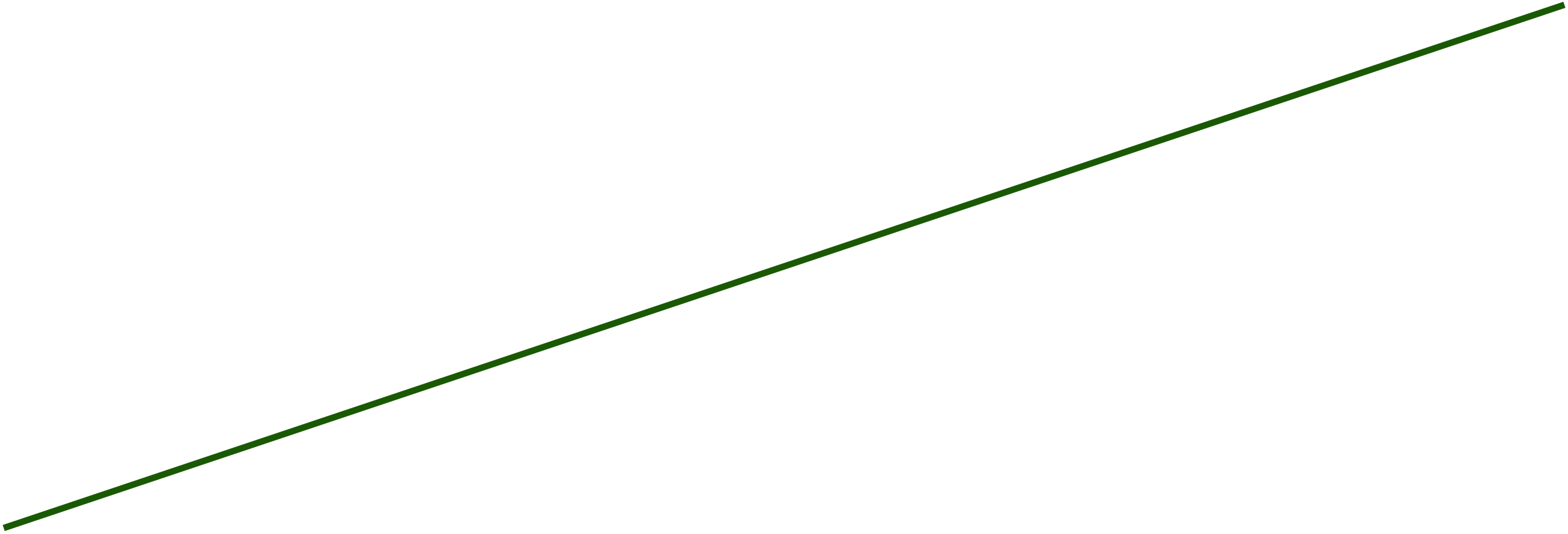
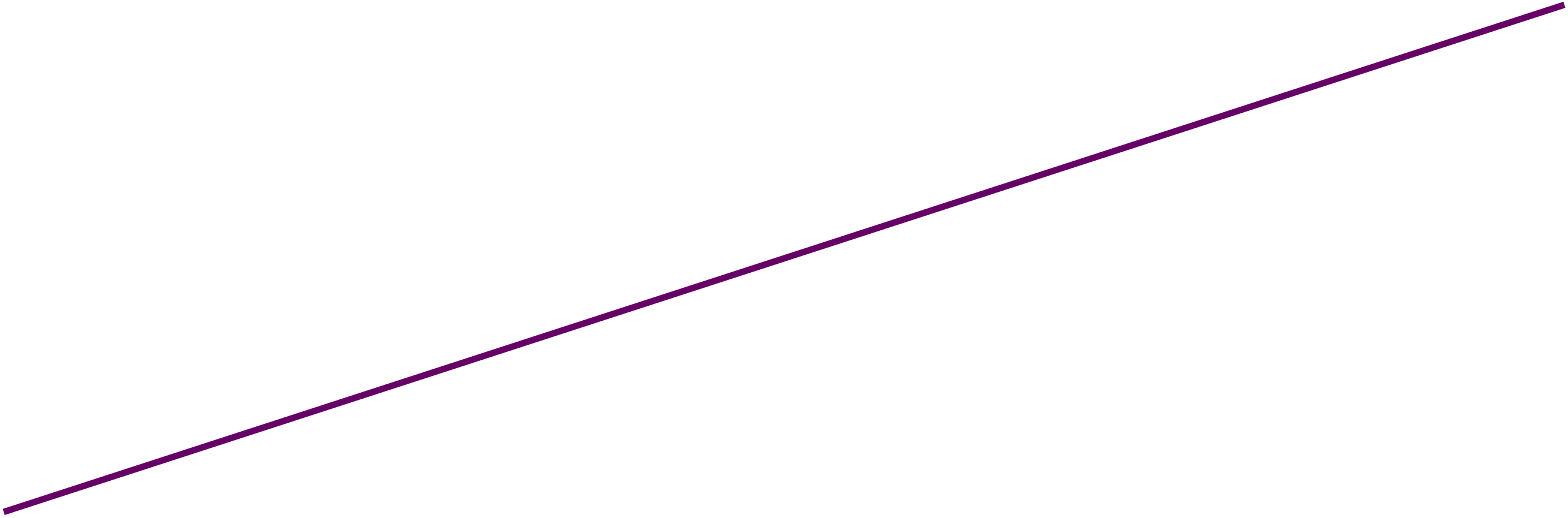


$$(a + b)(\text{Tr}_-$$









$$C = A + MPCY$$

Aggregate Expenditures

$$AE = (A + I + G + NX) + MPCY$$

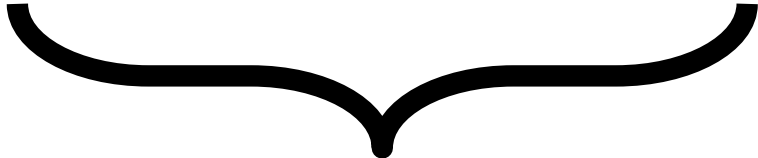
AE



A + I + G + N X



Total Production = National Income



A:

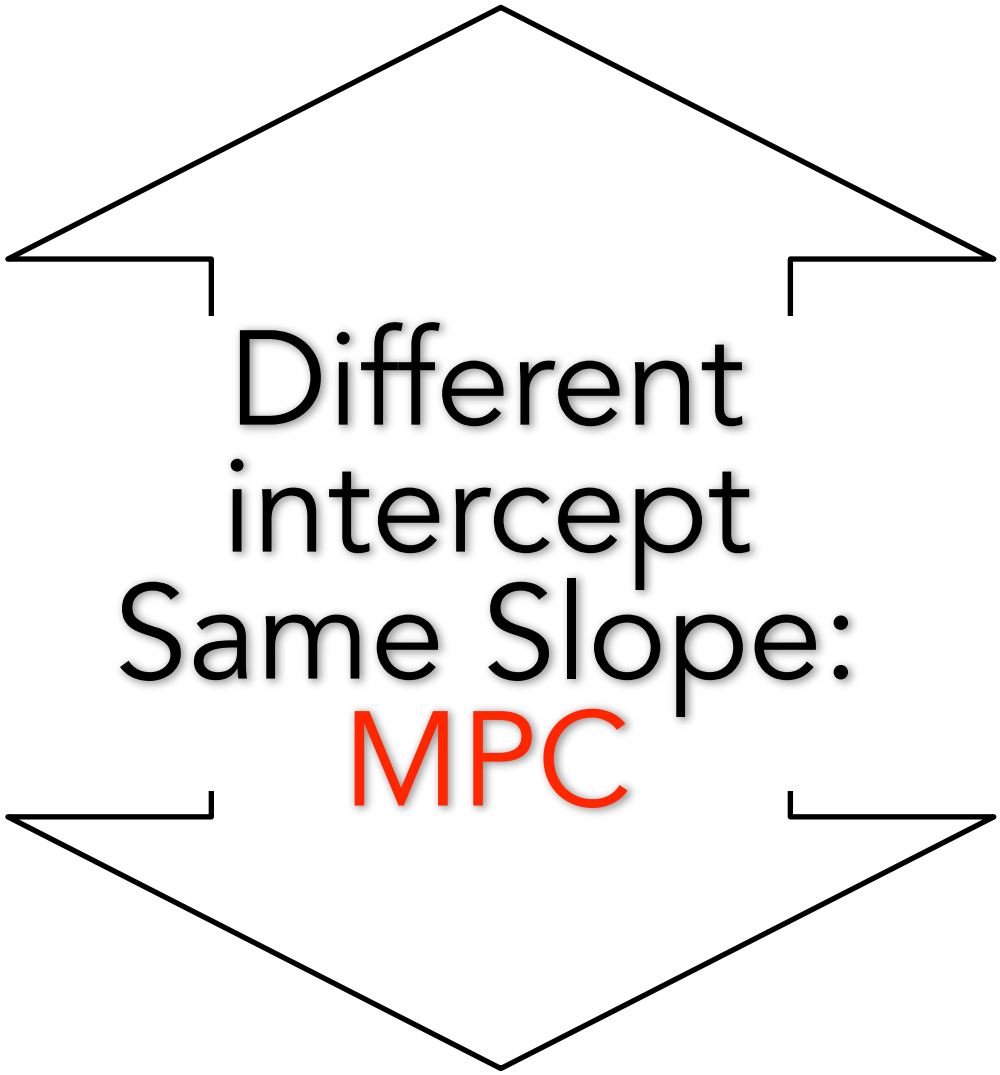
Intercept

Consumption



Intercept

AE line



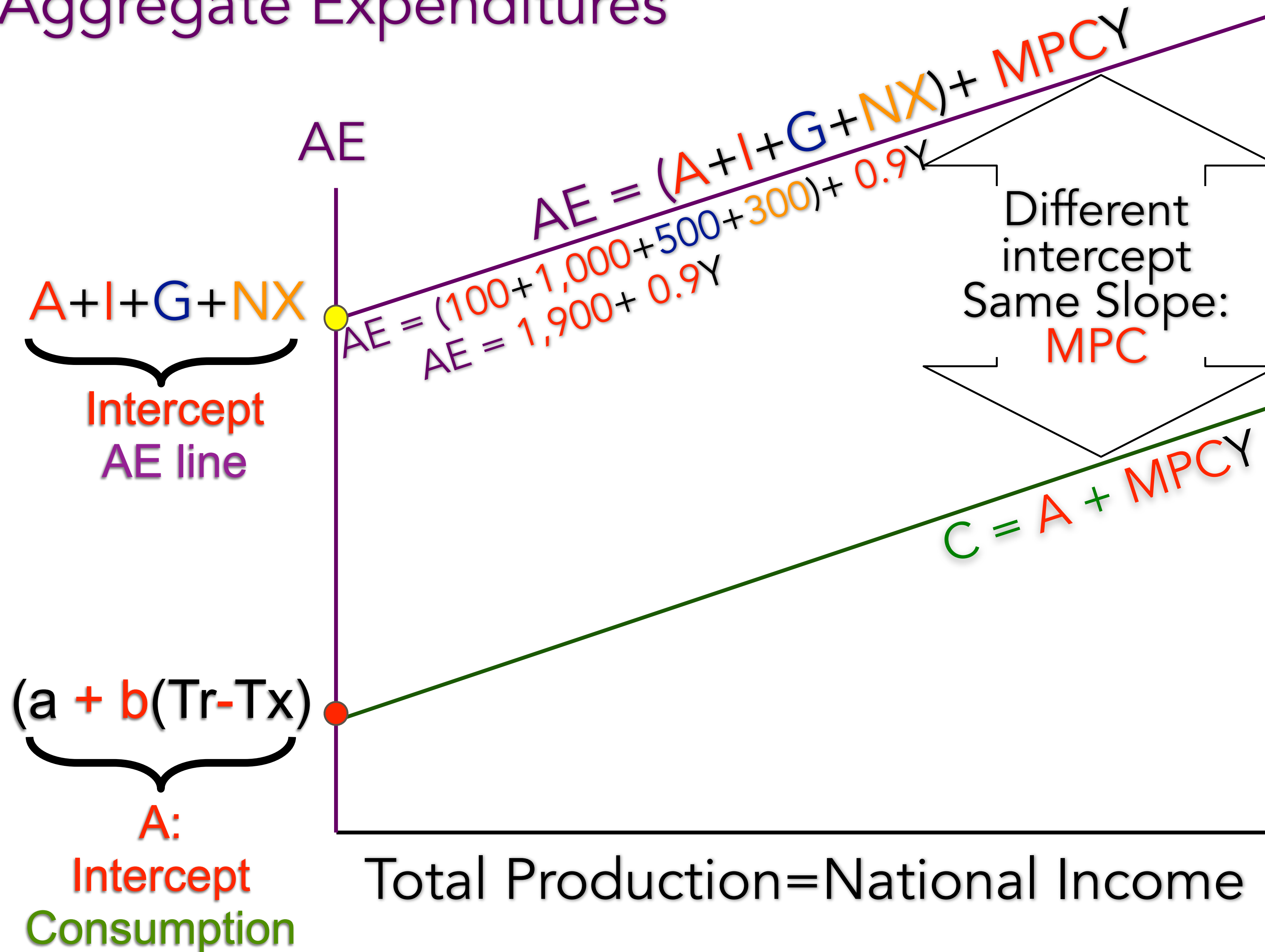
Different
intercept
Same Slope:
MPC

$$C = 100 + 0.9Y$$

$$AE = (100 + 1,000 + 500 + 300) + 0.9Y$$

$$AE = 1,900 + 0.9Y$$

Aggregate Expenditures



Aggregate Expenditures

