



**Smaller Variation in
Production**

**Government Manages
the Economy**























Economy Self Adjusts









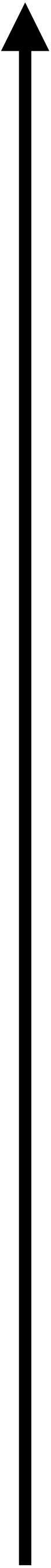
**Larger Variation in
Production**







% Change in Production







The Great Depression



**Government has been
successful at reducing the
severity (size) of the decline in
output**

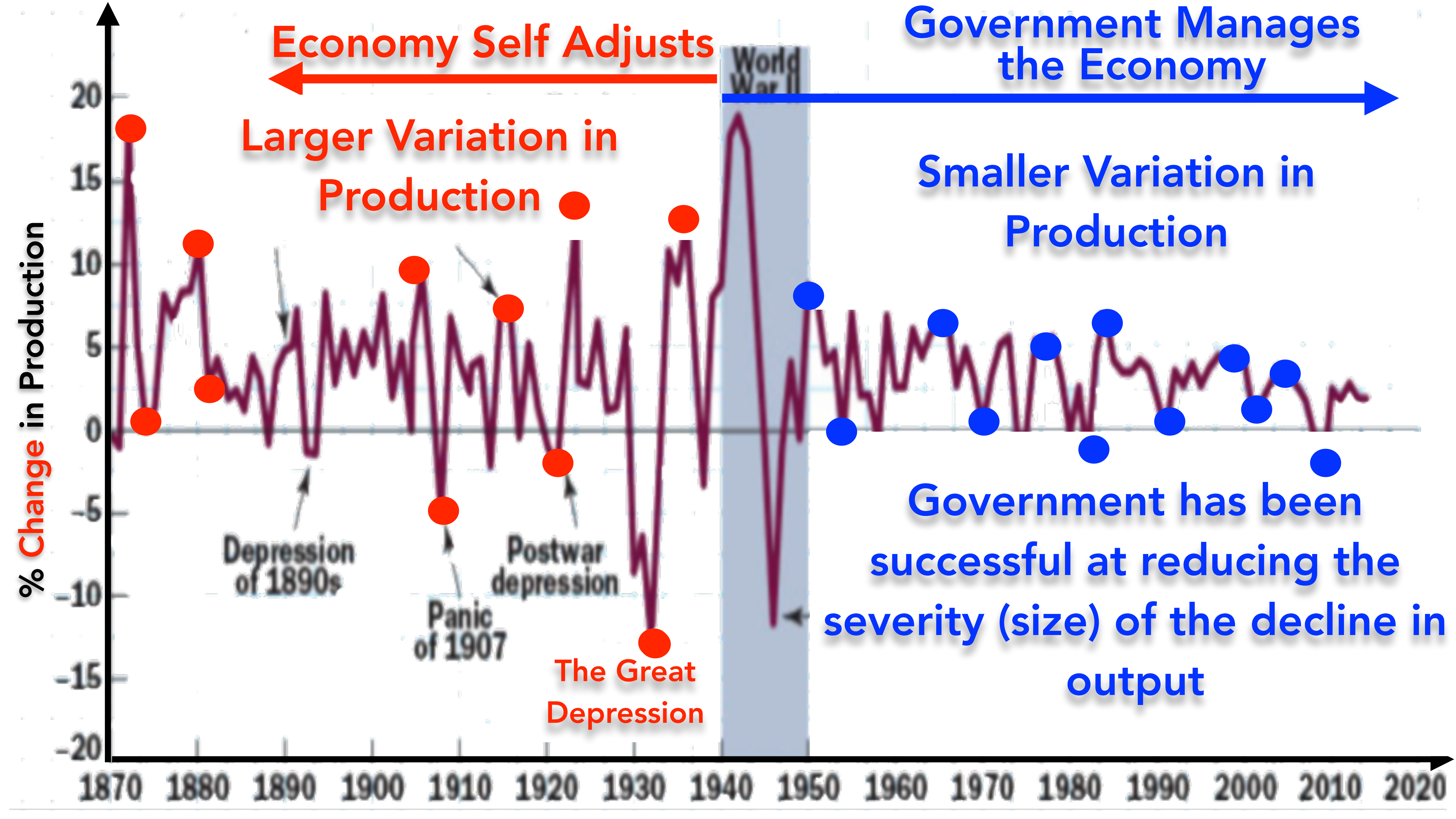












Macroeconomics: Managing The Economy