





## Real Income Billions

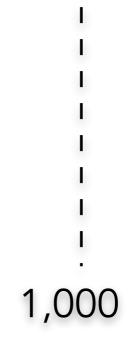
## 5,000 ------

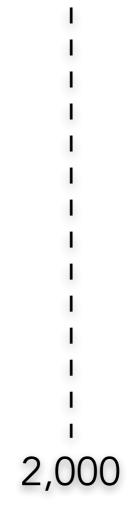
3,500 - - - - - - - - - - - - - -

2,000 - - - - - - - - - - - -

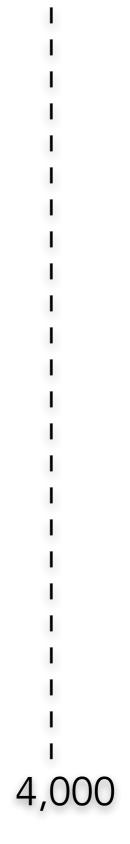
1,250----

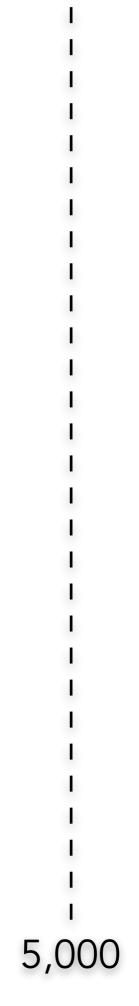
2,750 - - - - - - - - - -

























## Once we have the amount of income consumers spent...

























































































## Consumers spent 5,000 B

## Consumers spent 4,250 Billion

## Consumers saved 750 B

#### Consumers saved 1,000 Billion

#### Consumers saved -250B

### When income was 5,000 B

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#### onsumers saved 250B

### Consumers saved zero

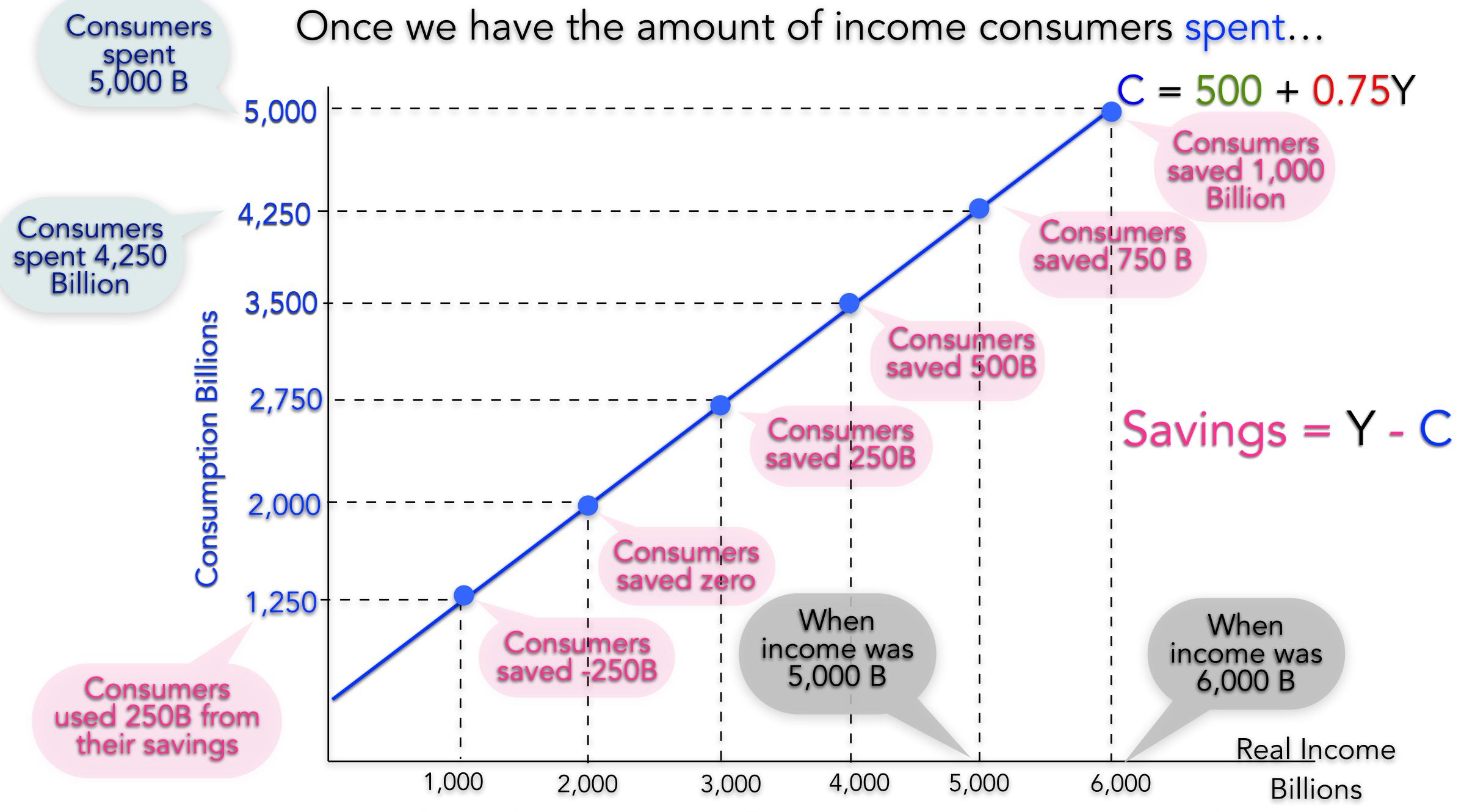
#### Consumers saved 500B

C = 500 + 0.75Y

## Consumers used 250B from their savings

Savings =

We can calculate the amount of income consumers saved...



We can calculate the amount of income consumers saved...