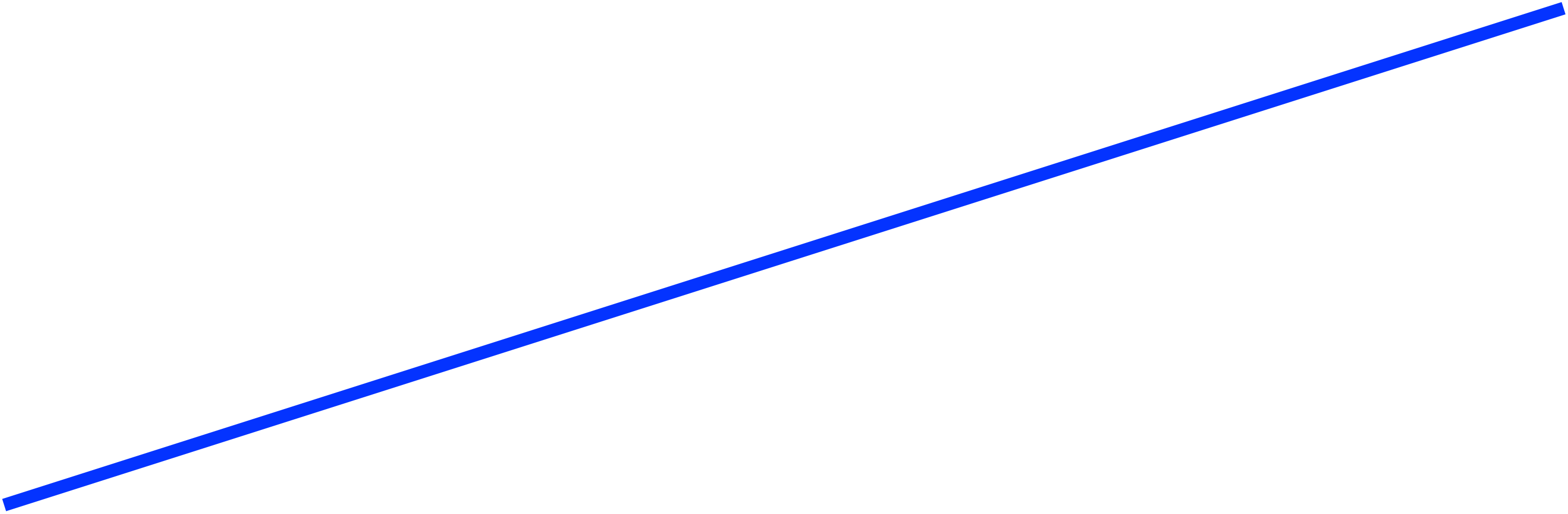


A

E



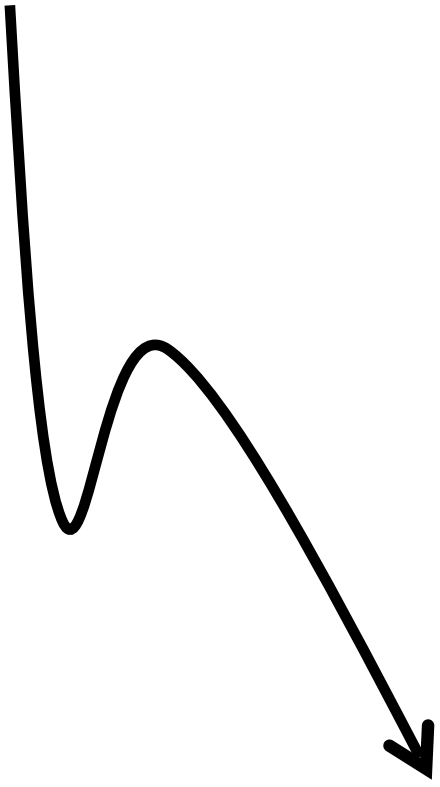


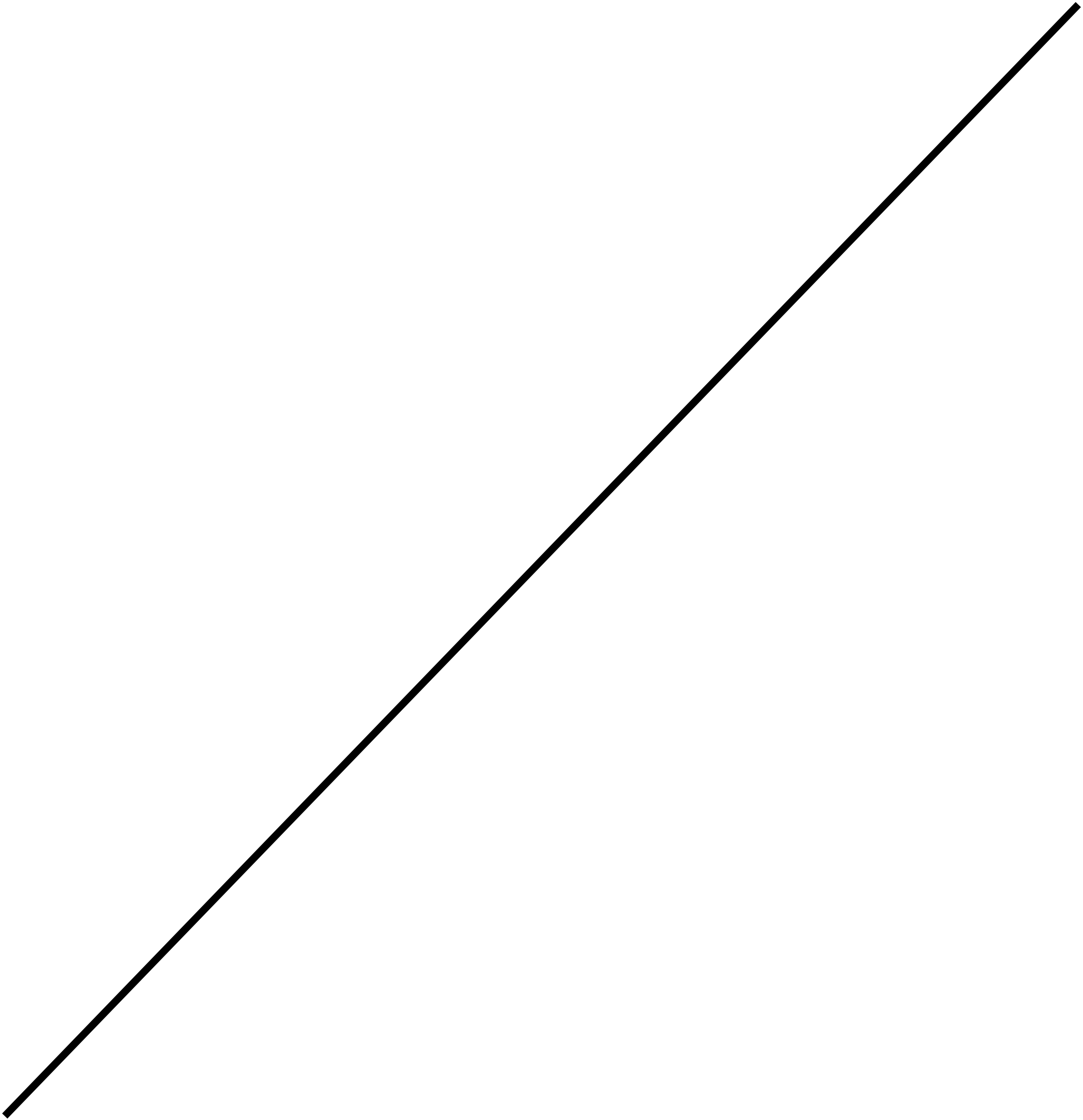


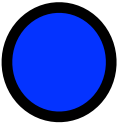


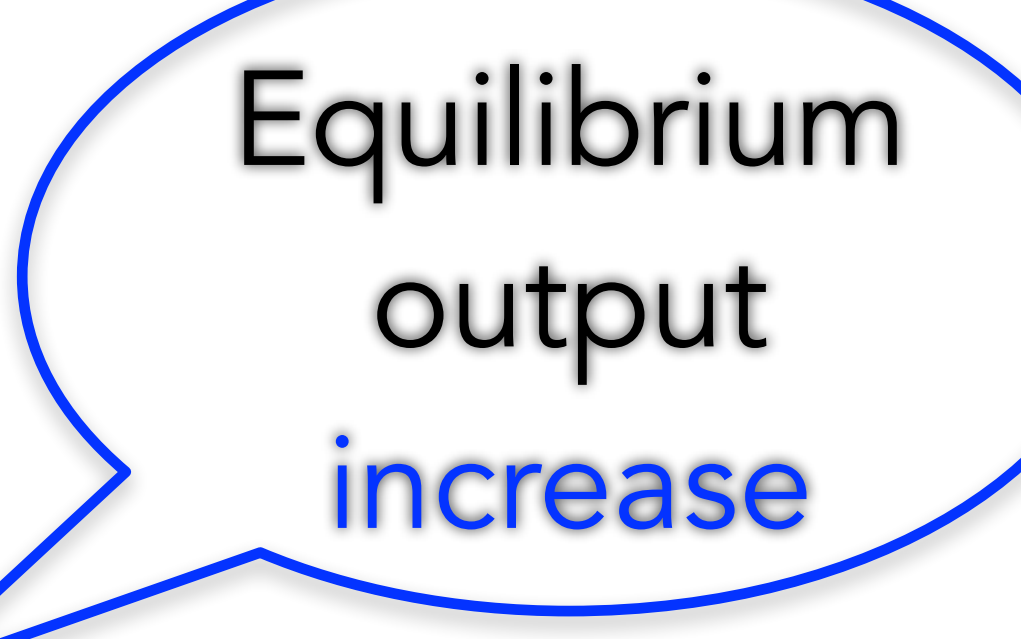
Higher Y^*

Equilibrium





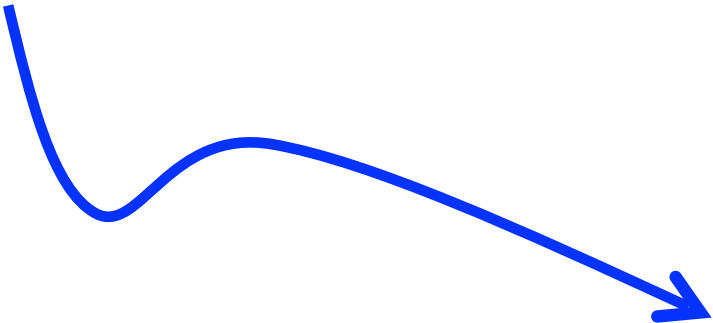




Equilibrium
output
increase







AE O

GDP/Income





Total

Production

Total
Purchases



Inventories
fall

A

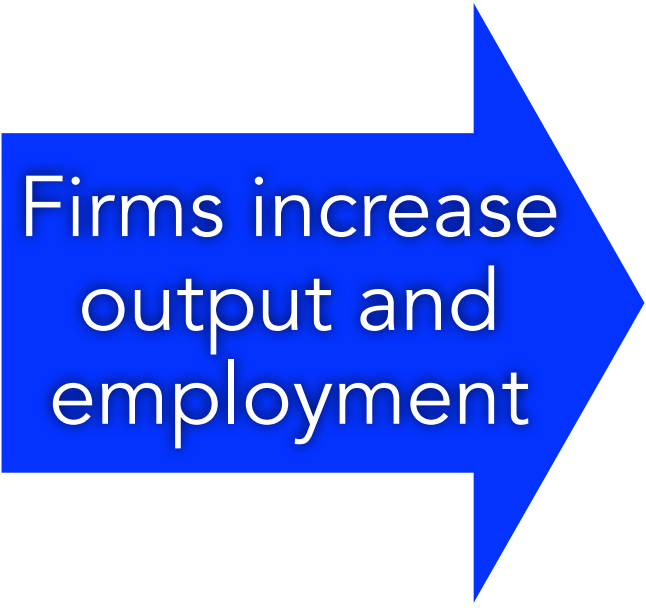
E

1

Y

O

*



Firms increase
output and
employment

New Equilibrium



AE line shifts up if

**Autonomous
Consumption**
increase

