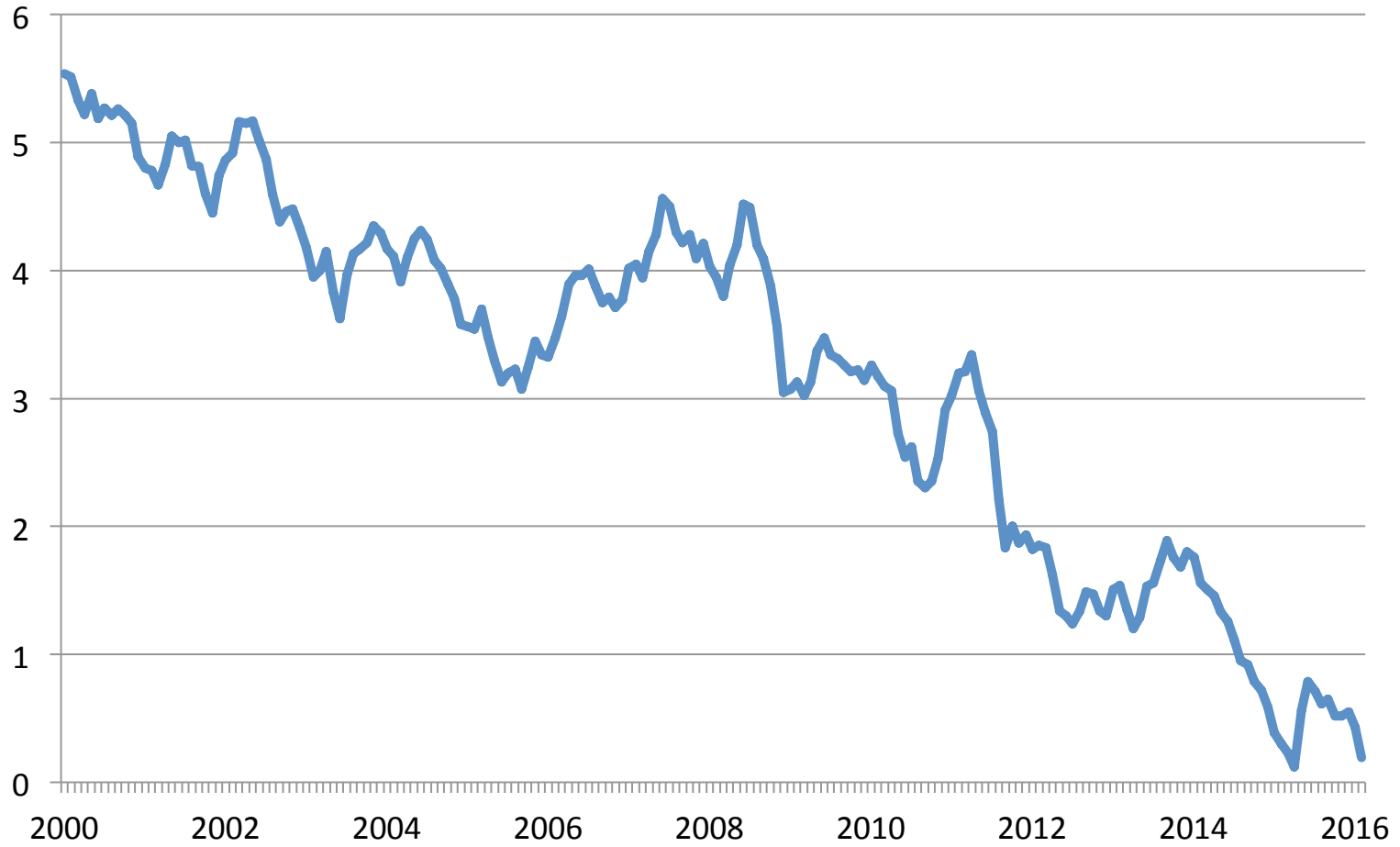


# Living With Monetary Impotence

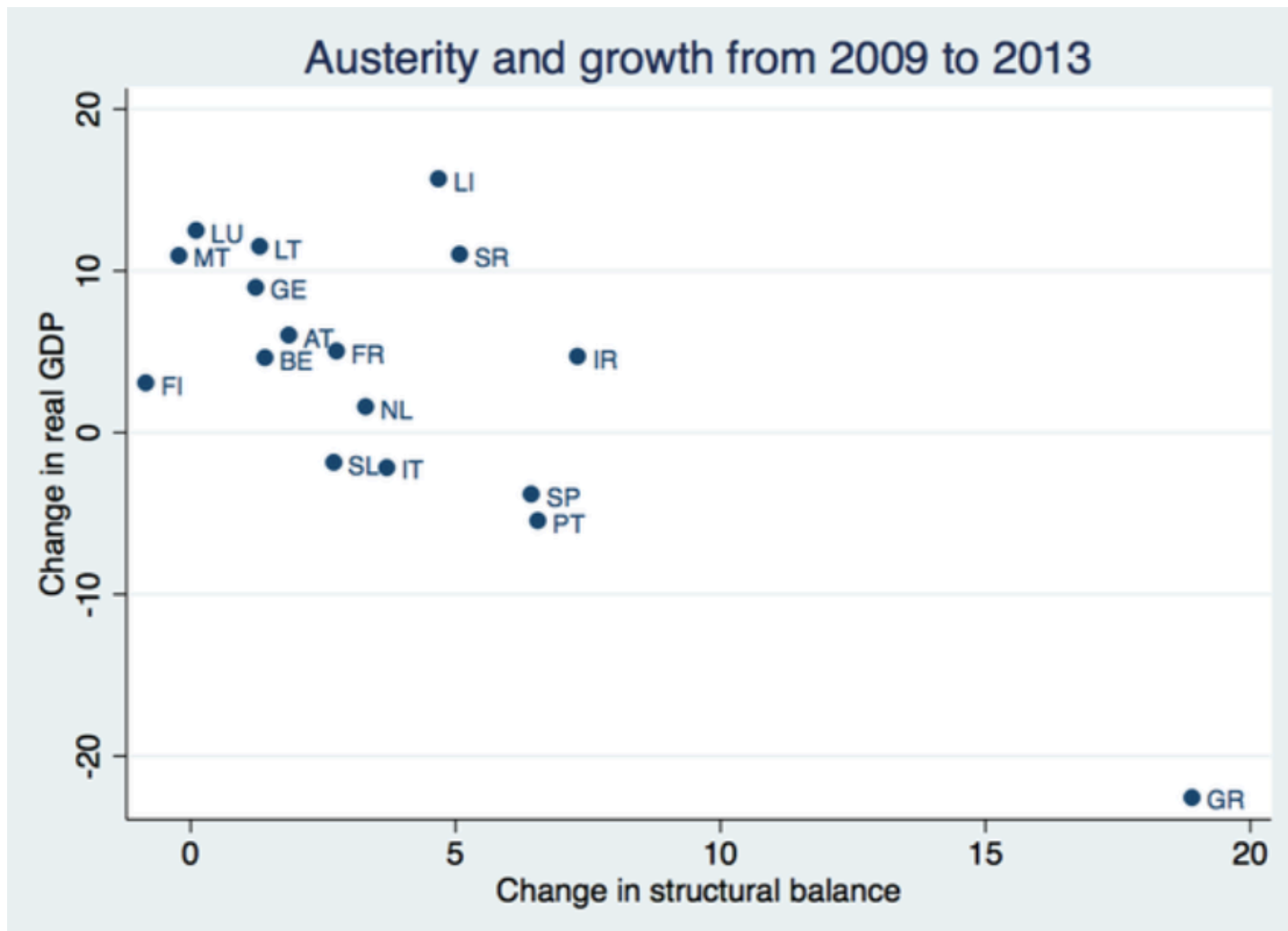
Paul Krugman

# Check out our low, low rates

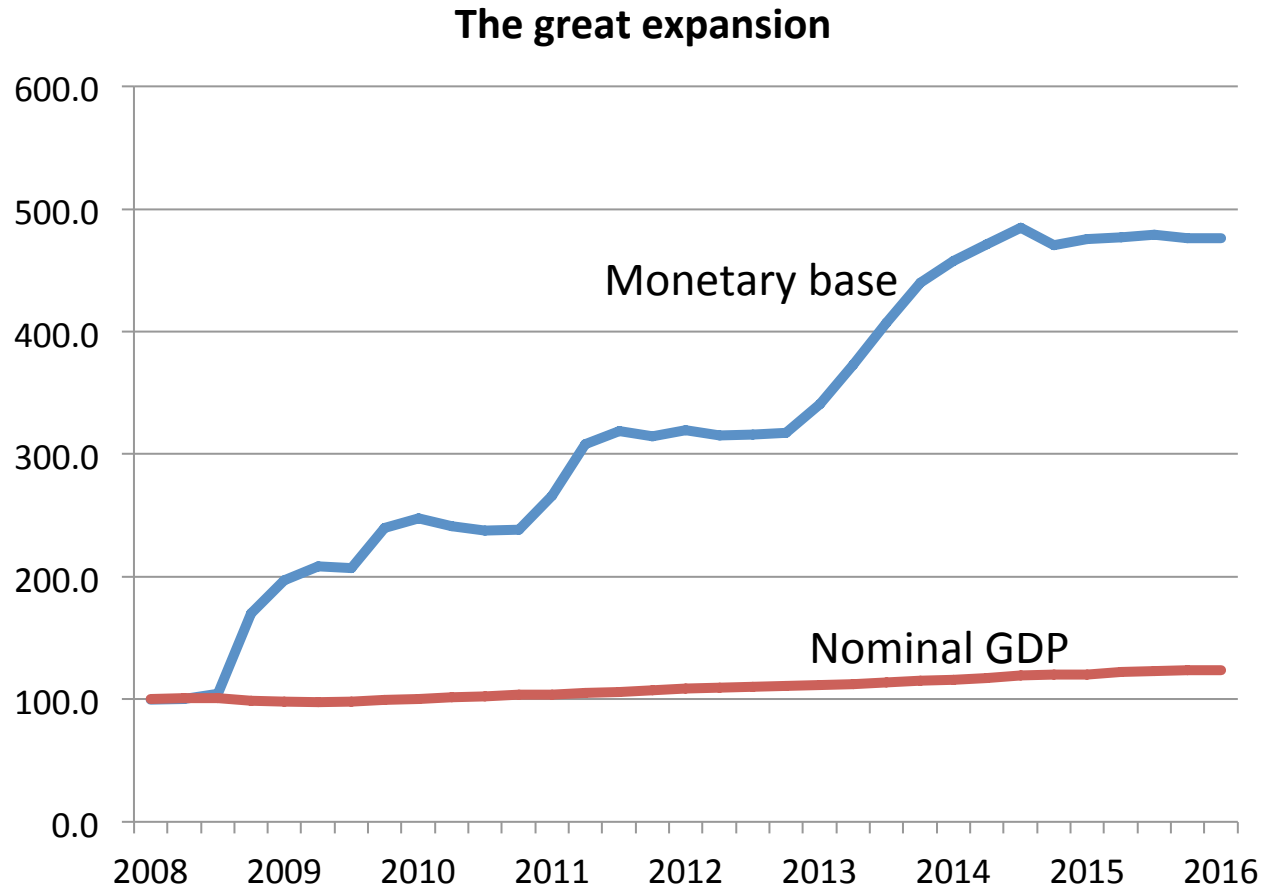
## German 10-year



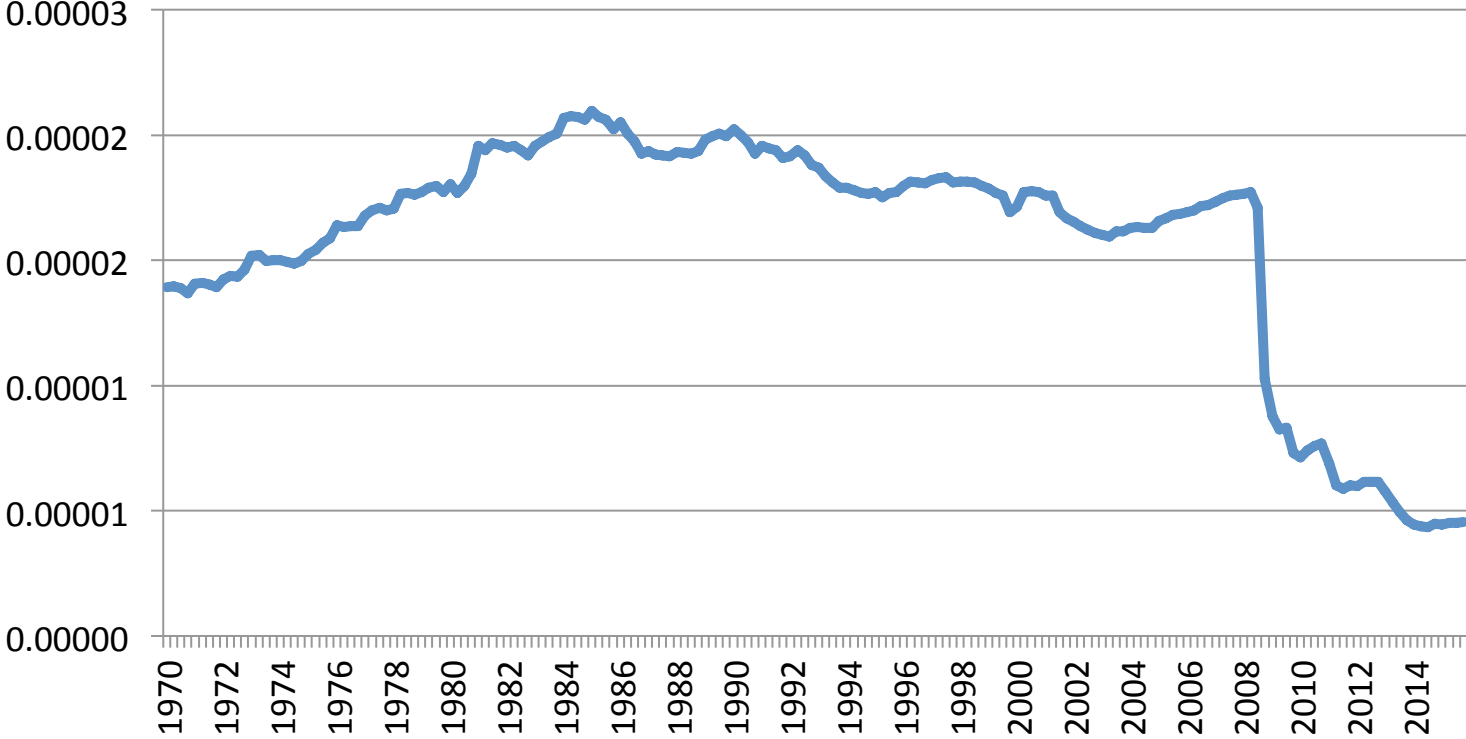
Fiscal policy has been effective but procyclical



# Monetary policy countercyclical but ineffective

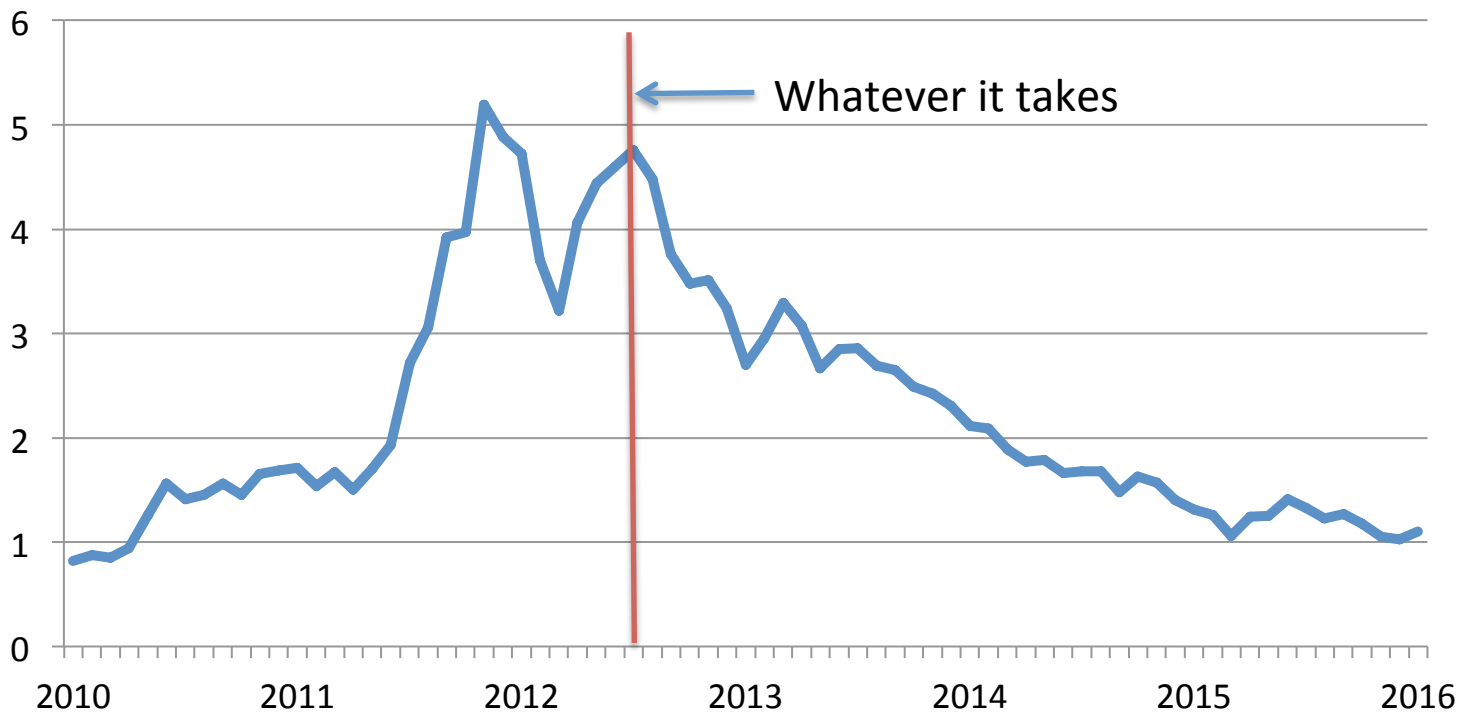


# Base velocity

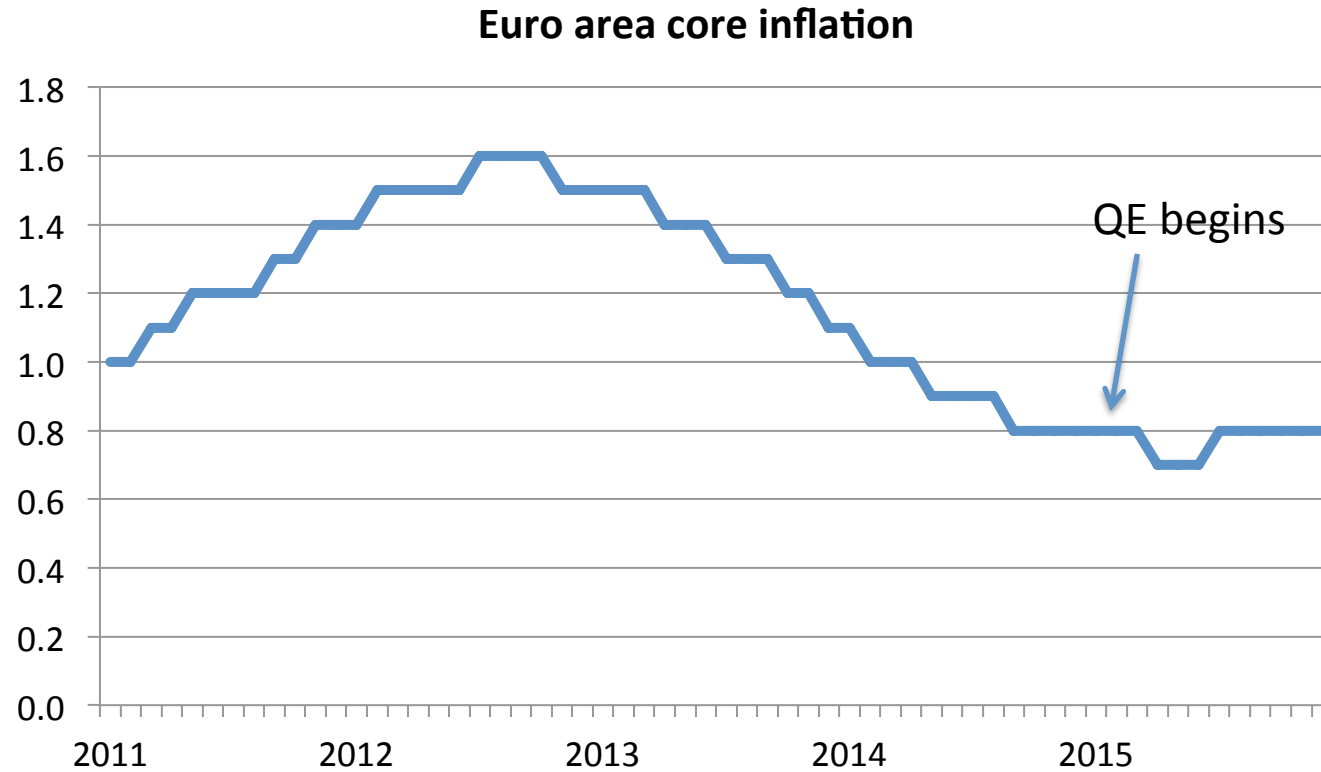


# Lender of last resort matters

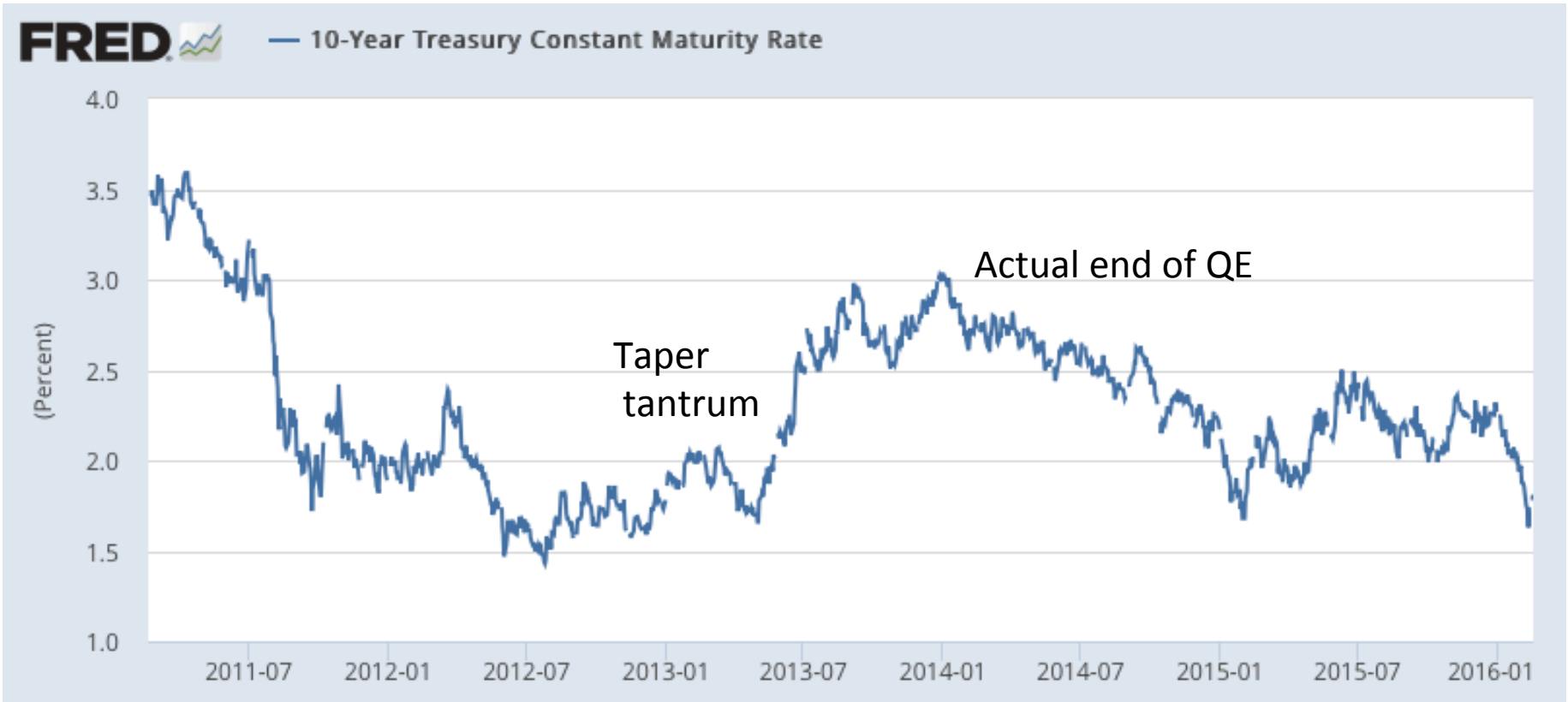
## Italy-Germany spread



Otherwise, not so much



# Open market versus open mouth







READY...  
ON THREE...  
PUSH!

STIMULUS

### Emergency Employment

TALS

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STRAINING THEORY  
IS HARD TO EXPLAIN. - B

# Surprise implication: Stagnation is contagious

