

## **Long-run and Short-run Aggregate Graphs Drill Set 1**

Create graphs for the following situations.

1. Show an economy at full employment.
2. Show an economy with significant unemployment.
3. Government spending increases dramatically. How will this affect the economy?
4. Business investment slows. How will this affect the economy?
5. Consumer confidence soars and they spend more money. How will this affect the economy?
6. Many states cut their spending and layoff many employees. How will this affect the economy?
7. Show an economy with an inflationary gap.
8. Businesses invest more. How will this affect the economy?
9. Show an economy with a recessionary gap.
10. U.S. exports rise dramatically.