NTA by income quintiles. Costa Rica 2004

Luis Rosero Bixby

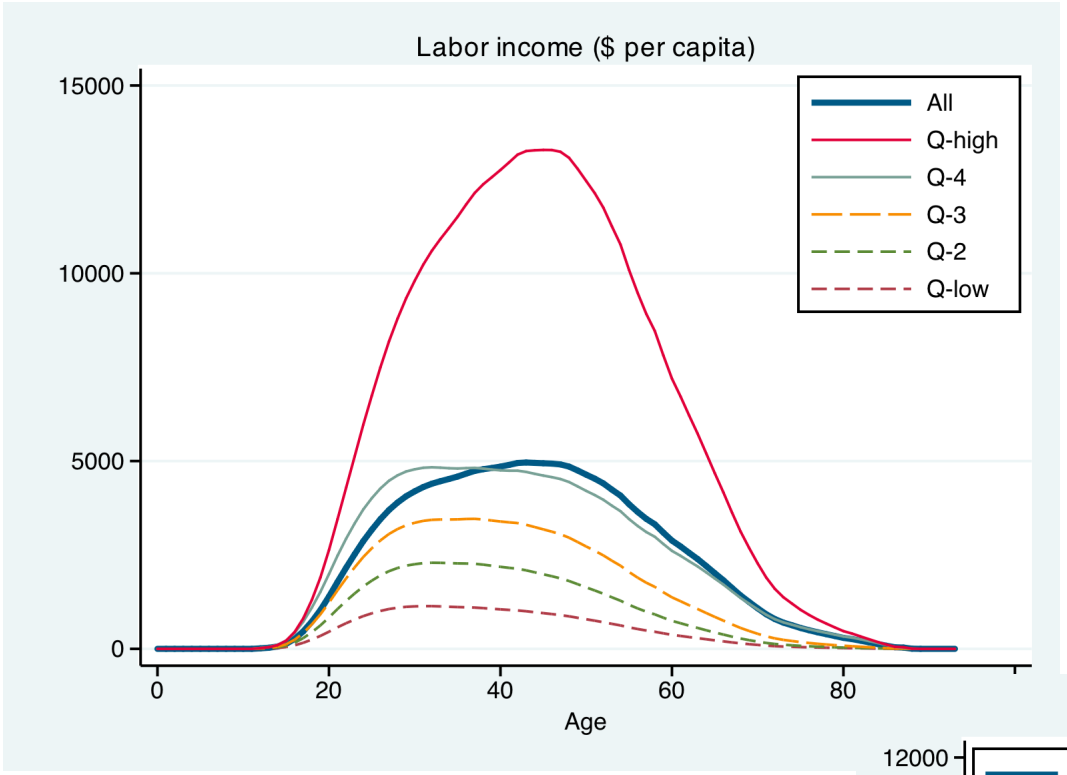
University of Costa Rica

Population by income quintiles

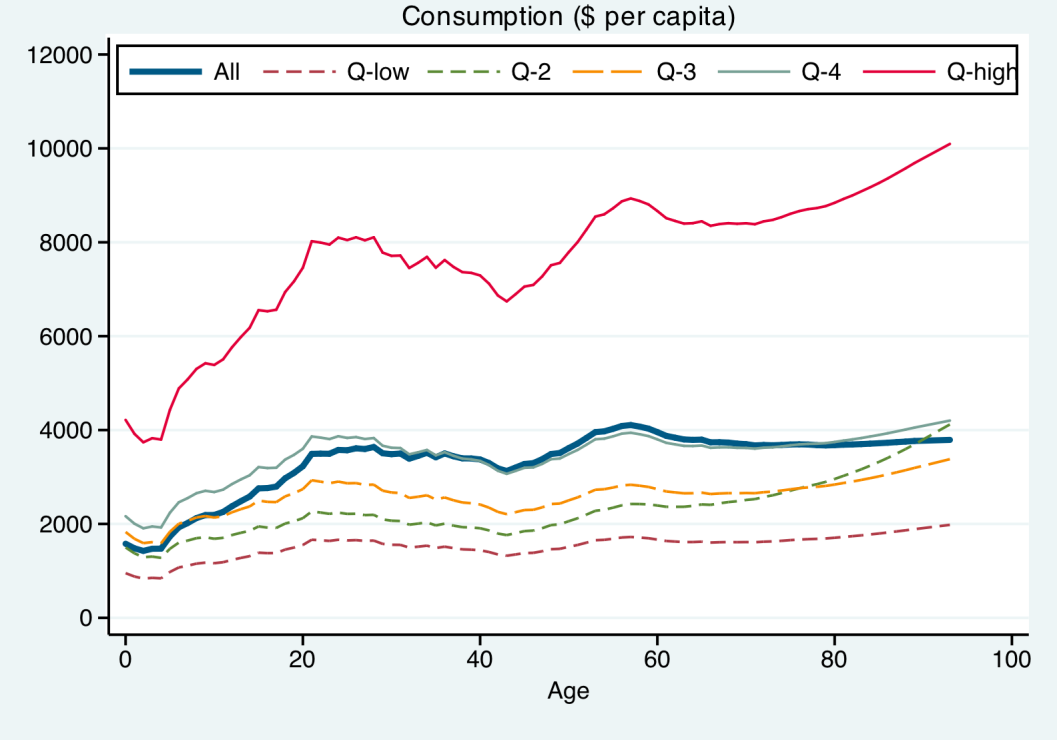
Estimating NTA by income quintiles: A proportional variation model

$$\hat{Y}_{xi} = S_x \, e^{\beta 0_i + \beta 1_i \, x + \beta 2_i \, x^2 + \varepsilon}$$

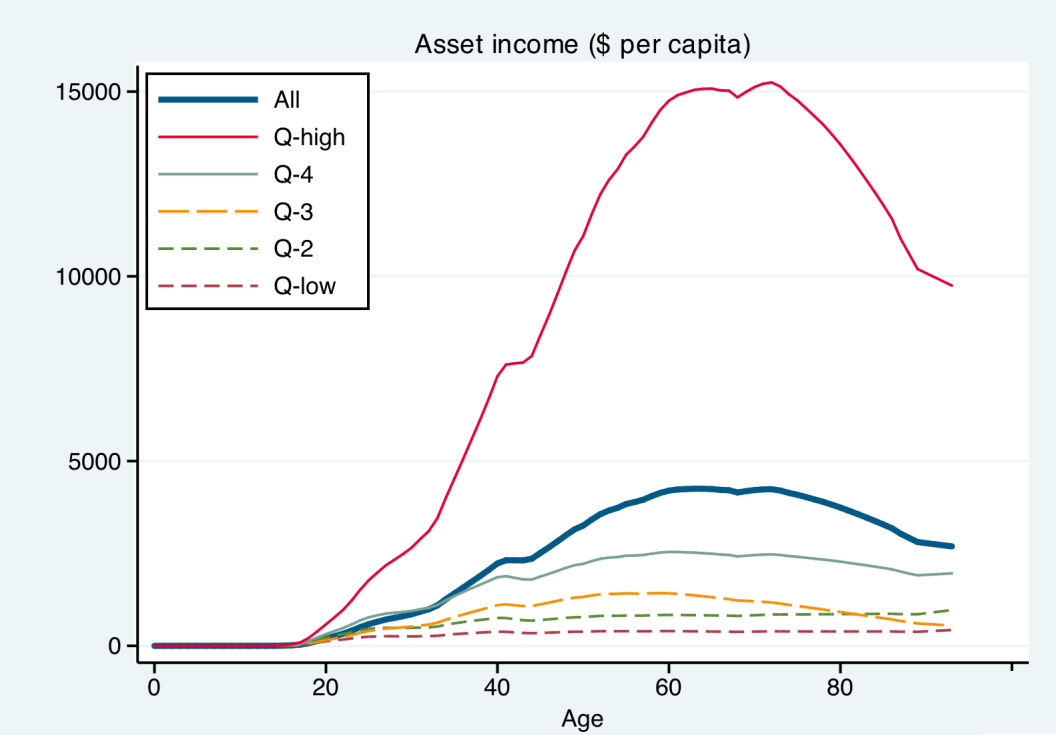
x is age, ***i*** is the income quintile,
Y is the account being estimated
S is a reference standard (the age profile of the account ***Y***)
β0, β1, β2 are parameters estimated with *Poisson regression*

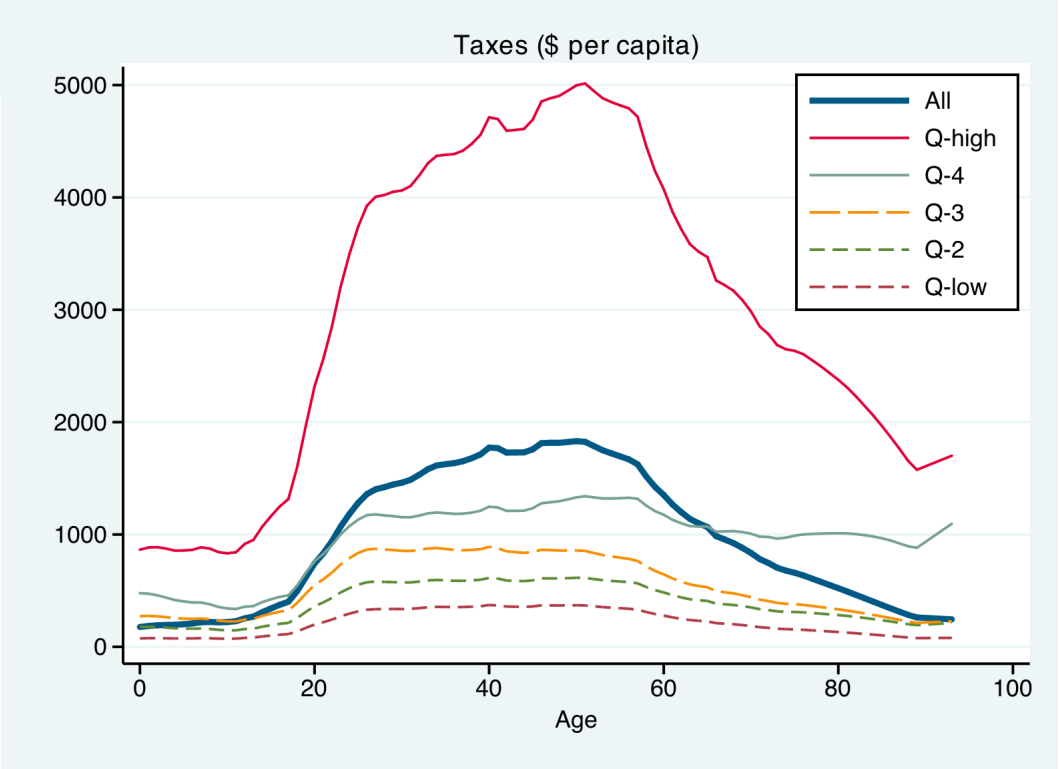

Labor income ($ per capita)
15000
10000
5000
0
0
20
40
60
80
Age
All
Q-high
Q-4
Q-3
Q-2
Q-low

LCD

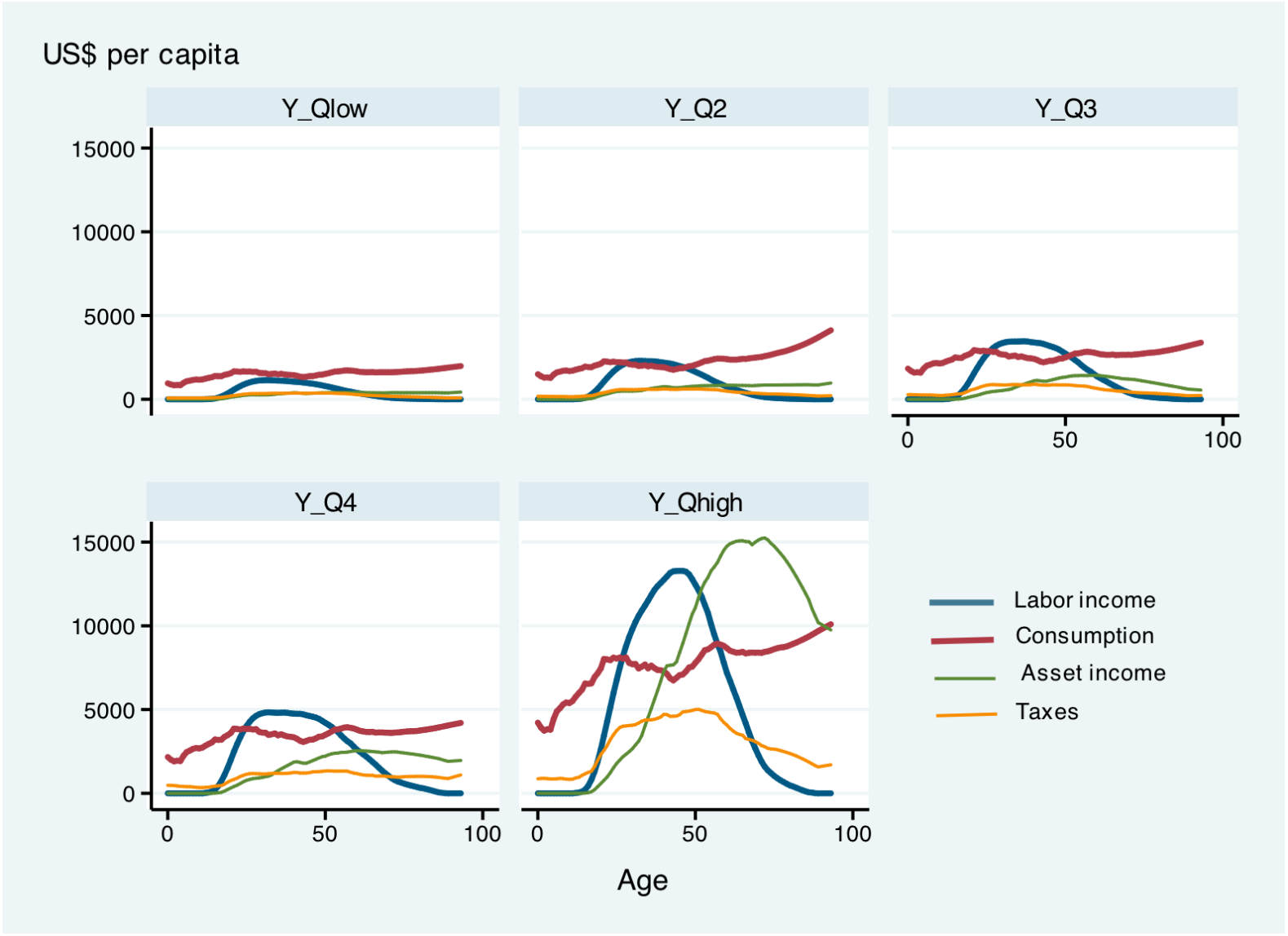

Consumption ($ per capita)
12000
10000
8000
6000
4000
2000
0
0
20
40
60
80
100
Age
All
Q-low
Q-2
Q-3
Q-4
Q-high

Asset income & taxes paid

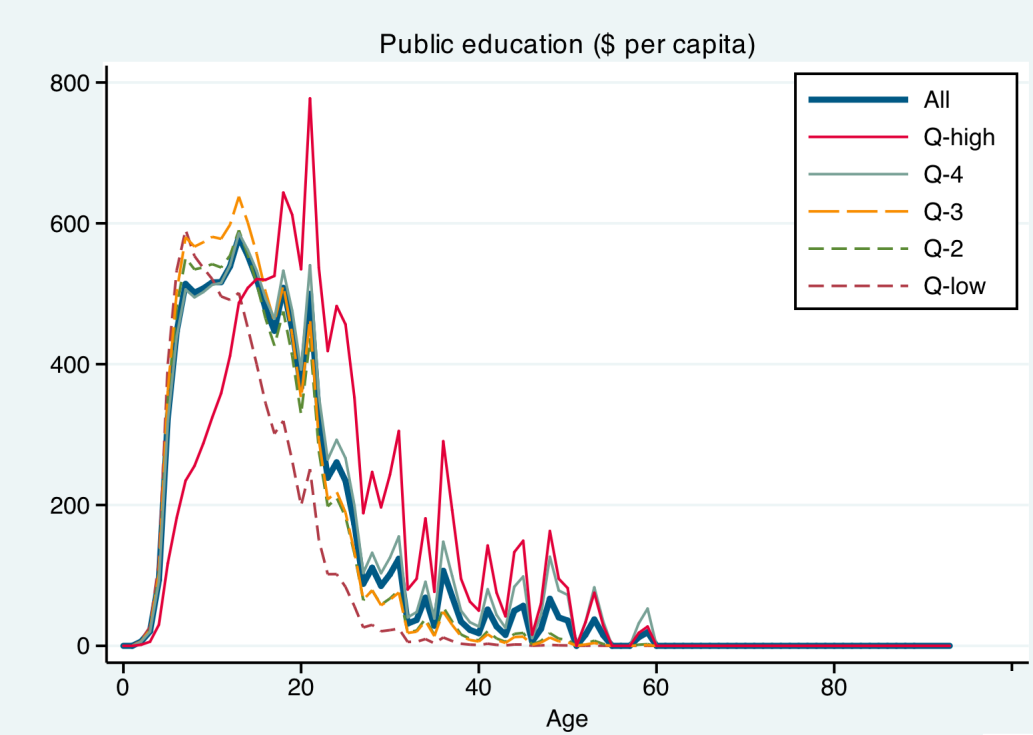


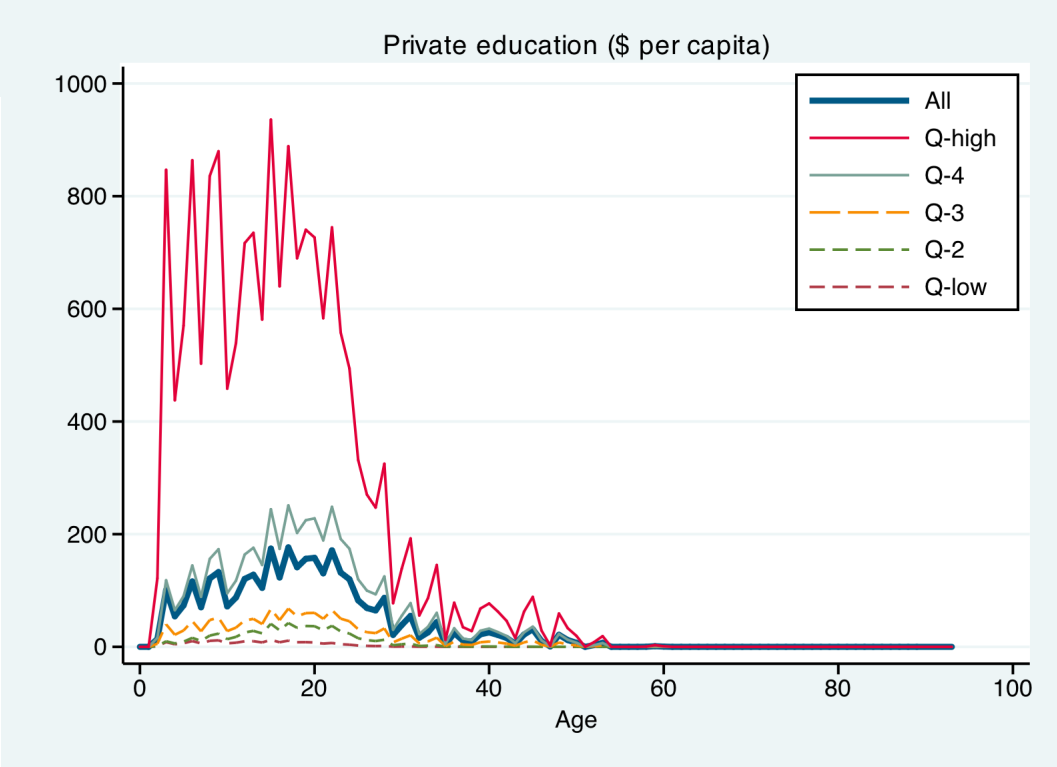


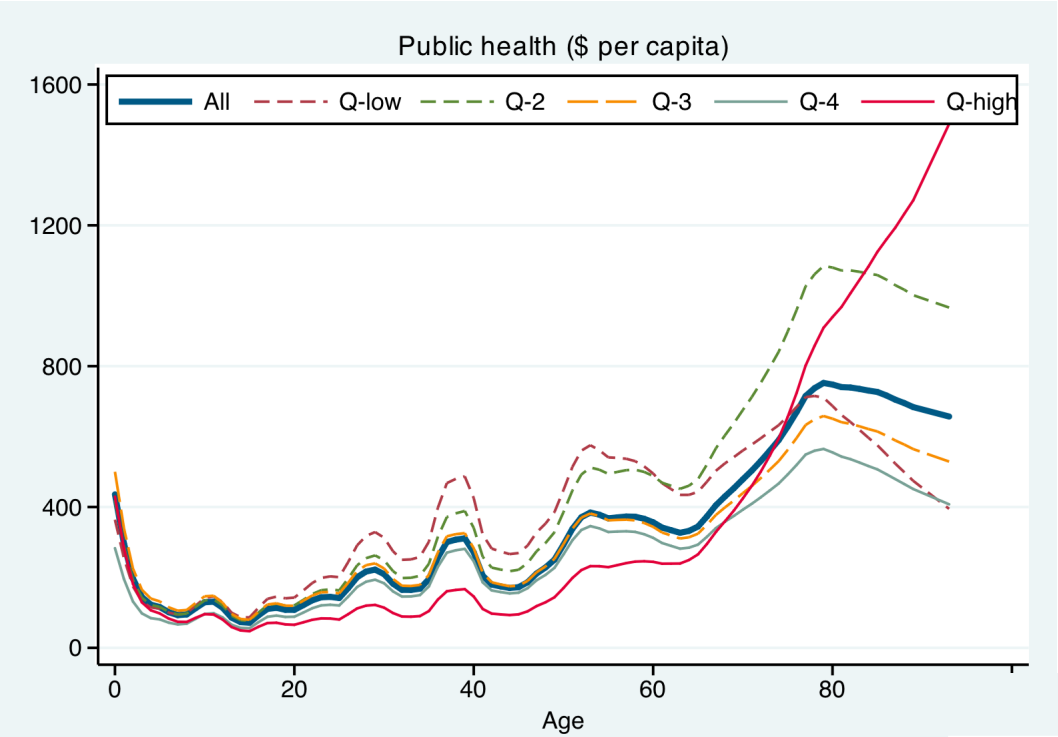
Life Cycle Deficit et al.



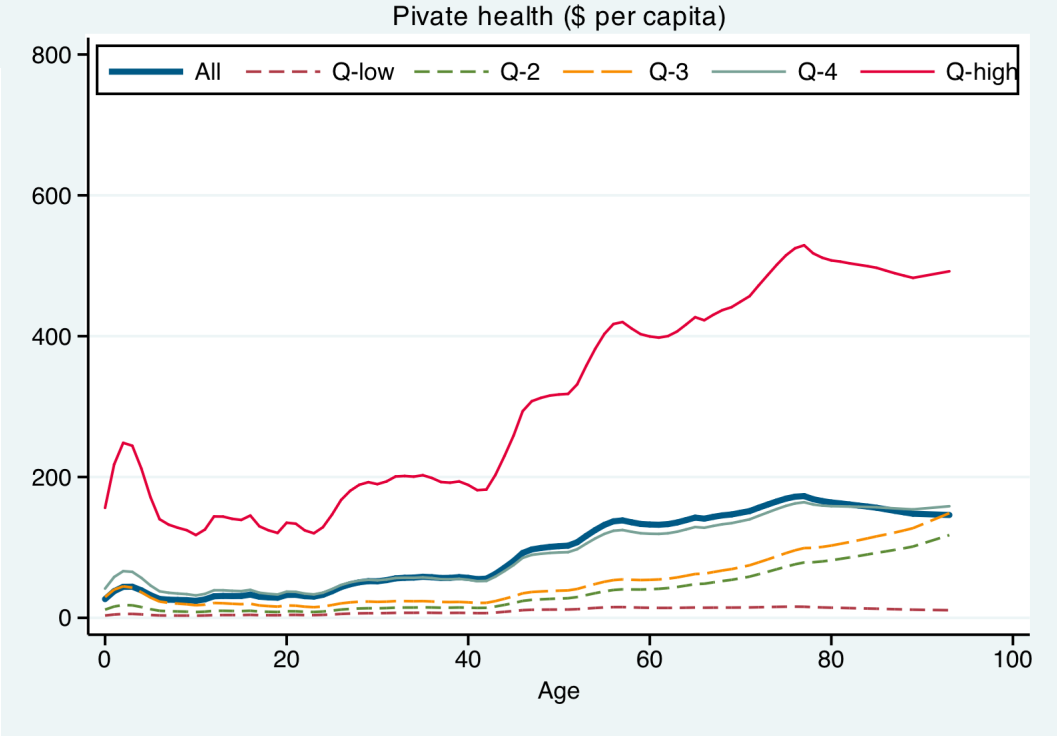
Education


Public education ($ per capita)
800
600
400
200
0
0
20
40
60
80
Age
All
Q-high
Q-4
Q-3
Q-2
Q-low


Private education ($ per capita)
1000
800
600
400
200
0
0
20
40
60
80
100
Age
All
Q-high
Q-4
Q-3
Q-2
Q-low


Public health ($ per capita)
All
Q-low
Q-2
Q-3
Q-4
Q-high
1600
1200
800
400
0
0
20
40
60
80
Age

Health


Pivate health ($ per capita)
All
Q-low
Q-2
Q-3
Q-4
Q-high
800
600
400
200
0
0
20
40
60
80
100
Age

Discusion--next steps

- Educational 5 groups (same results)
- Other accounts by SES? Public pensions…
- Shall we try to estimate transfers between SES groups? (not so hard for public transfers)
- Gini or other inequality indicators?
- Generational interpretations?