

Welfare and Spending Effects of Consumption Stimulus Policies

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Drawbacks of Numerical Solutions

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A Black Box

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- ▶ Can Construct Solution to Model Without Really Understanding It
- ▶ Hard Even To Be Sure Your Numerical Solution Is *Right*
- ▶ Little Intuition for How Results Might Change With
 - ▶ Calibration
 - ▶ Structure
- ▶ Very Hard To Teach!

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I Am A *Big* Fan Of Numerical Methods

- ▶ Have Done A Good Deal Of Work With Them Myself
- ▶ But As A Result, Have Felt All These Drawbacks Keenly

The Lorenz Figure

`./Figures/LorenzPoints.pdf`