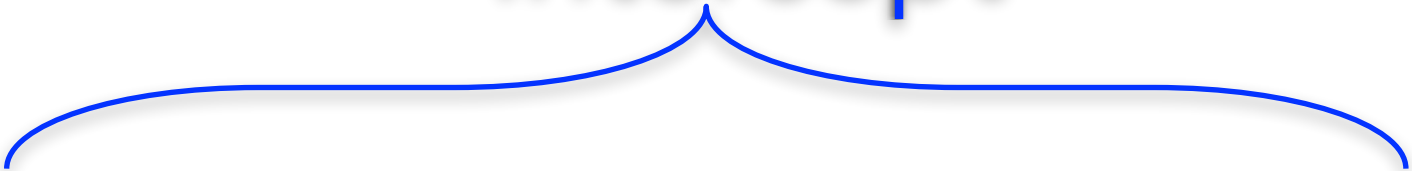


With Government

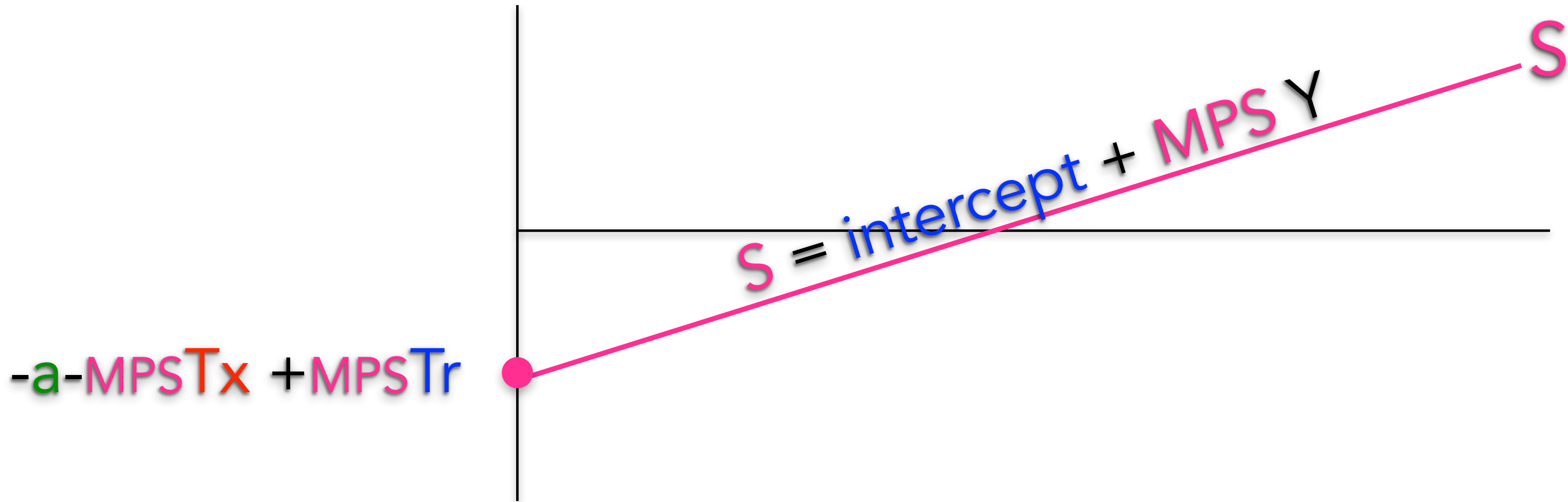
Slope



Intercept



$$S = -a - \text{MPS}_{Tx} + \text{MPS}_{Tr} + \text{MPS}_Y$$



S

a





n

9

S

F

u

n

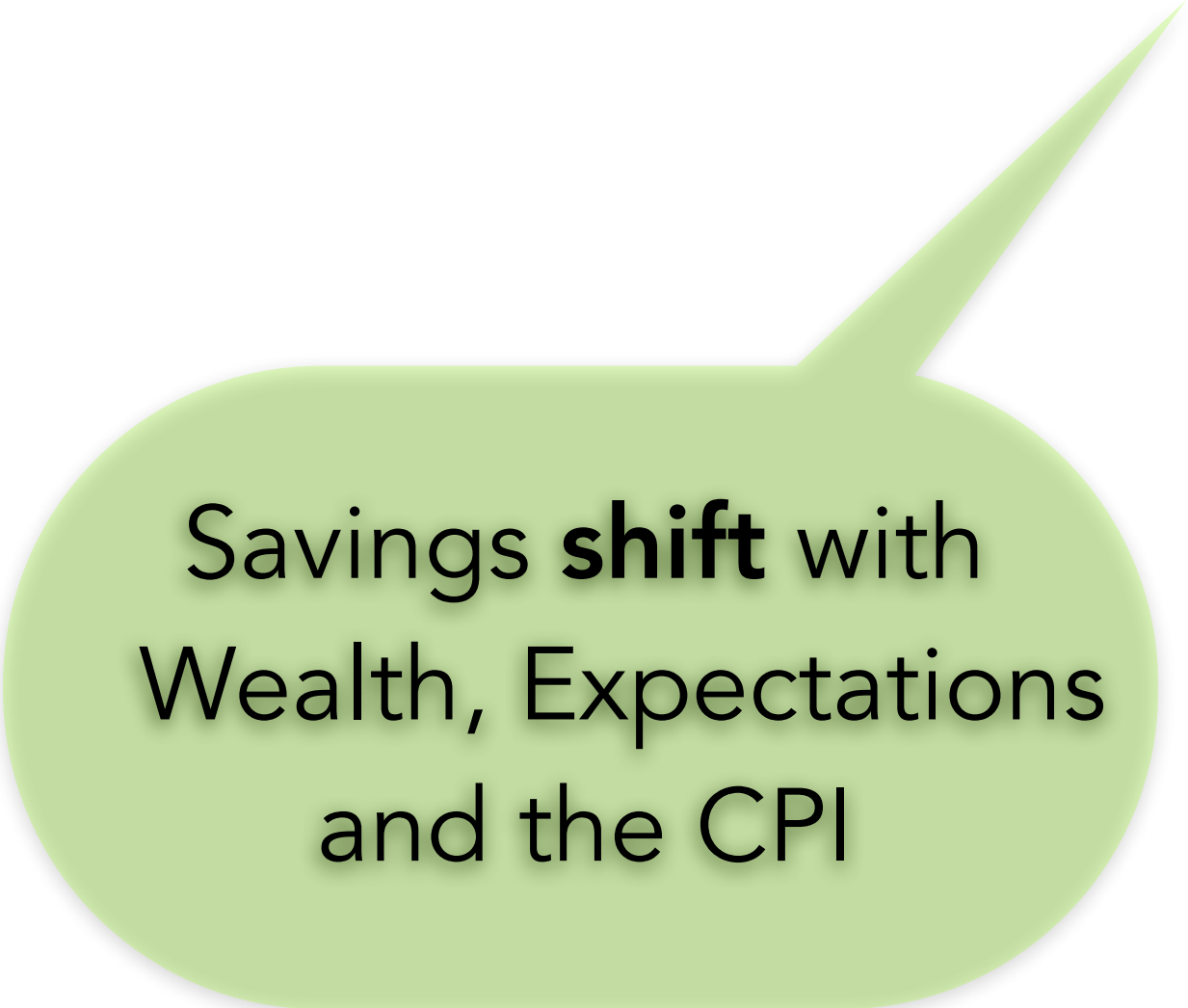









n



Savings **shift** with
Wealth, Expectations
and the CPI



Savings
shift with
Taxes



Savings change
with Income (Y)
movement along



Savings
shift with
Transfers

Income

Y



Savings Function

With Government

$$S = \underbrace{-a - \text{MPS } T_x + \text{MPS } T_r}_{\text{Intercept}} + \underbrace{\text{MPS}}_{\text{Slope}} Y$$

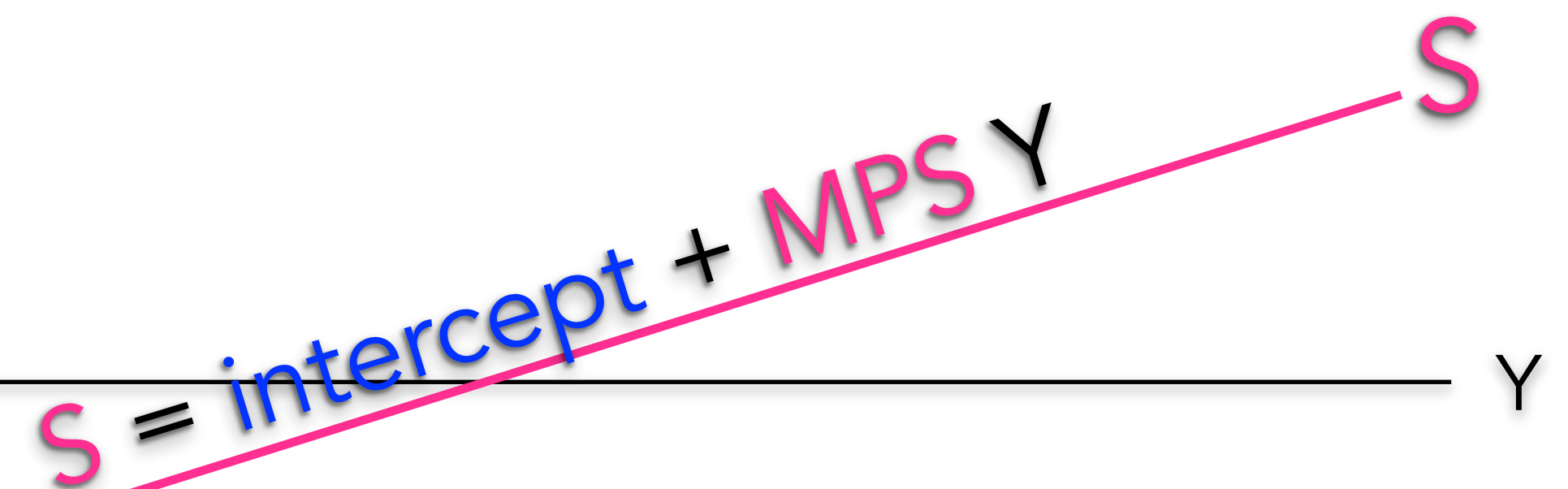
Savings **shift** with
Wealth, Expectations
and the CPI

Savings **shift** with
Taxes

Savings **shift** with
Transfers

Savings change
with Income (Y)
movement along

$$-a - \text{MPS } T_x + \text{MPS } T_r$$



Savings Function

With Government