

$$\frac{g/c - g/c^*}{g/c^*} = \frac{2 \varepsilon m}{1 + z \varepsilon m^2} > \frac{u_0 - u^*}{u^*}$$

stimulus spending

init. of unemployment gap

ε = elasticity of substitution b/w g & c

m = unemployment multiplier

$$z = \frac{1}{u^*} \times \frac{2}{\frac{1}{g^*} + \frac{1}{c^*}}$$