

Long-run and Short-run Aggregate Graphs Drill Set 2

Create graphs for the following situations.

1. The federal government increases income taxes.
2. Many foreign nations see their economic conditions decline and experience a fall in income. What happens to the American economy?
3. California spends large amounts of tax dollars on stem cell research.
4. Americans spend more on Chinese goods.
5. The price of imported oil drops dramatically.
6. Consumer confidence declines.
7. Many investors expect business conditions to worsen.
8. Show an economy that is beyond full employment equilibrium. Now show what will happen next?
9. The U.S. government spends more money on research into green technology. Show its impact upon the economy. Then show what will happen next.
10. Show an economy at full employment.