

The Spending Multiplier Formula Drill Set 2

1. MPC is .8 and taxes are increased by \$50 billion, what is the ΔY ?
2. $\Delta G = -200$ billion dollars and MPS is 25%, what is the ΔY ?
3. Taxes are decreased by 7 billion dollars and MPC is .9, how will ΔY ?
4. The ΔG is \$40 billion and the ΔY is \$160 billion, what is k ?
5. Income taxes fall by \$100, MPS is .05, how will ΔY ?
6. New government spending is \$55 and MPS is .1, how much spending will occur altogether?
7. New consumer spending is \$7 billion and MPC is 95%, what is ΔY ?
8. California income taxes are increased by \$200 million and state spending is increased by \$200 million. How will ΔY ?
9. $t = -4$ and the $\Delta T = -100$ dollars, what is ΔY ?
10. $k = 10$ and the $\Delta G = \$200$, what is ΔY ?