

Figure 1.

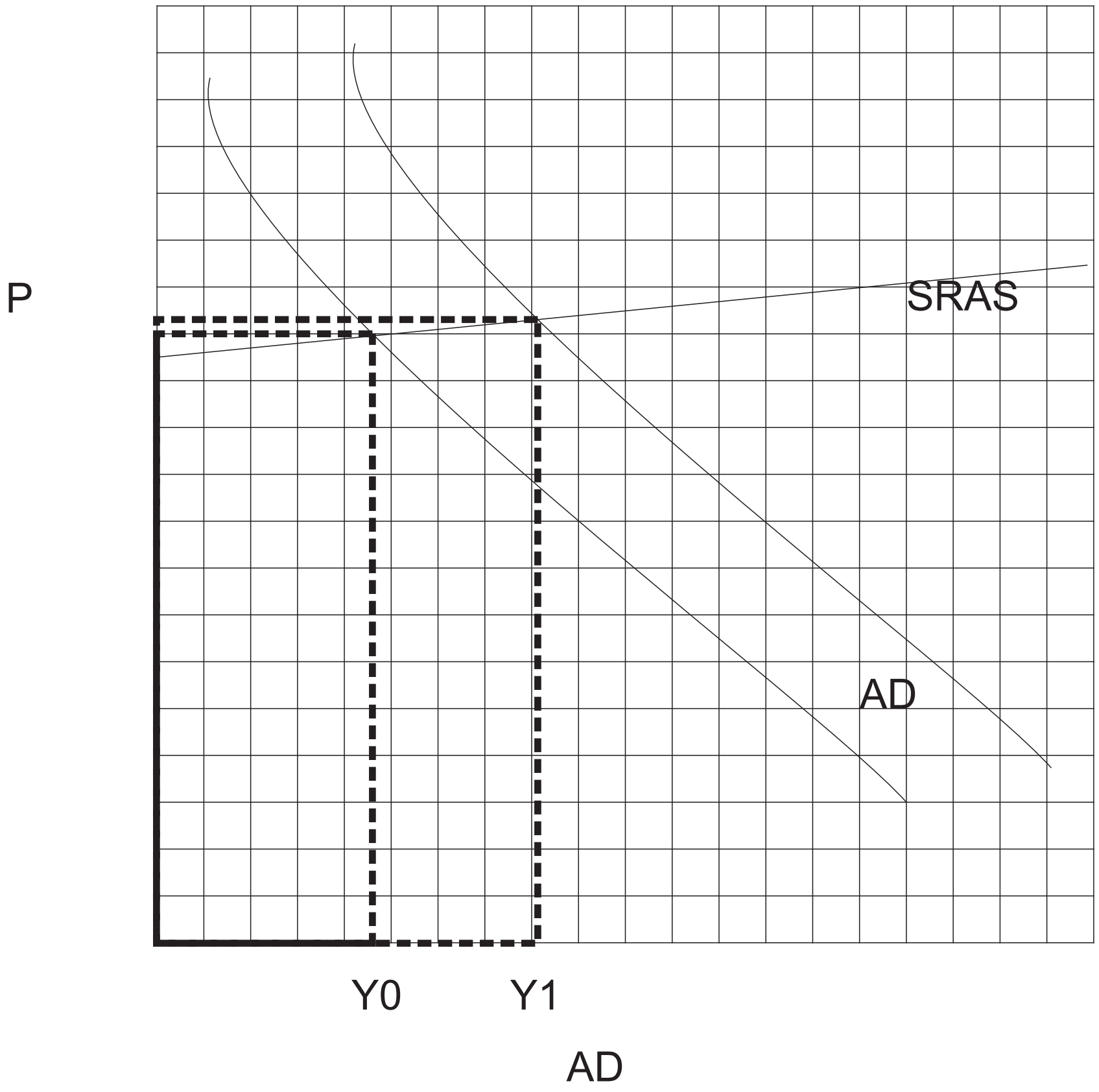
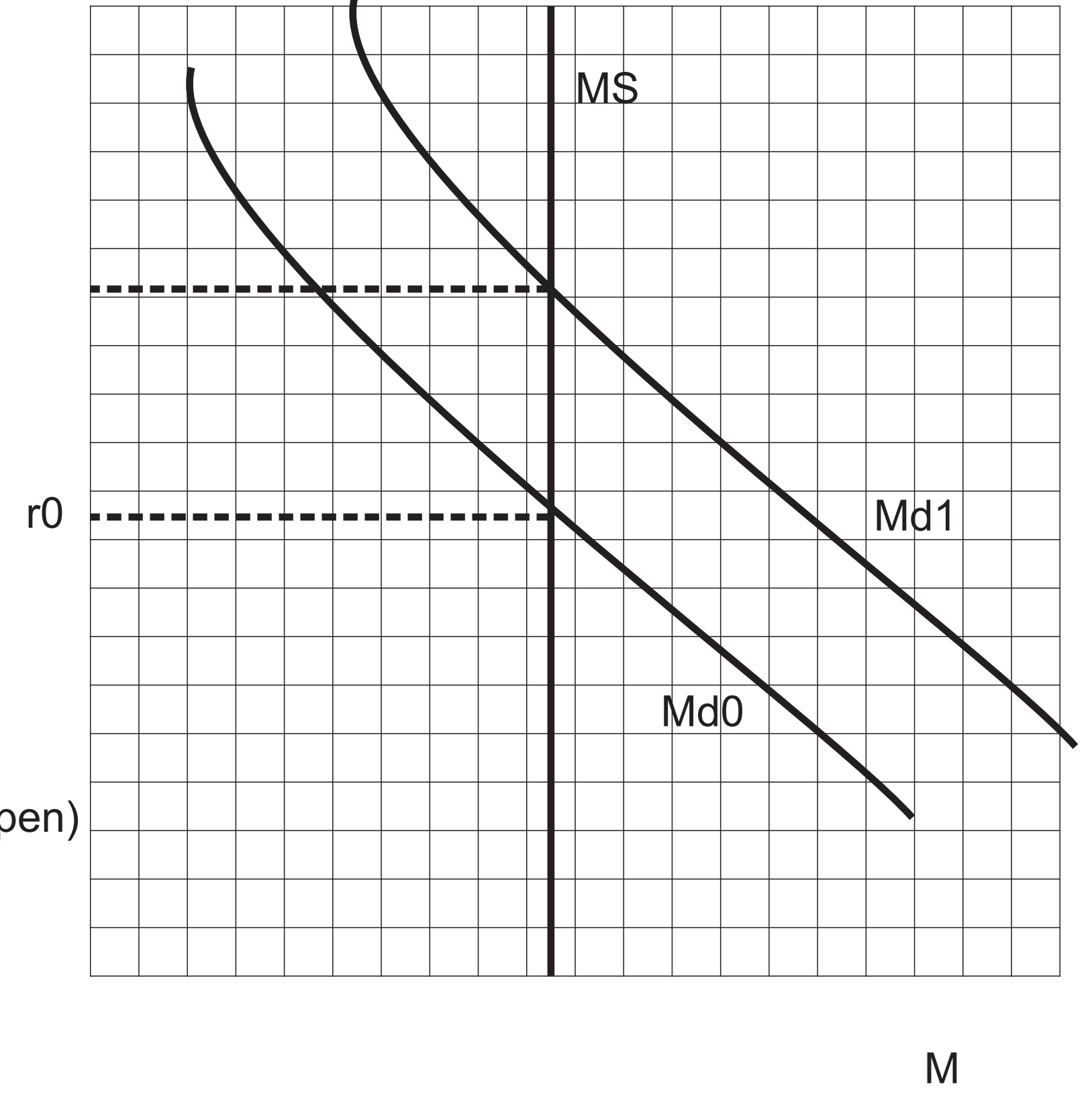
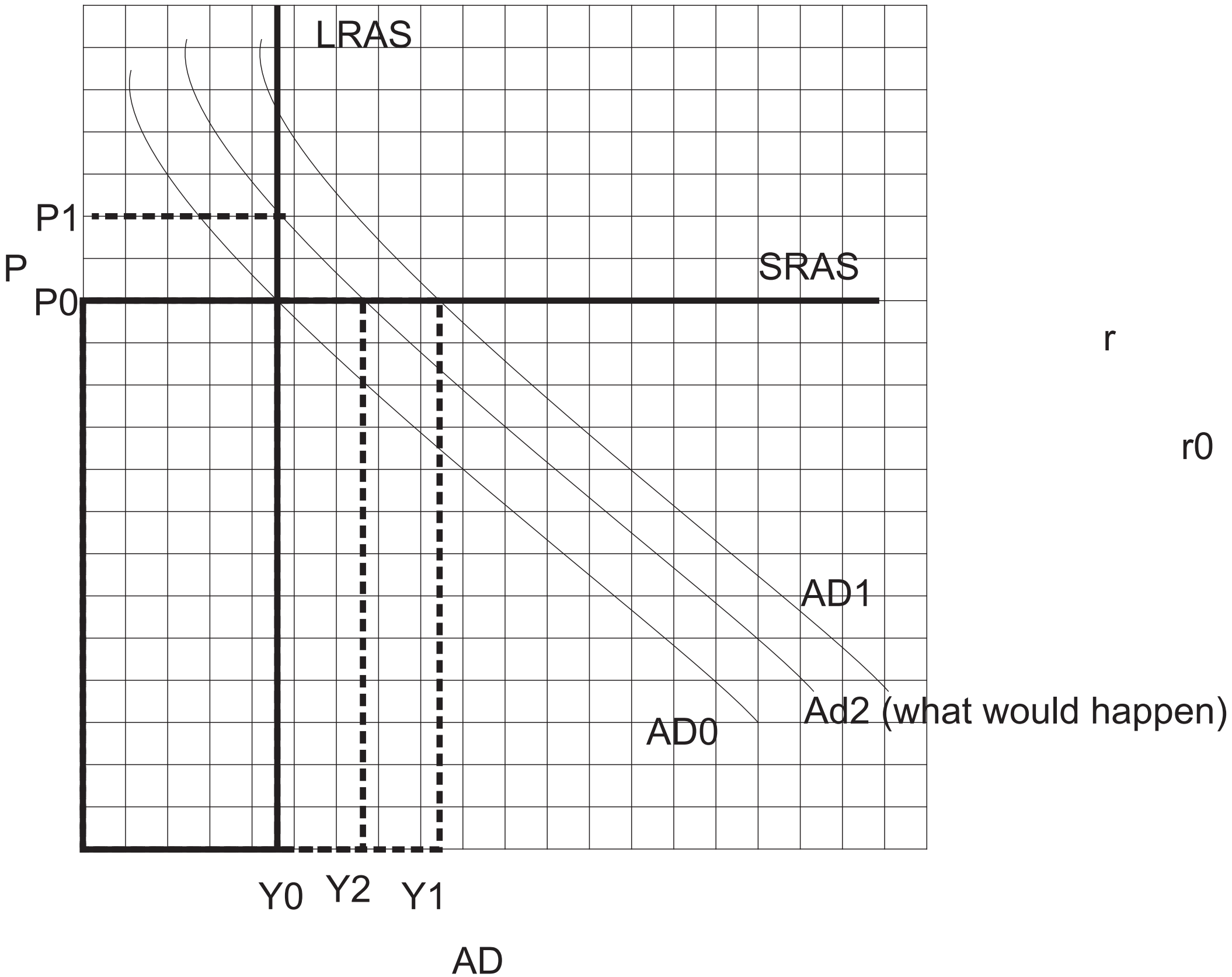


Figure 2&3. Negative Feedback with Fiscal Policy Closed

What would happen if interest rates stay constant but they won't

Increase in income means increase in demand so interest rates go up



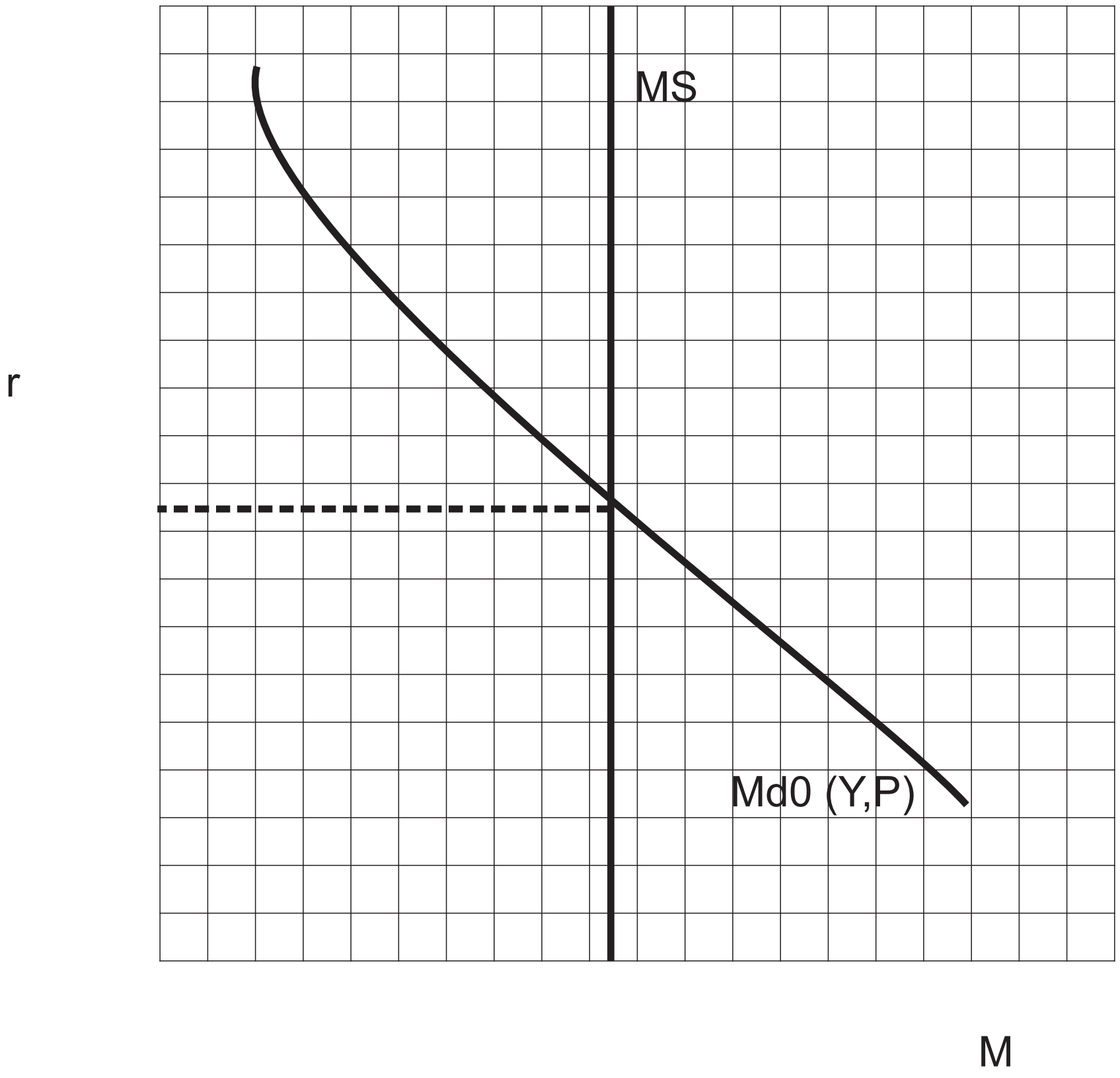


Figure 4&5. Negative Feedback with Fiscal Policy Open

