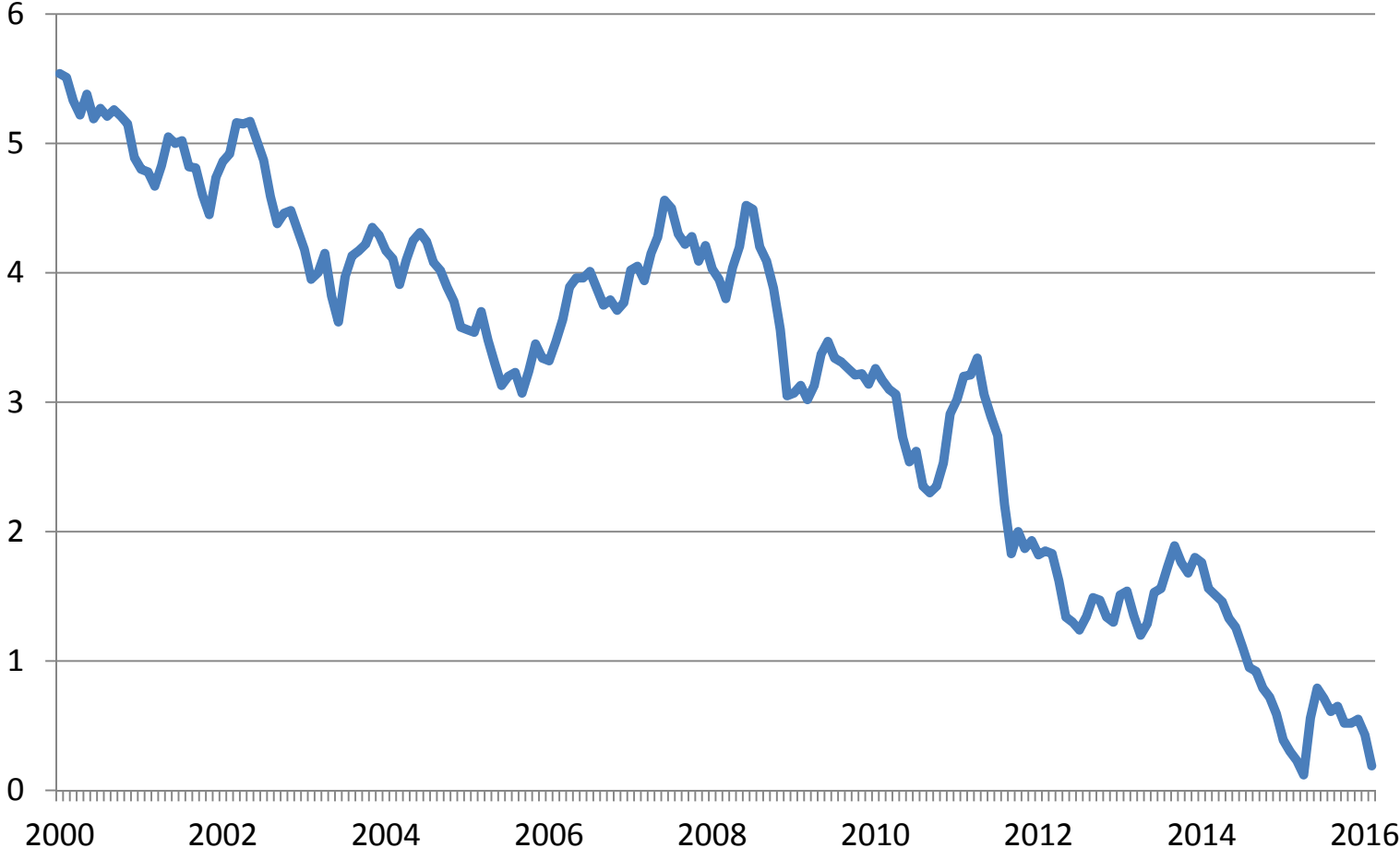


# Living With Monetary Impotence

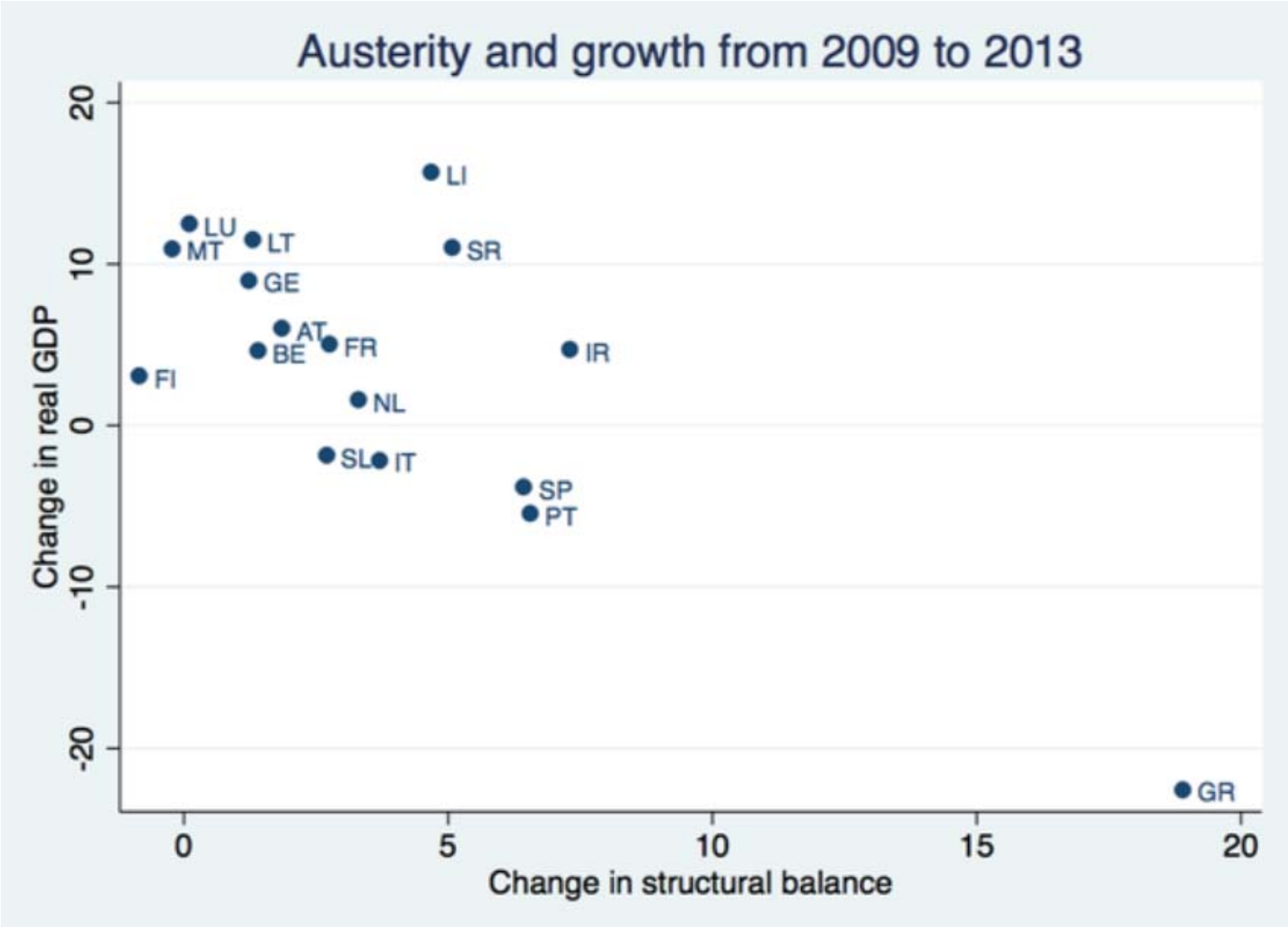
Paul Krugman

Check out our low, low rates

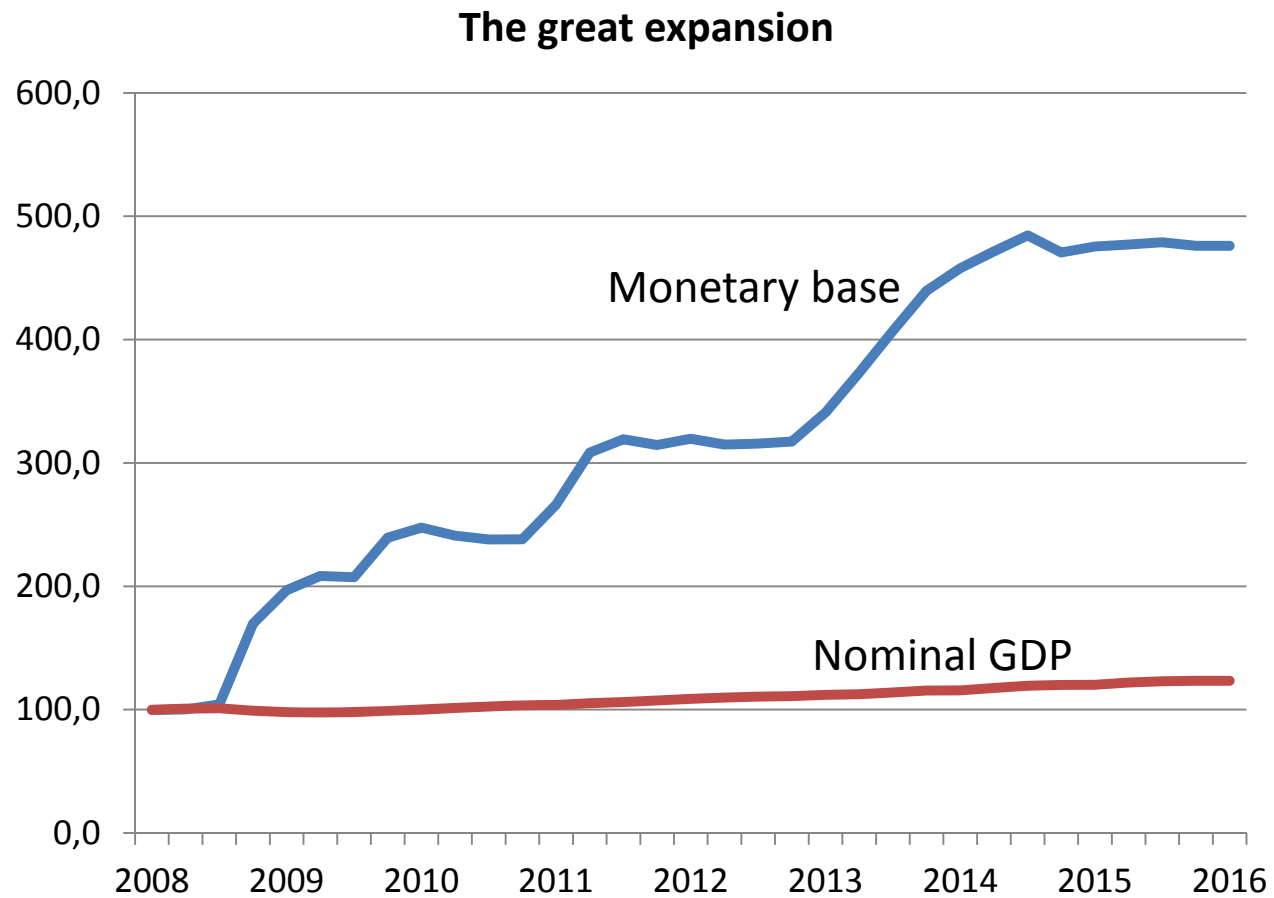
German 10-year



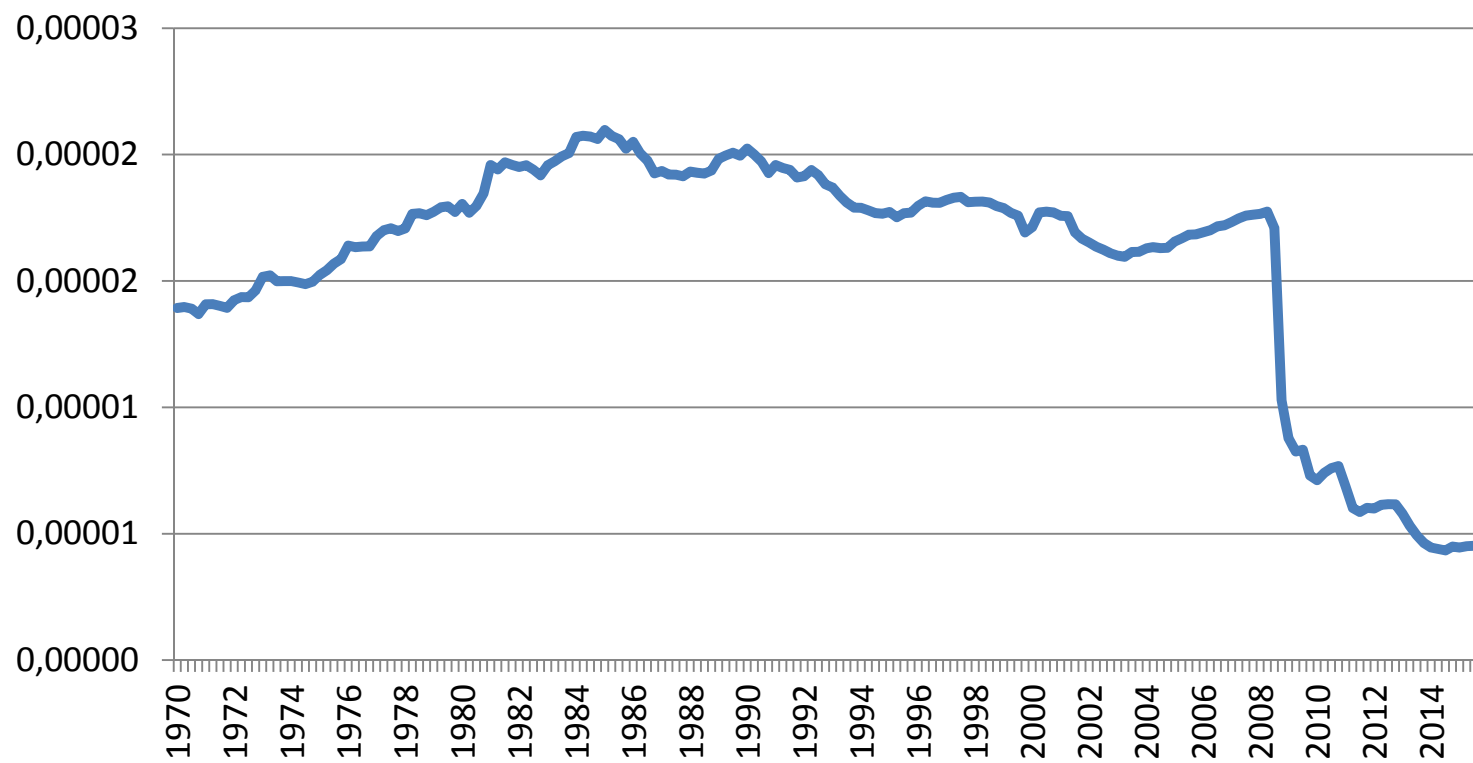
Fiscal policy has been effective but procyclical



# Monetary policy countercyclical but ineffective



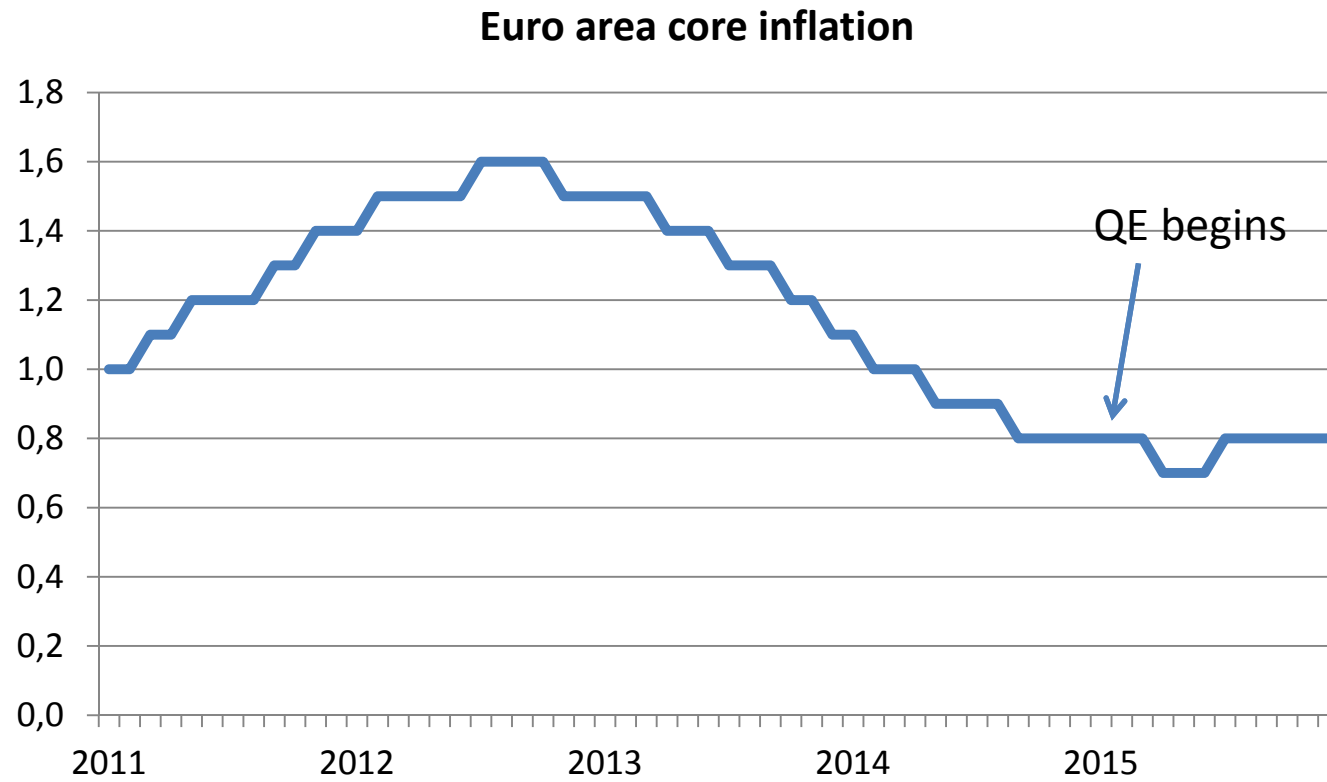
### Base velocity



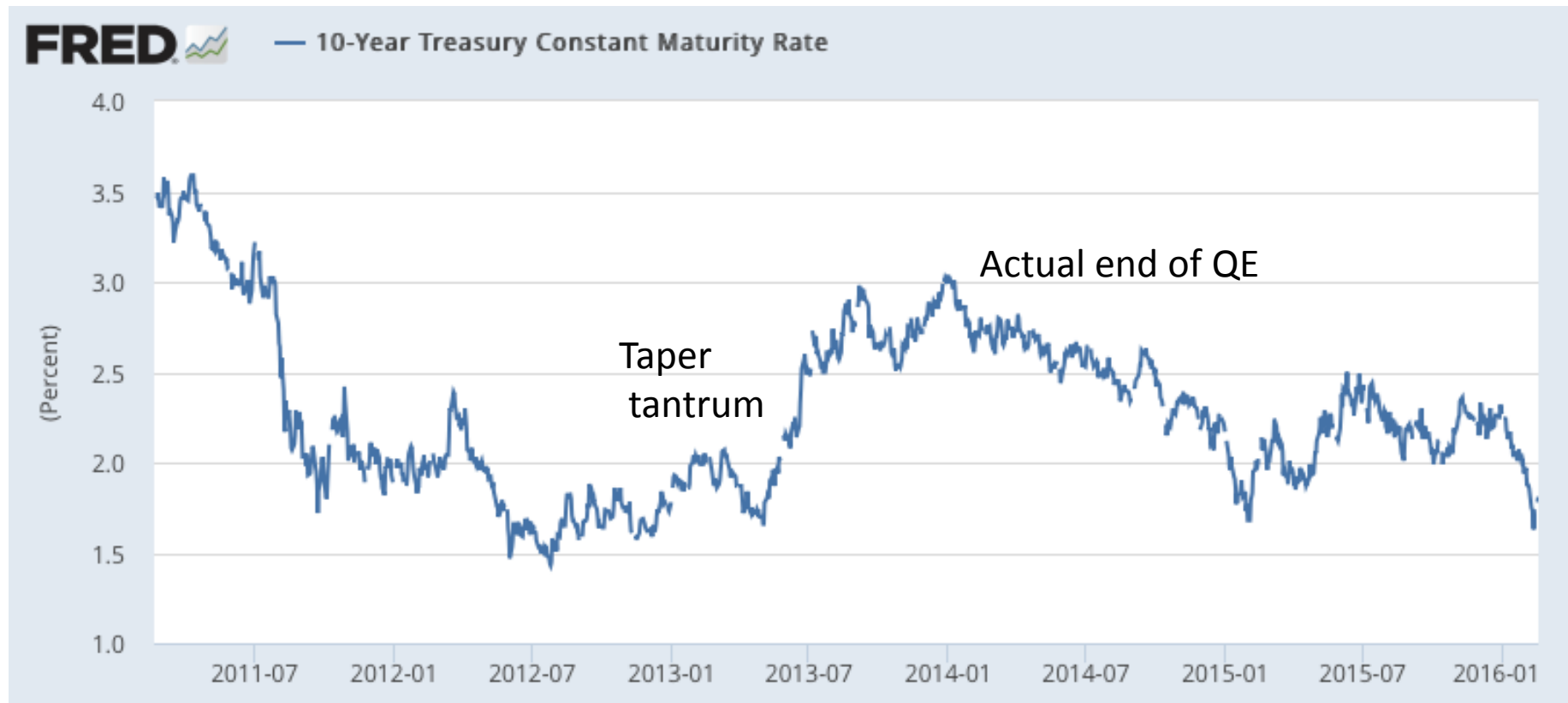
# Lender of last resort matters



Otherwise, not so much



# Open market versus open mouth







READY...  
ON THREE,...  
PUSH!

STIMULUS

Emergency Employment

TALS

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STAINING THEORY  
IS HARD TO EXPLAIN. -

B  
L.P.

# Surprise implication: Stagnation is contagious

