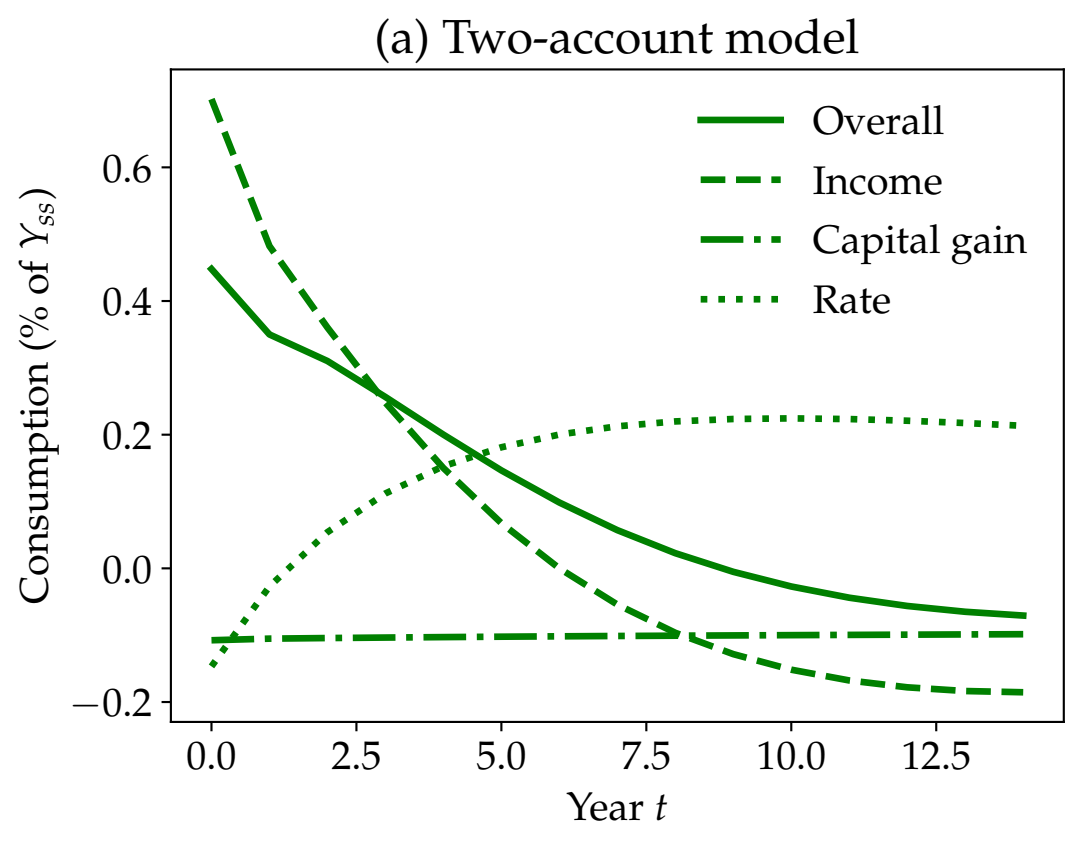
(a) Two-account model
Overall
Income
Capital gain
Rate
Consumption (% of Y_{ss})
0.6
0.4
0.2
0.0
−0.2
0.0
2.5
5.0
7.5
10.0
12.5
Year t