simulated data, 495–498
 - specification bias in social security regressions, 485–488
- Tobin, J., 73, 75, 76, 196, 197, 221, 244
- Tomes, N., 84
- Training period, and life-span extension, 369–373
- Transfer wealth, 82
- capital accumulation and, 47–52
 - flow data used to calculate, 71–73
 - life cycle wealth and, 45–52, 73
 - stock of, 61–64
- Trusts, 63
- Tuition expenditures, 63, 75
- Turnover of assets, 272, 273
- Uncertainties, 9–10, 456. *See also* specific type of uncertainty
- Undersaving, 430–435, 443, 446–447, 450, 452–453
- Unemployment insurance, 2, 10, 141, 223
- Upton, C. W., 197, 244
- Varian, H. R., 226

- Vasn der Gaag, J., 196
Venti, S. F., 144
- Wahrshawsky, M., 80
Weiss, Y., 82, 110, 227
Welfare programs, 2, 30, 183, 459
Whalley, J., 176
White, B. B., 44, 71, 196, 259
Wilensky, G. R., 143, 144
Windfalls, and total wealth accumulation,
83
Wise, D., 218, 462
Wise, D. A., 144
Women
 increased earnings of, 3
 labor force participation rates, 55
 life cycle wealth of, 58
 lifetime labor earnings, 410–418, 420,
 422, 426
 loss of earnings from raising children, 10–
 11
 mortality rates, 93
Work-span extension, effects of, 358–374
- Yaari's separation theorem, 407, 408
- Zeldes, S. P., 226
Zero bequest motive economies, 227
Zero-transfer life cycle model, 73, 74, 76