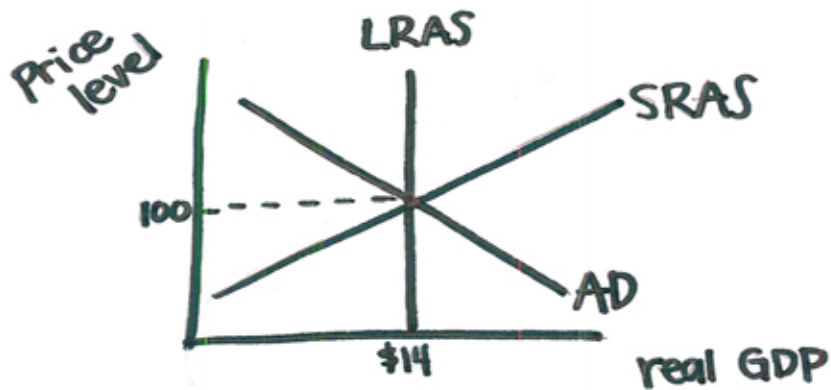
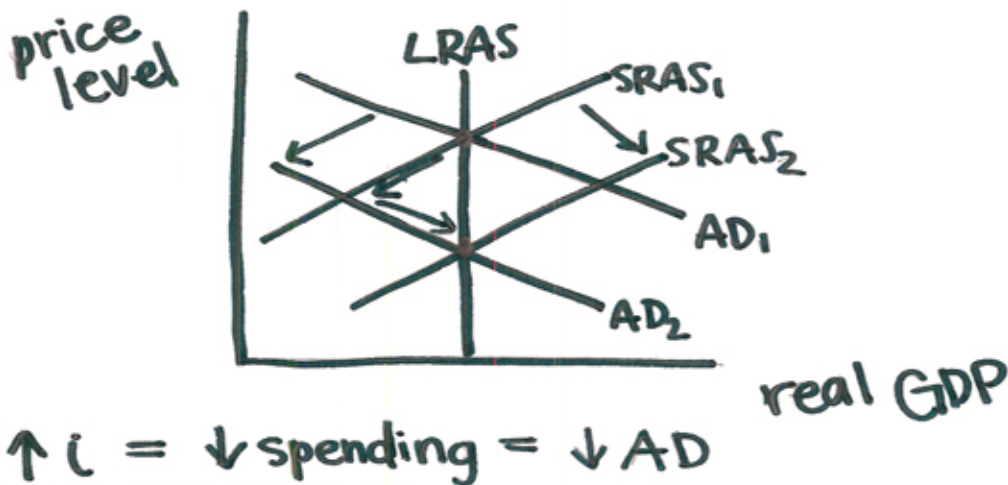


PICTURE 1



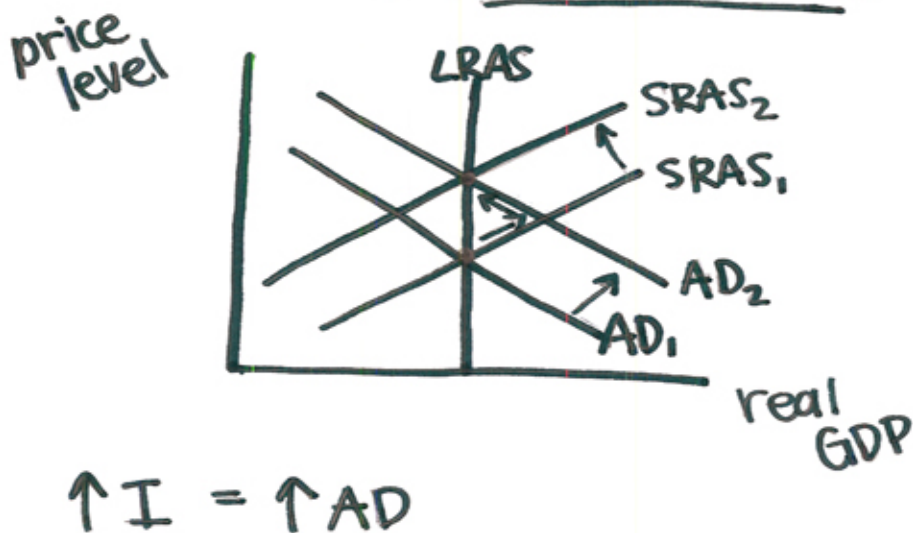
CPA 10 #5

PICTURE 2



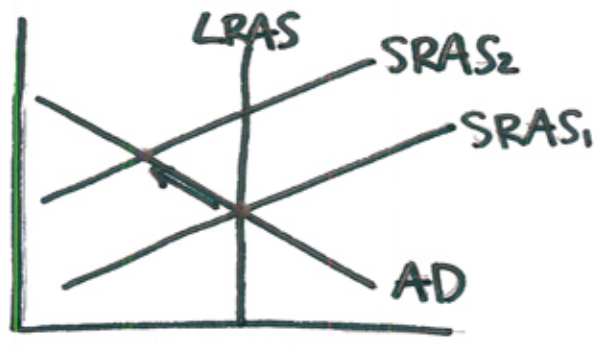
CPA 10 #6

PICTURE 3



CPA 10 #7

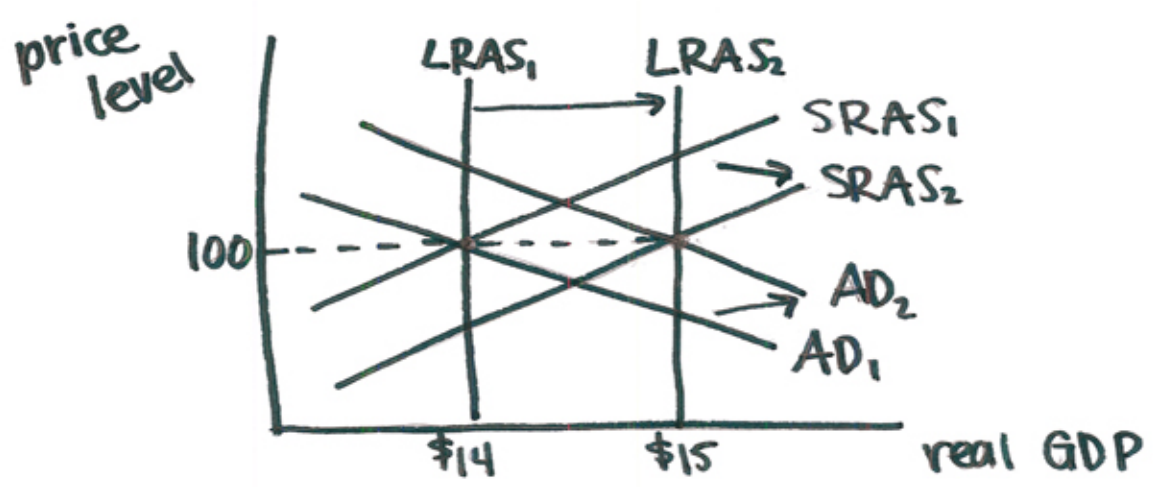
PICTURE 4



$\uparrow P_{oil} = \uparrow SRAS$

CPA 11 #2

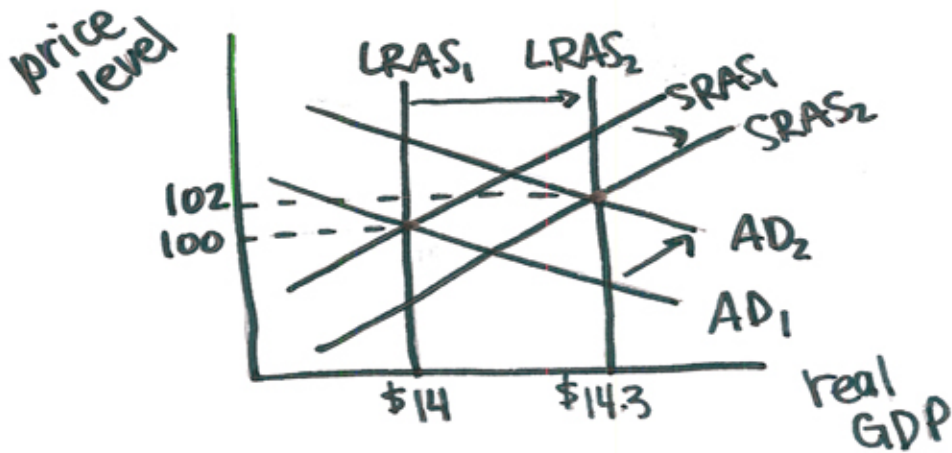
PICTURE 5



Constant price level!

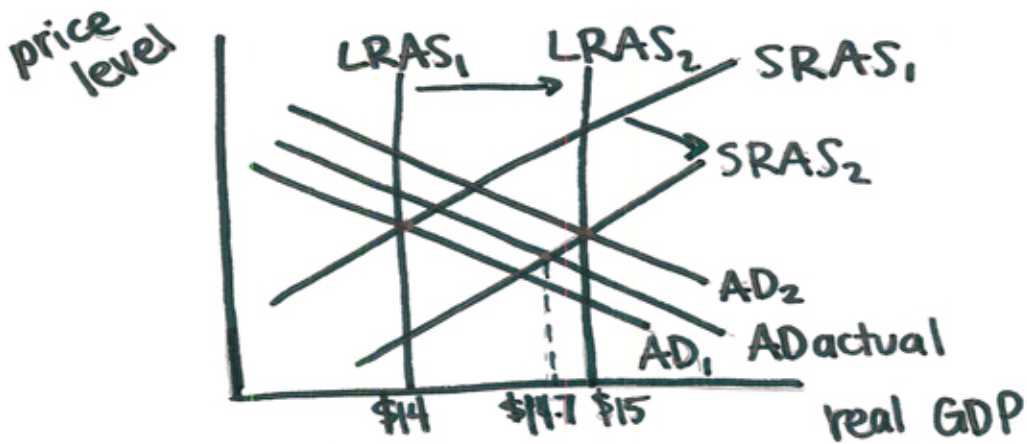
CPA II #3

PICTURE 6



CPA II additional notes

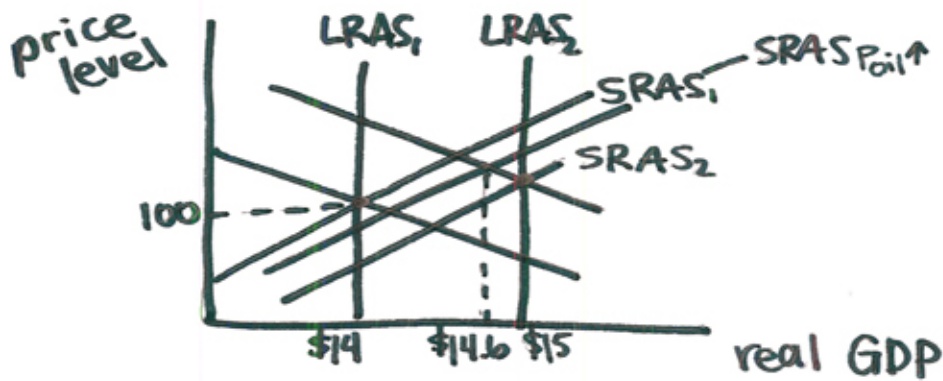
PICTURE 7



↓ G = ↓ demand, ↑ unemployment

CPA II additional notes

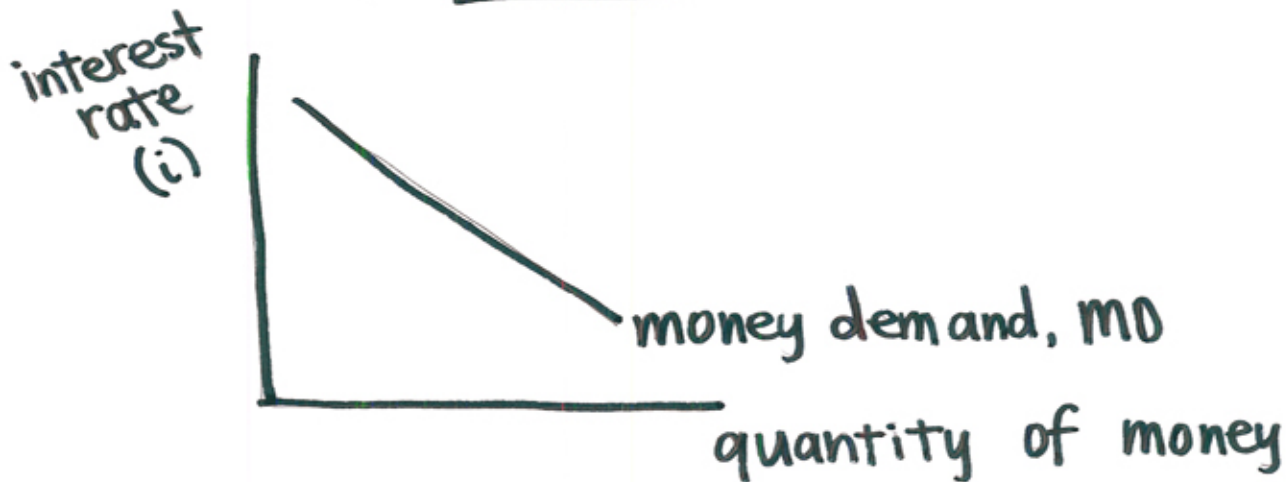
PICTURE 8



$\uparrow P_{oil} = \uparrow \text{inflation}$

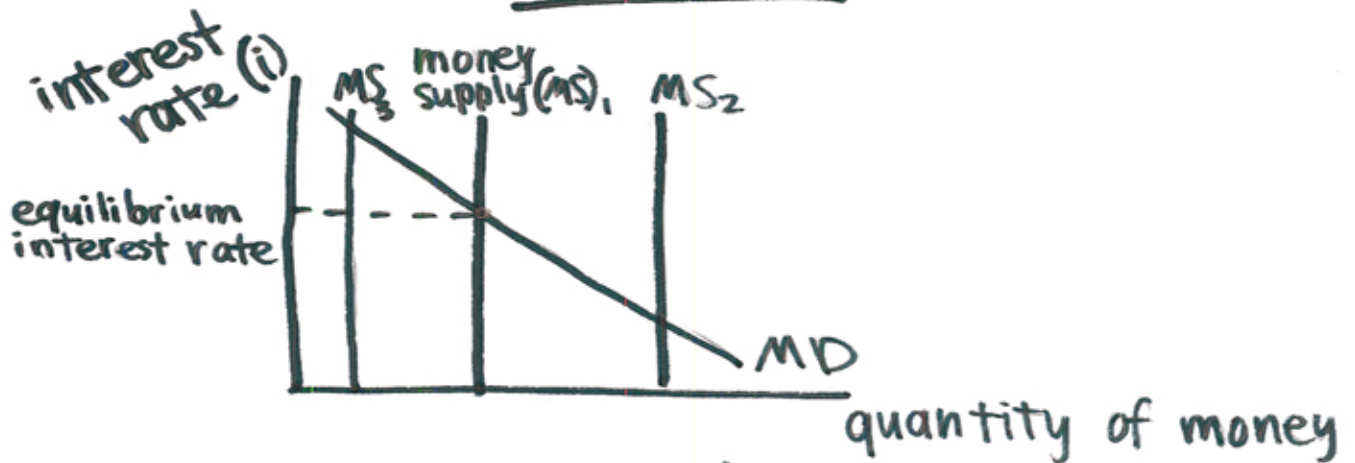
CPA 12 #2

PICTURE 9



CPA 12 #3

PICTURE 10

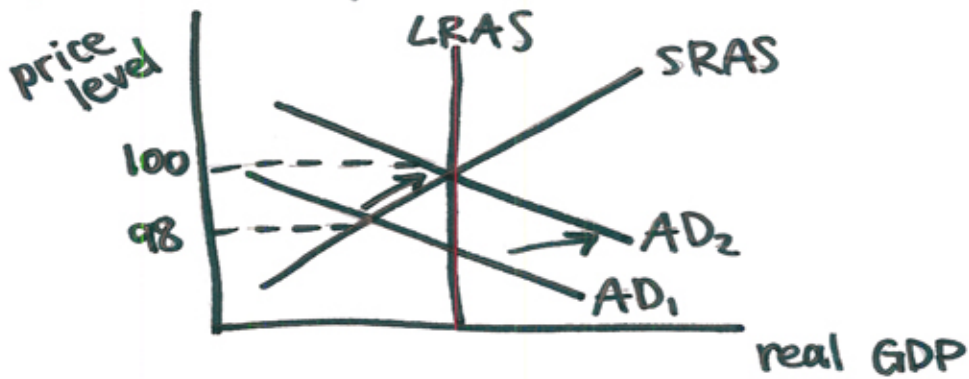


- Fed buy Treasury bonds: $MS_1 \rightarrow MS_2$ ($\downarrow i$)
- Fed raise RR: $MS_1 \rightarrow MS_3$ ($\uparrow i$)
- Fed sell Treasury bonds: $\rightarrow MS_3$ ($\uparrow i$)

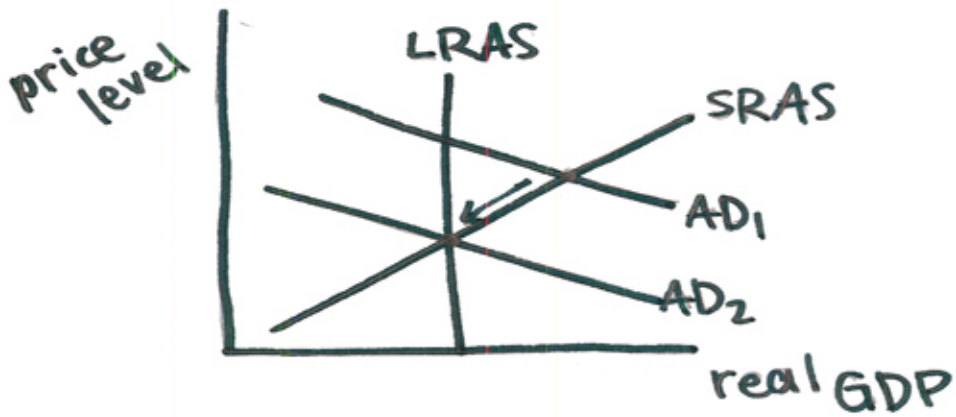
CPA 12 #6

PICTURE 11

Expansionary:



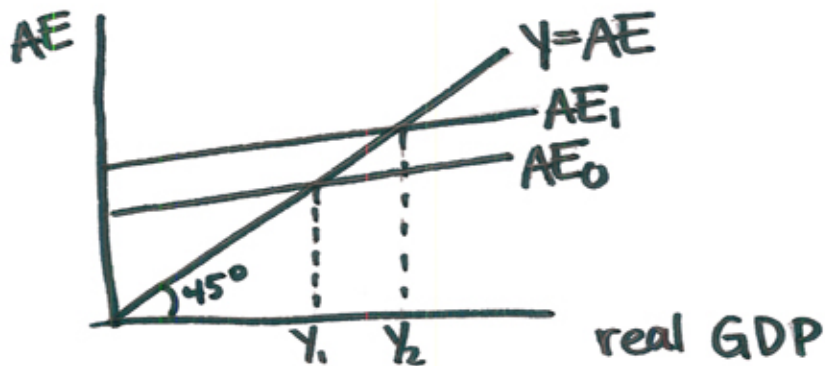
Contractionary:



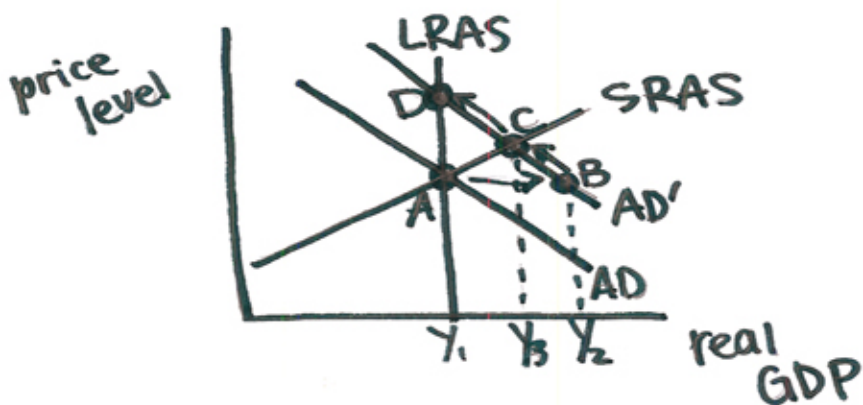
CPA 14 additional notes

PICTURE 12

AE Model:



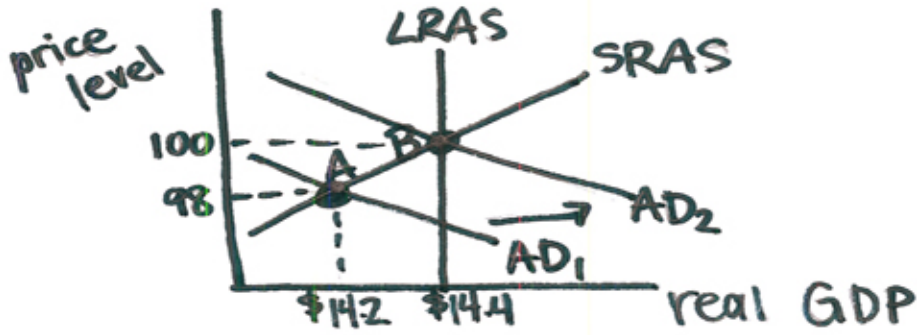
AS-AD Model:



A → B : Δ autonomous spending

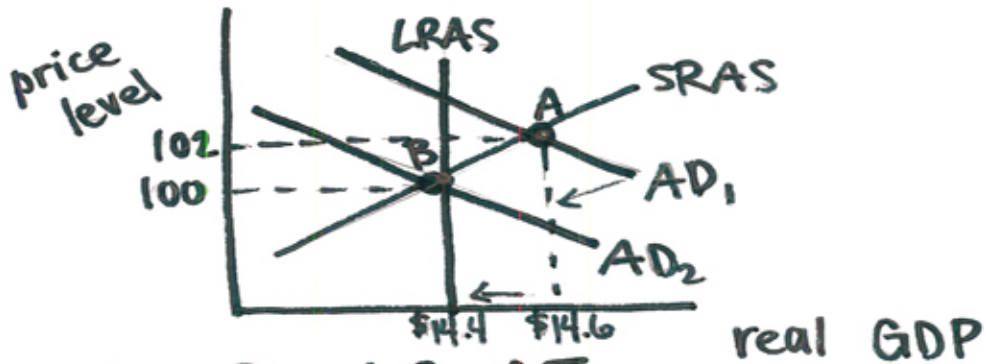
PICTURE 13

Expansionary :



A → B : ↑G, ↓T

Contractionary :



A → B : ↓G, ↑T