

**A**

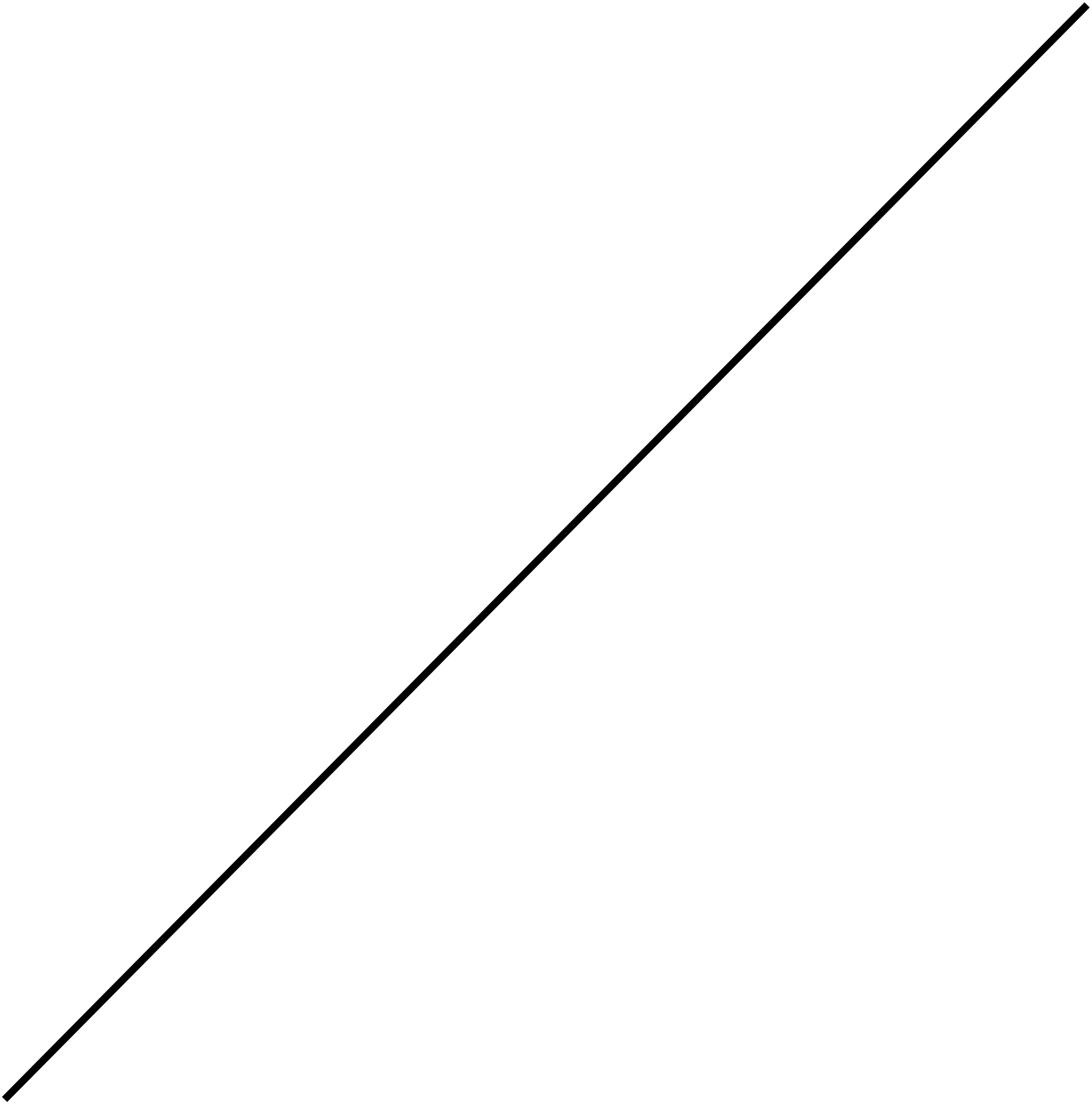
**E**



Equilibrium GDP:

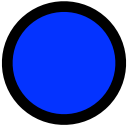
6,000







Equilibrium



A

E

# Potential GDP



# Potential

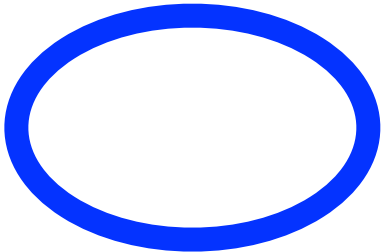
GDP : 7,000

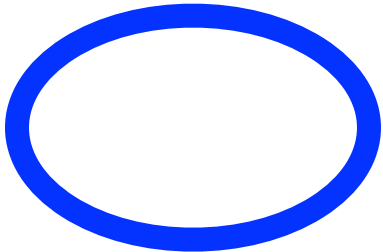


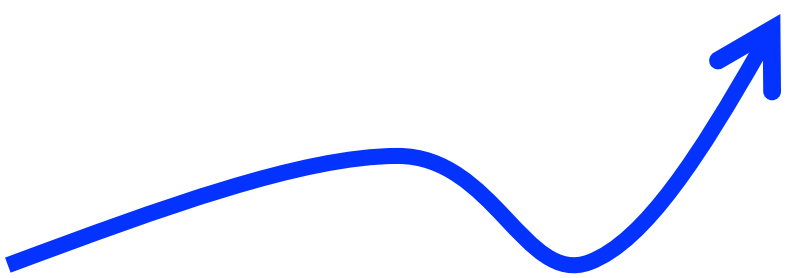
450


$$7,000-6,000=1,000$$



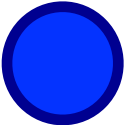


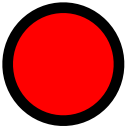




A blue speech bubble with a tail pointing towards the bottom right corner. Inside the bubble, the text "Economy is producing less than desired output" is written in a blue, sans-serif font. The word "less" is highlighted in red.

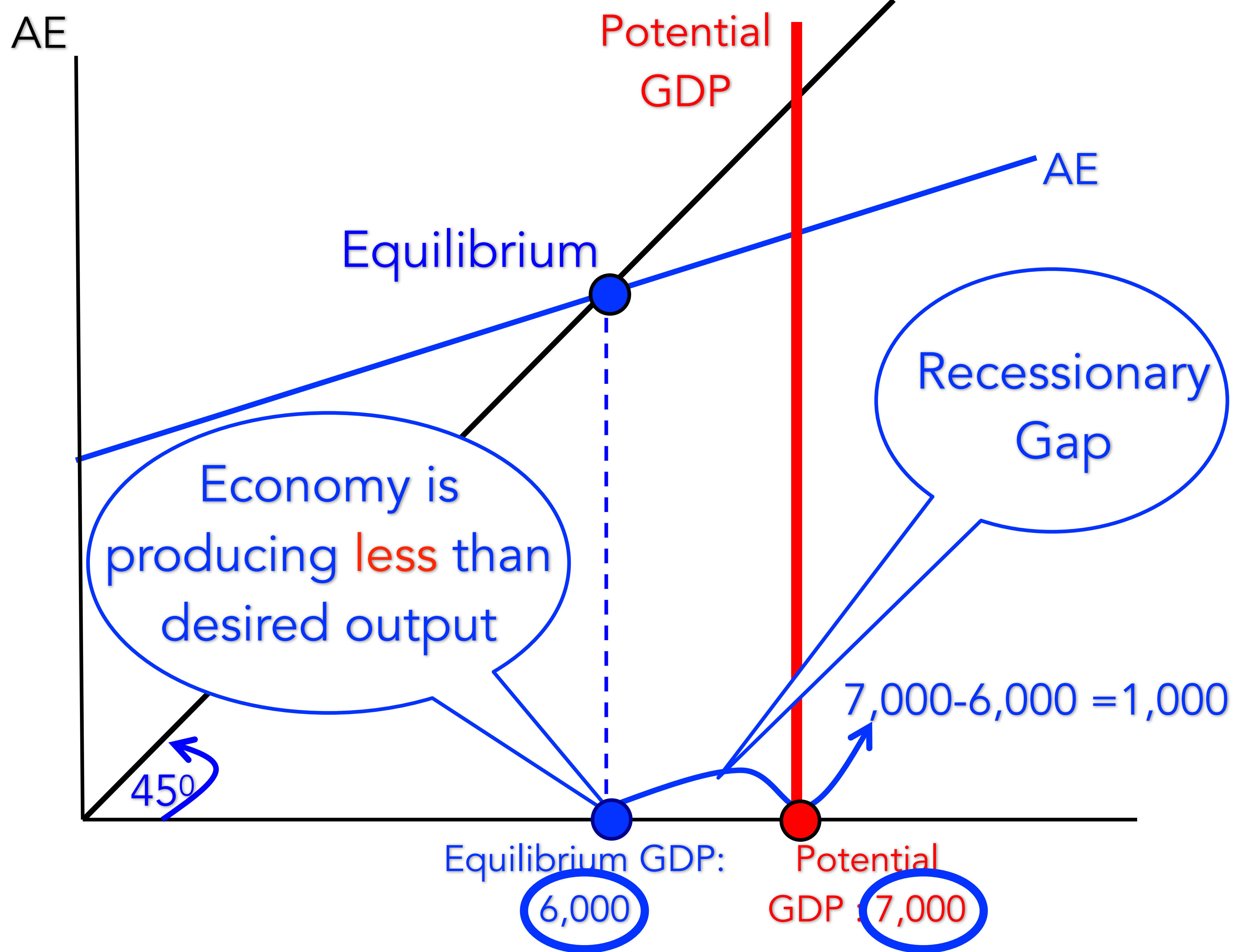
Economy is  
producing less than  
desired output





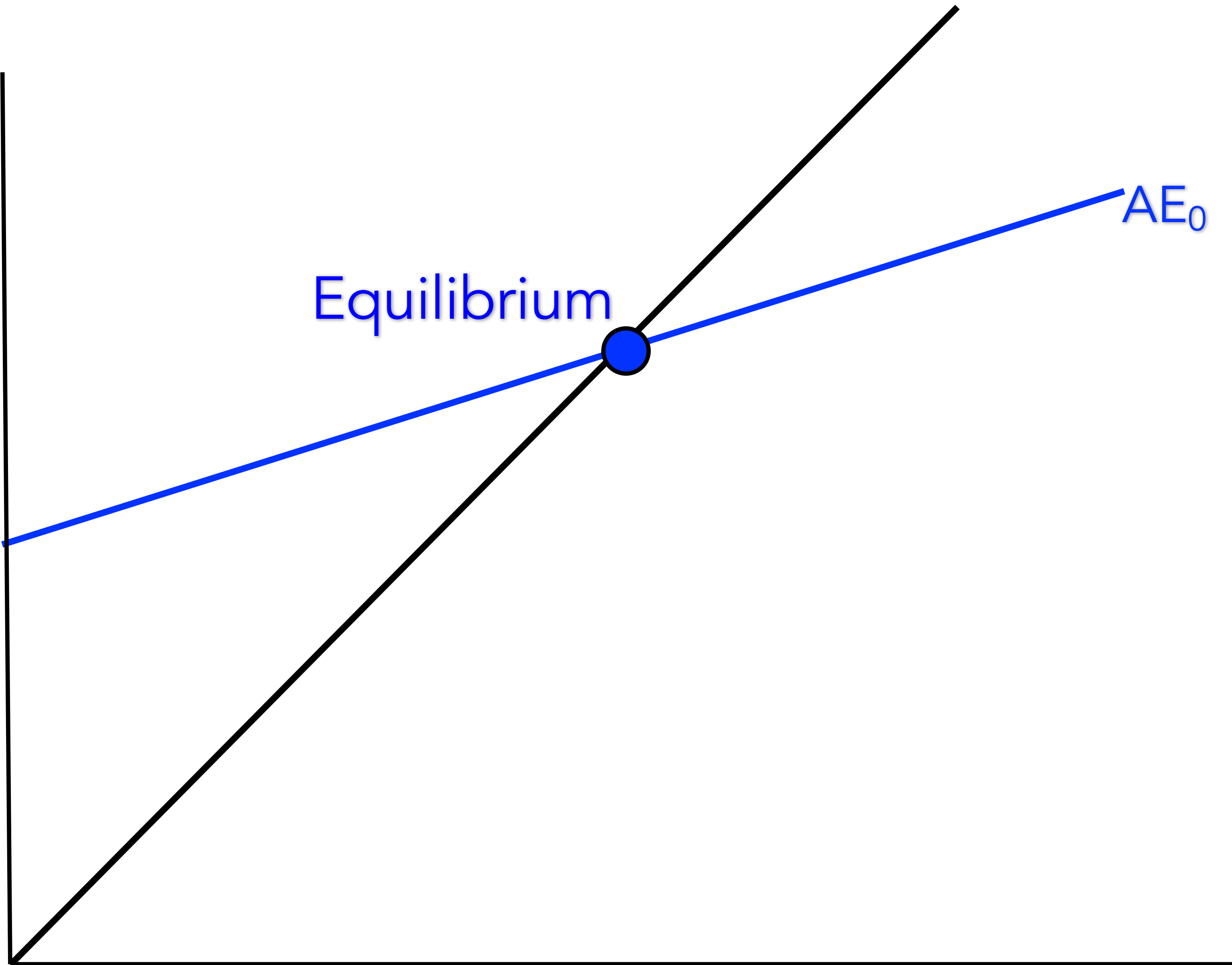


Recessionary  
Gap





AE



$AE_0$

Equilibrium