



ΔY

=

ΔG

NC = NY (NMPc)

change in consumption

Change in D Deficit

$$\Delta \text{Deficit} \equiv \Delta \text{CG} - \Delta \text{T}$$



NY

=

NT

AC

=

AY

Spendding Multiplier

Tax Multiplier





INX

$$\left(\frac{-(MPC)}{(MPS)} \right)$$

$$\left(\frac{1}{1 - \text{MPC}} \right)$$

Change in Equilibrium GDP

$$\left(\frac{-(MPC)}{(MPS)} \right)$$





INX

$$\Delta NX \quad \Delta G \quad \Delta I \quad \Delta C$$

Spending Multiplier

$$\left(\frac{1}{1 - MPC} \right)$$

Change in Equilibrium GDP

$$\Delta T$$

Tax Multiplier

$$\left(\frac{-(MPC)}{(MPS)} \right)$$

$$\Delta Y = \Delta NX + \Delta G + \Delta I + \Delta C \left(\frac{1}{1 - MPC} \right) \quad \Delta Y = \Delta T \left(\frac{-(MPC)}{(MPS)} \right)$$

Change in Consumption

$$\Delta C = \Delta Y (MPC)$$

$$\Delta C = \Delta Y$$

Change in Deficit

$$\Delta \text{Deficit} = \Delta G - \Delta T$$

