

1. Record Nr.	UNINA9910957183303321
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Titolo	Frugality : : Are We Fretting Too Much? Household Saving and Assets in the United States // Evan Tanner, Yasser Abdih
Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2009
ISBN	9786612844058 9781462342648 1462342647 9781451873443 1451873441 9781282844056 1282844059 9781452779324 1452779325
Edizione	[1st ed.]
Descrizione fisica	51 p. : ill
Collana	IMF Working Papers
Altri autori (Persone)	AbdihYasser
Disciplina	332.024;332.02401
Soggetti	Saving and investment - United States - Econometric models Income - United States - Econometric models Wealth - United States - Econometric models Aggregate Factor Income Distribution Consumption Disposable income Economics Financial Instruments Income Institutional Investors Investment & securities Investments: Stocks Macroeconomics Macroeconomics: Consumption National income Non-bank Financial Institutions Pension Funds Personal income Personal Income, Wealth, and Their Distributions Saving Stocks Wealth

	United States
Lingua di pubblicazione	Inglese
Formato	Materiale a stampa
Livello bibliografico	Monografia
Note generali	"Middle East and Central East Department ; IMF Institute". "September 2009".
Nota di bibliografia	Includes bibliographical references.
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Sommario/riassunto	Household savings rates in the United States have recently crept up from all-time lows. Some have suggested that a shift toward frugality will hamper GDP growth-the Keynesian "paradox of thrift." We estimate that households compensate for a fall in their asset income by saving more out of their labor income, dollar-for-dollar. In the wake of the crisis, our model predicts that such primary savings will increase, but only temporarily and modestly, as household assets stabilize. As savings flows gradually accumulate, they help rebuild corporate net worth and hence firms' capacity to make capital investments. A timely

return to pre-crisis levels of capital investment would require that U.S. households save substantially more than the model predicts, starting now. Hence, we should fret that our savings rates may be too low.

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