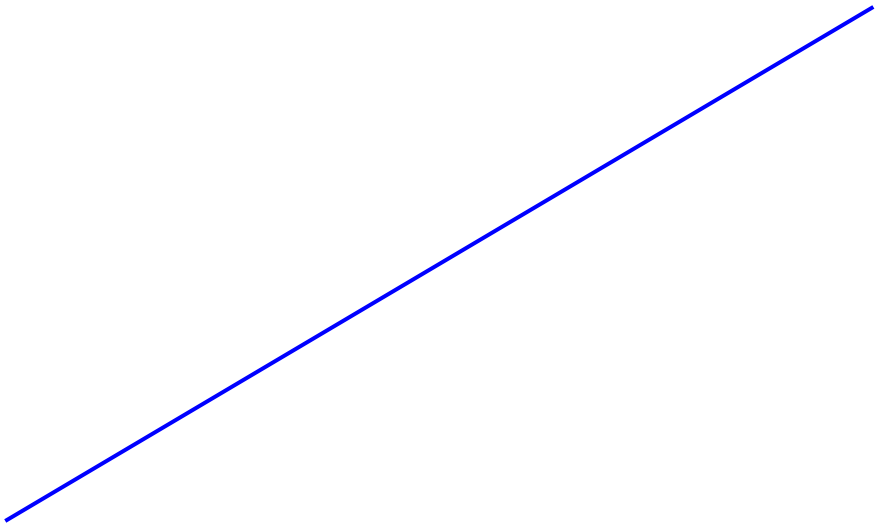


3

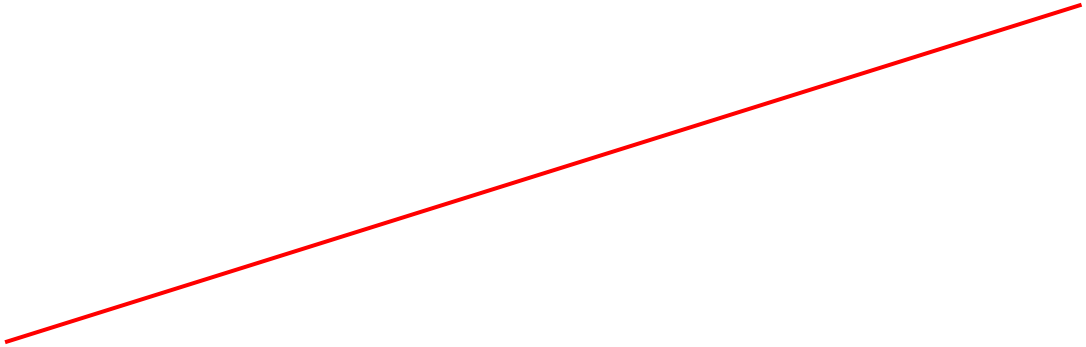
6





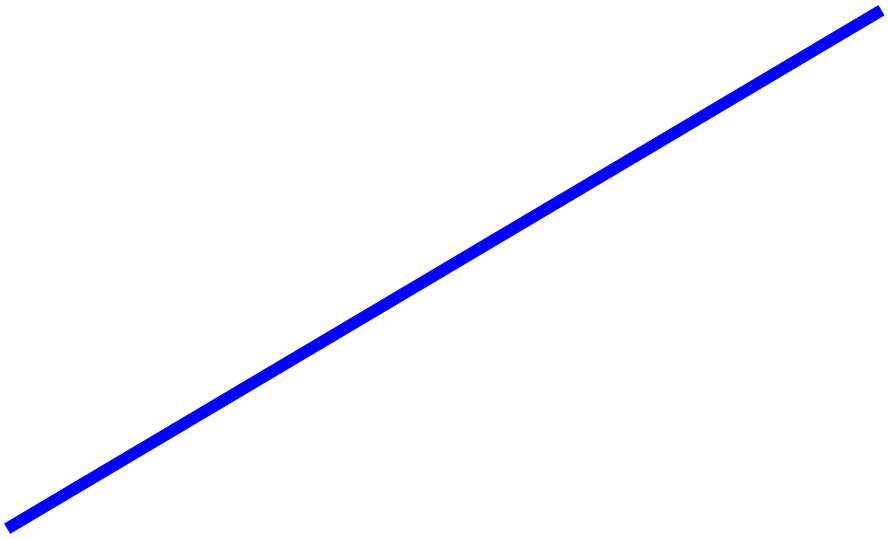




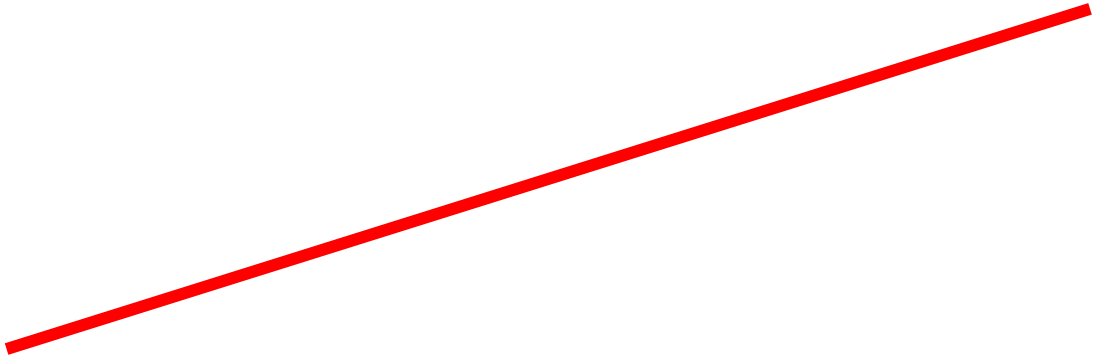








Smaller
intercept



Higher
intercept

C1

C

o

S

1

So

a

=

300

-a = 300



a

=

2

0

0

-a = 200



130000

13000









consunables

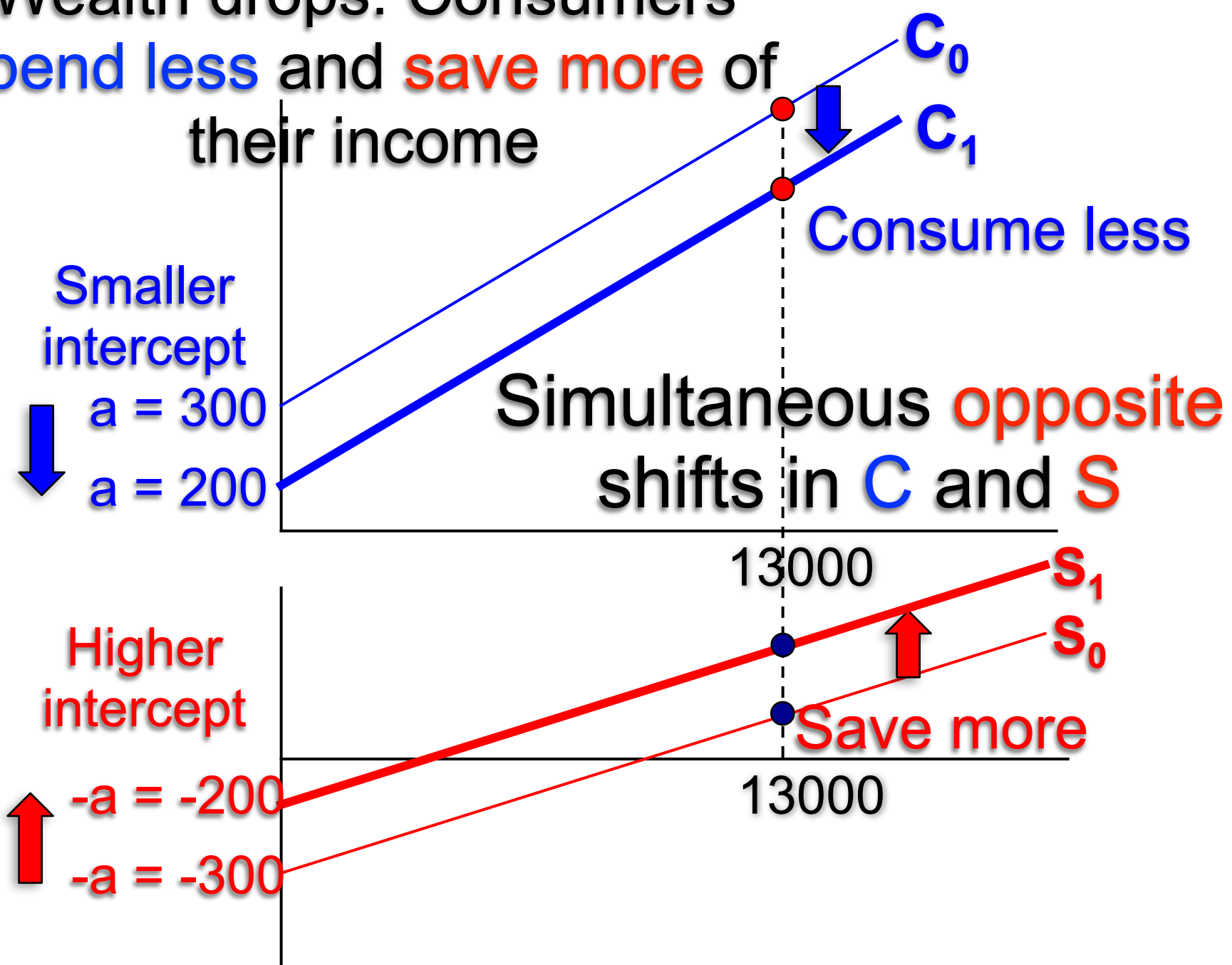
Income is the same

save more

Simultaneous opposite
shifts in C and S

Wealth drops: Consumers
spend less and save more of
their income

Wealth drops: Consumers
spend less and save more of
their income



Shifts in Consumption