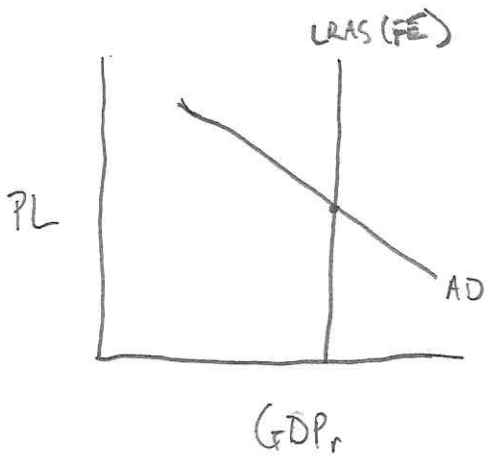
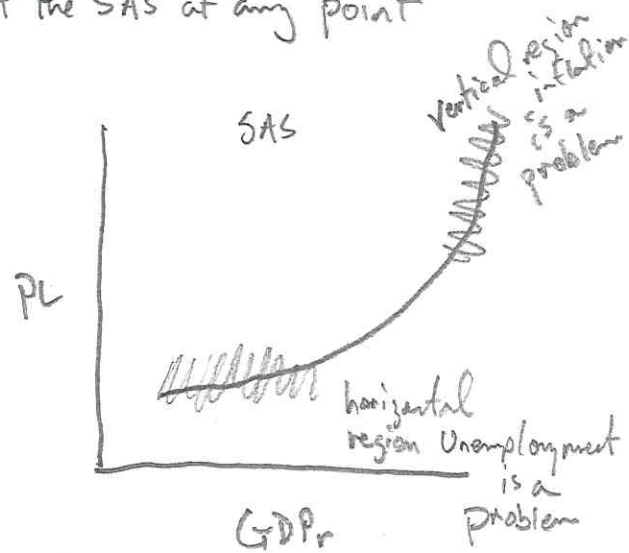
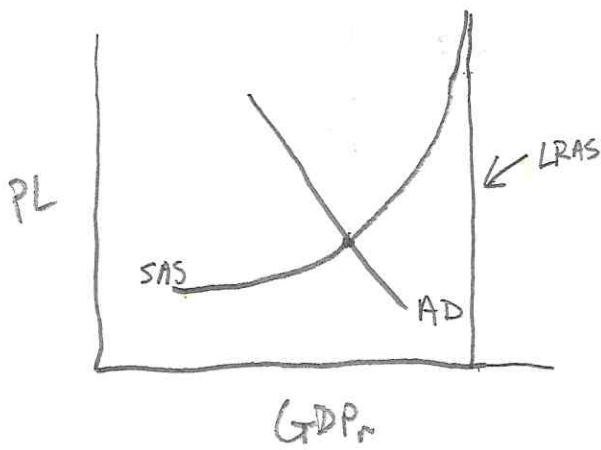


17. Long run equilibrium - where $AD = GDP_r$



Short run equilibrium - AD can intersect the SAS at any point



Inflation

How your book shows Inflationary & Recessionary GAPS

Unemployment

