Table 1*
Fixed-Effects Estimates of "Static" Private Saving Equations
(21 OECD Countries, 1971-1993)

	Model M_0		**Model M_1**	
Regressors	**Linear Terms**	**Quadratic Terms**	**Linear Terms**	**Quadratic Terms**
SUR	-0.574	-	-0.581	-
	(-9.39)		(-10.30)	
GCUR	-0.467	-	-0.521	-
	(-11.30)		(-13.39)	
GI	-0.603	-	-0.701	-
	(-5.71)		(-6.92)	
GR	-0.060	-	-0.065	-
	(-1.14)		(-1.33)	
RINT	0.212	-	0.281	
	(4.40)		(5.90)	
W	0.023	-	0.175	-0.00025
	(5.11)		(8.38)	(-7.69)
INF	0.180	-	-0.041	0.011
	(4.63)		(-0.53)	(3.29)
PCTT	0.047		0.063	-0.0013
	(3.07)		(4.11)	(-2.81)
YRUS	0.586	-0.0048	0.286	-0.0026
	(3.41)	(-3.90)	(1.70)	(-2.15)
DEP	-0.118	-	-1.201	0.0073
	(-4.12)		(-5.25)	(4.85)
$\overline{R}^2$	0.766		0.801	
$\hat{\sigma}$	2.325		2.145	
LL	-1076.4		-1035.3	
AIC	-1108.4		-1071.3	
SBC	-1165.3		-1146.5	

*The dependent variable (PSAV) is the ratio of private savings to GDP. Model M_0 is the specification estimated by Masson et al. (1998)--see column 1 of Table 3 in that paper. The figures in brackets are t-ratios. $\overline{R}$ is the adjusted multiple correlation coefficient, $\hat{\sigma}$ is the standard error of the regression; LL is the maximazed value of the log-likelihood function; AIC is the Akaike information criterion, and SBC is the Schwarz Bayesian criterion.

Table 2*
Fixed-Effects Estimates of Private Savings Equations with Cross-sectionally Varying Slopes (Model M_2)
(21 OECD Countries, 1971-1993)

Regressors (X_{it})	$\hat{\beta}_0$	$\hat{\beta}_{01}$	$\hat{\beta}_{02}$
SUR	-0.625	-	-
	(-12.10)		
GCUR	-1.146	0.0022	-
	(-6.91)	(4.26)	
GI	-1.891	0.0039	-
	(-2.44)	(1.60)	
GR	-0.744	0.0023	-
	(-2.69)	(2.71)	
RINT	0.417	-	-0.0052
	(4.36)		(-3.53)
W	0.119	-0.00033	-
	(5.28)	(-4.70)	
INF	-0.860	0.0031	-
	(-5.29)	(6.29)	
PCTT	-0.214	0.00083	-
	(-1.88)	(2.30)	
YRUS	1.435	-0.0046	-
	(6.31)	(-6.72)	
DEP	0.502	-0.0021	-
	(2.54)	(-3.39)	
$\bar{R}^2$	0.838		
$\hat{\sigma}$	1.934		
LL	-982.9		
AIC	-1022.9		
SBC	-1106.5		

* See the notes to table 1. The model estimated is

$$PSAV_{it} = \mu_i + \beta_0' x_{it} + \beta_{01}'(\overline{W}_i x_{it}) + \beta_{02}'(\overline{YRUS}_i x_{it}) + u_{it},$$

where $\overline{W_i}$ and $\overline{YRUS}_i$ are the country-specific means of wealth-GDP ratio and the relative income per capita variable.

Table 3*

Country-Specific Estimates Based on Model M_2

Country	$\overline{Y_i}$	$\overline{W_i}$	SUR	GCUR	GI	GR	RINT	W	INF	YRUS	DEP	PCTT
Greece	34.60	232.0	-0.625	-0.6360	-0.9880	-0.2110	0.2370	0.0426	-0.1420	0.3690	0.0155	-0.0217
Canada	82.50	239.0	-0.625	-0.6210	-0.9600	-0.1950	-0.0120	0.0402	-0.1200	0.3370	0.0007	-0.0159
USA	100.00	280.0	-0.625	-0.5300	-0.7990	-0.1000	-0.1030	0.0266	0.0079	0.1470	-0.0859	0.0184
Finland	66.10	283.0	-0.625	-0.5230	-0.7860	-0.0923	0.0734	0.0255	0.0184	0.1320	-0.0931	0.0212
Spain	50.70	286.0	-0.625	-0.5170	-0.7760	-0.0865	0.1540	0.0247	0.0262	0.1200	-0.0983	0.0233
Norway	69.00	290.0	-0.625	-0.5090	-0.7620	-0.0780	0.0583	0.0234	0.0377	0.1030	-0.1060	0.0264
Denmark	74.80	290.0	-0.625	-0.5080	-0.7600	-0.0773	0.0282	0.0233	0.0386	0.1020	-0.1070	0.0266
Sweden	76.80	290.0	-0.625	-0.5080	-0.7600	-0.0772	0.0177	0.0233	0.0387	0.1010	-0.1070	0.0266
Australia	72.40	297.0	-0.625	-0.4930	-0.7330	-0.0608	0.0407	0.0210	0.0608	0.0687	-0.1220	0.0325
Germany	64.10	299.0	-0.625	-0.4870	-0.7230	-0.0553	0.0836	0.0202	0.0683	0.0575	-0.1270	0.0345
France	77.80	306.0	-0.625	-0.4720	-0.6960	-0.0395	0.0126	0.0179	0.0895	0.0261	-0.1410	0.0402
Netherlands	72.60	314.0	-0.625	-0.4560	-0.6670	-0.0224	0.0395	0.0155	0.1130	-0.0081	-0.1570	0.0464
Austria	72.20	322.0	-0.625	-0.4380	-0.6360	-0.0041	0.0418	0.0128	0.1370	-0.0449	-0.1740	0.0530
Japan	69.90	326.0	-0.625	-0.4290	-0.6200	0.0057	0.0537	0.0114	0.1500	-0.0644	-0.1820	0.0565
New Zealand	67.10	339.0	-0.625	-0.4010	-0.5710	0.0346	0.0682	0.0073	0.1890	-0.1220	-0.2090	0.0670
UK	68.80	357.0	-0.625	-0.3610	-0.5000	0.0765	0.0590	0.0013	0.2460	-0.2060	-0.2470	0.0821
Belgium	71.80	364.0	-0.625	-0.3450	-0.4710	0.0934	0.0435	-0.0011	0.2690	-0.2400	-0.2630	0.0882
Ireland	42.50	373.0	-0.625	-0.3260	-0.4380	0.1130	0.1960	-0.0040	0.2950	-0.2790	-0.2810	0.0953
Italy	69.00	373.0	-0.625	-0.3260	-0.4370	0.1130	0.0580	-0.0040	0.2960	-0.2800	-0.2810	0.0954
Switzerland	97.90	391.0	-0.625	-0.2860	-0.3670	0.1550	-0.0920	-0.0100	0.3520	-0.3630	-0.3190	0.1100
Portugal	35.20	398.0	-0.625	-0.2700	-0.3380	0.1720	0.2340	-0.0124	0.3740	-0.3960	-0.3340	0.1160
Average	68.37	316.62	-0.625	-0.4496	-0.6566	-0.016	0.0615	0.0145	0.1212	-0.0210	-0.1628	0.0487
Standard error	16.71	46.12	0.00	0.1012	0.1799	0.1061	0.0869	0.0152	0.1430	0.2121	0.0969	0.0382

* The country-specific estimates are computed as $\beta_i = \hat{\beta}_0 + \hat{\beta}'_{01}\overline{W}_i + \hat{\beta}'_{02}\overline{YRUS}_i$, using the estimates in Table 2.

Table 4*
Country-Specific Estimates of "Static" Private Saving Equations
(20 OECD countries, 1972-1993)

Country	SUR	GCUR	GI	GR	RINT	W	INF	PCTT	YRUS	DEP
Australia	**-0.81**	-0.18	**-1.00**	0.08	**0.18**	**0.06**	**0.27**	0.04	**0.42**	**0.46**
	[0.18]	[0.27]	[0.41]	[0.08]	[0.08]	[0.02]	[0.09]	[0.03]	[0.17]	[0.22]
Austria	-0.48	-0.42	0.35	0.06	0.24	0.04	0.09	0.11	-0.10	-0.03
	[0.56]	[0.40]	[0.84]	[0.32]	[0.32]	[0.05]	[0.54]	[0.16]	[0.24]	[0.21]
Belgium	**-0.68**	**-0.53**	-2.47	0.09	-0.04	-0.02	-0.10	-0.00	**0.17**	-0.22
	[0.23]	[0.15]	[1.51]	[0.11]	[0.14]	[0.03]	[0.13]	[0.02]	[0.09]	[0.35]
Canada	**-1.31**	**-0.56**	1.01	**0.24**	0.10	-0.03	**0.29**	**0.17**	0.07	-0.17
	[0.10]	[0.14]	[1.03]	[0.09]	[0.08]	[0.04]	[0.09]	[0.05]	[0.12]	[0.12]
Denmark	**-1.08**	**-0.64**	0.36	0.03	-0.20	-0.01	0.10	0.02	0.14	**-1.17**
	[0.15]	[0.22]	[0.80]	[0.25]	[0.20]	[0.03]	[0.29]	[0.05]	[0.24]	[0.36]
Finland	**-0.70**	-0.35	0.87	0.14	**0.40**	0.03	**0.52**	0.01	0.02	-0.39
	[0.16]	[0.21]	[1.59]	[0.20]	[0.18]	[0.03]	[0.22]	[0.02]	[0.19]	[0.52]
France	**-1.45**	-0.78	-3.13	0.10	-0.16	-0.04	-0.22	-0.06	0.12	-0.16
	[0.51]	[0.52]	[2.00]	[0.23]	[0.18]	[0.10]	[0.24]	[0.05]	[0.12]	[0.43]
Germany	**-0.80**	**-0.54**	-0.18	0.19	-0.06	0.00	0.02	-0.01	-0.10	**-0.28**
	[0.35]	[0.28]	[0.71]	[0.18]	[0.17]	[0.03]	[0.25]	[0.05]	[0.20]	[0.11]
Greece	-0.69	-0.29	-1.13	0.15	**1.23**	**0.10**	1.05	-0.49	-0.87	1.52
	[0.45]	[0.71]	[1.65]	[0.34]	[0.58]	[0.05]	[0.63]	[0.27]	[1.29]	[1.24]
Ireland	-0.48	**-0.50**	1.33	-0.08	**-0.71**	**-0.13**	**-0.88**	**0.32**	**0.79**	**1.14**
	[0.29]	[0.14]	[1.18]	[0.14]	[0.28]	[0.06]	[0.22]	[0.11]	[0.24]	[0.35]
Italy	**-0.46**	0.05	-0.16	0.13	0.12	-0.00	0.09	-0.00	-0.12	0.32
	[0.18]	[0.21]	[0.48]	[0.15]	[0.11]	[0.03]	[0.13]	[0.04]	[0.15]	[0.19]
Japan	**-0.58**	**-0.79**	**-0.98**	-0.14	-0.05	0.04	0.01	**0.04**	-0.06	0.22
	[0.21]	[0.31]	[0.50]	[0.12]	[0.16]	[0.03]	[0.09]	[0.01]	[0.08]	[0.32]
Netherlands	**-0.75**	-0.43	-1.50	-0.05	0.09	**0.12**	-0.37	0.06	0.30	0.22
	[0.33]	[0.33]	[2.64]	[0.20]	[0.28]	[0.05]	[0.27]	[0.15]	[0.26]	[0.39]
New Zealand	0.02	-0.54	-1.22	-0.12	-0.07	0.02	-0.20	0.07	-0.46	0.24
	[0.29]	[0.45]	[0.78]	[0.22]	[0.20]	[0.03]	[0.19]	[0.07]	[0.33]	[0.18]
Norway	-0.22	0.13	-0.15	-0.06	0.02	-0.07	-0.04	**0.23**	0.12	-0.16
	[0.51]	[0.66]	[0.61]	[0.46]	[0.51]	[0.05]	[0.60]	[0.07]	[0.31]	[0.64]
Portugal	**-1.00**	-0.57	2.91	**0.60**	**0.47**	-0.07	**0.64**	0.21	-0.72	0.16
	[0.20]	[0.32]	[1.64]	[0.24]	[0.20]	[0.05]	[0.19]	[0.13]	[0.37]	[0.41]
Spain	-0.18	-0.06	1.36	-0.01	0.07	-0.09	0.11	0.18	-0.78	-0.28
	[0.55]	[0.59]	[1.58]	[0.31]	[0.38]	[0.05]	[0.42]	[0.12]	[0.32]	[0.57]
Sweden	**-0.84**	**-0.96**	-2.54	-0.53	0.24	0.05	-0.02	0.09	0.00	0.22
	[0.11]	[0.20]	[1.49]	[0.30]	[0.23]	[0.05]	[0.23]	[0.10]	[0.22]	[0.81]
Switzerland	-0.22	-0.09	0.36	**-0.26**	0.02	0.06	**0.21**	-0.04	-0.06	**-0.39**
	[0.50]	[0.16]	[0.76]	[0.13]	[0.14]	[0.03]	[0.11]	[0.05]	[0.12]	[0.09]
UK	**-0.72**	0.03	**-0.79**	**0.37**	**0.18**	-0.04	0.21	0.01	-0.25	**0.34**
	[0.12]	[0.10]	[0.34]	[0.09]	[0.08]	[0.03]	[0.08]	[0.04]	[0.15]	[0.15]
Average	**-0.671**	**-0.401**	-0.335	0.046	0.104	0.001	0.089	0.048	-0.069	0.080
Standard error	[.083]	[.067]	[.332]	[.052]	[.081]	[.014]	[.088]	[.036]	[.090]	[.127]

* Dependent variable is the private saving rate, PSAV. The regressors are defined at the start of Section 3. The specification of the saving function used in MBS (1995,1998) is not identified for the U.S. Figures in (square) brackets are the standard errors. Statistically significant coefficients are shown in bold.

Table 4** (Continued)
Summary and Diagnostic Statistics

	$\hat{\sigma}$	$\chi 2_{SC}(1)$	$\chi 2_{FF}(1)$	$\chi 2_{N}(2)$	$\chi 2_{HE}(1)$	$\overline{R}^2$	LL
Australia	0.573	0.83	0.29	0.70	1.24	0.90	-11.36
Austria	1.210	0.05	2.69	1.56	0.10	0.28	-27.78
Belgium	0.693	18.10	2.84	1.03	0.81	0.69	-15.51
Canada	0.518	0.01	1.27	0.18	0.22	0.76	-9.10
Denmark	1.197	1.63	0.20	1.56	2.32	0.49	-27.55
Finland	1.079	8.32	2.44	1.78	0.38	0.70	-25.27
France	0.689	1.78	12.51	1.80	1.13	0.54	-15.40
Germany	0.817	10.02	0.00	0.76	0.48	0.16	-19.15
Greece	2.439	6.25	0.09	1.05	0.32	0.53	-43.21
Ireland	1.469	3.04	0.59	1.49	0.01	0.77	-32.06
Italy	0.606	2.80	5.09	0.74	2.76	0.72	-12.57
Japan	0.399	0.39	1.59	4.97	0.12	0.77	-3.37
Netherlands	1.052	3.40	1.57	0.20	2.02	0.52	-24.70
New Zealand	1.743	12.38	8.26	0.68	10.45	0.70	-35.82
Norway	1.622	8.47	2.18	0.81	0.53	0.39	-34.23
Portugal	2.042	0.00	1.67	0.80	0.69	0.86	-39.30
Spain	1.319	8.68	5.47	1.20	0.40	0.58	-29.68
Sweden	1.194	6.97	0.76	0.15	1.67	0.68	-27.49
Switzerland	0.535	3.13	3.40	0.70	7.79	0.44	-9.83
UK	0.541	1.63	2.20	1.38	0.50	0.81	-10.07

** $\hat{\sigma}$ is the standard error of the country specific regressions, $\chi 2_{SC}(1)$, $\chi 2_{FF}(1)$, $\chi 2_{N}(2)$ and $\chi 2_{HE}(1)$ are Chi-squared statistics for tests of residual serial correlation, functional form mis-specification, non-normal errors and heteroskedasticity. The figures in brackets are their degrees of freedom. $\overline{R}$ is the adjusted multiple correlation coefficient, and LL is the maximized log-likelihood value of the country-specific regressions.

Table 5*
Fixed-Effects Estimates of Dynamic Private Savings Equations with Cross-Sectionally Varying Slopes
(21 OECD Countries, 1972-1993)

Regressors	Coefficients	Regressors	Coefficients
$PSAV_{-1}$	0.670	W	0.074
	(20.80)		(4.41)
SUR	-0.771	$W \times \overline{W_i}$	-0.00019
	(-16.28)		(-3.62)
SUR_{-1}	0.628	INF	0.082
	(11.54)		(3.11)
GCUR	-0.544	PCTT	0.045
	(7.78)		(4.54)
$GCUR_{-1}$	0.412	YRUS	0.456
	(6.16)		(2.49)
GI	-0.666	$YRUS \times \overline{W_i}$	-0.00157
	(-5.54)		(-2.81)
GI_{-1}	0.600	DEP	0.233
	(4.80)		(2.12)
GR	-0.0014	$DEP \times \overline{W_i}$	-0.00089
	(-0.03)		(-2.52)
RINT	0.051		
	(1.60)		
$\overline{R}^2$	0.908		
$\hat{\sigma}$	1.451		
LL	-807.61		
AIC	-845.61		
SBC	924.18		

* See equation (3.3) in the text. The figures in brackets are t-ratios. For definitions of the variables see the notes to Tables 1 and 2.

Table 6*

Private Saving Equations: Fixed-Effects, Mean Group and Pooled MG Estimates

(20 OECD countries, 1972-1993)

	FE Estimates		Mean Group Estimates		Pooled MGE
Regressors	Static	Dynamic	Static	Dynamic	Dynamic
SUR	-0.518	-0.968	-0.671	-0.911	-0.870
	(-8.50)	(-7.76)	(-8.07)	(-5.48)	(-19.81)
GCUR	-0.461	-0.665	-0.401	-0.394	-0.474
	(-10.76)	(-8.17)	(-5.95)	(-4.38)	(-6.88)
GI	-0.555	-0.789	-0.335	-0.109	-0.401
	(-5.28)	(-4.14)	(-1.01)	(-0.22)	(-1.14)
GR	-0.059	0.091	0.046	0.057	0.029
	(-1.09)	(-0.93)	(0.88)	(0.92)	(0.48)
RINT	0.205	0.127	0.104	0.183	0.139
	(4.11)	(1.41)	(1.28)	(1.61)	(1.66)
W	0.020	0.028	0.001	0.002	-0.004
	(4.51)	(3.49)	(0.061)	(0.115)	(-0.21)
INF	0.161	0.069	0.089	0.137	0.103
	(3.91)	(0.93)	(1.02)	(1.18)	(1.11)
PCTT	0.044	0.094	0.048	0.103	0.077
	(2.83)	(3.31)	(1.34)	(2.21)	(2.37)
YP	-0.087	-0.076	-0.069	-0.056	-0.031
	(-2.54)	(-1.23)	(-0.77)	(-0.60)	(-0.35)
DEP	-0.161	-0.241	0.080	0.058	0.050
	(-5.13)	(-4.22)	(0.63)	(0.45)	(0.39)

* The dependent variable is $PSAV_{it}$. The estimates refer to the long-run coefficients. Dynamic fixed-effects (FE) estimates are based on a first-order autoregressive panel data model containing the lagged dependent variables, $PSAV_{i,t-1}$. The dynamic Mean Group (MG) estimates are based on country-specific regressions also containing, $PSAV_{i,t-1}$. The Pooled MG estimates impose the restrictions that the long-run coefficients of the SUR variable is the same across countries, but are otherwise comparable to the dynamic MG estimates. Due to the presence of YRUS variable in the model, country-specific parameters for the U.S. are not identified, and the U.S. is dropped from the panel. See the notes to Table 1 for the definition of the variables.