



No Increase in GDP:

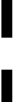


**AD**

**1**

**P**

**1**





**ADo**



**AS**

**1**

[REDACTED]

[REDACTED]

[REDACTED]

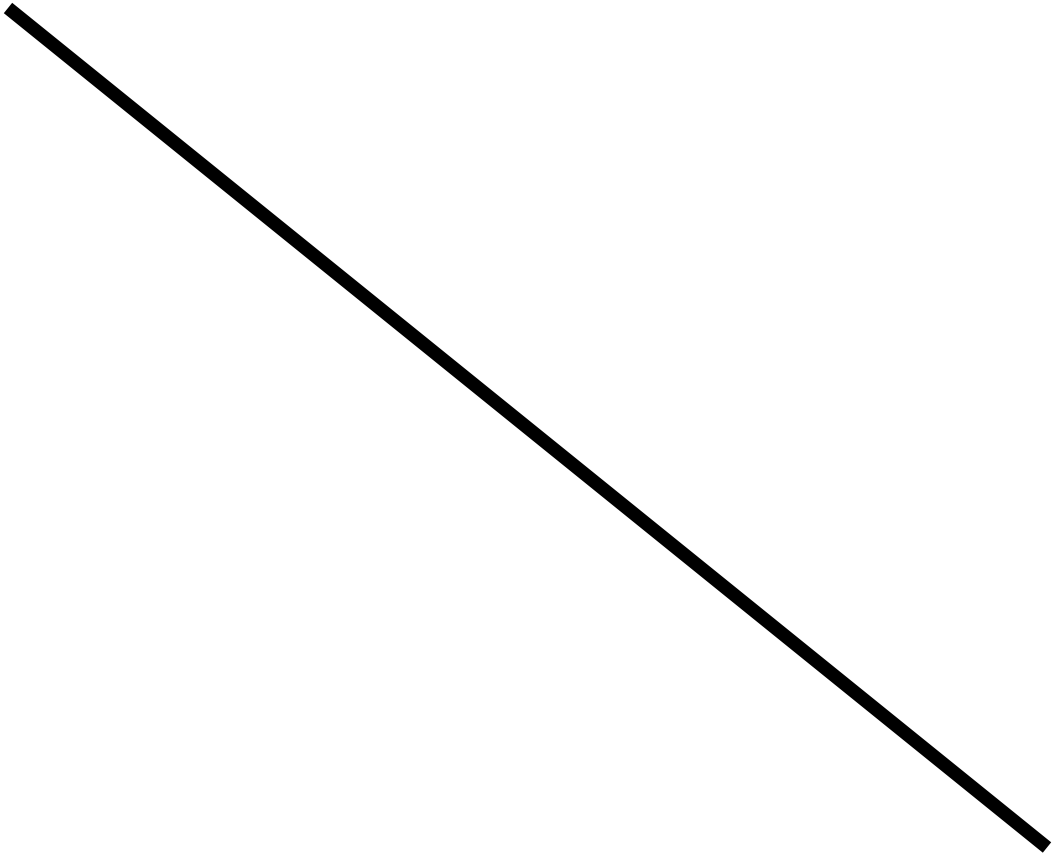
[REDACTED]

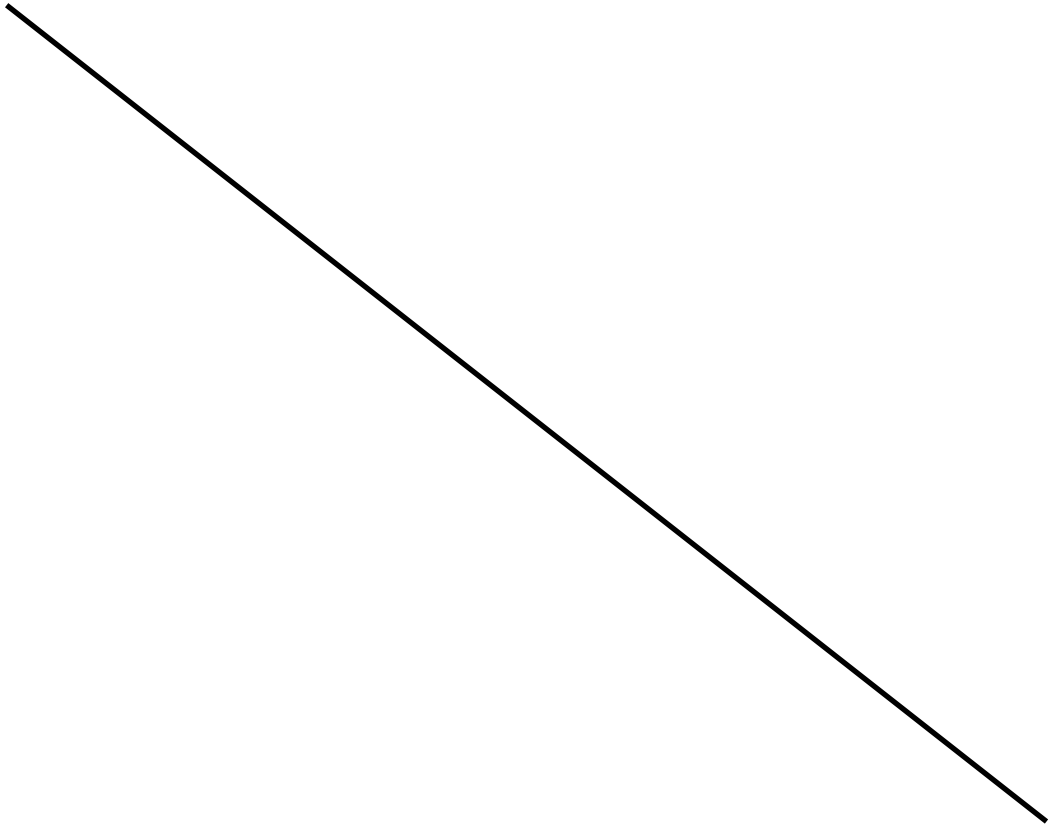
**P**

**O**

**AD < AS, inventories**

**rise**







**NY = O**





**No multiplier  
effect**

**With NO excess  
capacity and zero  
unemployment**

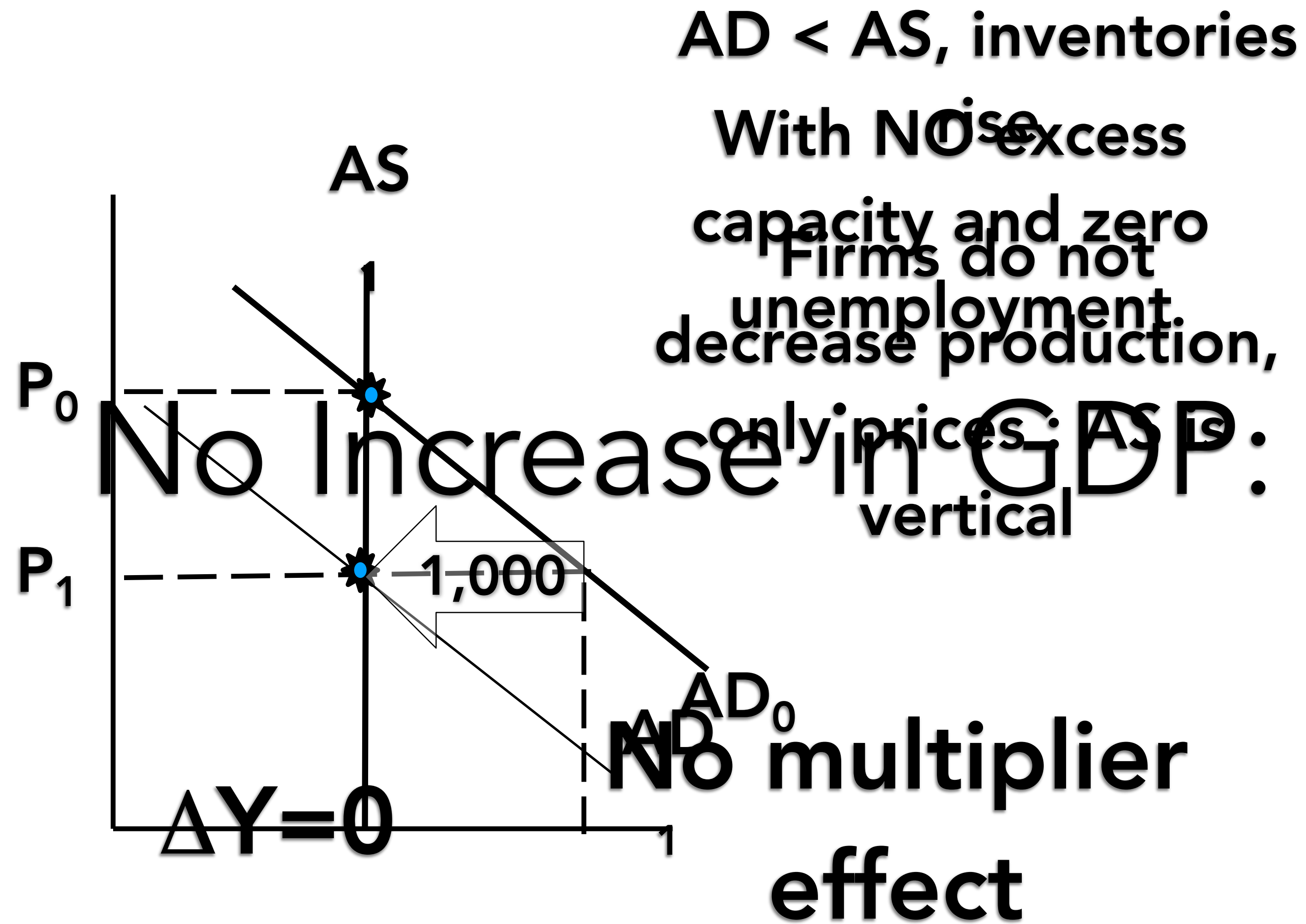
**Firms do not  
decrease production,  
only prices : AS is  
vertical**





**1,000**







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

