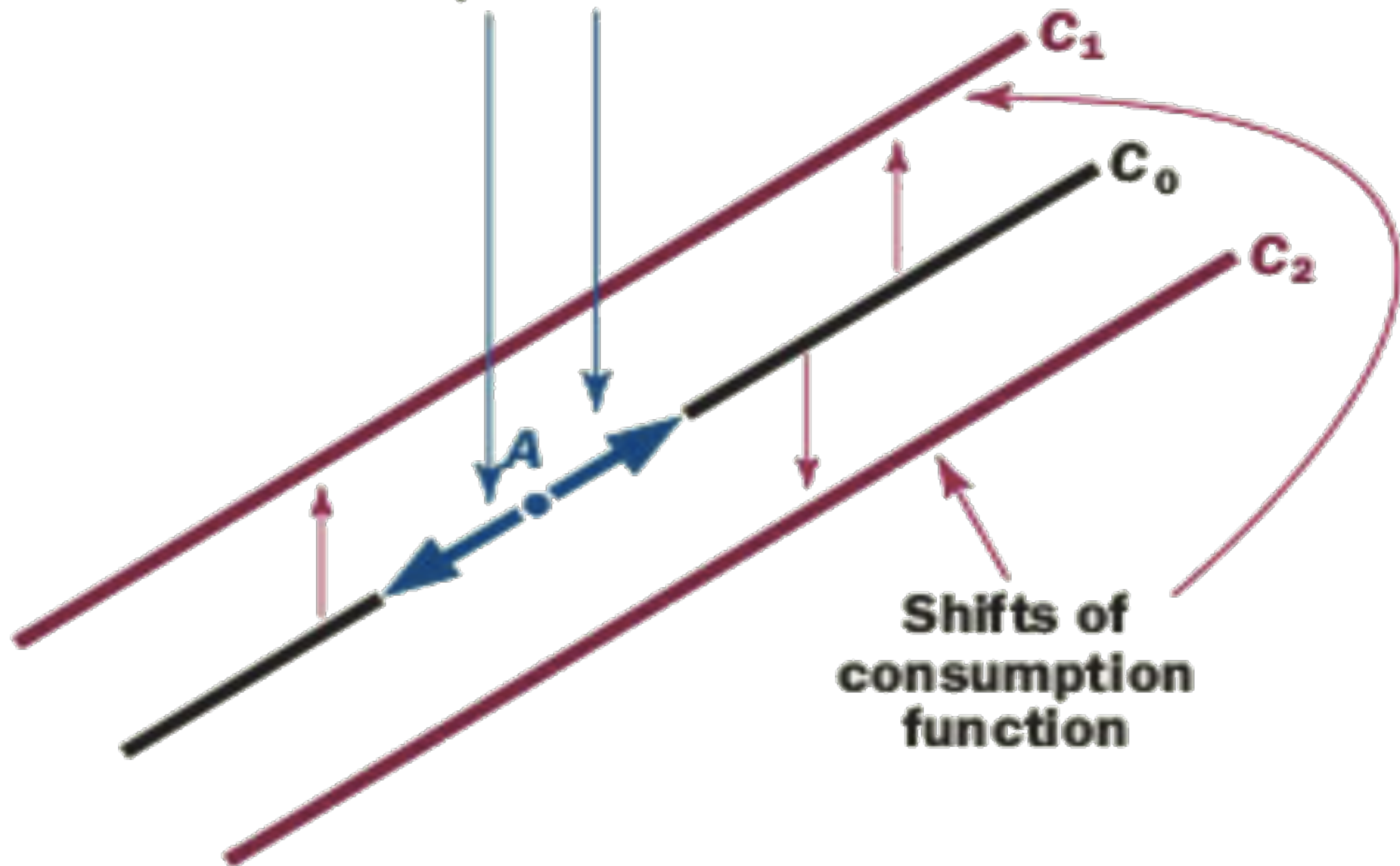


Real Consumer Spending

**Movements along
consumption function**



Real Disposable Income

Movement Along result
from changes in:

National Income

Taxes

Transfers

Shifts in Consumption result
from changes in:

Wealth

Expectations

Price Level (CPI)

Chapter 8

Disposable Income = National Income - T_x + T_r

Real Consumer Spending



Real Consumer Spending

