

An increase in Government Spending results
in higher GDP and higher Prices

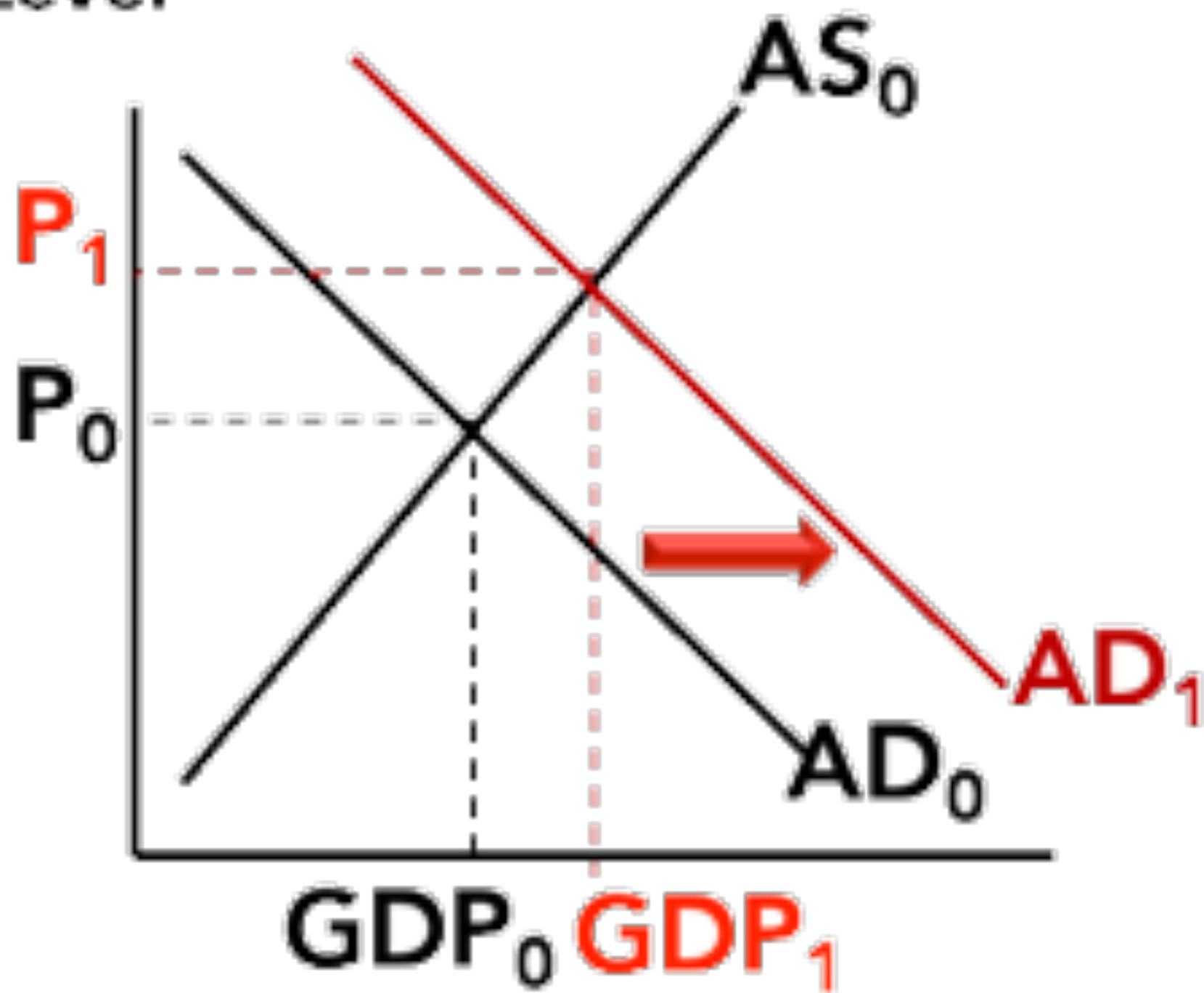
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graph TD; A[ ] --> B[Growth]; A --> C[Inflation]; B --> D[Lower Unemployment];
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Growth

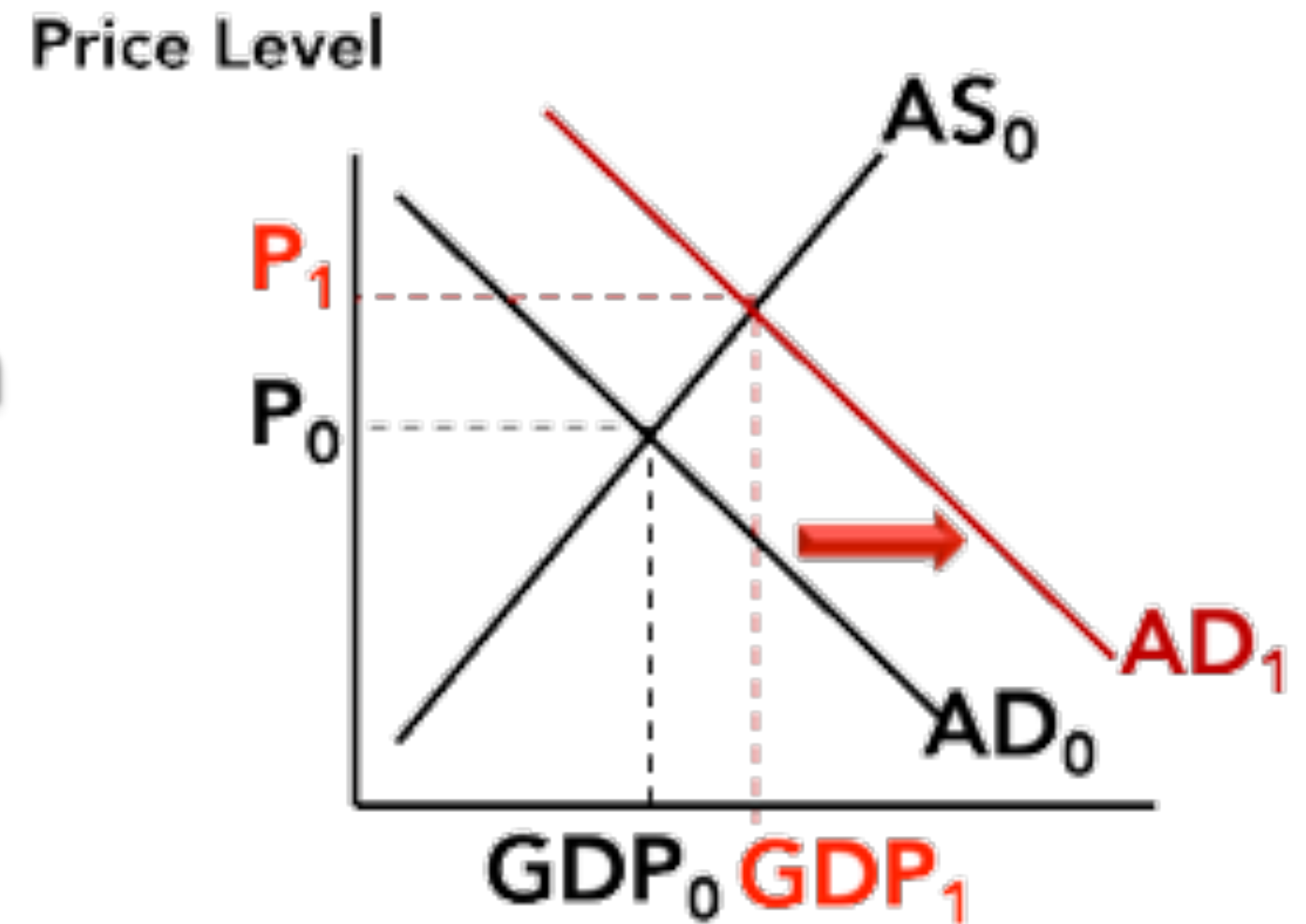
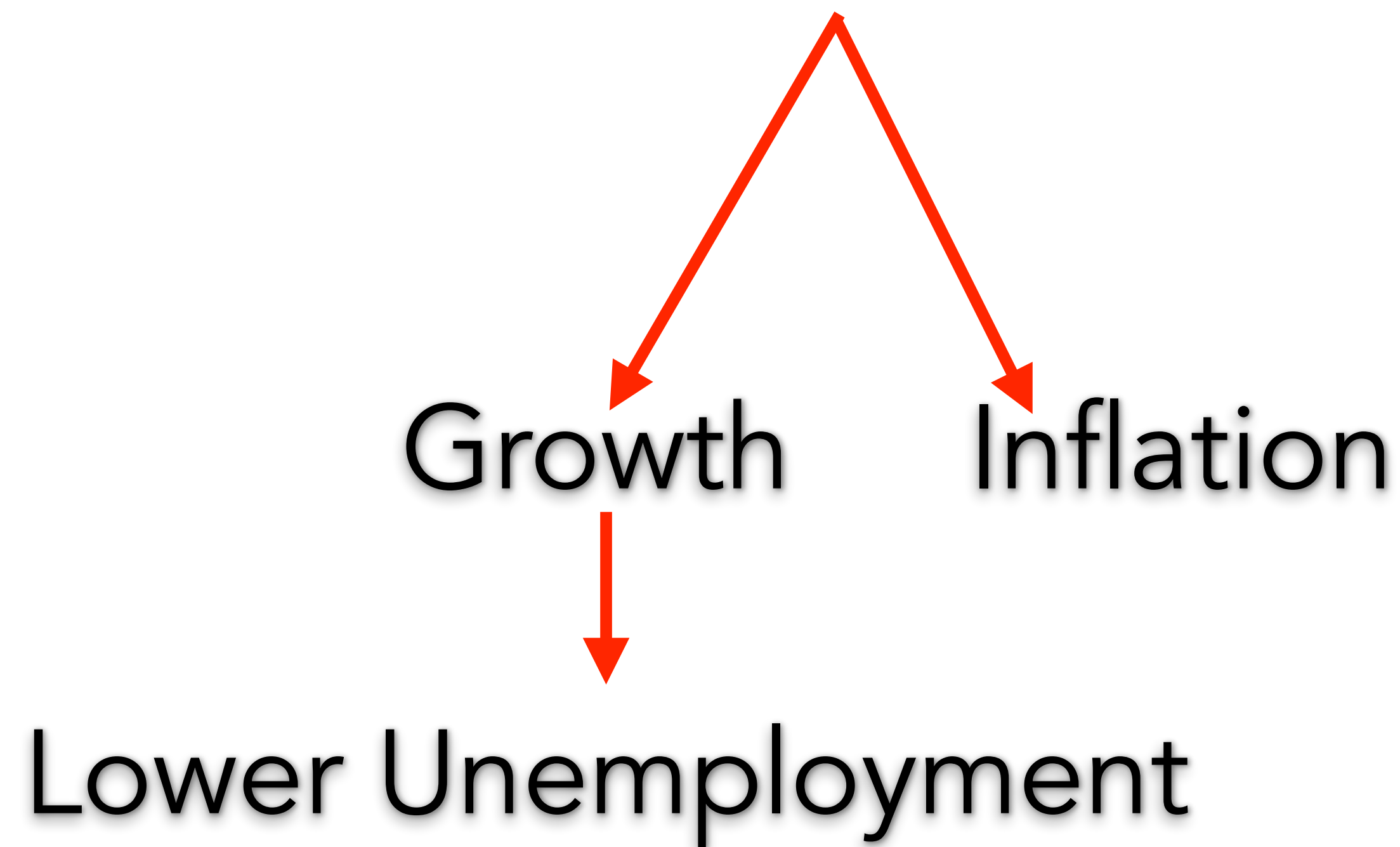
Inflation

Lower Unemployment

Price Level



An increase in Government Spending results
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An decrease in Government Spending results
in lower GDP and lower Prices