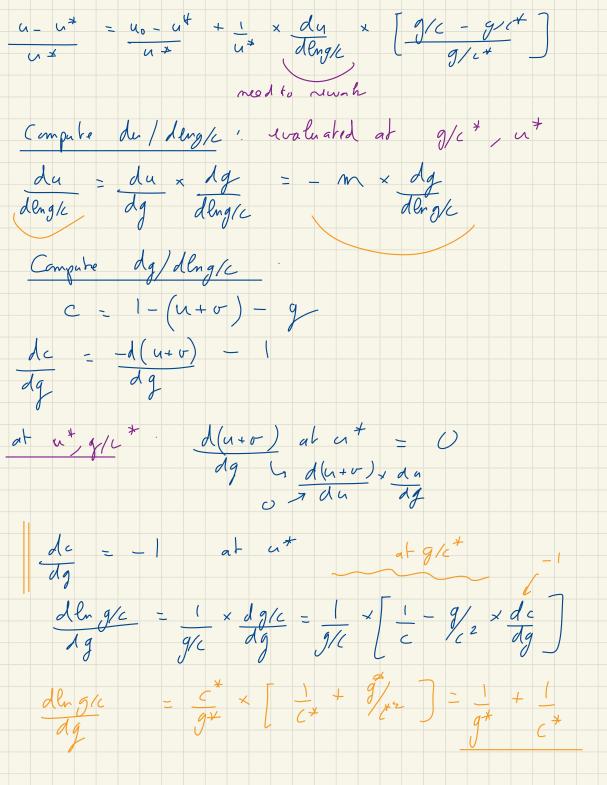
Sufficient-Statistic Formula for Optimal Stimulus Spending

Pascal Michaillat https://www.pascalmichaillat.org/t5.html

La oplimal stimulus spending Implicit jamula = 22 x m x nu-u*) yc - g/c* Junction 19/C -, We want an explicit for mula for optimal stimules spending - Jamula involving imit, at unemylox mant gap Uo-ut and other sufficient statistics. Q. we are at us-ut & opending is 0/2 t. how much should spending increase / decrease? To make formula explicit, we express $\frac{u-u^{+}}{u^{+}}$ as a fund on $\int \frac{u_{0}-u^{+}}{u^{+}} du = \frac{1}{2} \int \frac{u^{-}u^{+}}{u^{+}} du = \frac{1}{2} \int \frac{u^{-}u^{+}}{u^{-}} du = \frac{1}{2} \int \frac{u^{-}u^{+}}{u^{+}} du = \frac{1}{2} \int \frac{u^{-}u^{+}}{u^{-}} du = \frac{1}{2} \int \frac{u^{-}u^{-}}{u^{+}} du = \frac{1}{2} \int \frac{u^{-}u^{-}}{u^{-}} du = \frac$ First-ader approximation of u-ut around initial situation : u-n+ = uo-u+ + 1 x duxg/x [g/c-g/c*]
u+ u+ dg/c
dy/c



g/c-g/1 + - 2 E m × 48-4* unemployment skimulers ppending E = elasticity of oubbritution b/u glc m: un employ ment multiplier $\frac{2}{2} = \frac{1}{u^*} \times \frac{2}{\frac{1}{3^*}} + \frac{1}{c^*}$