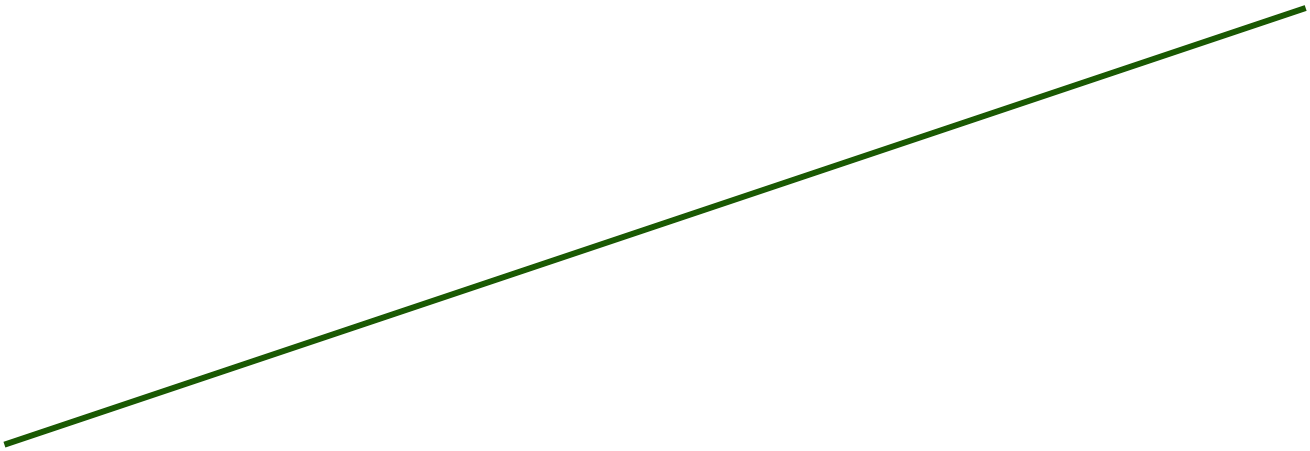


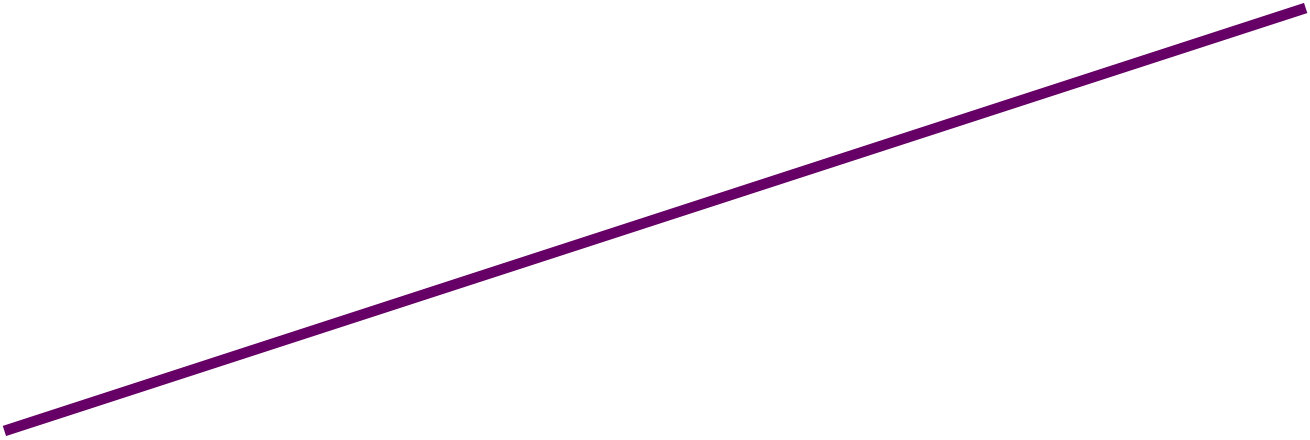
$$(a + b)(Tr - Tx)$$







$1 = 1000$





$G = 500$





$NX =$

300

$$Y = 5,000$$

$$C = 100 + 0.9Y$$



$C = 9,100$



$G = 500$

$$Y = 10,000$$



$C = 17,200$

$$Y = 19,000$$

$$AE = 10,900$$



AE = 19,000




$$C = 4600$$

$$AE = 4,600 + 1,000 + 500 + 300 = 6,400$$







2

5

















National Income



Aggregate Expenditures

~Total Purchases



Aggregate Expenditures


$$G = 500$$



$NX =$

300

$$AE = C + I + G + NX$$

$$C = 22,600$$



$$AE = 24,400$$




$$1 = 1000$$





A

+

I

+

G

+

NK



1 = 1000

G = 500

$N \times K = 3000$

Total Production \Rightarrow National Income

$$Y = 25,000$$

Aggregate Expenditures

$$AE = C + I + G + NX$$

$$A + I + G + NX$$

