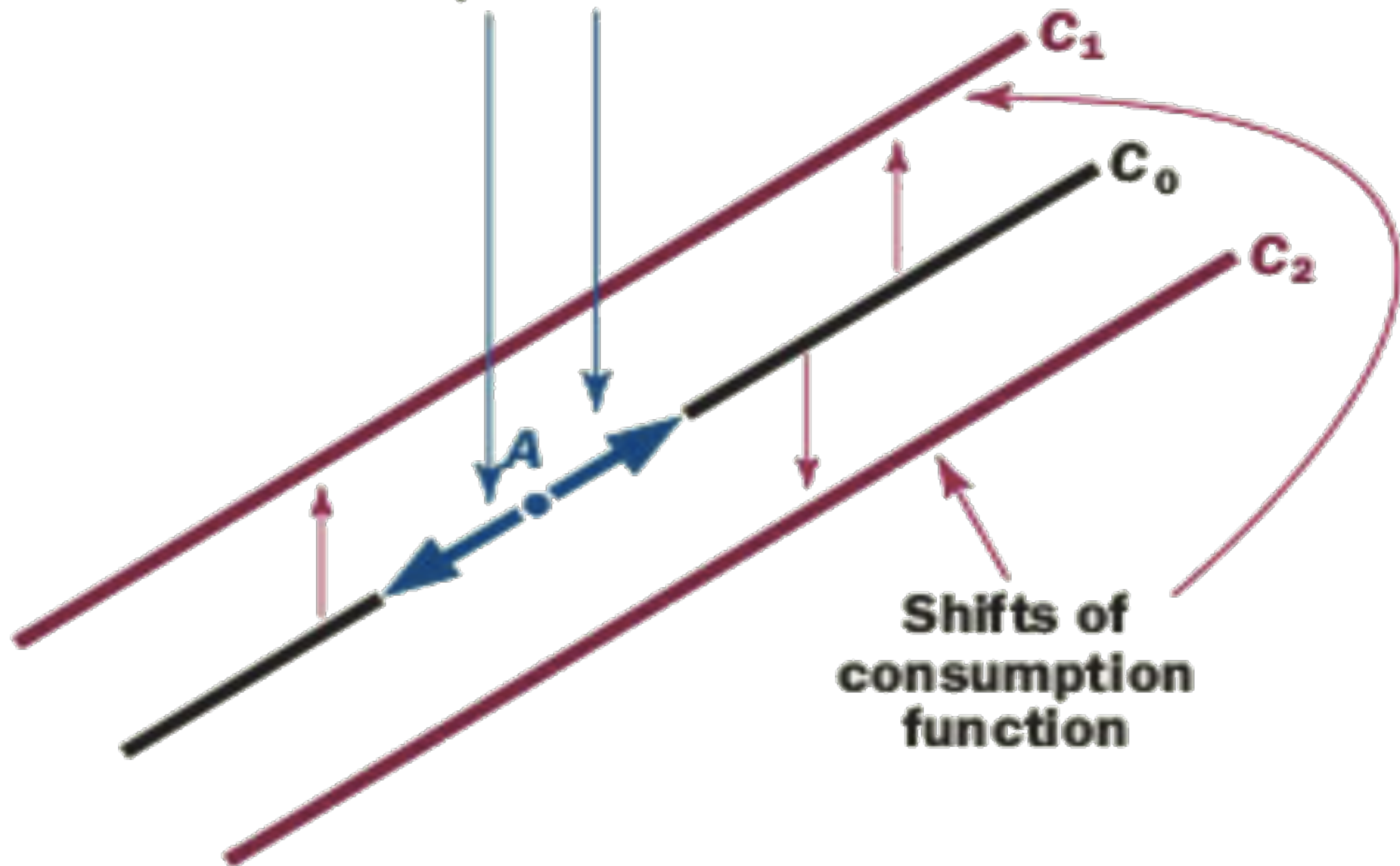


Real Consumer Spending

Movements along
consumption function



Real Disposable Income

Movement Along result from
changes in:

National Income

Taxes

Transfers

Shifts in Consumption
result from changes in:
Wealth
Expectations
Price Level (CPI)

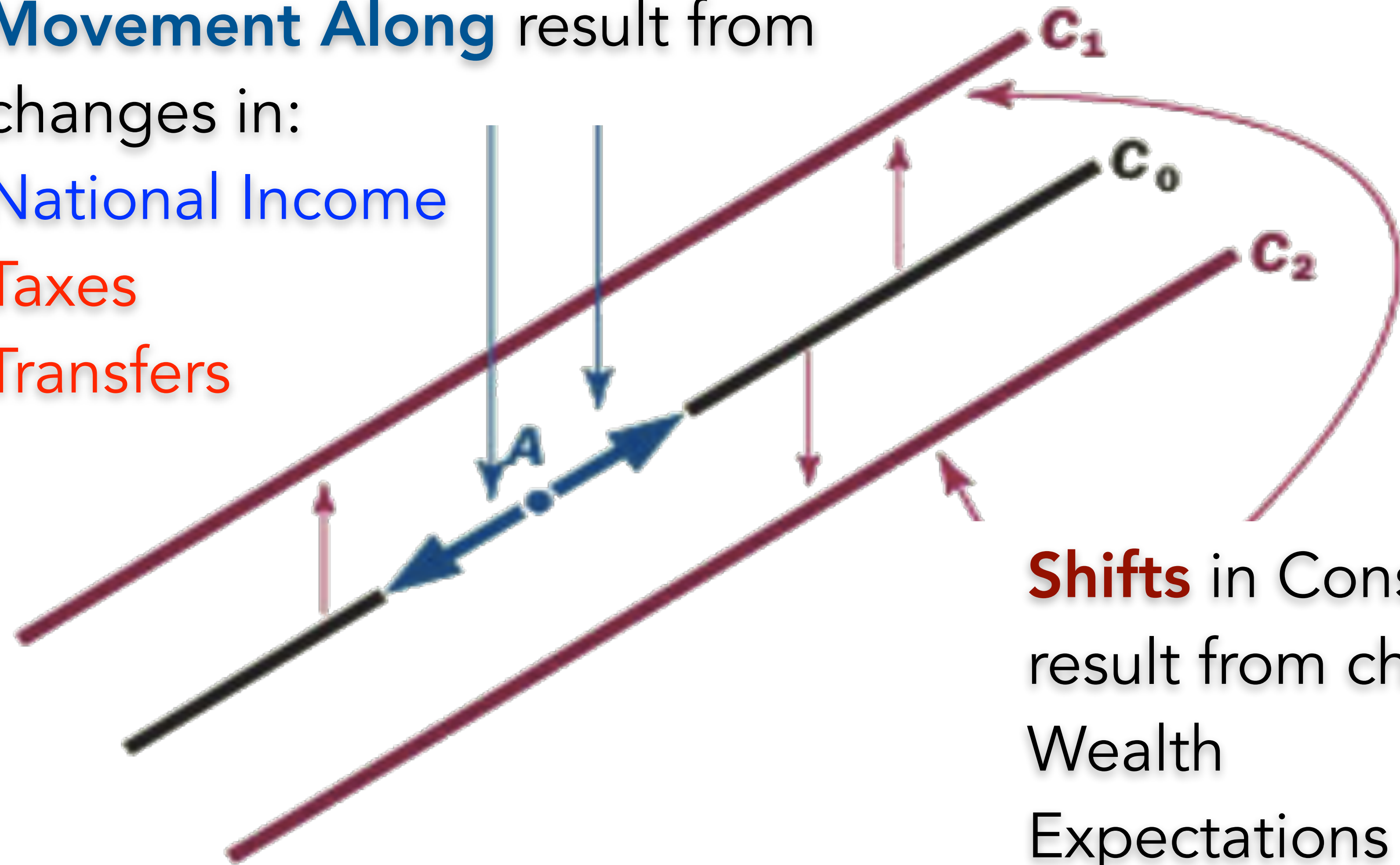
Chapter 8

Disposable Income = National Income - T_x + T_r

Chapter 8

Real Consumer Spending

Movement Along result from
changes in:
National Income
Taxes
Transfers



Shifts in Consumption
result from changes in:
Wealth
Expectations
Price Level (CPI)

$$\text{Disposable Income} = \text{National Income} - Tx + Tr$$

Chapter 11

