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| <ol style="list-style-type: none"> <li>1. Congress passes a tax cut</li> <li>2. New oil discoveries made in Alaska</li> <li>3. Demand pull inflation</li> <li>4. Cost push inflation</li> <li>5. New technology and better education</li> <li>6. President makes consumers more confident about economy</li> <li>7. Reduction in personal income taxes and an increase in government spending</li> </ol> | <ol style="list-style-type: none"> <li>8. An equal change in an increase in taxes and increase in government spending</li> <li>9. Increase in labor productivity</li> <li>10. Increase in price of inputs</li> <li>11. An increase in investment</li> <li>12. Economic boom in Asian and European markets</li> <li>13. U.S. launches an a war on terror</li> </ol> | <ol style="list-style-type: none"> <li>14. Government cuts federal spending in education and cuts Social Security payments</li> <li>15. New environmental standards increase cost of production</li> <li>16. Good weather results in bountiful harvests</li> <li>17. Stock Market crashes</li> <li>18. FED raises interest rates</li> </ol> |
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For each of the situations, begin with a macro graph in LR equilibrium. Then show the shift and the new equilibrium price level and RGDP.