

AD

0

P

O

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

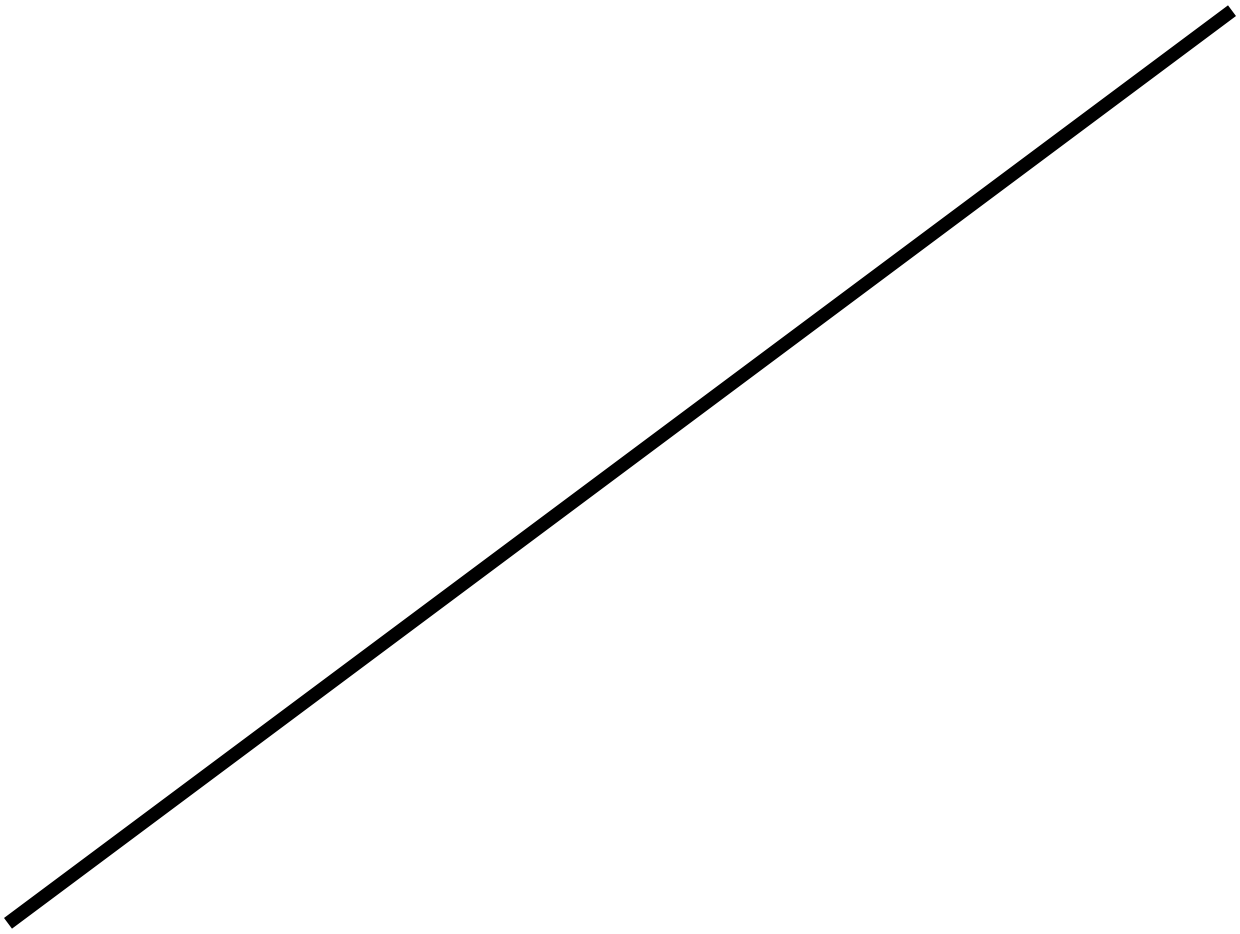
[REDACTED]

ADo

4,000







$$AS_0(W_1)$$

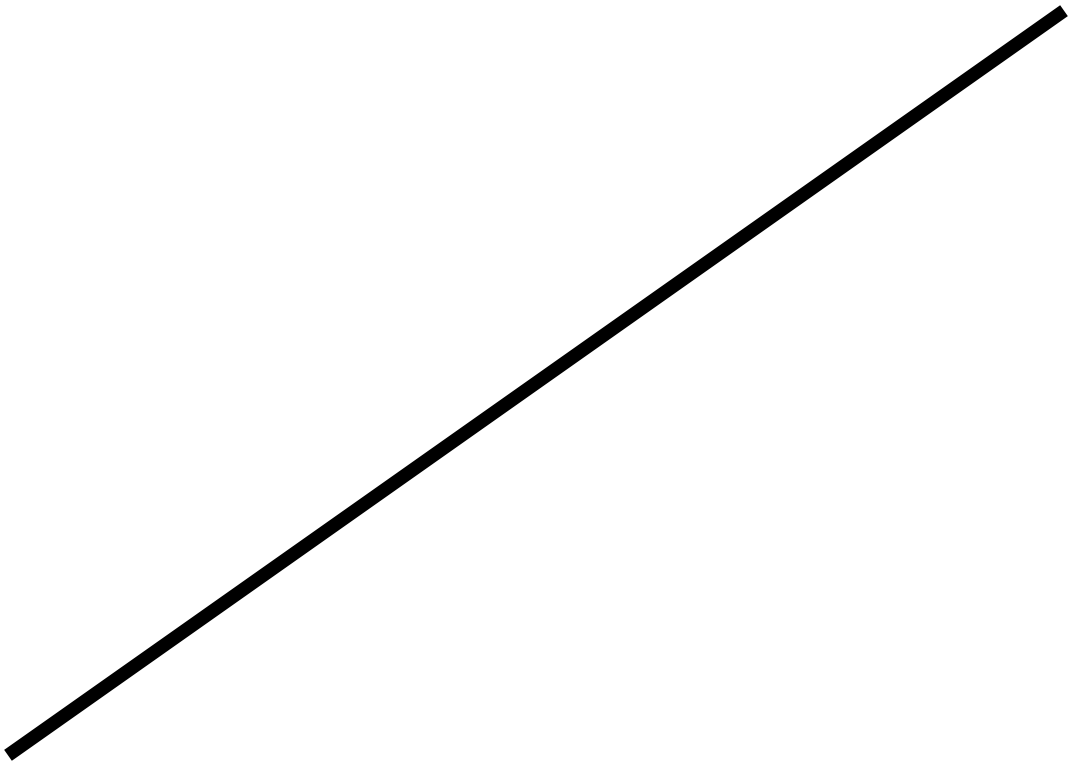
P

1

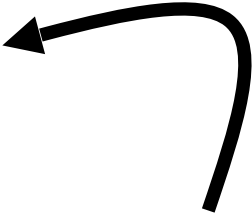
Potential

GDP





$AS_1(W$
 $2)$

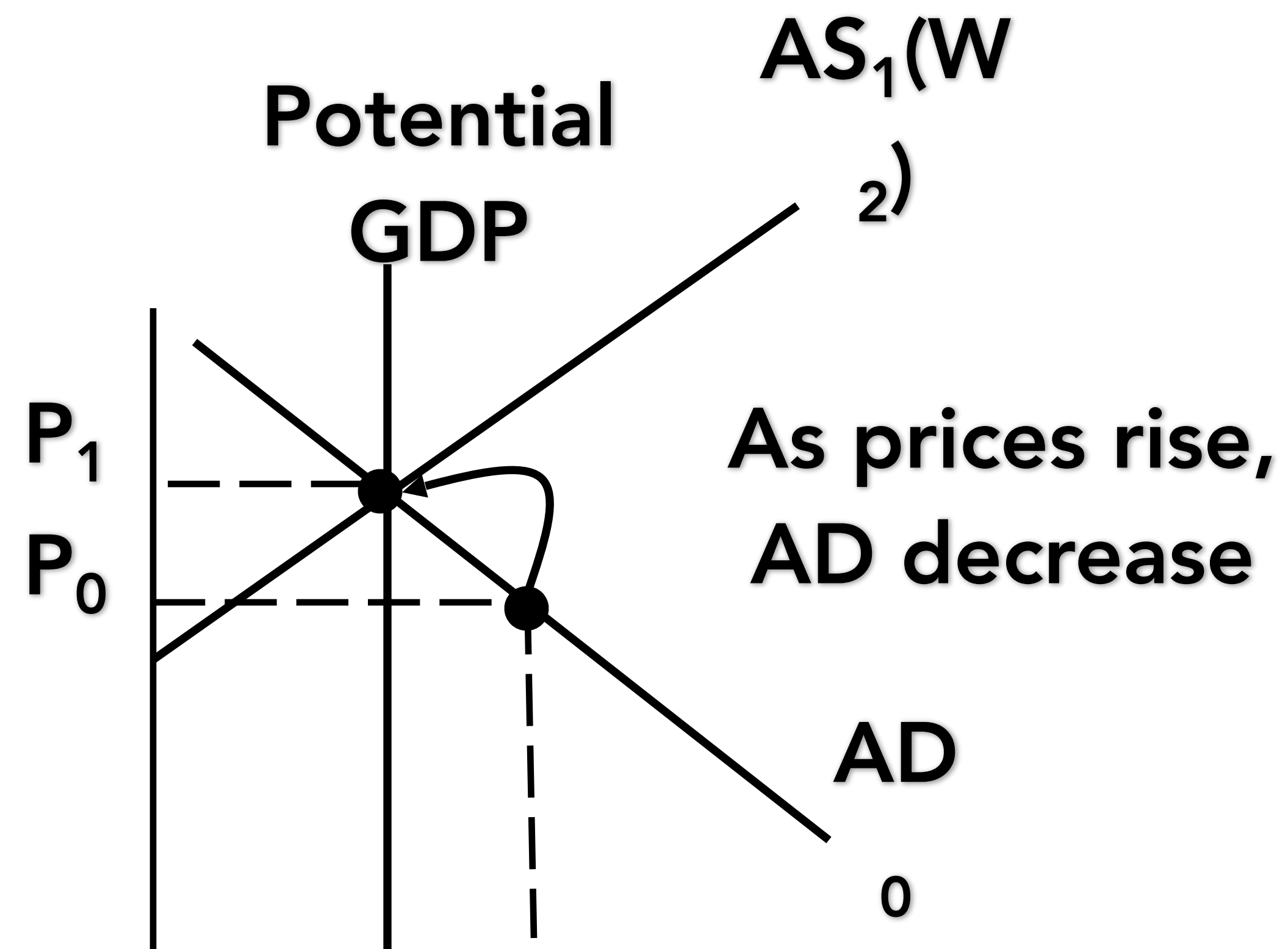






As prices rise,

AD decrease



The shift in AD is the
same as the increase in
Equilibrium output:

