



Warning!

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# Consumption



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$$\text{Disposable Income} = \text{National Income} - T_x + T_r$$

In Chapter 8

Consumption changes with

Disposable Income

# Consumption



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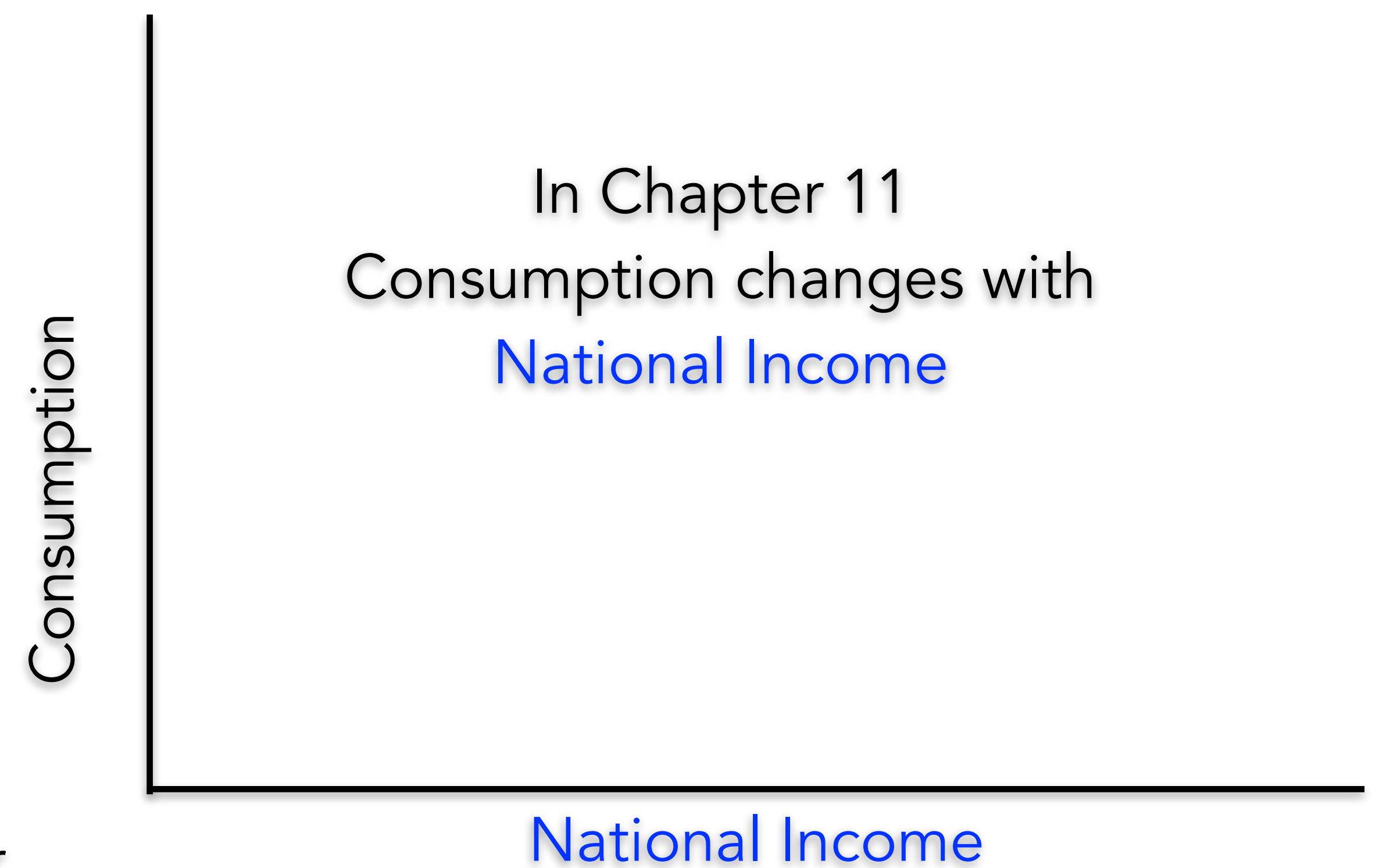
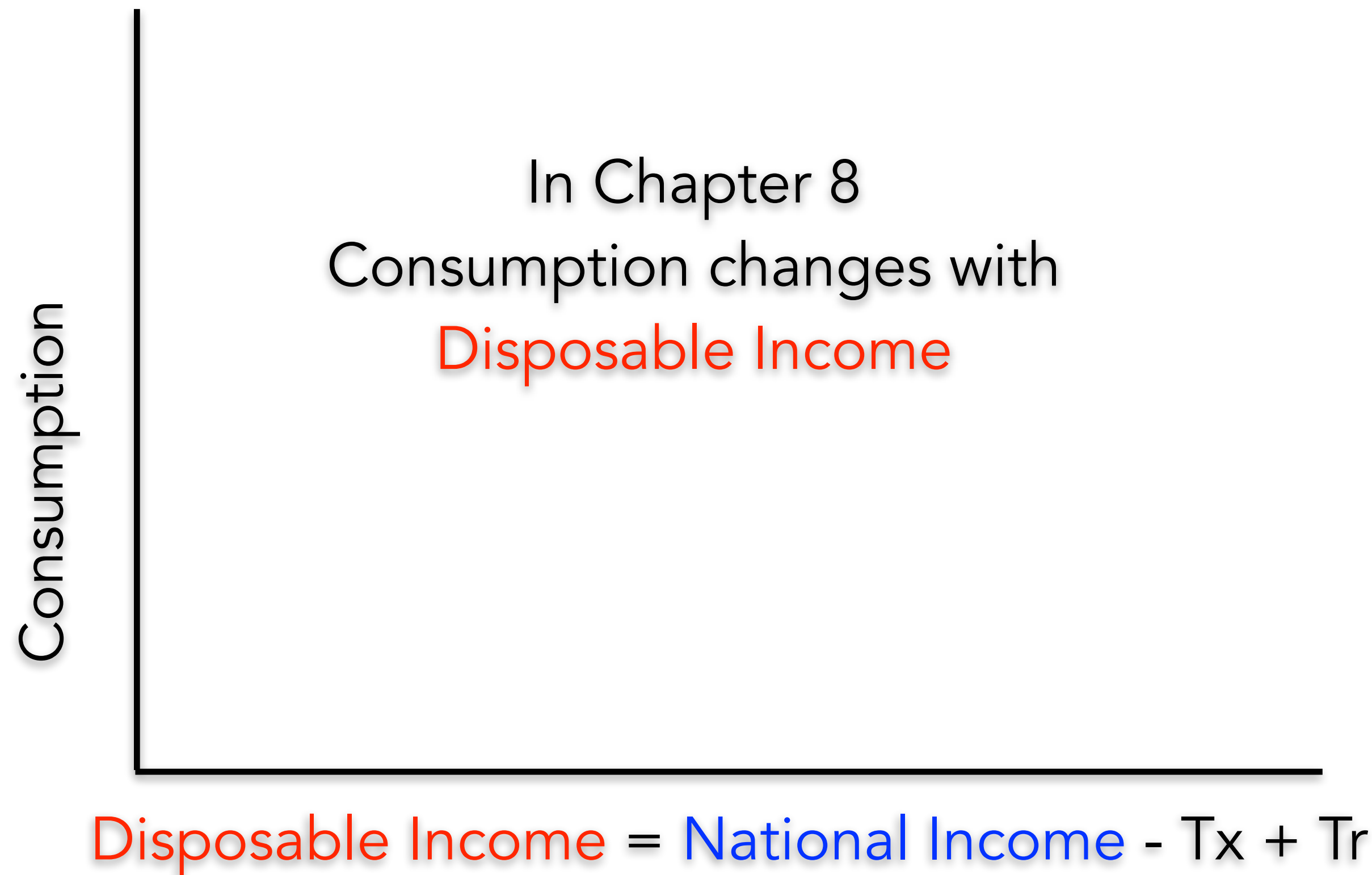
# National Income

In Chapter 11  
Consumption changes with  
National Income

The Textbook uses **two** types of Consumption Functions

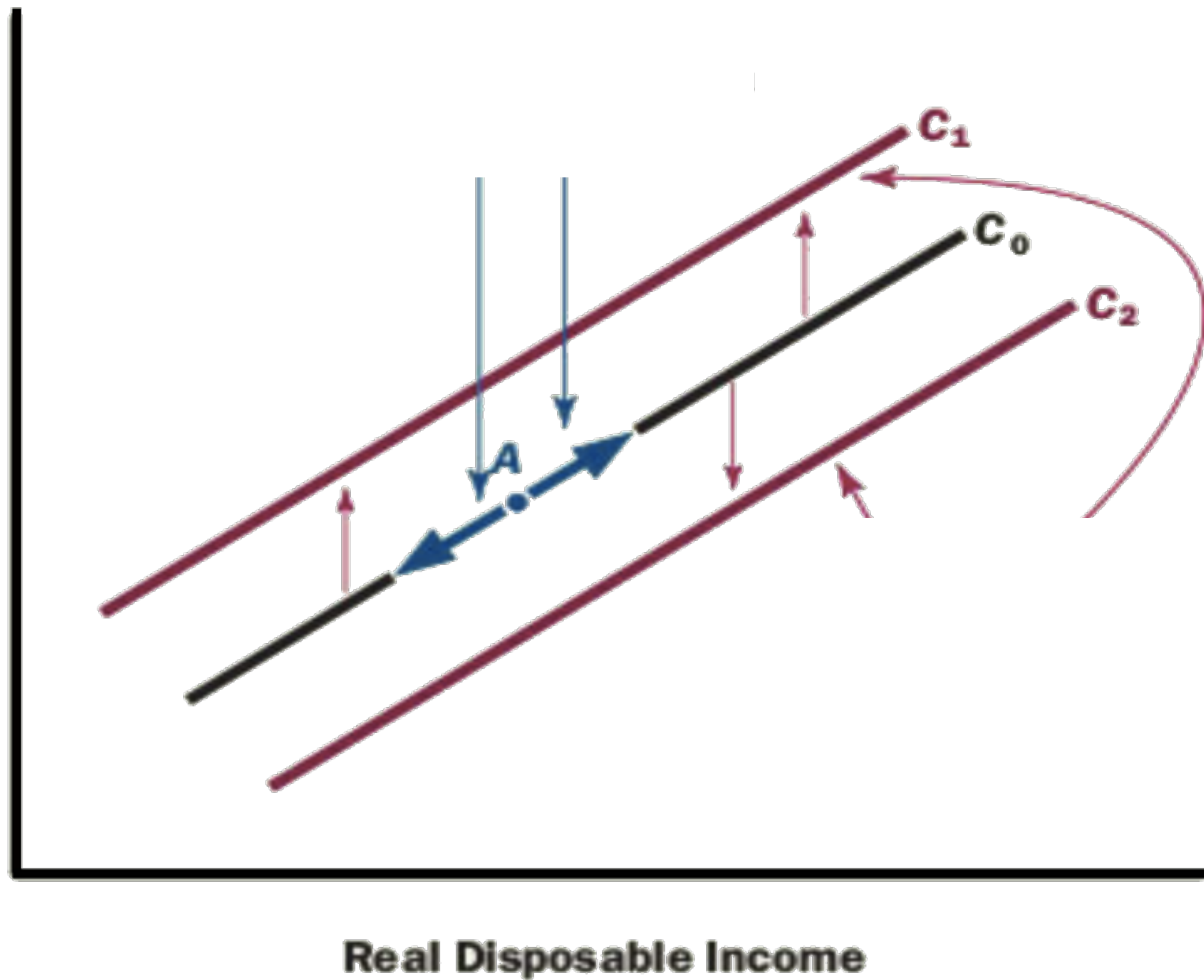
# Warning!

The Textbook uses **two** types of Consumption Functions





Real Consumer Spending



Real Disposable Income