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# Measuring the MPC

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- Parker, Souleles, Johnson, McClelland (2012):
    - Look at 2008 Economic Stimulus Payments
    - People got checks from the government (~1000 USD)
    - Timing was random (based on last digits of SS#)
    - Compare those that got a check at time  $t$  with those that didn't (treatment vs. control)
    - How much more did treated people spend over a 3-month period
- ... Another natural experiment!**
- Randomisation means on average the treated and control people are the same