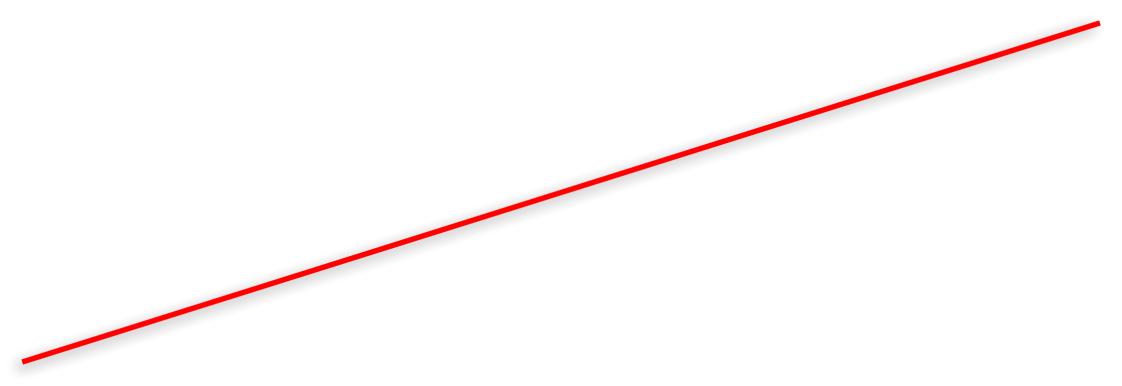


Smaller intercept



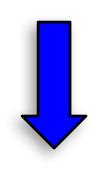
Higher intercept











AC











Consume less

Income is the same

Save more

Simultaneous opposite shifts in

C and S



































































































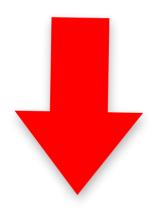






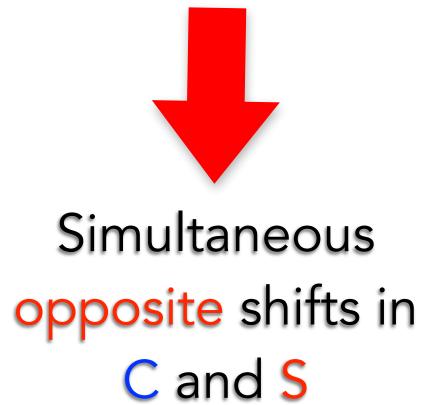


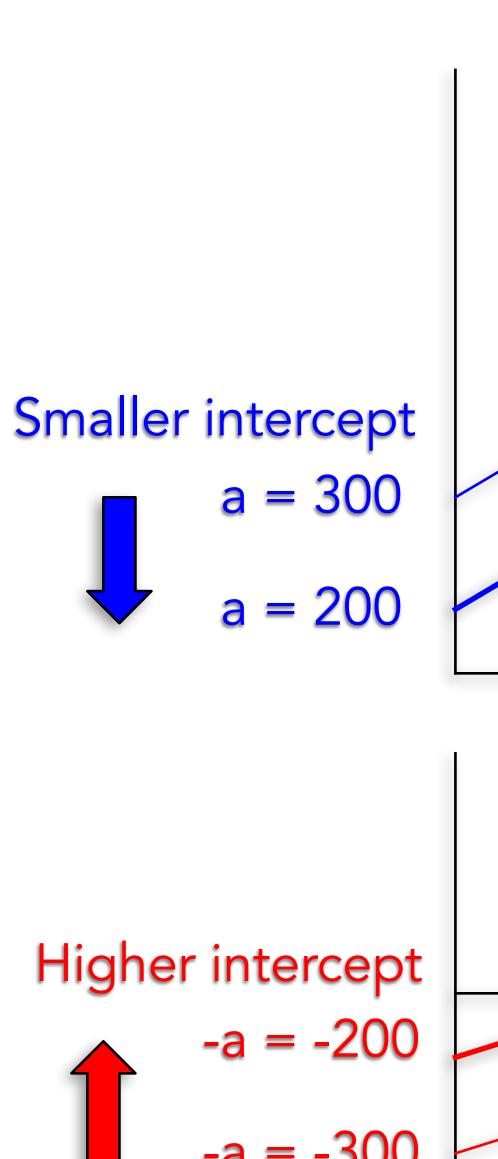


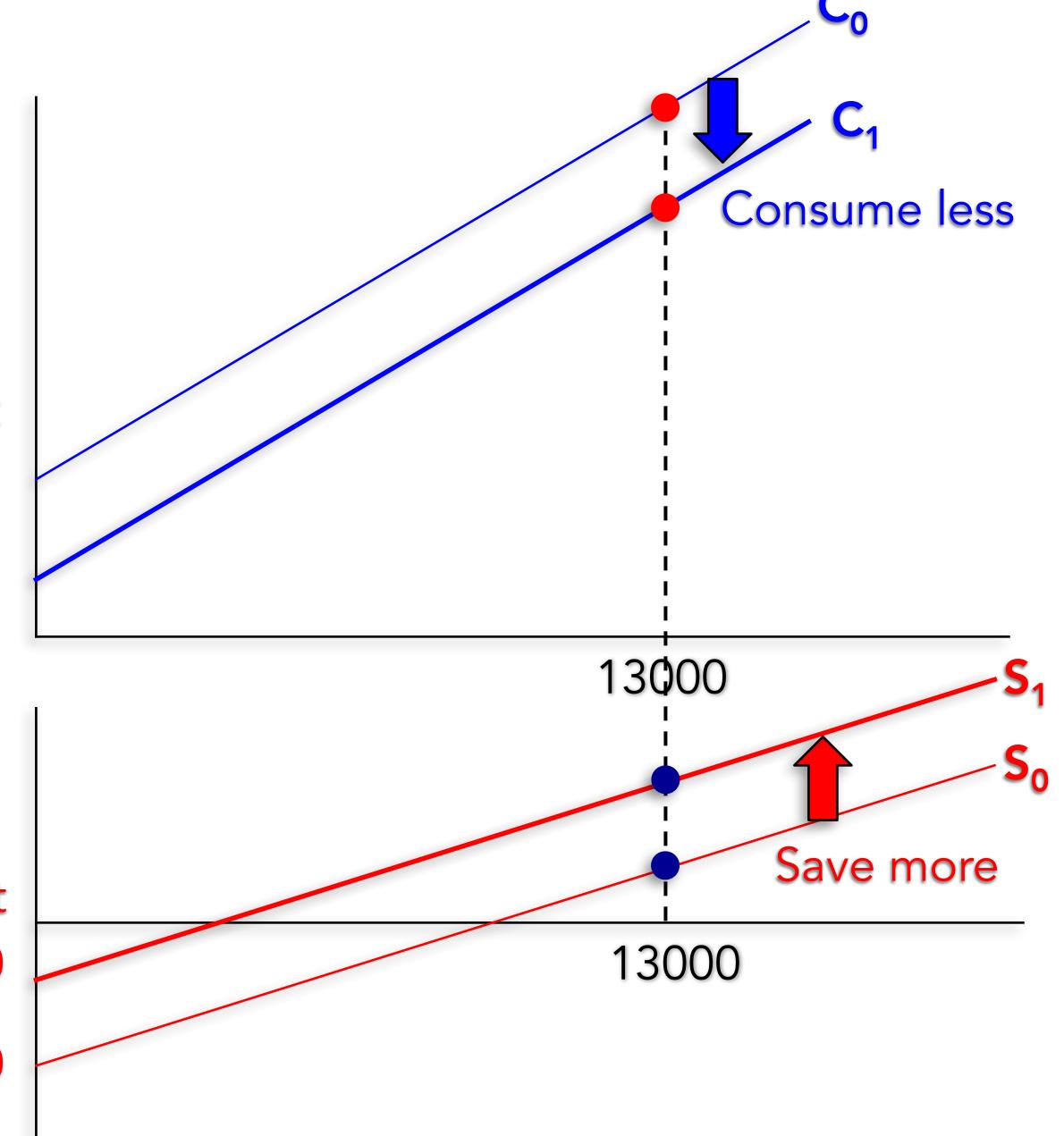


Wealth drops: Consumers spend less and save more of their income

Wealth drops:
Consumers spend less
and save more of their
income







Shifts in Consumption