Multipliers as function of Recession length 2.2 2.0 Long-run NPV multiplier no AD effects AD effects Rec states, UI ext 1q AD effects Rec states, UI ext 2q AD effects Rec states, UI ext 4q AD effects Rec states, UI ext 6q 1.2 1.0 10 11 12 13 14 15 16 17 18 19 20 recession lasts quarter