Erratum: “Moral Hazard vs. Liquidity and Optimal Unemployment Insurance”

Raj Chetty
UC-Berkeley

In the April 2008 issue of the Journal of Political Economy, there is an error on page 211. The last sentence of the first paragraph of section 4.3 should read:

“As a result, 75% of individuals who received severance pay remain unemployed after 10 weeks, compared with 68% among those who received no severance payment.”

In the original manuscript, the 68% and 75% were switched, and thus the statement was inconsistent with Figure 5. The error has been corrected in the version posted on this website and in NBER working paper 13967.

I am grateful to Olaf Storbeck for pointing out this typographical error.