

**A**

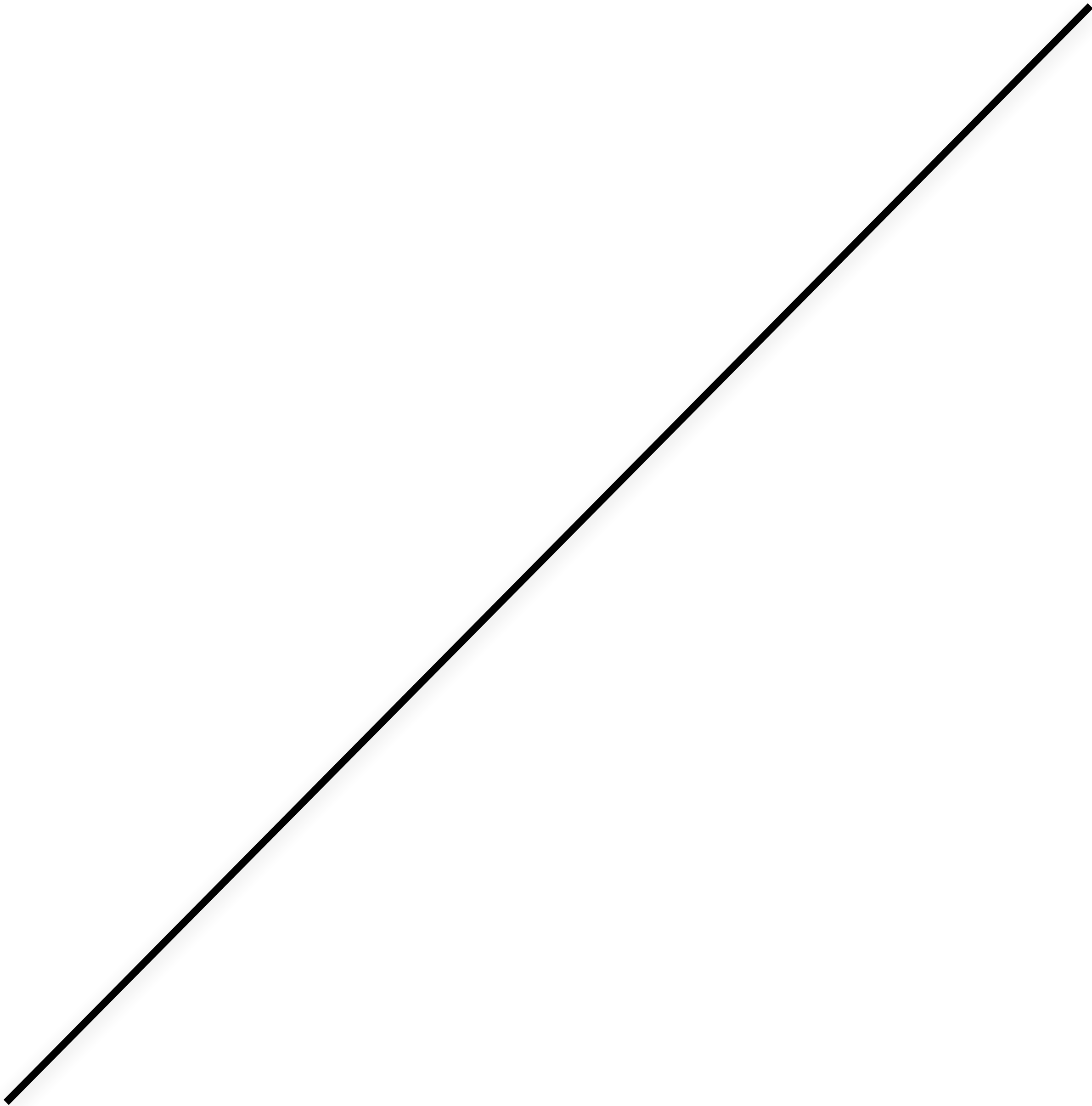
**E**



Equilibrium GDP:

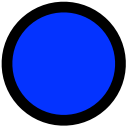
6,000







# Equilibrium



AE

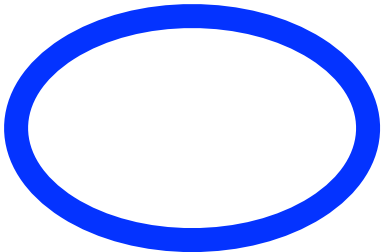
# Potential GDP

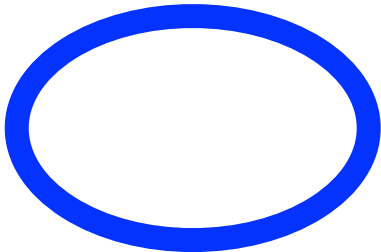


Potential

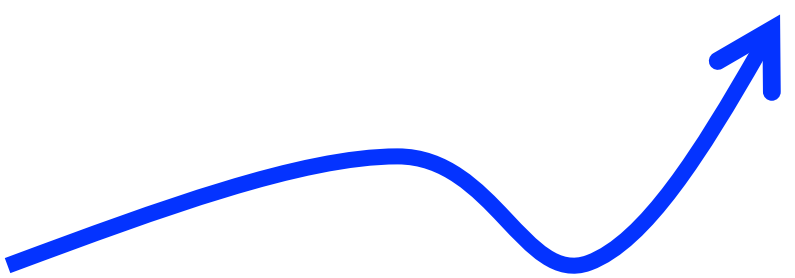
GDP : 7,000

$$7,000 - 6,000 = 1,000$$



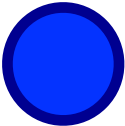


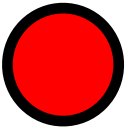




A blue speech bubble with a tail pointing towards the bottom right corner. Inside the bubble, the text "Economy is producing less than desired output" is written in a blue, sans-serif font. The word "less" is highlighted in red.

Economy is  
producing less than  
desired output







Recessionary  
Gap

45°



