

















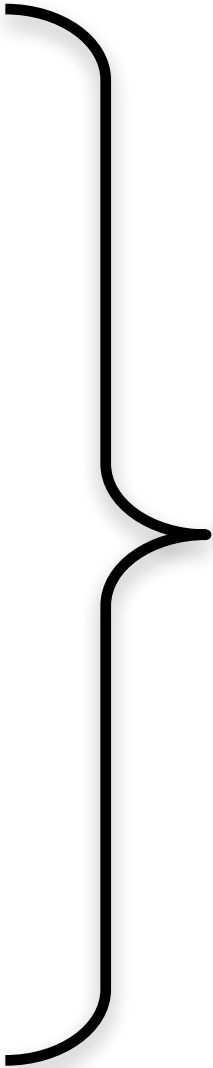
Total Production = National Income

A  $45^\circ$  line converts  
horizontal  
distances into vertical  
distances.

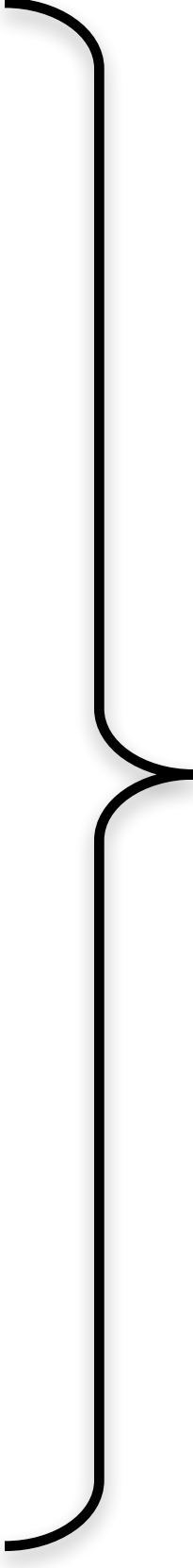
GDP/Y = 5,000

GDP/Y = 10,000

GDP/Y = 19,000



GDP = 5,000



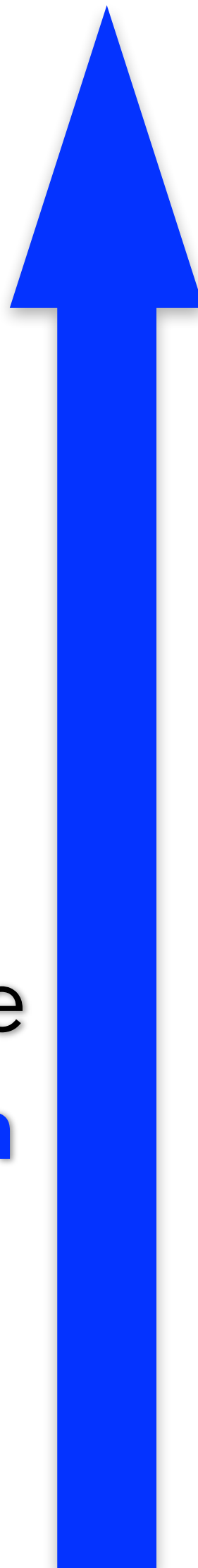
GDP = 10,000

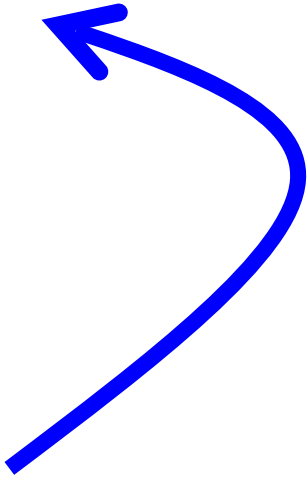




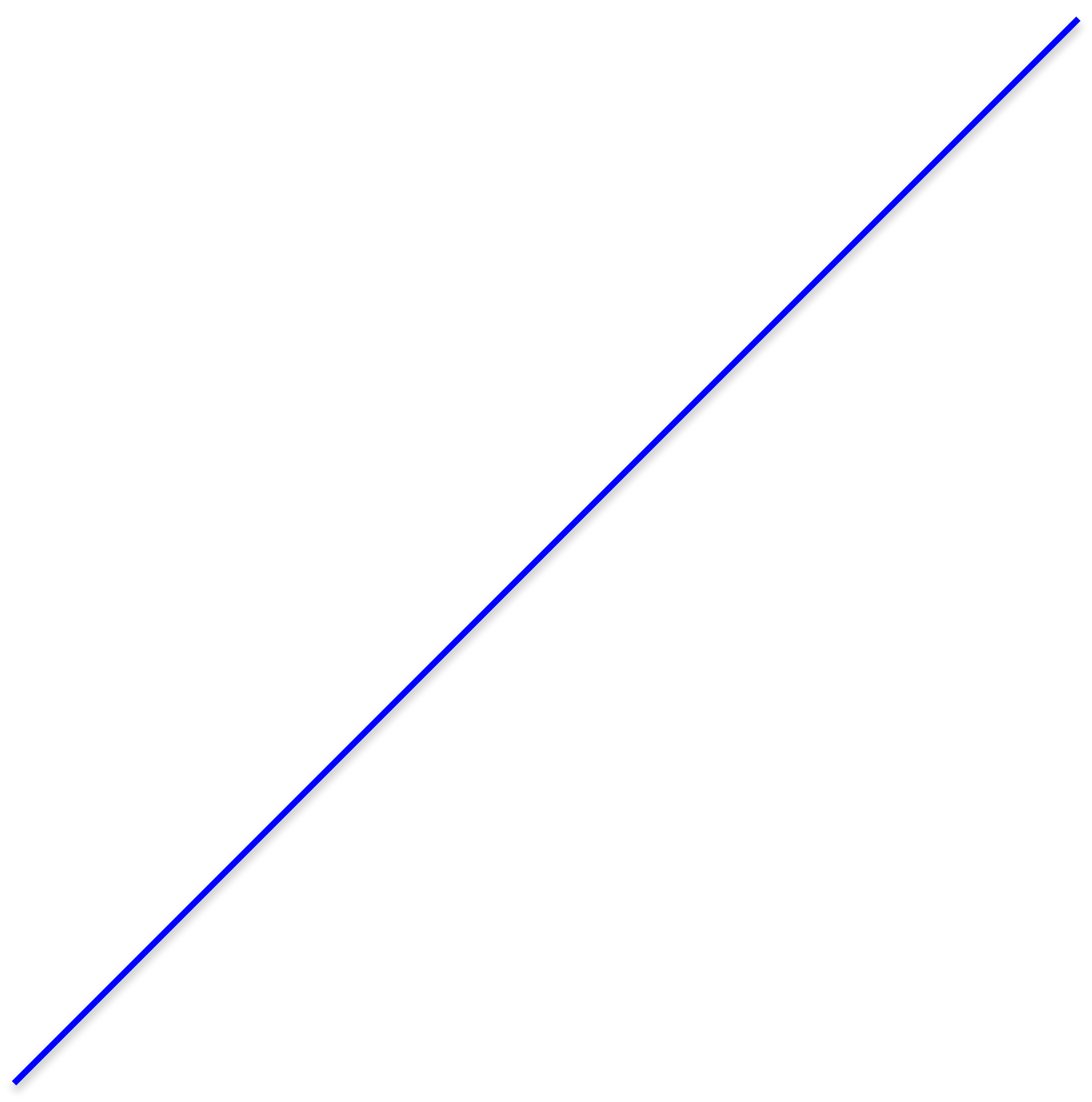
GDP = 19,000

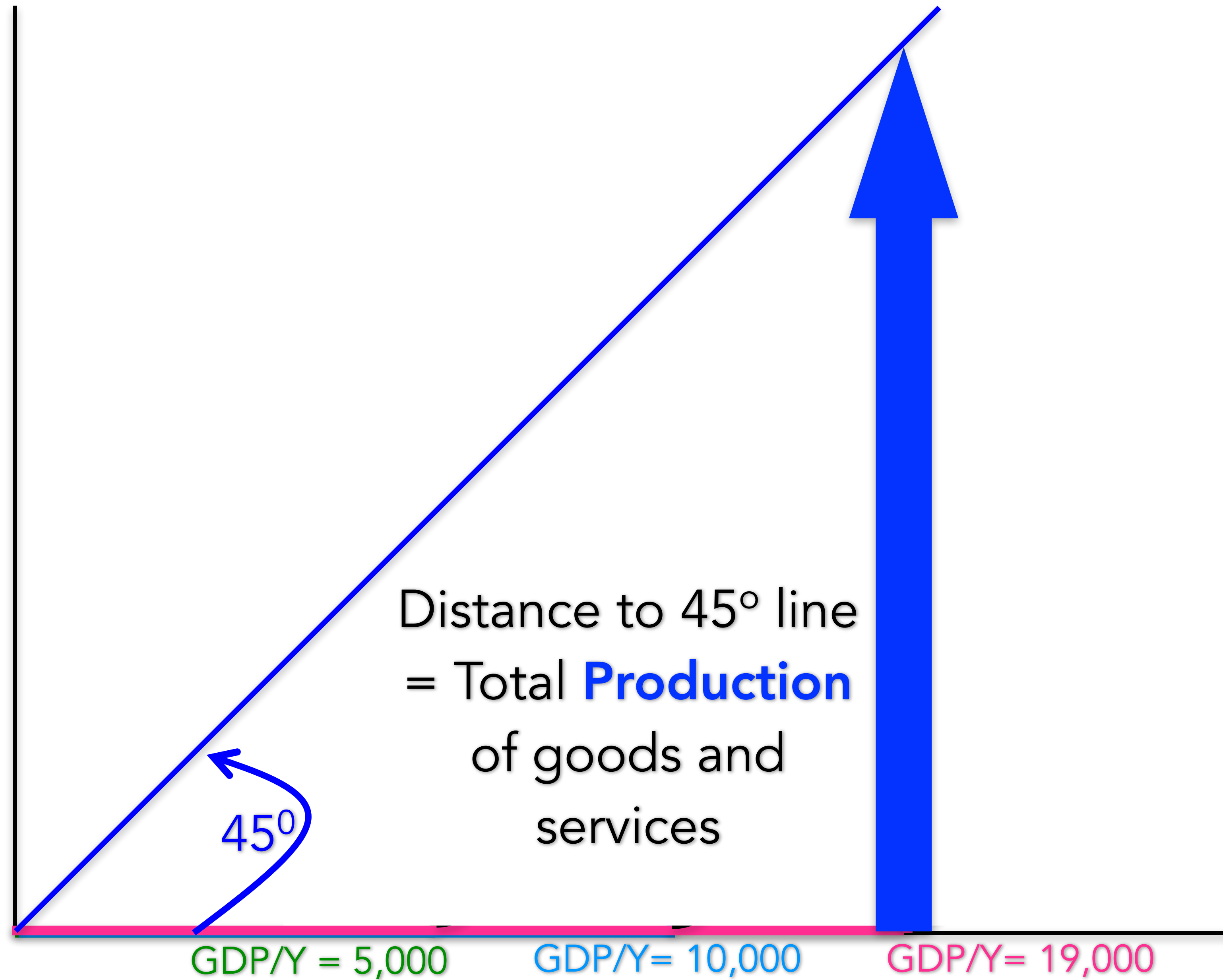
Distance to  $45^\circ$  line  
= Total **Production**  
of goods and  
services





450





Total Production = National Income