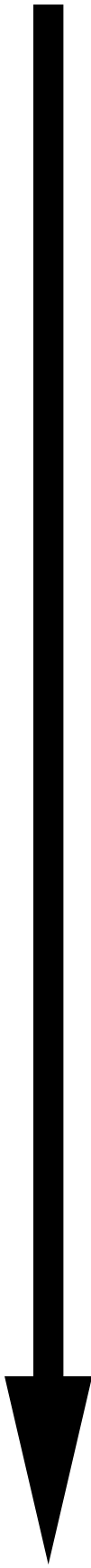


MPC	G Multiplier	Tax Multiplier
0.95	20.00	19.00
0.9	10.00	9.00
0.85	6.67	5.67
0.8	5.00	4.00
0.75	4.00	3.00
0.7	3.33	2.33
0.65	2.86	1.86
0.6	2.50	1.50
0.55	2.22	1.22
0.5	2.00	1.00

The
smaller
the
MPC





The

smaller

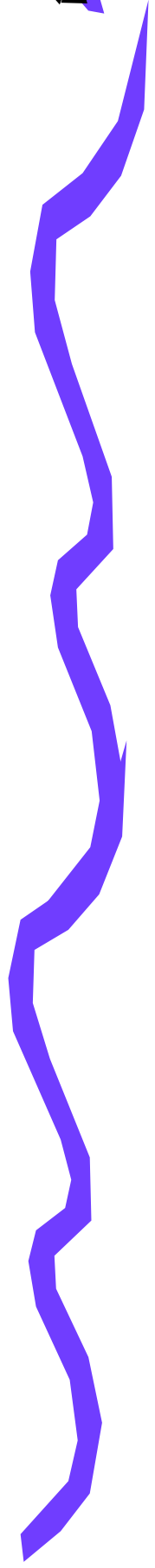
the

Multipliers





The smaller the MPC	MPC	G Multiplier	The smaller the Multipliers	Tax Multiplier
	0.95	20.00		19.00
	0.9	10.00		9.00
	0.85	6.67		5.67
	0.8	5.00		4.00
	0.75	4.00		3.00
	0.7	3.33		2.33
	0.65	2.86		1.86
	0.6	2.50		1.50
	0.55	2.22		1.22
	0.5	2.00		1.00



AUTOMATIC STABILIZERS

Make Disposable Income and
Consumer spending **less sensitive**
to fluctuations in GDP

