Ganong and Noel 2019 Introduction Outline

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* Background context
  + State the question: How does consumer spending evolve during an unemployment spell?
  + Describe previous research and why the topic matters
* Empirical Section
  + Outline methods
    - Data source and data construction: JMPCI data
    - Describe why data source represents generalized population
  + Results
    - Spending drops sharply at UI benefit exhaustion
    - Spending drops sharply on necessities
    - High frequency changes in income cause the sharp changes in spending
      * Florida: benefits expire after 4 months and replace smaller % of income
      * New Jersey: first UI check and last paycheck in same month
    - Job-finding spikes at UI benefit exhaustion
* Theoretical Section
  + Outline Methods
    - Identify purpose of testing models
    - State the theories are being tested: rational models of forward-looking agents and behavioral models with present-biased agents
    - State limitations of the models
  + Results
    - Rational model: liquidity constraints predict agents cut spending gradually
    - Behavioral model: sufficiently low β explains behavior
* Implications of Results
  + Extending time duration of benefits improves welfare more than benefit increases of equivalent cost