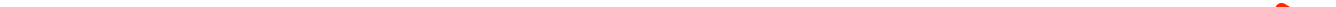
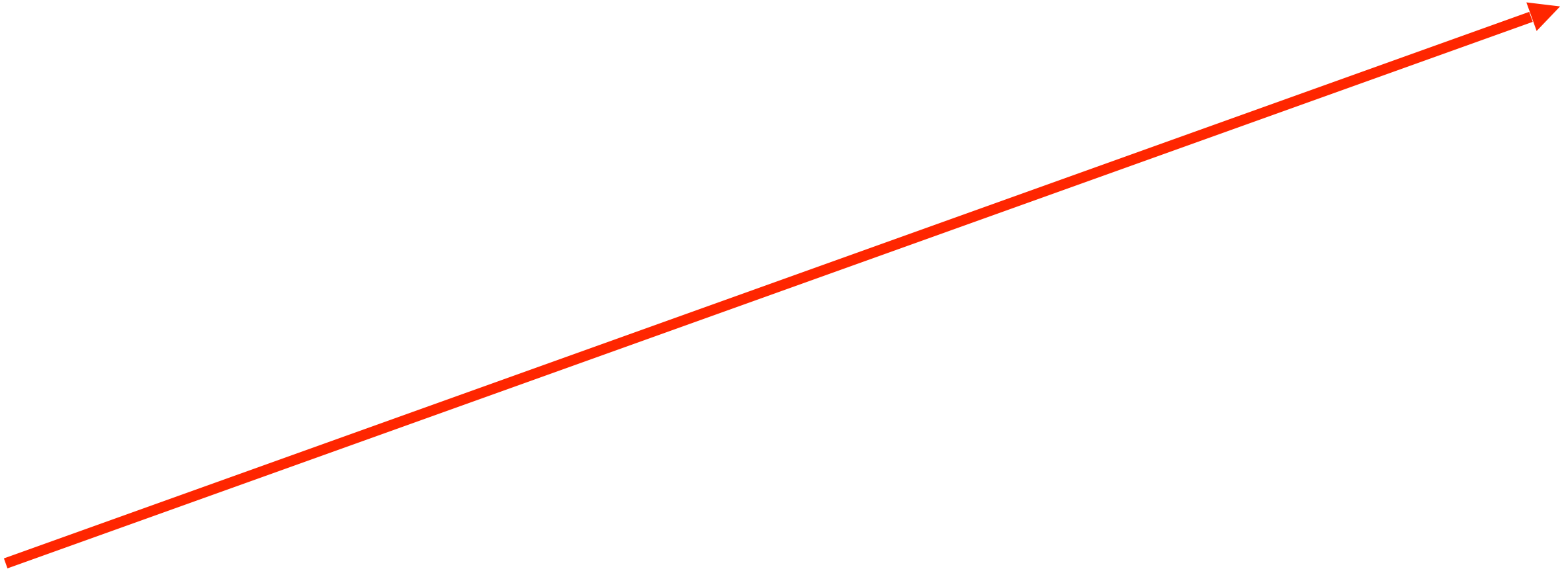




S+T+M

I+G+X

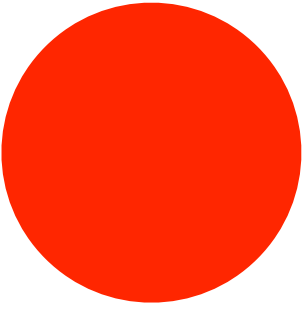
Y Equilibrium

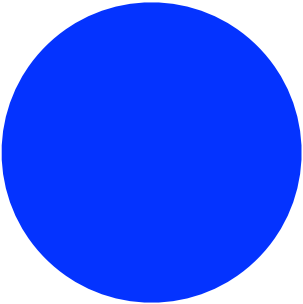
Y above equilibrium

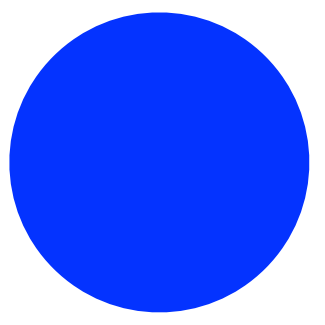
Leakages
larger than
Injections

Leakages

Injections





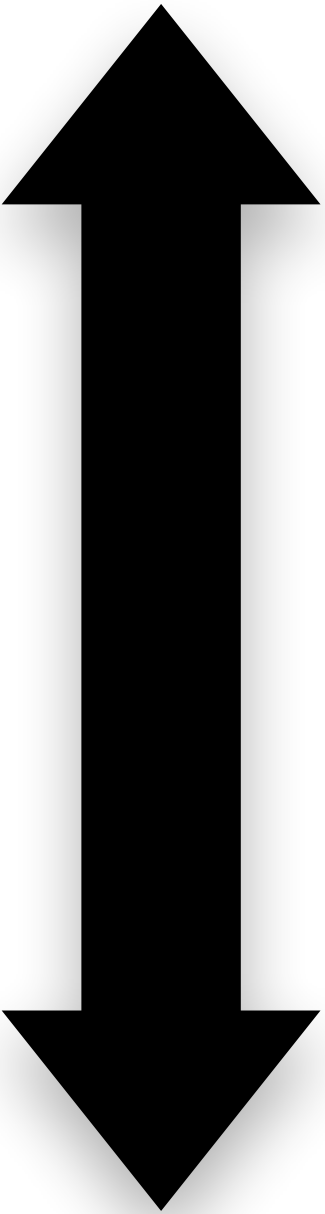


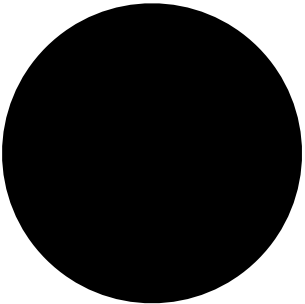
Not enough spending Inventories accumulate

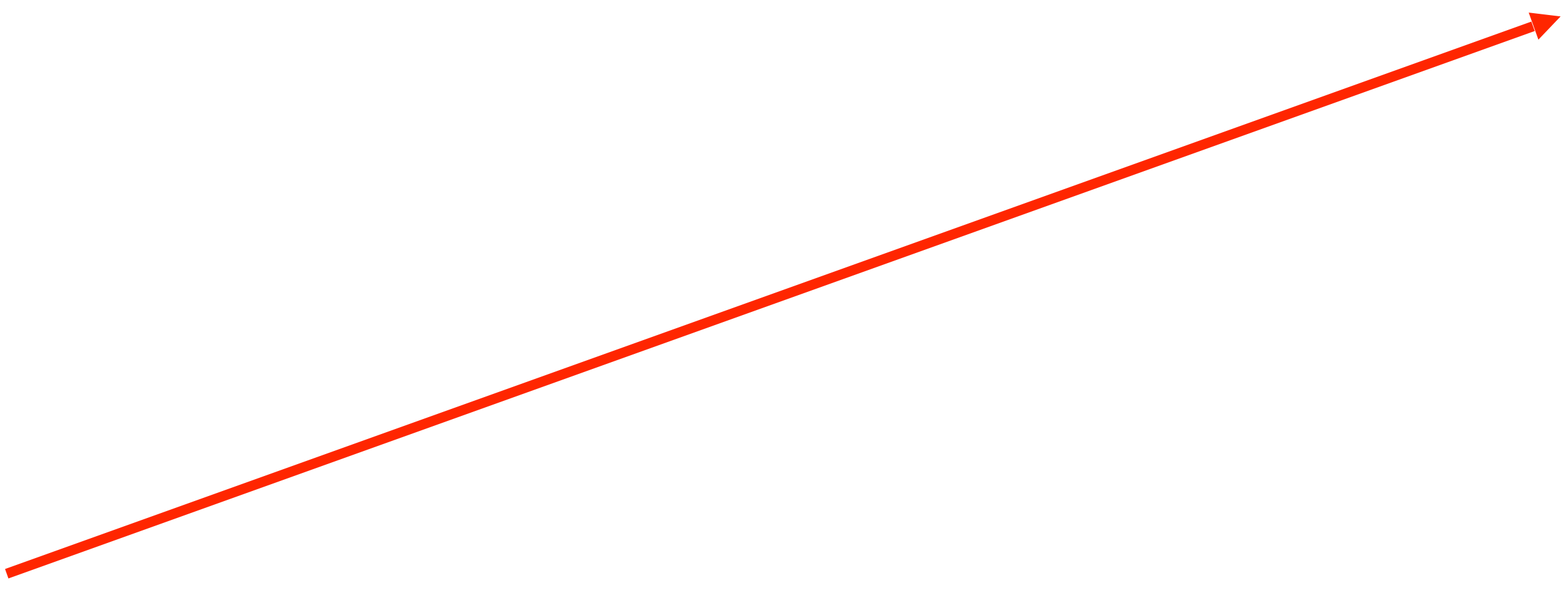
Too much spending inventories fall

Spending = Production

inventories do not change



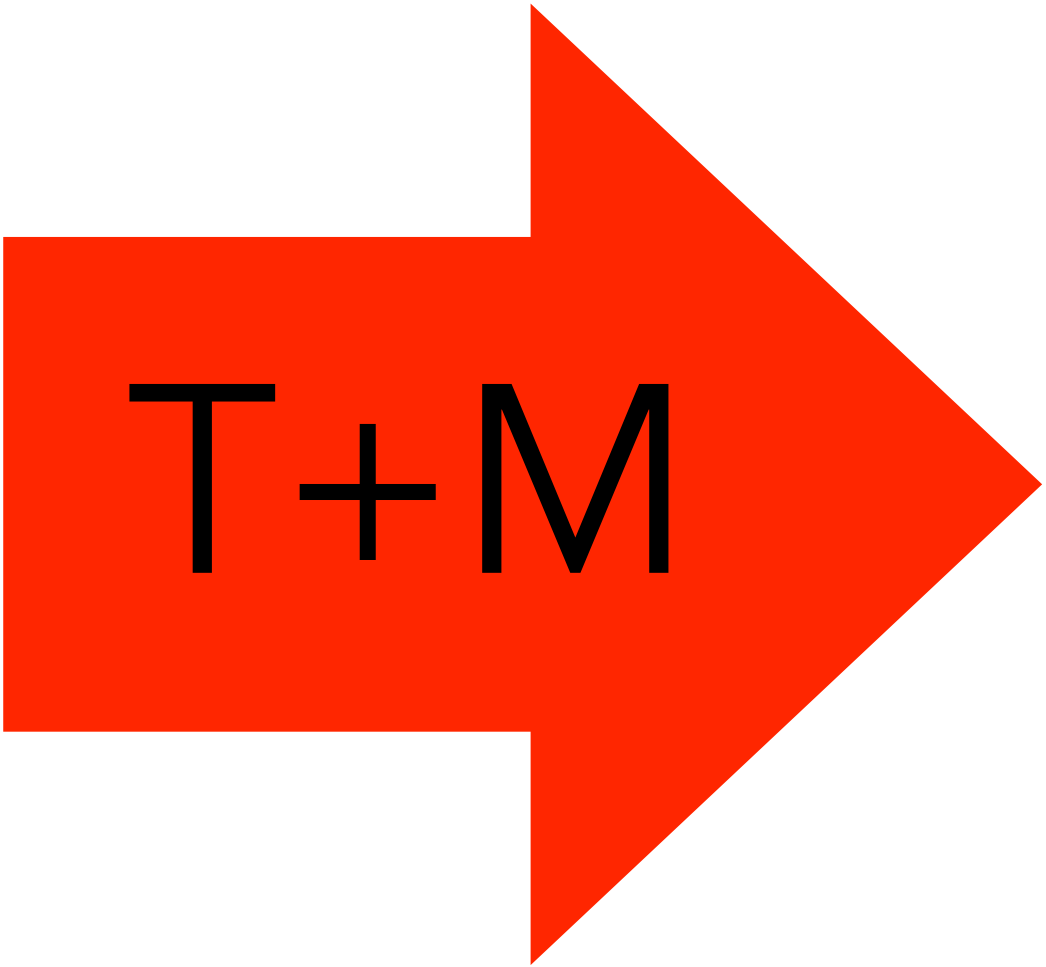


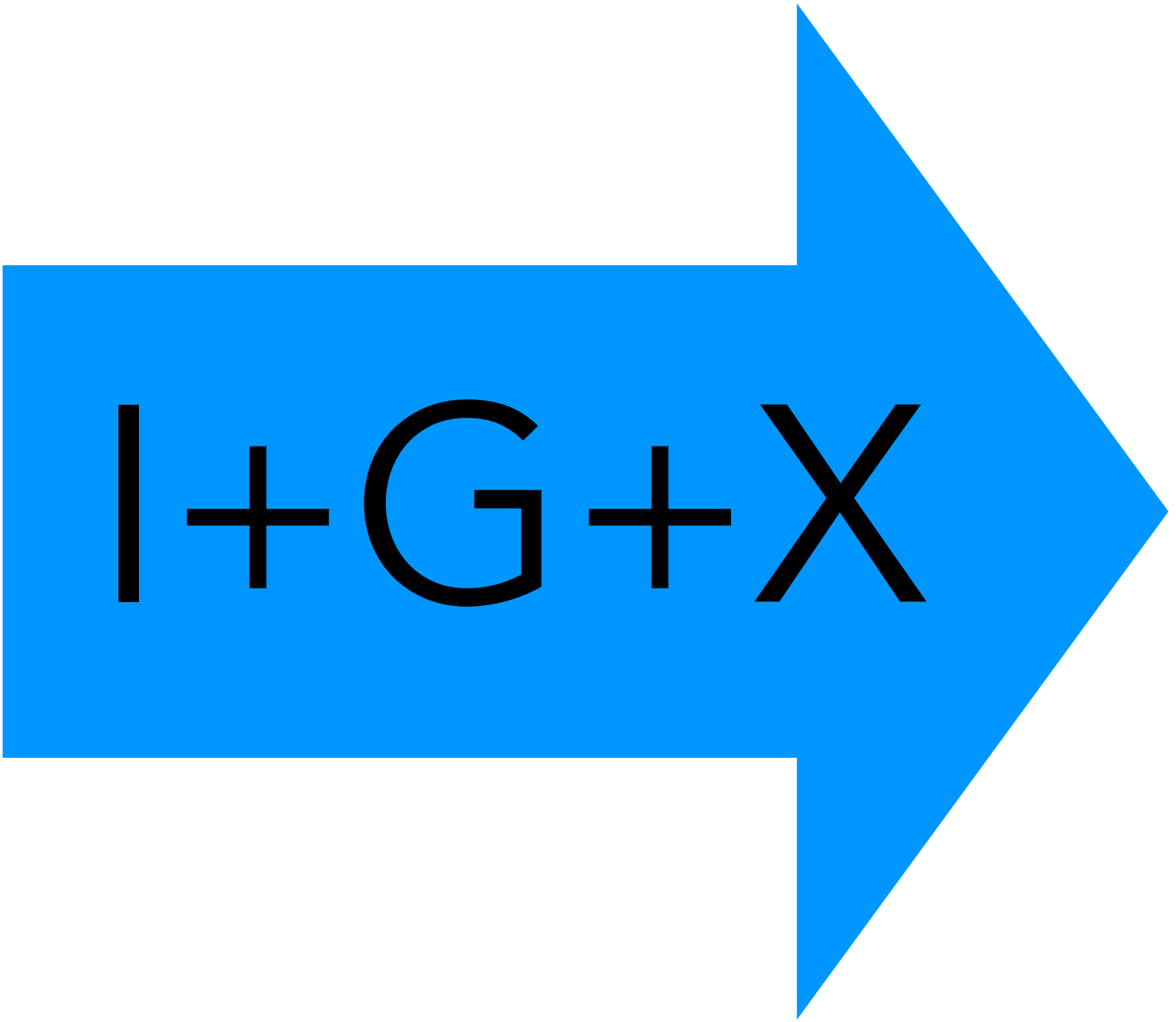


$$S = -a + MPS * Y$$

S+T+M

I+G+X =


T+M

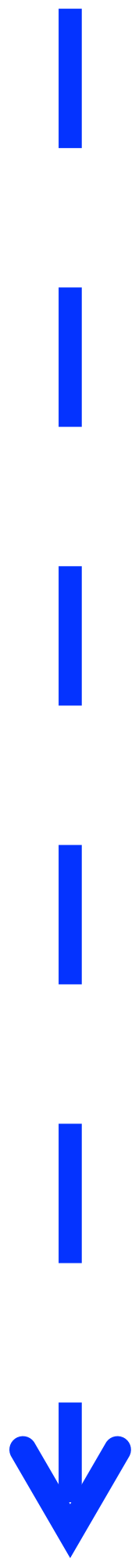

I+G+X

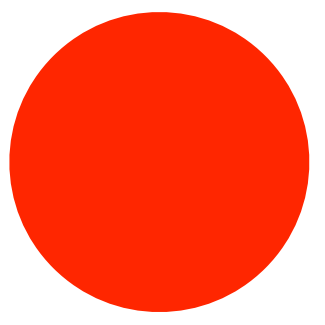
Income that leaks

Injections
Larger than
Leakages

Income injected back

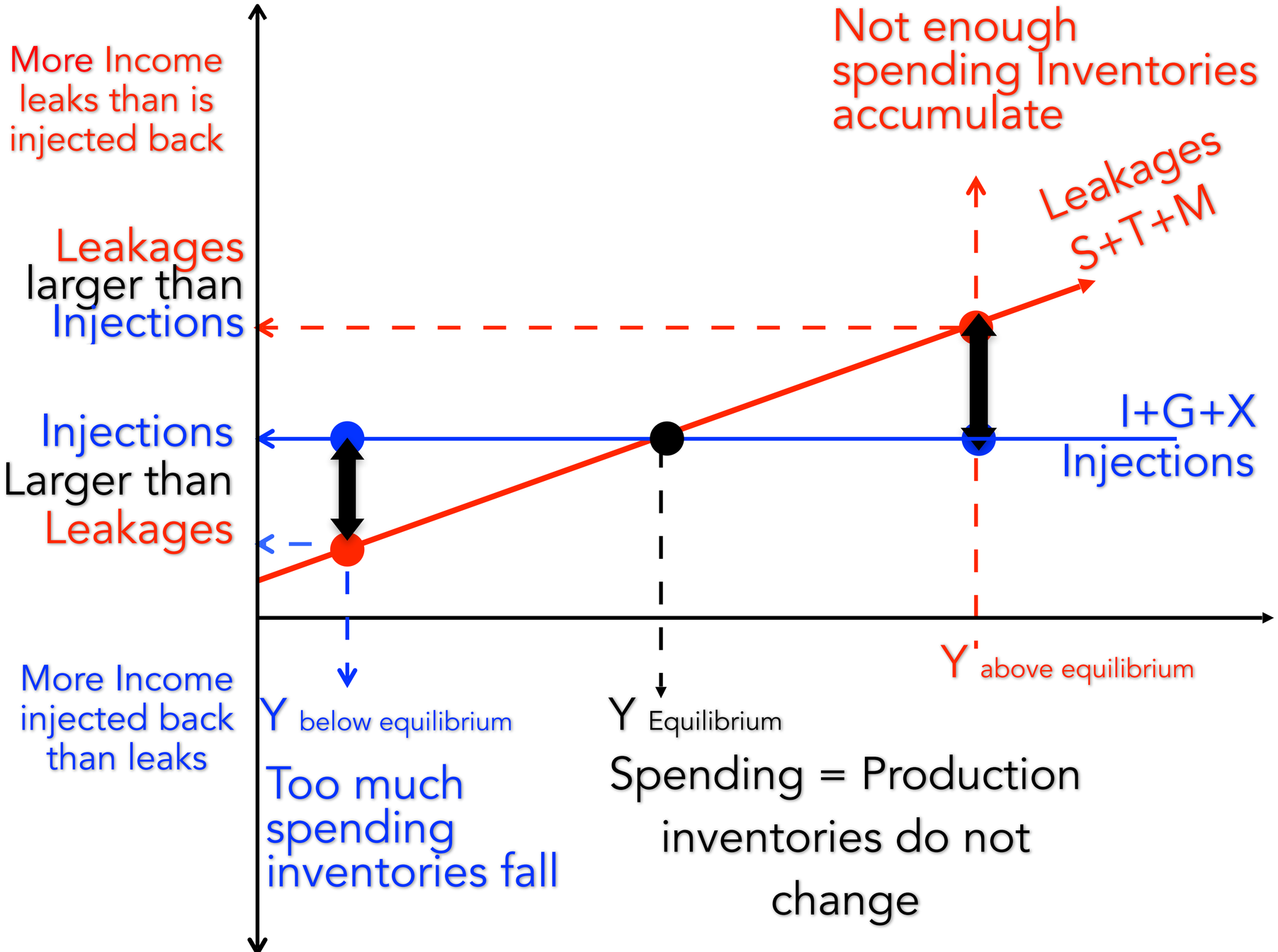
Y below equilibrium

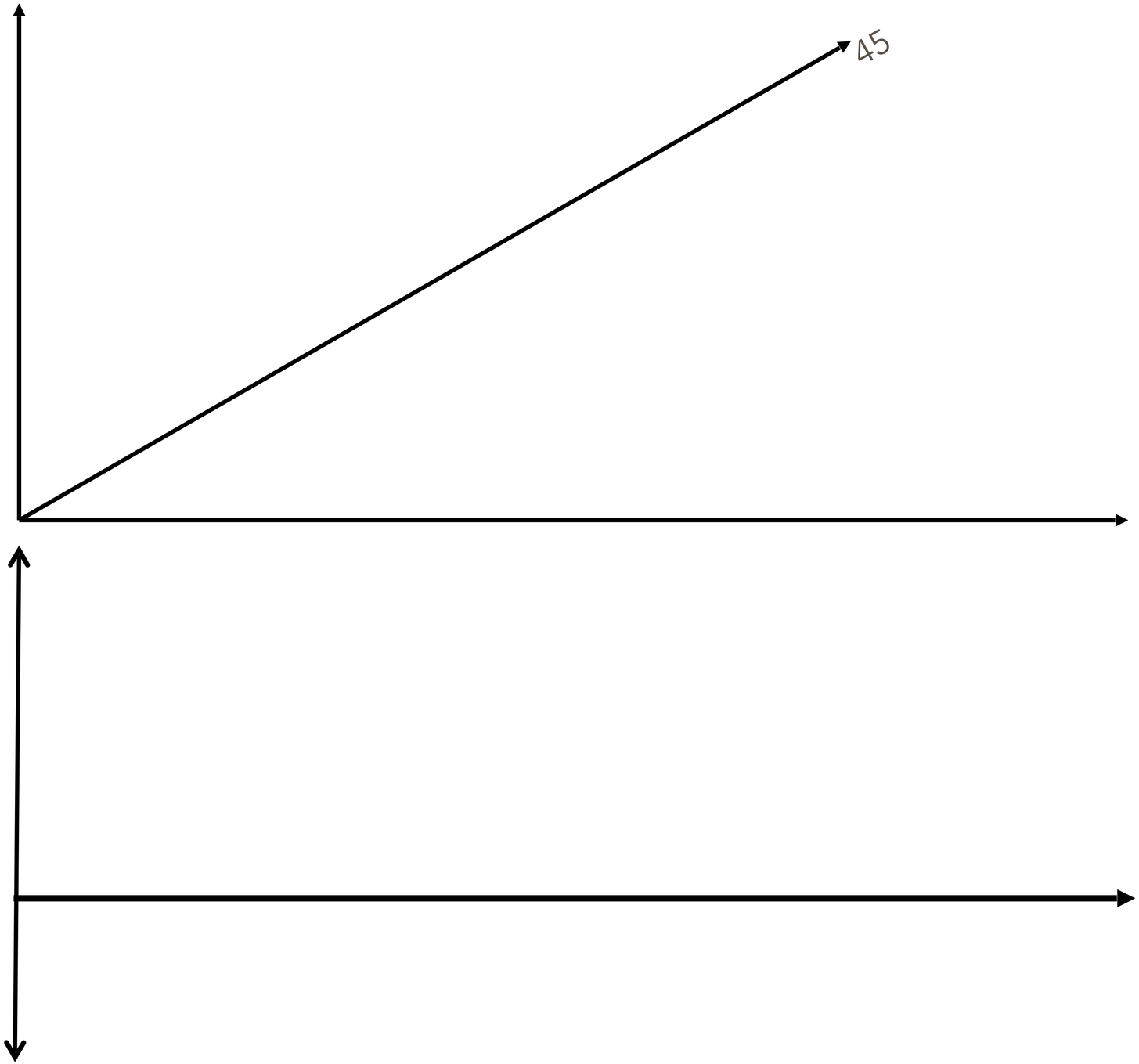




More Income leaks than is injected back

More Income injected back than leaks


More Income leaks than is injected back
Not enough spending Inventories accumulate
Leakages S+T+M
Leakages larger than Injections
Injections Larger than Leakages
I+G+X Injections
More Income injected back than leaks
Y above equilibrium
Y below equilibrium
Y Equilibrium
Too much spending inventories fall
Spending = Production
inventories do not change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