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IZA DP No. 17695

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ABSTRACT

How Inheritance Expectations Impact Household Savings*

This paper examines how expecting to receive an inheritance impacts household savings decisions. Life-cycle consumption models indicate that the expectation of inheriting should reduce current savings plans for forward-thinking consumers. We investigate how inheritance expectations shape savings behavior within the household, considering factors such as liquidity constraints and education. To do so, we use household fixed effects to account for time-invariant factors and exploit within-household variation over time by using panel data from the Japanese Panel Survey of Consumers (2003-2019), which provides individual-level information and overcomes endogeneity concerns commonly present in cross-sectional studies. Our findings reveal that households adjust their current savings in anticipation of receiving future inheritances. Specifically, men decrease their current savings by an average of 5.4 percent if they expect to receive an inheritance in the future. Additionally, we find more pronounced changes in savings among households with higher levels of education and incomes, which are less likely to face liquidity constraints. These findings inform inheritance fiscal policies, such as inheritance taxes, revealing that households consider the expectation of inheriting in the future for current saving decisions.

JEL Classification: D14, D15, D84

Keywords: intra-household allocation, savings, inheritance expectations, panel data, JPSC

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1. Introduction

A household learns that it has been named an heir in an estate. How does this news affect its saving and consumption decisions? Understanding how saving and consumption decisions respond to income shocks is crucial. Many fiscal and monetary policies directly target household economic resources and influence household saving and consumption decisions. For instance, tax adjustments, cash transfers, pension reforms, and credit market interest rates all influence the incentives to save or spend. Understanding these transmission dynamics is critical for the design of economic policies. Inheritances, however, differ from other wealth inflows, such as housing gains or stock market appreciations, as they are not tied to economic cycles and are characterized by uncertainty in both timing and value.[1]

Learning the connection between consumption and expected inheritances can provide valuable insight into the fundamentals of consumer behavior. A key factor in how and to what extent household saving and consumption respond to income changes is whether these changes are anticipated. According to standard life-cycle consumption models (Modigliani and Brumberg 1954; Friedman 1957)—the workhorse theories for analyzing household saving and consumption behavior (Attanasio and Pistaferri 2016)—anticipated changes in economic resources should not affect consumption at the time they occur among forward-looking consumers, as they were already incorporated into prior optimal consumption decisions through the use of savings and borrowings to buffer against certain income fluctuations, and only unanticipated economic shocks should prompt revisions to current consumption plans.

However, numerous empirical studies have found that consumption reacts to anticipated income changes, with binding liquidity constraints often identified as the primary factor behind households exhibiting this puzzling behavior and excessive sensitivity of consumption to expected income *increases* (Attanasio and Weber 2010; Jappelli and Pistaferri 2010; Meghir and Pistaferri 2011; Fuchs-Schündeln and Hassan 2016).[2] Specifically, liquidity constraints limit households' ability to borrow or draw

[1] Jappelli and Pistaferri (2010), Meghir and Pistaferri (2011), and Crawley and Theloudis (2024) offer detailed surveys of this extensive theoretical and empirical literature.

[2] Despite the presence of liquidity constraints, consumers are still able to save when a decline in income is anticipated, such as that linked to retirement (Attanasio and Weber 2010; Jappelli and Pistaferri 2010; Fuchs-Schündeln and Hassan 2016).

down savings during periods of low income, resulting in suboptimal consumption choices. This constraint hampers their capacity to smooth consumption over time until the anticipated economic change occurs, relaxing these constraints and prompting substantial changes in current consumption decisions.

To effectively distinguish whether any observed changes in economic resources in the data are anticipated (i.e., expected) or are unanticipated (unexpected), researchers can rely on measures of subjective expectations, which are increasingly available in household surveys (Manski 2008; Bruine de Bruin et al. 2023; D'Acunto and Weber 2024) and provide valuable insights into individuals' beliefs regarding future events involving changes in their economic resources (for comprehensive overviews on these measures, refer to Manski (2004), Attanasio (2009), Delavande et al. (2011), or Delavande (2014)).[3]

Within this framework, this paper explores the ex-ante responses of consumption to future income changes and examines how household savings respond to the expectation of receiving an inheritance in the future. To do so, we utilize longitudinal data from a subset of married couples in the Japanese Panel Survey of Consumers (JPSC), covering the period from 2003 to 2019 across a total of 17 annual waves. Theoretically, expectations of a future wealth transfer should influence current savings and consumption decisions of forward-looking individuals in the absence of binding liquidity constraints, according to their positive belief in receiving an inheritance in the future. If consumption is a normal good, the expectation of a positive wealth shock should shift the lifetime wealth (i.e., the intertemporal budget constraint), prompting future heirs to adjust their present savings and consumption plans by smoothing savings and advancing consumption forward as soon as they expect to inherit.

To our knowledge, the studies most closely aligned with our research question are those by Basiglio et al. (2023) and Malo and Sciulli (2023). Basiglio et al. (2023) examine the relationship between the expectation of a large inheritance and savings in the Netherlands, finding a negative relationship with the probability of saving a positive amount, ranging from 9 to 13 percentage points. In contrast, Malo and Sciulli (2023) analyze data from 17 European countries, concluding that households expecting a wealth

[3] For other forms of wealth, related research has examined expectations data on inflation (Bachmann et al. 2015; Burke and Ozdagli 2023), returns on stocks, deposits and bonds (Paiella and Pistaferri 2017), or house prices (Andersen and Leth-Petersen 2021; Niizeki and Hori 2023; Qian 2023).

transfer tend to consume as if they were in a higher wealth decile. A notable limitation of these studies is their reliance on cross-sectional data from a single survey year, which can introduce endogeneity issues, particularly unobserved temporal and individual heterogeneity. In contrast, our study leverages panel data spanning from 2003 to 2019, offering a substantial advantage in addressing these concerns and enabling a more robust analysis.

The results from this paper underscore the significant impact of inheritance expectations on household savings decisions. Husbands anticipating an inheritance from their parents decrease their current savings by 5.4 percent, which represents an average reduction of 1,402.75 yen, displaying a forward-looking behavior consistent with intertemporal consumption models. Interestingly, no significant changes in savings behavior are observed among wives. As a result, males incorporate expected income into their savings decisions, whereas wives are myopic when making their consumption decisions. Higher-income households are particularly capable of reducing savings in anticipation of future inheritances. In contrast, lower-income households, likely facing liquidity constraints, may not adjust their saving decisions until inheritances are actually received. Additionally, households where spouses have some college education and expect to inherit from their parents reduce their current savings. From a policy perspective, these findings are essential for informing inheritance-related fiscal policies, as they highlight the need to consider ex-ante consumption responses to anticipated inheritances.

This paper makes several contributions to the existing literature. First, unlike other cross-sectional datasets used in the literature, this study uses panel data that allows us to track the same households *annually* over an extended period. This enables us to control time-invariant unobserved differences between households, such as saving preferences, altruism toward children, discount rates, and risk aversion. We address these concerns by using household fixed effects to exploit within-household variation over time, thereby mitigating endogeneity issues common in cross-sectional studies due to unobserved heterogeneity, since both inheritance expectations and savings decisions can be correlated with unobserved household characteristics.

Second, this study examines the distribution of savings within households by leveraging *individualized* saving information presented as *quantitative* data, together with inheritance expectations, which are rarely observed from current survey datasets. The

survey explicitly allows us to disaggregate savings breakdown within the household, in contrast to typical household surveys that only capture saving and consumption at the household level (Attanasio and Pistaferri 2016; van Leeuwen et al. 2021; Sokullu and Valente 2022; Calvi et al. 2023). We then explore how individual expectations influence the intra-household allocation of savings. Consequently, we adopt a collective framework of household decision-making, as pioneered by Chiappori (1988, 1992). To the best of our knowledge, we are the first to investigate how the expectation of inheritances may impact the intra-household allocation of savings. This approach presents a significant advantage within the Japanese institutional framework, where the separation of property regime has been the default marital property regime for married couples since 1898.[4] This system emphasizes the importance of individual asset ownership within the household, including individual bank accounts and private savings rather than joint bank accounts and common savings (Horioka 2021; Niimi 2022).

Third, this study investigates several unexplored mechanisms through which the expectation of inheriting impacts savings behavior, including liquidity constraints and education. These factors may influence how individuals adjust their savings. For instance, households in stronger economic positions, which are less likely to face liquidity constraints, may modify their savings behavior in anticipation of future inheritances, even before the inheritance is actually received. In contrast, liquidity constrained households are unlikely to alter their savings patterns prior to receiving the inheritance, even when fully anticipated. As a result, these households may exhibit excess sensitivity to anticipated inheritances once they are actually realized. Similarly, lower-educated households may struggle to adjust their saving patterns effectively in response to these expectations, while highly educated households, who typically experience better working conditions and are less likely to face liquidity constraints, may adjust more easily.

The remainder of this paper is structured as follows. Section 2 discusses the related literature, offering a comprehensive background and context for our research. Section 3 describes the data, sample selection, and variables employed in the empirical analysis.

[4] Under the separate property regime, each spouse retains exclusive ownership of their individual assets, including cash, inheritances, savings, and real property, as well as any income generated from those assets, whether acquired before or during the marriage, unless a prenuptial agreement specifies otherwise or both spouses have contributed to the accumulation of those assets. However, in practice, prenuptial agreements are seldom signed in Japan. In the event of a marriage dissolution, these individual assets and their associated returns remain the property of that individual unless the spouse can verify that their contribution to the wealth accumulated during the marriage.

Section 4 lays out our econometric strategy, and Section 5 presents the main findings of the study. Finally, Section 6 concludes the paper.

2. Literature review

This paper relates to a recent body of literature that explores the potential impacts of individual beliefs on economics outcomes, which include labor supply, consumption, savings, or intentions to leave an inheritance, among various other observable economic behaviors. The findings from this literature suggest that subjective expectations are informative and play a crucial role in shaping both actual and future economic decisions.

Some studies indicate that the expectation of inheriting may be an important determinant for the presence of bequest motives. For instance, Stark and Nicinska (2015) analyze data from two waves of the Survey of Health, Ageing and Retirement in Europe across 14 countries from 2004 to 2007 and find a positive relationship between the expectation of inheriting and the intention to leave an inheritance. Similarly, DeBoer and Hoang (2017) use five cross-sectional waves of the Survey of Consumer Finances spanning from 1998 to 2010 and find that the expectation of inheriting is associated with a 25-percentage point increase in the probability of intending to leave a bequest. Furthermore, Niimi and Horioka (2018) utilize data from the Preference Parameters Study of Osaka University, conducted in Japan and the US during the 2003-2013 period, and find that those who expect to receive an inheritance from their parents and/or parents-in-law are more inclined to leave a bequest to their own children. This suggests the intergenerational transmission of wealth among three consecutive cohorts, indicating that intergenerational transfers likely contribute to the persistence of wealth disparities over time in Europe, Japan and the US.[5]

For current consumption and savings decisions, we refer to the recent studies by Basiglio et al. (2023) and Malo and Sciulli (2023), both of which concentrate on European contexts—either in a single-country framework in the Netherlands (Basiglio et al. 2023) or across multiple countries (Malo and Sciulli 2023). Basiglio et al. (2023) use a special

[5] A substantial body of literature has examined the role of realized inheritances in various aspects, including intentions to bequeath (Arrondel and Grange 2014; Stark and Nicinska 2015; DeBoer and Hoang 2017; Niimi and Horioka 2018; Zhou 2022), labor supply (Cox 2014; Blau and Goodstein 2016; Belloc et al. 2025a), household consumption (Joulfaian and Wilhelm 1994; Suari-Andreu 2023; Belloc et al. 2025b), and household net worth (Zagorsky 2013; Druedahl and Martinello 2022; Nekoei and Seim 2023).

module added to the DNB Household Survey in November 2016 with questions on inheritance expectations, finding a negative relationship between the expectation of receiving an inheritance and the probability of saving a positive amount. Specifically, the expectation of inheriting in the next 10 years is associated with a 9 to 13 percentage point decrease in the probability of having positive savings.[6] Conversely, Malo and Sciulli (2023) analyze data from the 2014 Household Finance and Consumption Survey (HFCS) across 17 European countries, demonstrating that the anticipation of receiving a substantial gift or inheritance in the future is positively correlated with nondurable consumption. Additionally, this relationship varies across the wealth distribution, being more pronounced among households in higher wealth deciles compared to those in the first decile.

In contrast to these two descriptive studies, which base their findings on conditional correlations derived from data from a single survey year, potentially influenced by unobserved heterogeneity in preferences, our analysis examines Japan over the extended period from 2003 to 2019. The extensive time span of our panel data allows us to use the *within* estimator, effectively mitigating endogeneity concerns that commonly arise in single-year cross-sectional datasets. Furthermore, the distinctive features of our dataset enable us to observe continuous individual-level savings measures, which are rarely available, and the incorporation of intra-household effects associated with inheritance expectations.

3. Data and variables

3.1. Data

We use data from the Japanese Panel Survey of Consumers (henceforth, JPSC), an annual survey of women conducted by the Institute for Research on Household Economics every October from 1993 to 2017, and subsequently by the Panel Data Research Center at Keio University from 2018 onwards. Despite tracking women as the main respondents, the JPSC also include includes information on their husbands in the case of married women. The JPSC is the longest-running nationwide panel survey in Japan and is based on a

[6] The findings also indicate that the expectation of a large inheritance increases the intention to leave a bequest, consistent with the results of Niimi and Horioka (2018), while simultaneously decreases the probability of working full-time at the age of 62 or older.

nationally representative sample obtained through a two-stage stratified random sampling method. The survey began in 1993 with a sample of 1,500 women aged 24 to 34, designated as Cohort A. Subsequently, four additional cohorts of respondents (women) were incorporated into the sample: Cohort B, comprising 500 women aged 24 to 27 at Wave 5 (1997); Cohort C, comprising 836 women aged 24 to 29 at Wave 11 (2003); Cohort D, comprising 636 women aged 24 to 28 at Wave 16 (2008); and Cohort E, comprising 648 women aged 24 to 28 at Wave 21 (2013). We utilize 17 consecutive waves of the survey, covering the period from 2003 to 2019 (Waves 11 to 27), as information on inheritance expectations is unavailable prior to 2003 (see Subsection 3.3. for further details).

3.2. Sample selection

Our sample selection criteria are minimal. First, we are interested in intra-household saving responses to inheritance expectations, necessitating individual-level data within each household. The JPSC provides three sets of questionnaires specifically for women: one for "married" women, another for "unmarried" women, and a third for "newly married" women who entered marriage between the previous and current wave. For this study, we limit our sample to legally married heterosexual households (Blundell et al. 2008, 2016; Fujii and Ishikawa 2013; Arellano et al. 2017, 2024; Lise and Yamada 2019; Theloudis 2021; Kubota 2021; Chiappori et al. 2024),[7] where both spouses are aged between 21 and 65 (Mazzocco, 2007),[8] over the period from 2003 to 2019 (Wave 11 to 27). Our focus on married couples is motivated by the article's aim to examine individual savings responses to both personal and spousal expected inheritances.

Second, consistent with extensive research on household panel surveys (e.g., Blundell et al. 2008, 2016; Lise and Yamada 2019; Jappelli and Pistaferri 2020; Theloudis 2021; Commault 2022; Hryskho and Manovskii 2022; Trivin 2022; Bredemeier et al. 2023; Arellano et al. 2024; Ghosh and Theloudis 2024; Belloc et al. 2025b), we focus on stable couples. We account for significant changes in family composition over the sample

[7] Same-sex marriage is not legally recognized in Japan under current law.

[8] Observations were excluded if the husbands were over 65 years old. Similarly, data for respondents under the age of 24 also pertains to the husbands. The results are robust to the age selection criteria.

period by removing households in the year they break up and form a new household.[9] If the respondent (i.e., the woman) remarries later, we assign a new household identifier, as the survey design would otherwise classify them as part of the same household.

Naturally, we require non-missing information on the set of variables used and non-zero savings data, as we will express the savings variables in logarithms. Finally, since we use panel data methods for estimation, the analysis requires households to be observed for at least two consecutive years.[10] After applying these restrictions, the resulting unbalanced sample consists of 5,788 household-year observations from 902 households, with each household being observed for an average of 6.42 years. This represents the number of observations included in the main econometric analyses of the paper.[11]

3.3. Variables

In this study, our key focus is on inheritance expectations. We use survey questions, available since 2003, to ascertain whether wives and husbands expect to receive financial and real assets from their respective parents in the future. Specifically, the measures of inheritance expectations that we use are gathered through the following two questions: "*Do you and your husband expect to receive financial and real assets from your parent(s) in the future?*" and "*Do you and your husband expect to receive financial and real assets from your husband's parent(s) in the future?*". Based on their responses, we create two dummy variables: one indicating inheritance expectations from the wife's parents and another indicating inheritance expectations from the husband's parents. These variables are coded as 1 for "*Yes*", and 0 for "*No*" or "*My parents/parents-in-law have passed away*", respectively.

The JPSC collects detailed data on individual savings within households. Specifically, it asks the following question: "*How much did your household save (including life insurance and other insurance payments) in this past September? If the*

[9] We identify households that have experienced compositional changes in the past year if the woman has either re-married or divorced during interviews, resulting in the formation of a new household. This approach may affect the precision of the estimates. For further details on the structure of the standard errors of the estimates, refer to Section 4.

[10] In this paper, a household is defined as a unit consisting of a legally married couple, and possibly their children and other members.

[11] See Table 1 in Appendix A for a detailed summary of the number of households excluded based on each sample construction criterion.

amount is 0 yen, please fill in 0.".[12] Additionally, the JPSC asks respondents to break down their monthly savings (in September) into five categories: (1) Savings for the entire household, (2) Savings for the respondent (i.e., the wife), (3) Savings for the respondent's husband, (4) Savings for their child(ren), (5) Savings for others. Mimicking the method of Lise and Yamada (2019), categories (1), (4), and (5) are summed to construct public savings, while categories (2) and (3) are summed to compute the wife's and the husband's private savings, respectively.

The JPSC also allows the definition of socio-demographic variables by capturing information about the woman, the spouse, and the entire household. These variables encompass a range of characteristics that are relevant for savings and *change over time*, including age (in years), employment status (1 if employed, 0 otherwise), household income, household size, number of children,[13] and region of residence.[14] Our measure of household income includes the household income of the head and spouse, encompassing earnings from employment, business income, asset revenue, social security benefits, and other sources. Given the retrospective nature of these questions, which pertain to the previous calendar year, we use income data from the 2020 wave to define family income for the year 2019. All monetary amounts, including savings and household income data, are expressed in Japanese yen at September 2019 values, adjusted for inflation using the Consumer Price Index for "all items" provided by the Statistics Bureau of Japan.

3.4. Summary statistics

Table 1 presents summary statistics from our sample. On average, wives have savings of 18,172 yen, while husbands have savings of 25,757 yen. This indicates that husbands save more than wives and represents an average gender gap in savings of 7,585 yen, which is statistically significant at the 1% level. In terms of inheritance expectations, approximately 32.3% of wives expect to inherit from their parents on average, compared to 43.3% of husbands. The average age is 41 years for wives and 43 years for husbands,

[12] As all these questions pertain to monthly savings, we have chosen to abstract from converting the figures to other time horizons and concentrate solely on decisions related to monthly savings.

[13] We also consider the number of children under the age of six and the number of children aged six to 17, and obtain robust estimates. The results are available from the authors upon request.

[14] The public version of the JPSC classifies respondents' place of residence into 8 regional blocks: Hokkaido, Tohoku, Kanto, Chubu, Kinki, Chugoku, Shikoku, and Kyushu. These regions then include multiple prefectural codes within Japan.

so the husbands of these women tend to be slightly older (Fujii and Ishikawa 2013; Lise et al. 2014; Lise and Yamada 2019; Sakamoto and Morita 2024).[15] An average of 14.6% of wives have at least some college education, while 33.1% of husbands have some college education (College, University, or Graduate school).[16] There is a notable gender disparity in employment status, with 99% of husbands being employed compared to 68.5% of wives. This observation aligns with prior research indicating that married women are predominantly responsible for household work in Japan (Lise and Yamada 2019; Chiappori et al. 2024; Sakamoto and Morita 2024; Sakamoto and Kohara 2025). In terms of household variables, the average household saves 100,557 yen per month, with 56,627 yen reported as public savings. Therefore, in contrast to public consumption, which accounts for a significant portion of total household expenditure in Japan (79%, according to Lise and Yamada (2019) and Sakamoto and Kohara (2025)), public savings constitute 52.03% of the total savings. Additionally, the average family income is 7,721,730 yen. Finally, the average household size is 4 members, with an average of 2 children per household.[17]

4. Econometric strategy

To analyze the impact of inheritance expectations on intra-household savings, we estimate the following panel data regression model using Ordinary Least Squares (OLS) for wives ($j = w$) and husbands ($j = h$):

$$A_{it}^{j} = \beta_o^j + \beta_1^j E_{it}^{w} + \beta_2^j E_{it}^{h} + \gamma^{j'} X_{it}^{j} + \eta_i + \phi_t + \mu + \varepsilon_{it}^{j}, \quad (1)$$

where i represents the household, and t indicates the survey year. The outcome A_{it}^{j} is the logarithm of savings for spouse j in household i at survey year t. E_{it}^{j} represents two dummy variables, each taking the value of 1 if spouse j expects to receive an inheritance from his/her parents in the future and 0 otherwise. X_{it}^{j} is a set of time-varying socio-demographics factors, at both the spouse and household levels, which are crucial for

[15] The age of the wife ranges from 24 to 60 years.

[16] In terms of years of education, both wives and husbands have an average of 13.35 and 13.51 years of education, respectively, consistent with recent studies using the JPSC (Lise and Yamada 2019; Sakamoto and Morita 2024).

[17] By age group, the average number of children under the age of six is 0.39, whereas the average number between the ages of six and 17 is 0.97.

savings decisions and correlated with inheritance expectations. The variables in X_{it}^{j} include spouses' age and its square, employment status, household size, the number of children, and the logarithm of family income.[18]

We account for unobserved heterogeneity in preferences, including unobserved personality traits such as risk aversion or optimism, discounting factors, the presence of any bequest motive, and other unobserved characteristics across households by incorporating household fixed effects, denoted by η_i. All these factors influence both inheritance expectations and savings behaviors.[19] The inclusion of household fixed effects allows us to exploit the time-series variation in E_{it}^{w} and E_{it}^{h} *within* a household. Then, the main coefficients of interest β_1^j and β_2^j capture the impact of inheritance expectations from one's own parents and parents-in-law on private savings.[20] We also include year fixed effects, ϕ_t, to control for time-specific macroeconomic circumstances, such as aggregate shocks and unobserved factors that vary over time. Additionally, regional fixed effects, denoted by μ (with the region sub-index omitted for simplicity), account for regional variations in saving rates across Japan. Finally, ε_{it}^{j} represents the regression error term, and we use standard errors clustered at the household level to correct for the correlation between error terms of repeated observations from the same households (Cameron and Trivedi 2022).

[18] We do not control for household wealth in the specification, though the survey provides data for various asset and debt components that enable the construction of a wealth measure (Niimi 2022). Savings are a component of household net worth, so we avoid the bad control issue that may bias our estimates.

[19] For instance, more risk-averse households tend to accumulate greater wealth compared to their less risk-averse counterparts. These households are also more likely to die with positive assets and leave bequests to their descendants. In contrast, those who exhibiting lower levels of risk aversion are more inclined to adjust their consumption patterns in anticipation of a potential inheritance. Conversely, households with a high intertemporal discount rate may favor holding higher levels of debt, as they prioritize current consumption over future. Our panel data and household fixed effects specification exploit within-household variation to identify the impact of inheritance expectations in household savings, thereby addressing concerns related to time-invariant household-specific preferences.

[20] In the log-linear regression model, the marginal effects for spouses who expect to inherit in the future are calculated using the formula $\left(e^{\beta}-1\right)*100\%$. These percentages reflect the change in savings relative to the reference group, which comprises spouses who neither expect to inherit in the future nor have surviving parents.

5. Results

5.1. Overall results

Table 2 presents the main results from estimating the baseline model specified in Equation (1), focusing on the private savings of wives and husbands, respectively. Our primary interest lies in examining the impact of inheritance expectations, from both the wife's and husband's parents, on the logarithm of private savings. Additional coefficients for individual and household characteristics are also reported.

The results in Column (1) indicate that wives do not adjust their savings in response to inheritance expectations from either their own parents or their in-laws, as the coefficients are not statistically significant at conventional levels. In contrast, Column (2) reveals that husbands exhibit a significant change in savings behavior when anticipating an inheritance from their parents. Specifically, husbands reduce their current savings by 5.45 percent, equating to an average decrease of approximately 1,402.75 yen, based on the average savings of husbands in the sample.

These findings for husbands align with life-cycle consumption models. According to the basic life-cycle model, household consumption should respond only to unanticipated changes in economic resources, while expected changes, such as an anticipated inheritance, should not significantly alter consumption decisions, as they have already been incorporated into prior decisions, including savings behavior. Thus, forward-looking consumers adjust their savings upon expecting an inheritance, consistent with our results. This suggests that previous estimates on the consumption response to inheritances, particularly for males, may have been underestimated (Joulfaian and Wilhelm 1994; Suari-Andreu 2023). However, the behavior of females does not conform to the life-cycle model, as they do not appear to alter their current savings in anticipation of an inheritance, suggesting a more rigid savings behavior.

We further regress the logarithm of household total and public savings on the set of covariates specified in Equation (1). Table 3 presents the estimates from these alternative models in Column (1) and (2), respectively. The results indicate that inheritance expectations from either the wife's or husband's parents negatively impact household total and public savings. However, these estimates are not statistically significant, implying that household total, the "unitary scenario", and public savings do not

significantly respond to inheritance expectations, despite the intra-household effects observed in Table 2.

5.2. Heterogeneity results

We now turn to analyzing whether the estimates vary based on household and individual characteristics. This additional analysis is crucial as it may provide insight into the mechanisms through which savings respond to inheritance expectations. Our findings so far have shown that inheritance expectations lead to a reduction in husbands' savings. However, some households may be unable to adjust their savings until they actually receive the economic shock of an inheritance, while others may be more likely to modify their savings. To address these potential differences, we focus on two specific analyses: one examining households facing financial difficulties and another exploring households with varying educational levels. Liquidity-constrained households may be less able to adjust their savings in anticipation of an inheritance, potentially underestimating the impact of inheritance expectations. Similarly, households with higher educational attainment might be more adept at incorporating inheritance expectations into their savings decisions. Therefore, these subgroup analyses help us understand how the impact of inheritance expectations varies across different household characteristics.

5.2.1. Liquidity constraints

First, we focus on the presence of binding liquidity constraints, a critical factor that could determine how household savings respond to inheritance. Specifically, households in a stronger economic situation are more likely to adjust their current savings in anticipation of an inheritance, compared to those with limited economic resources. This hypothesis contrasts with the "excess sensitivity" displayed by households in response to expected income increases, where liquidity constraints have been highlighted as a primary factor for households exhibiting this puzzling behavior (Attanasio and Weber 2010; Jappelli and Pistaferri 2010; Fuchs-Schündeln and Hassan 2016). However, it is complementary in that it suggests that households facing liquidity constraints may not be able to spend as much as they would like in anticipation of an inheritance, thus postponing their savings decisions until they actually receive it, thereby exhibiting excessive sensitivity to expected income increases.

Although we acknowledge that measuring household liquidity constraints using survey data is challenging, as argued by many works (Brown et al. 2010; Toussaint-Comeau 2021; Kim and Koh 2025), many observable household characteristics are likely correlated with these financial constraints, such as household wealth or income. For the heterogeneity analysis, we use household income data to identify households that are likely liquidity-constrained and thus less likely to modify their savings, aligning with previous research (Christelis et al. 2020; Burke and Ozdagli 2023; Kim and Koh 2025).[21] We dichotomize the household income variable into ten dummy variables representing distinct income deciles based on its distribution *by year*, given the panel structure of the data (Scervini and Trucchi 2022), and further include interaction terms between these household income deciles and inheritance expectations from either the wife's or husband's parents, with the first decile serving as the reference category.

Hence, the results for the interaction terms can be interpreted as the percentage change in savings for households expecting to receive an inheritance and belonging to an income decile above the first. For these households, the interaction terms reflect how their savings behavior differs from those in the first income decile, who serve as the baseline group in the analysis. Therefore, the percentage change in savings for households in the first decile of the income distribution is directly reflected by the estimated coefficient of the two dummy variables indicating inheritance expectations, from either their own parents or parents-in-law.

The results are detailed in Table 4. Our analysis reveals that the estimates of inheritance expectations on current savings behavior significantly vary across different income deciles. Specifically, households in higher income deciles demonstrate a

[21] The JPSC data includes information regarding whether the woman and her husband had experienced a loan application rejection within the past year, as well as whether they refrained from applying for a loan during the past year due to the anticipation that their application would be turned down. This information has been previously used to examine the role of credit constraints in other contexts (Zeldes 1989; Jappelli 1990; Jappelli et al. 1998; Johnson and Li 2010; Jappelli and Pistaferri 2014; Rossi and Trucchi 2016; Paiella and Pistaferri 2017; Toussaint-Comeau 2021). We also try to utilize this information to assess liquidity constraints. However, the findings suggest that most households in the sample were not liquidity constrained according to this definition, with only 0.8% having had a loan application rejected, and 1.4% having abstained from applying for a loan due to expected rejection over the past year. This latter result is consistent with Kohara and Horioka (2006) or Hamaaki and Ibuka (2024) using the JPSC data, Paiella and Pistaferri (2017) the Survey of Household Income and Wealth in Italy, Trivin (2022) using the Survey of Households Finances in Spain, or Malo and Sciulli (2023) using the HFCS. Hence, interacting the inheritance expectation variables with this credit constraint specification does not generate any statistically significant finding. We also account for this variable in the specification, as done in Malo and Sciulli (2023), and obtain robust results. These latter results are available from the authors upon request.

considerable reduction in their current savings in anticipation of receiving an inheritance, in comparison to those belonging to the bottom decile of the household income distribution who do not appear to modify their savings.

We find that the estimates vary according to the income decile, with households belonging to higher income deciles significantly modifying their current savings in response to inheritance expectations. In Column (1) of Table 4, we find that households in the fourth decile of the income distribution reduce their current total savings by 15.80 percent when expecting to receive an inheritance from the husband's parents, compared to those in the lowest income decile. However, these estimates do not capture important intra-household effects, as illustrated by Columns (2-4) in Table 4.

For the wife's savings in Column (2), the overall estimates from Table 2 do not vary significantly by household income decile. This suggests that women, regardless of their household's income status, do not significantly change their current savings in response to inheritance expectations. Conversely, Column (3) reveals that husbands significantly reduce their current savings when they expect an inheritance from their parents, particularly in certain income deciles. For instance, husbands in the sixth income decile reduce their current savings by 13.15 percent, those in the seventh income decile by 15.38 percent, and those in the ninth income decile by 15.04 percent. These figures indicate a substantial behavioral shift in savings among husbands, especially in higher income deciles, in anticipation of receiving an inheritance from their parents.

Finally, Column (4) reports the estimates for public savings, which include savings for the entire household or other members, such as children. The findings suggest that inheritance expectations have a significant impact on public savings as well. Specifically, households in the top income decile reduce their current public savings by 28.39 percent, when expecting an inheritance from the wife's parents. Similarly, households in the fourth income decile reduce their public savings by 21.02 percent, when expecting an inheritance from the husband's parents.

5.2.2. College

We also examine whether the impact of inheritance expectations varies with educational attainment. Recent studies indicate that there is heterogeneity in consumption responses to inheritance expectations across different education levels in European households, with

those having higher educational qualifications exhibiting greater responsiveness (Malo and Sciulli 2023). Similar patterns are observed in the context of expected inflation among households in the United States (Burke and Ozdagli 2023). These findings suggest that households with higher levels of education may have a more nuanced understanding of how inheritance affects their economic decisions, which can lead to different financial planning strategies.

In this subsection, we specifically investigate whether the impact of inheritance expectations on savings differs by educational attainment. To address this, we introduce interaction terms between the two dummy variables for inheritance expectations and a dummy variable indicating whether the spouse has attained some level of higher education (i.e., College, University, or Graduate School). We proceed as follows: in regressions at the spouse level, such as spousal private savings, we interact the inheritance expectations dummy variables with the spouse's educational level. In regressions at the household level, including household total and public savings, we interact the inheritance expectations dummy variables with two separate dummy variables representing the educational levels of both spouses.

Table 5 presents the results, revealing that households with higher education levels demonstrate a more pronounced response. Specifically, in Column (1) we find that when the wife has some college education and anticipates receiving an inheritance from her parents, household savings decrease by 12.80 percent. In Column (2), we observe that wives do not modify their private savings in response to inheritance expectations, whereas husbands reduce their private savings in anticipation of an inheritance, irrespective of their education level. This finding suggests that the estimates reported in Table 2 are consistent across different education levels. Finally, we find that households reduce their public savings by 22.89 percent if the wife has some college education and expects to inherit from her parents.

5.3. Robustness

We evaluate the sensitivity of our main findings through a series of robustness checks, which involve alternative subsamples and the inclusion of additional control variables. First, following the methodology of Basiglio et al. (2023), we exclude households that have inherited any financial or real assets from either the wife's parents or husband's

parents. The rationale is that the marginal propensity to save for these households may have already been influenced by prior inheritance.[22] The results, presented in Table 6, indicate that husbands reduce their savings by 6.2 percent, if they expect to receive an inheritance from their parents. Notably, these estimates are slightly higher than those previously reported in Table 2, aligning with the findings reported by Basiglio et al. (2023). Second, we drop spouses from the sample if they have experienced the loss of their parents, and obtain similar estimates, as shown in Table 7.

6. Conclusions

This paper studies the impact of inheritance expectations on household savings behavior among married couples in Japan, an Asian country that heavily relies on private savings and where the separation of property represents the default marriage regime. Using panel data from the Japanese Panel Survey of Consumers (JPSC) spanning 2003 to 2019, we investigate intra-household savings decisions. Our empirical analysis indicates that inheritance expectations significantly shape savings patterns within households, consistent with recent research at the household level in Europe (Basiglio et al. 2023; Malo and Sciulli 2023). Husbands reduce their current savings by an average of 5.4 percent when they expect to receive an inheritance from their parents, while there is no observable impact on the savings behavior of wives. Finally, our findings show more pronounced impacts in households with higher income and educational levels, corroborating theories of "excess sensitivity" to expected increases in future income.

This paper is not without limitations. A limitation of this paper stems from its focus on expectations about positive wealth changes resulting from the economic shock of an inheritance. While our analysis provides important and novel insights, our measure does not capture uncertainty about the chances of receiving an inheritance and does not distinguish between non-linear effects of small and large shocks. Additionally, the sample design of the JPSC focuses on young women, which may constrain the generalizability of our findings. Households at different stages of the life cycle may exhibit diverse savings responses to inheritance expectations. Older individuals, for instance, are more

[22] The survey asks the following question: "Have you and your husband received financial or real assets from your parents/husband's parents during the past year (from October of the year before the survey to September of the year of the survey)? If so, please indicate the value." Subsequently, we excluded any households from the analysis that reported receiving financial or real assets as inheritances and gifts.

likely to have already received inheritances, accumulated greater wealth, and face a shorter remaining lifespan to adjust their consumption plans. This heterogeneity indicates that our findings, derived from a sample of relatively young women, may not fully reflect the behavior of older households.

Despite these limitations, the findings of this paper have significant implications for researchers and policymakers. First, our results for husbands, which account for unobserved individual heterogeneity, are in line with intertemporal consumption models. These models suggest that forward-looking consumers adjust their consumption plans based on their expected lifetime income. Future research should explore in greater depth why husbands' savings, but not wives', even those who are unlikely to be liquidity constrained, appear to respond to inheritance expectations. This question is beyond the scope of the present paper.

Besides, the evidence indicates that individuals reduce their savings if they expect to inherit. This behavior may help explain why some studies have not identified statistically significant impacts of realized inheritances on food consumption, as noted in prior research from both the United States (Joulfaian and Wilhelm 1994) and Europe (Suari-Andreu 2023). Although they focus on a specific consumption category which is less likely to be affected by wealth shocks and does not provide a comprehensive definition of consumption, our results suggest that households may adjust to anticipated wealth transfers by dissaving, which could limit the impact on consumption following the inheritance realization. Specifically, forced heirship laws limit donors from disinheriting their children in Europe (OECD 2021).[23] These findings are pertinent for fiscal policies related to inheritances, as expectations about future inheritances can significantly shape current households' savings.

Finally, our study highlights the importance of incorporating psychological and anticipatory factors to better understand household economic decisions. Although subjective expectations and beliefs have been around for a while in economic discourse, standard neoclassical economics focuses on choices and neglects beliefs. As a result, they have traditionally met with skepticism and are often overlooked by economists. Nevertheless, our research emphasizes the importance of integrating subjective data into economic decisions to test economic theory, as they can provide more precision in

[23] In the US, parents can completely disinherit their children.

understanding how individuals make economic decisions and can complement most findings which are based on realized shocks.

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Table 1. Summary statistics

	Wife		Husband		
	Mean	Std. Dev.	Mean	Std. Dev.	Diff.
Panel A. Private savings and inheritance expectation					
Savings (monthly, in 1,000 yen)	18.172	24.115	25.757	30.964	-7.585***
- % of total	0.193	0.115	0.287	0.147	-0.095***
Expectation	0.323	0.468	0.433	0.495	-0.109***
Panel B. Individual demographics					
Age	41.008	7.456	43.248	8.177	-2.240***
Junior high school (9 years)	0.023	0.151	0.068	0.252	-0.045***
Vocational school, non-tertiary education (12 years)	0.011	0.102	0.017	0.128	-0.006***
High school (12 years)	0.405	0.491	0.407	0.491	-0.002
Vocational school, tertiary education (14 years)	0.178	0.382	0.131	0.338	0.046***
Junior or technical college (14 years)	0.237	0.425	0.045	0.207	0.192***
College or University (16 years)	0.143	0.350	0.315	0.465	-0.172***
Graduate school (18 years)	0.003	0.054	0.016	0.127	-0.013***
Employed	0.685	0.465	0.990	0.098	-0.305***

	Household	
	Mean	Std. Dev.
Panel C. Household savings		
Total savings (monthly, in 1,000 yen)	100.557	92.336
Public savings (monthly, in 1,000 yen)	56.627	63.366
- % of total	0.520	0.207
Panel D. Household income and composition		
Household income (annual, in 10,000 yen)	772.173	394.969
Household size	4.193	1.353
Number of children	1.885	0.864
Number of observations (couples X waves)	**5,788**	
Number of couples	**902**	

Notes: This table reports summary statistics for our sample. Data come from the Japanese Panel Survey of Consumers (JPSC), waves 2003-2019 pooled up. Sample is restricted to married (heterosexual) couples with at least two consecutive waves. All monetary amounts (savings and family income) are expressed in 2019 Japanese Yen. Significance: * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

Table 2. Main results, household fixed effects estimates

	Wife's savings	Husband's savings
Wife: Expectation	0.020	0.001
	(0.027)	(0.024)
Husband: Expectation	-0.038	-0.056**
	(0.027)	(0.024)
Wife: Age	0.758***	0.453***
	(0.111)	(0.116)
Wife: Age squared/100	-0.000	0.038
	(0.053)	(0.050)
Husband: Age	0.059	-0.189
	(0.129)	(0.140)
Husband: Age squared/100	0.032	-0.037
	(0.048)	(0.044)
Wife: Employed	0.091***	0.021
	(0.029)	(0.022)
Husband: Employed	-0.151*	-0.093
	(0.085)	(0.066)
Log of household income	0.055*	0.052**
	(0.030)	(0.021)
Household size	-0.021	-0.002
	(0.015)	(0.016)
Number of children	-0.085**	-0.017
	(0.034)	(0.035)
Constant	-38.630***	-9.803
	(10.789)	(11.918)
Region F.E.	Yes	Yes
Year F.E.	Yes	Yes
Observations	5,788	5,788
Couples	902	902

Notes: OLS estimates. Data come from the Japanese Panel Survey of Consumers (JPSC), waves 2003-2019 pooled up. Sample is restricted to married (heterosexual) couples with at least two consecutive waves. Robust standard errors, clustered at the couple level, are reported in parentheses. Estimates also include region and year fixed effects, omitted to save space. Significance: * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

Table 3. Main estimates on total and public savings, household fixed effects estimates

	Total savings	Public savings
Wife: Expectation	-0.025	-0.061
	(0.023)	(0.038)
Husband: Expectation	-0.015	-0.028
	(0.023)	(0.041)
Wife: Age	0.411***	0.412**
	(0.133)	(0.198)
Wife: Age squared/100	0.028	0.016
	(0.038)	(0.064)
Husband: Age	0.101	0.339
	(0.166)	(0.242)
Husband: Age squared/100	-0.010	-0.021
	(0.032)	(0.056)
Wife: Employed	0.109***	0.166***
	(0.024)	(0.041)
Husband: Employed	0.015	0.223
	(0.081)	(0.146)
Log of household income	0.097**	0.130*
	(0.045)	(0.067)
Household size	0.005	0.042**
	(0.011)	(0.021)
Number of children	0.003	0.040
	(0.026)	(0.046)
Constant	-22.445	-35.687*
	(14.468)	(21.059)
Region F.E.	Yes	Yes
Year F.E.	Yes	Yes
Observations	5,788	5,788
Couples	902	902

Notes: OLS estimates. Data come from the Japanese Panel Survey of Consumers (JPSC), waves 2003-2019 pooled up. Sample is restricted to married (heterosexual) couples with at least two consecutive waves. Robust standard errors, clustered at the couple level, are reported in parentheses. Estimates also include region and year fixed effects, omitted to save space. Significance: * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

Table 4. Interaction with family income, household fixed effects estimates

	Total savings	Wife's savings	Husband's savings	Public savings
Wife: Expectation	0.004	0.064	-0.059	0.067
	(0.059)	(0.070)	(0.063)	(0.113)
Wife: Expectation X 2nd income decile	-0.019	-0.049	0.057	-0.130
	(0.072)	(0.089)	(0.084)	(0.133)
Wife: Expectation X 3rd income decile	-0.086	-0.043	0.081	-0.250*
	(0.076)	(0.090)	(0.083)	(0.132)
Wife: Expectation X 4th income decile	-0.050	-0.048	0.051	-0.139
	(0.072)	(0.081)	(0.072)	(0.129)
Wife: Expectation X 5th income decile	-0.062	-0.070	0.015	-0.144
	(0.076)	(0.086)	(0.077)	(0.132)
Wife: Expectation X 6th income decile	0.039	-0.044	0.107	0.006
	(0.074)	(0.087)	(0.074)	(0.138)
Wife: Expectation X 7th income decile	0.071	-0.035	0.112	-0.025
	(0.080)	(0.102)	(0.096)	(0.132)
Wife: Expectation X 8th income decile	0.005	-0.122	0.021	-0.003
	(0.080)	(0.093)	(0.091)	(0.140)
Wife: Expectation X 9th income decile	-0.106	-0.068	0.082	-0.260*
	(0.078)	(0.093)	(0.083)	(0.140)
Wife: Expectation X 10th income decile	-0.111	-0.029	0.058	-0.334**
	(0.087)	(0.103)	(0.092)	(0.148)
Husband: Expectation	0.080	0.029	0.043	0.069
	(0.052)	(0.068)	(0.047)	(0.098)
Husband: Expectation X 2nd income decile	-0.078	-0.061	-0.018	-0.112
	(0.062)	(0.074)	(0.055)	(0.120)
Husband: Expectation X 3rd income decile	-0.080	-0.031	-0.079	-0.105
	(0.063)	(0.085)	(0.067)	(0.113)
Husband: Expectation X 4th income decile	-0.172***	-0.138*	-0.108*	-0.236**
	(0.061)	(0.083)	(0.062)	(0.116)
Husband: Expectation X 5th income decile	-0.114*	-0.072	-0.078	-0.134
	(0.065)	(0.081)	(0.064)	(0.124)
Husband: Expectation X 6th income decile	-0.100	-0.086	-0.141**	-0.063
	(0.066)	(0.082)	(0.061)	(0.128)
Husband: Expectation X 7th income decile	-0.114*	-0.067	-0.167**	-0.136
	(0.069)	(0.090)	(0.075)	(0.122)
Husband: Expectation X 8th income decile	-0.117	0.017	-0.143*	-0.179
	(0.076)	(0.087)	(0.083)	(0.141)
Husband: Expectation X 9th income decile	-0.085	-0.083	-0.163**	-0.021
	(0.082)	(0.090)	(0.077)	(0.145)
Husband: Expectation X 10th income decile	-0.123	-0.132	-0.138*	-0.038
	(0.078)	(0.097)	(0.074)	(0.134)
Additional socio-demographics	Yes	Yes	Yes	Yes
Region F.E.	Yes	Yes	Yes	Yes
Year F.E.	Yes	Yes	Yes	Yes
Observations	5,788	5,788	5,788	5,788
Couples	902	902	902	902

Notes: OLS estimates. Data come from the Japanese Panel Survey of Consumers (JPSC), waves 2003-2019 pooled up. Sample is restricted to married (heterosexual) couples with at least two consecutive waves. Robust standard errors, clustered at the couple level, are reported in parentheses. Estimates also include additional socio-demographics, region and year fixed effects, omitted to save space. Significance: * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

Table 5. Interaction with educational attainment, household fixed effects estimates

	Total savings	Wife's savings	Husband's savings	Public savings
Wife: Expectation	-0.012	0.034	-0.012	-0.037
	(0.028)	(0.028)	(0.031)	(0.047)
Wife: Expectation X Some college	-0.137**	-0.069	-	-0.260***
	(0.056)	(0.082)		(0.097)
Wife: Expectation X Husband: Some college	0.033	-	0.032	0.065
	(0.054)		(0.048)	(0.086)
Husband: Expectation	-0.006	-0.031	-0.067**	-0.011
	(0.027)	(0.029)	(0.031)	(0.047)
Husband: Expectation X Wife: Some college	-0.015	-0.041	-	-0.047
	(0.063)	(0.075)		(0.112)
Husband: Expectation X Some college	-0.014	-	0.029	-0.023
	(0.055)		(0.050)	(0.100)
Region F.E.	Yes	Yes	Yes	Yes
Year F.E.	Yes	Yes	Yes	Yes
Observations	5,788	5,788	5,788	5,788
Couples	902	902	902	902

Notes: OLS estimates. Data come from the Japanese Panel Survey of Consumers (JPSC), waves 2003-2019 pooled up. Sample is restricted to married (heterosexual) couples with at least two consecutive waves. Robust standard errors, clustered at the couple level, are reported in parentheses. Estimates also include additional socio-demographics, region and year fixed effects, omitted to save space. Significance: * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

Table 6. Robustness check: excluding households who received an inheritance

	Total savings	Wife's savings	Husband's savings	Public savings
Wife: Expectation	-0.031	0.010	0.011	-0.076*
	(0.027)	(0.030)	(0.027)	(0.043)
Husband: Expectation	-0.027	-0.046	-0.064**	-0.050
	(0.026)	(0.030)	(0.028)	(0.045)
Wife: Age	0.413***	0.803***	0.405***	0.438**
	(0.137)	(0.165)	(0.139)	(0.214)
Wife: Age squared/100	0.018	-0.015	0.059	0.012
	(0.040)	(0.059)	(0.056)	(0.069)
Husband: Age	0.092	0.108	-0.194	0.350
	(0.157)	(0.193)	(0.161)	(0.245)
Husband: Age squared/100	-0.009	0.034	-0.054	-0.022
	(0.035)	(0.053)	(0.049)	(0.059)
Wife: Employed	0.116***	0.110***	0.027	0.171***
	(0.025)	(0.030)	(0.024)	(0.043)
Husband: Employed	0.052	-0.084	0.001	0.188
	(0.081)	(0.090)	(0.079)	(0.155)
Log of household income	0.080*	0.039	0.042**	0.114*
	(0.042)	(0.028)	(0.018)	(0.066)
Household size	0.003	-0.023	0.001	0.032
	(0.012)	(0.016)	(0.016)	(0.022)
Number of children	-0.016	-0.082**	-0.042	0.029
	(0.030)	(0.039)	(0.042)	(0.052)
Constant	-21.572	-42.819**	-7.160	-37.095*
	(13.952)	(16.891)	(14.050)	(21.747)
Region F.E.	Yes	Yes	Yes	Yes
Year F.E.	Yes	Yes	Yes	Yes
Observations	5,058	5,058	5,058	5,058
Couples	846	846	846	846

Notes: OLS estimates. Data come from the Japanese Panel Survey of Consumers (JPSC), waves 2003-2019 pooled up. Sample is restricted to married (heterosexual) couples with at least two consecutive waves. Robust standard errors, clustered at the couple level, are reported in parentheses. Estimates also include region and year fixed effects, omitted to save space. Significance: * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

Table 7. Robustness check: excluding spouses who do not have any living parents or parents-in-law

	Total savings	Wife's savings	Husband's savings	Public savings
Wife: Expectation	-0.027	0.015	0.012	-0.076*
	(0.026)	(0.029)	(0.027)	(0.041)
Husband: Expectation	-0.007	-0.027	-0.063**	-0.025
	(0.025)	(0.029)	(0.025)	(0.044)
Wife: Age	0.434**	0.787***	0.451***	0.423*
	(0.170)	(0.151)	(0.140)	(0.227)
Wife: Age squared/100	0.027	0.011	0.039	0.029
	(0.042)	(0.059)	(0.060)	(0.071)
Husband: Age	0.166	0.159	-0.168	0.430
	(0.214)	(0.185)	(0.170)	(0.277)
Husband: Age squared/100	-0.020	0.010	-0.025	-0.060
	(0.037)	(0.052)	(0.055)	(0.064)
Wife: Employed	0.111***	0.097***	0.029	0.167***
	(0.026)	(0.031)	(0.024)	(0.044)
Husband: Employed	-0.030	-0.120	-0.126*	0.069
	(0.081)	(0.093)	(0.075)	(0.143)
Log of household income	0.096**	0.052*	0.059***	0.122*
	(0.044)	(0.028)	(0.018)	(0.065)
Household size	0.004	-0.030*	-0.009	0.039*
	(0.012)	(0.017)	(0.018)	(0.023)
Number of children	0.005	-0.072*	-0.005	0.041
	(0.029)	(0.039)	(0.040)	(0.050)
Constant	-26.032	-44.216***	-10.883	-39.251*
	(18.408)	(15.589)	(14.260)	(23.758)
Region F.E.	Yes	Yes	Yes	Yes
Year F.E.	Yes	Yes	Yes	Yes
Observations	3,899	3,899	3,899	3,899
Couples	744	744	744	744

Notes: OLS estimates. Data come from the Japanese Panel Survey of Consumers (JPSC), waves 2003-2019 pooled up. Sample is restricted to married (heterosexual) couples who do not have any living parents or parents-in-law with at least two consecutive waves. Robust standard errors, clustered at the couple level, are reported in parentheses. Estimates also include region and year fixed effects, omitted to save space. Significance: * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

APPENDIX A: Additional results

Table A1. Sample selection

	# households	# household-year observations
Original sample	3,423	35,453
Married couples	2,388	23,552
Stable couples	2,436	23,457
Aged 21 – 65 years	2,433	23,396
Missing values in explanatory variables	2,359	21,242
Missing values in savings	2,340	20,222
Zero reported savings	1,445	7,328
Two consecutive periods per couple	**902**	**5,788**

Notes: This table presents the number of household and household-year observations after applying each sample selection criterion. Data come from the Japanese Panel Survey of Consumers (JPSC), waves 2003-2019 pooled up. The savings measures do not contain any negative values. The final row, highlighted in bold, indicates the number of observations included in the main econometric analyses of this paper.