

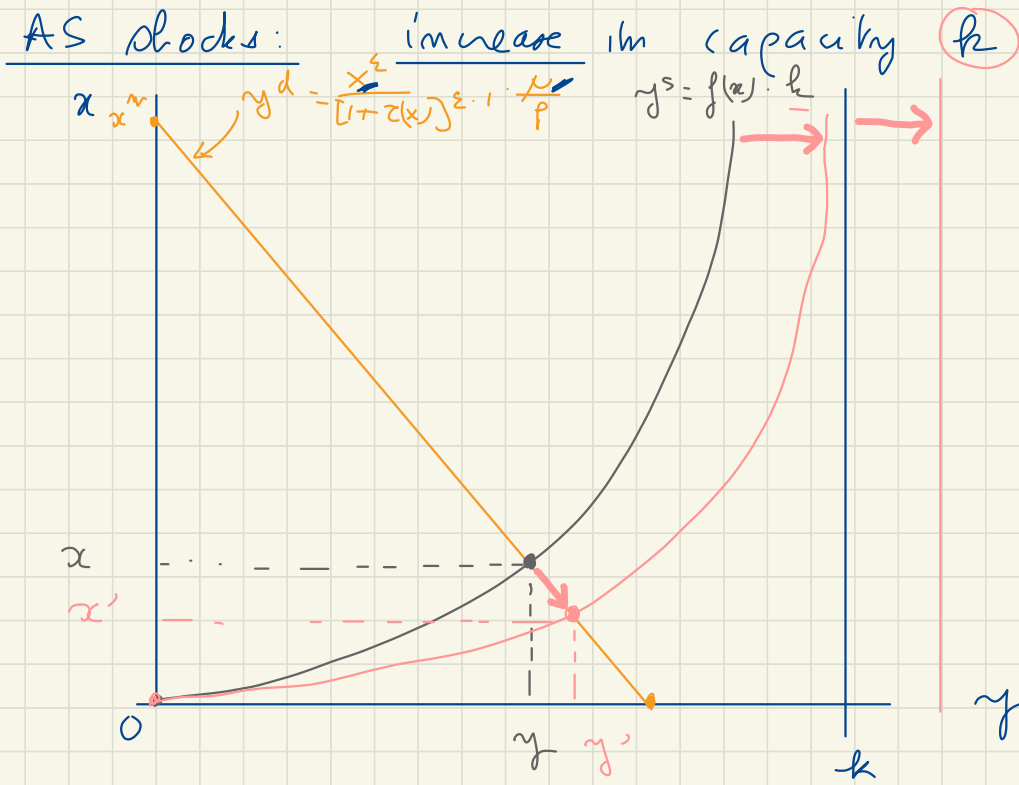
# Comparative Statics with Fixed Prices

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Pascal Michailat

<https://www.pascalmichailat.org/t5.html>



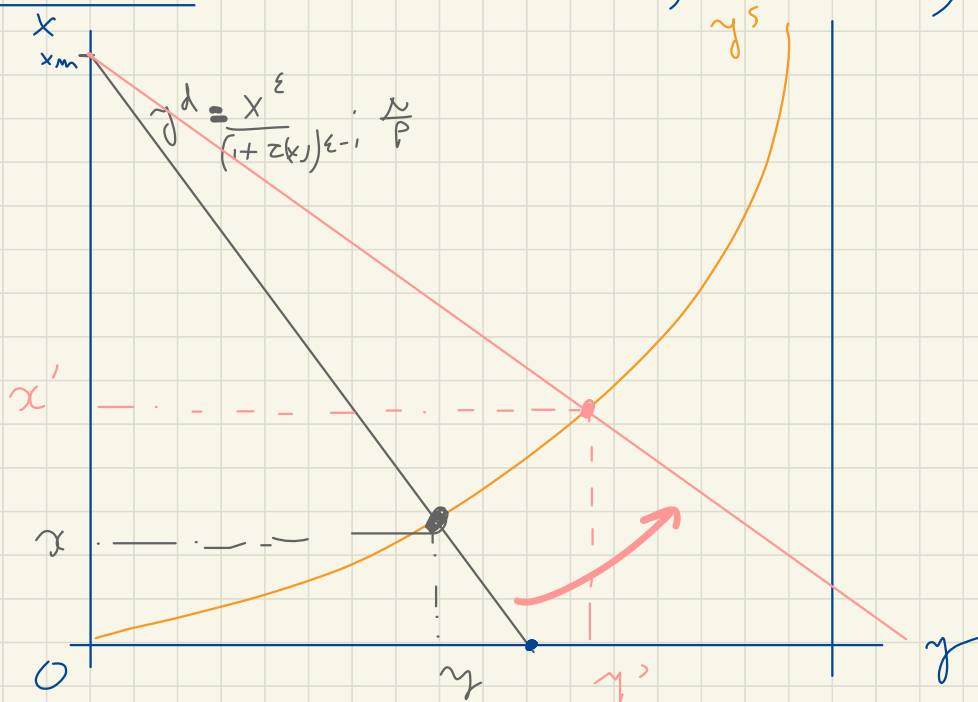


Summary: when  $k \uparrow$

- tightness  $x \downarrow$
- output  $y \uparrow$
- buying proba  $q(x) \uparrow$
- <sup>wedge</sup> matching  $\sqrt{c(x)} \downarrow$
- selling proba  $f(x) \downarrow$
- measured productivity  $\downarrow$
- rate of idleness  $1 - f(x) \uparrow$

- consumption  $c = \frac{y}{1 + \tau(x)}$   $\uparrow$

AD shock: Increase in  $x$ , increase in  $y$



Summary when  $x, \mu \uparrow$

- tightness  $\alpha \uparrow$
- output  $y \uparrow$
- buying proba.  $q(x) \downarrow$
- matching wedge  $\tau(x) \uparrow$
- selling proba.  $f(x) \uparrow$
- measured productivity  $\uparrow$

- rate of idleness  $1 - f(x)$  ↓
- consumption  $c = \frac{y}{1 + z(x)}$  ?