

TABLE 7—THE PROPENSITY TO SPEND ON SUBCATEGORIES OF EXPENDITURES

| | <i>Panel A. Food</i> | | | <i>Panel B. Additional categories in strictly nondurables</i> | | | |
|--|--|------------------------|-------------------------|---|-----------------------------|--|------------------|
| Dependent variable: | Food at home | Food away from home | Alcoholic beverages | Utilities, household operations | Personal care and misc. | Gas, motor fuel, public transportation | Tobacco products |
| Coefficient on ESP | 0.050 | 0.025 | 0.011 | 0.059 | 0.083 | 0.027 | 0.007 |
| Standard error | (0.032) | (0.033) | (0.007) | (0.027) | (0.049) | (0.039) | (0.009) |
| Implied share of increase in nondurable spending | 0.16 | 0.08 | 0.04 | 0.19 | 0.27 | 0.09 | 0.02 |
| Share of avg. spending on subcategory | 0.23 | 0.11 | 0.01 | 0.23 | 0.04 | 0.16 | 0.01 |
| | <i>Panel C. Additional categories in nondurables</i> | | | <i>Panel D. Additional categories in total CE spending</i> | | | |
| Dollar change in spending on: | Apparel | Health | Reading | Housing (incl. furnishings) | Entertainment | Education | Transportation |
| Coefficient on ESP | 0.022 | 0.025 | −0.001 | 0.099 | 0.077 | −0.100 | 0.527 |
| Standard error | (0.021) | (0.048) | (0.003) | (0.092) | (0.099) | (0.042) | (0.269) |
| Implied share of increase in: Nondurable spending | 0.07 | 0.08 | 0.00 | 0.16 | 0.13 | −0.17 | 0.87 |
| Durable spending | | | | | | | |
| Avg. spending on subcategory: Share of nondurable | 0.06 | 0.15 | 0.01 | 0.56 | 0.13 | 0.04 | 0.27 |
| Share of durable | | | | | | | |
| | <i>Panel E. Subcategories of transportation</i> | | | | | | |
| Dollar change in spending on: | New vehicle purchases | Used vehicle purchases | Other vehicle purchases | Maintenance and repairs | Other, insurance fees, etc. | | |
| Coefficient on ESP | 0.357 | 0.123 | 0.011 | 0.009 | 0.027 | | |
| Standard error | (0.204) | (0.149) | (0.054) | (0.028) | (0.024) | | |
| Implied share of increase in durable spending | 0.59 | 0.20 | 0.02 | 0.01 | 0.04 | | |
| Share of average durable spending | 0.07 | 0.06 | 0.01 | 0.04 | 0.09 | | |