







**Realtime**



**Y = 1**

**0000**





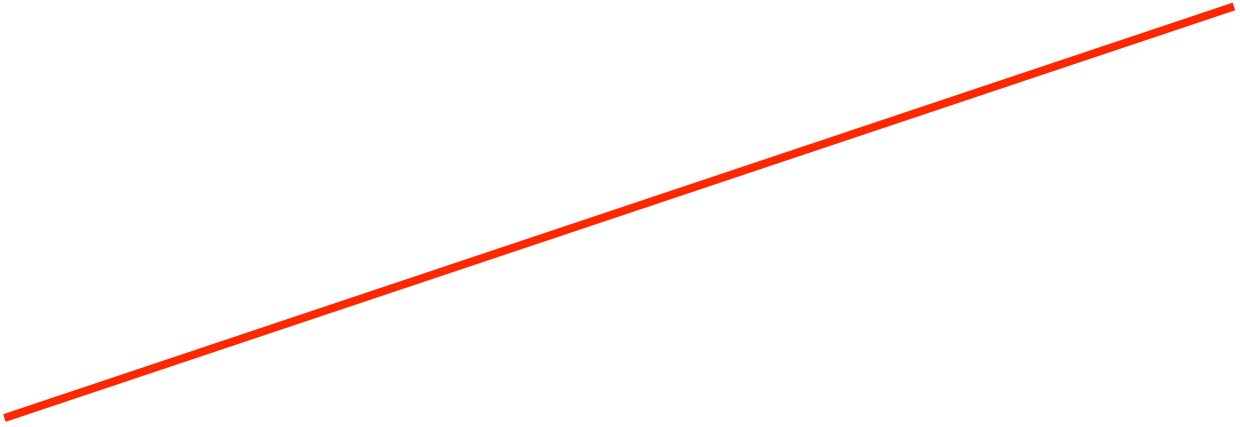


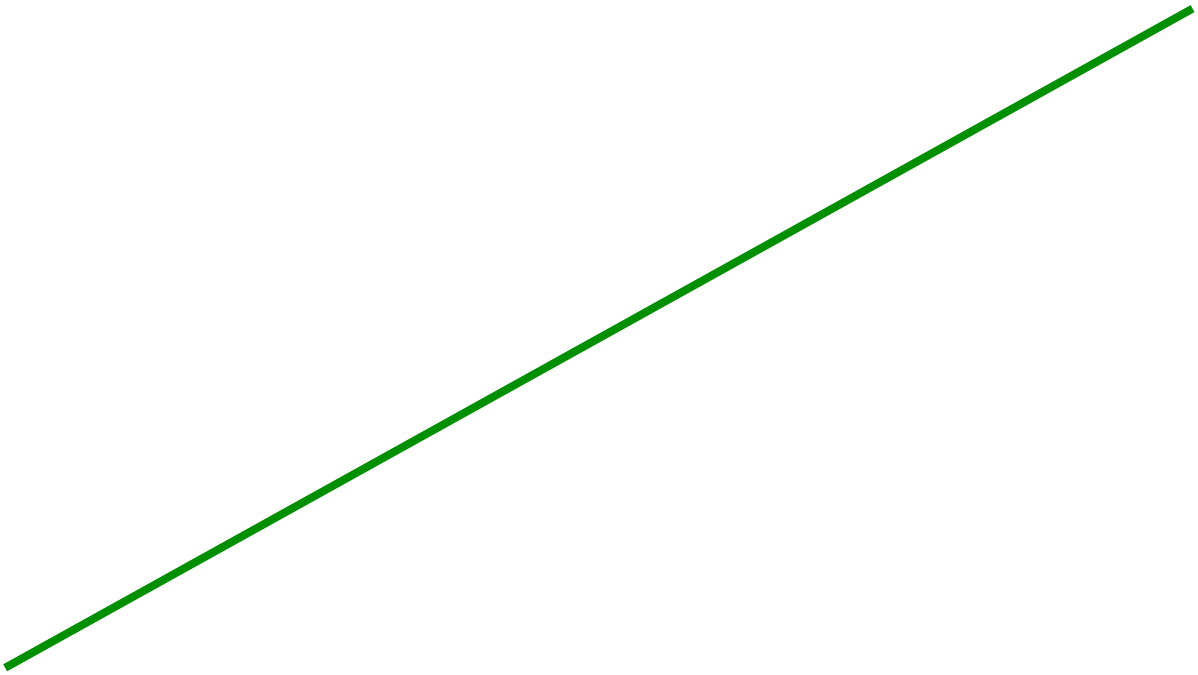


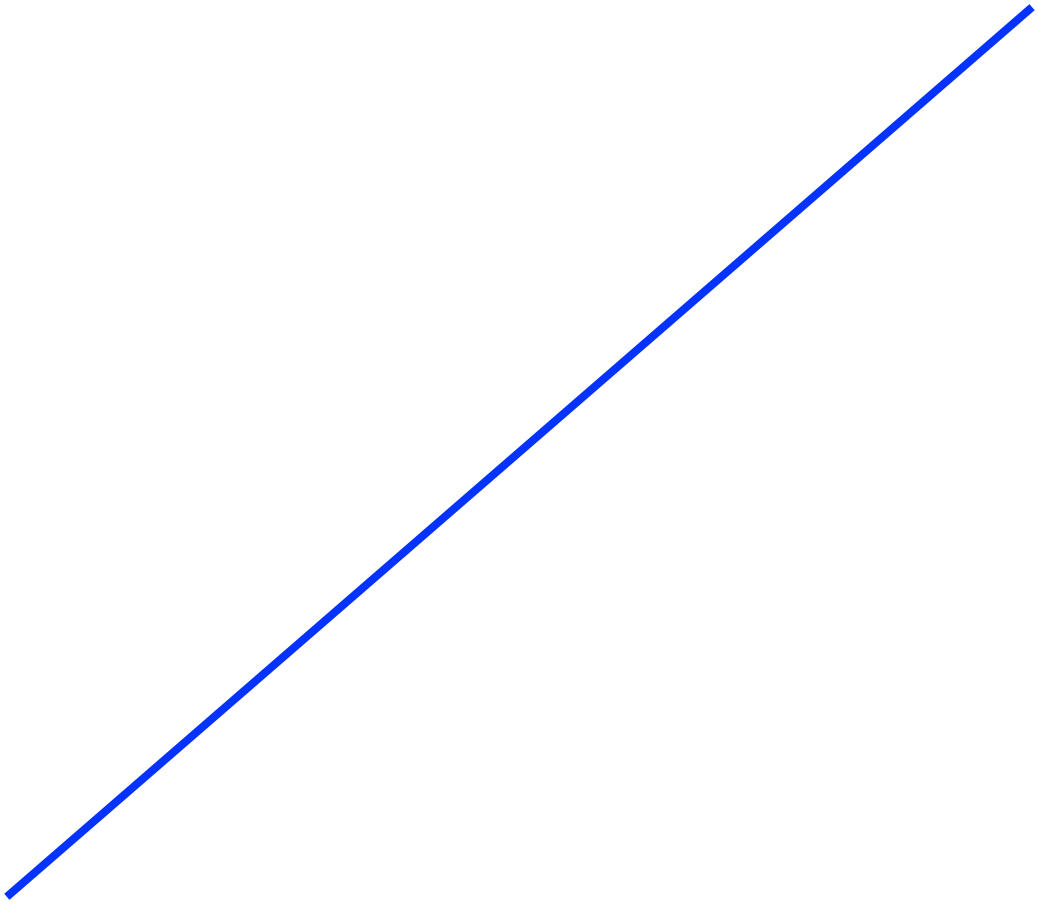




Y = 11000















7

,

5

0

0

8

,

7

0

0

9470

Claudia's  
Consumption

# Mary's consumption

# Bob's Consumption





10,300

600

T

T

O

8

0

0





**Income increase  
by: 10000**



% of the extra income spent is called the  
**M**arginal **P**ropensity to **C**onsume: **MPC**



8,600









9,500







**MPC = 60%**

**MPC = 77%**

**MPC = 80%**

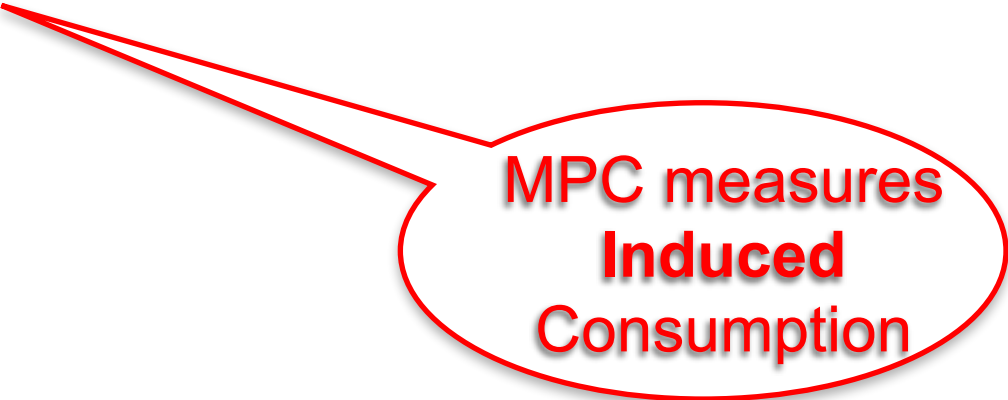




A black speech bubble with a white background. Inside the bubble, the text "An increase in income 'induces' and increase in consumption" is written in a bold, sans-serif font. The word "induces" is highlighted in red, while the rest of the text is black. The bubble has a long tail pointing to the right.

An increase in  
income “induces”  
and increase in  
consumption



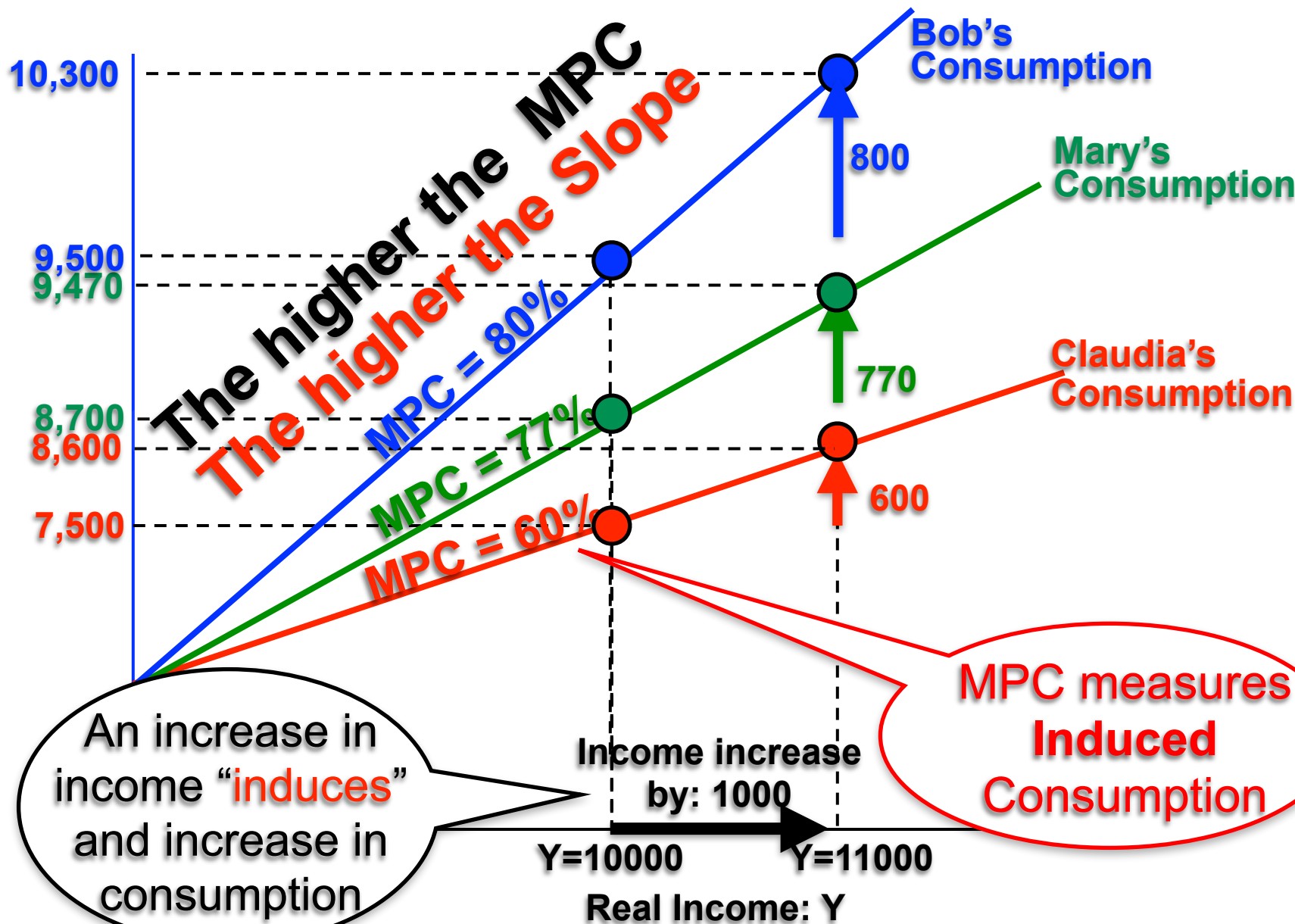


**MPC measures  
Induced  
Consumption**

The higher the Slope

**The higher the MPC**

Consumption Expenditures



# Wealth