



[REDACTED]

[REDACTED]



n



e



c



P

j



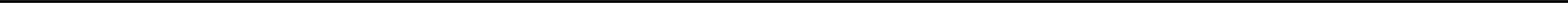
M

P

C

Y





Real Income
Billions

St. Louis
Missouri
St. Louis
Missouri

5,000 - - - - -

3,500

-

-

-

-

-

-

-

-

-

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-

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2,000

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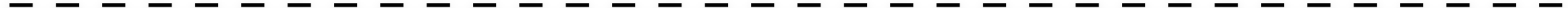
—

—

—

1,250 - - - - -

4,250



2,750

[illegible]

1,000

2,000



3,000

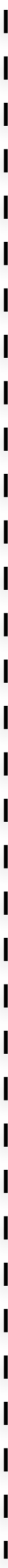
4,0000



5,000



6,000
















The Intercept



$$\Delta Y = 2,000$$




$$\Delta C = 1,500$$

MPC = **ΔC / ΔY**

MPC = 1,500/2,000









MPC = 0.75

When income increase by 2,000

Consumption increase by 1,500

Calculating the slope

MPC

C

h





S

e

a

n

y

t

W



p





n

S

1



2



$$C = \text{intercept} + 0.75Y$$

$C = \text{intercept} + \text{MPC}Y$

Choose *any* two points

Calculating the ~~slope~~ ^{MPC}

Choose **any** two points

$$C = \text{intercept} + 0.75Y$$

