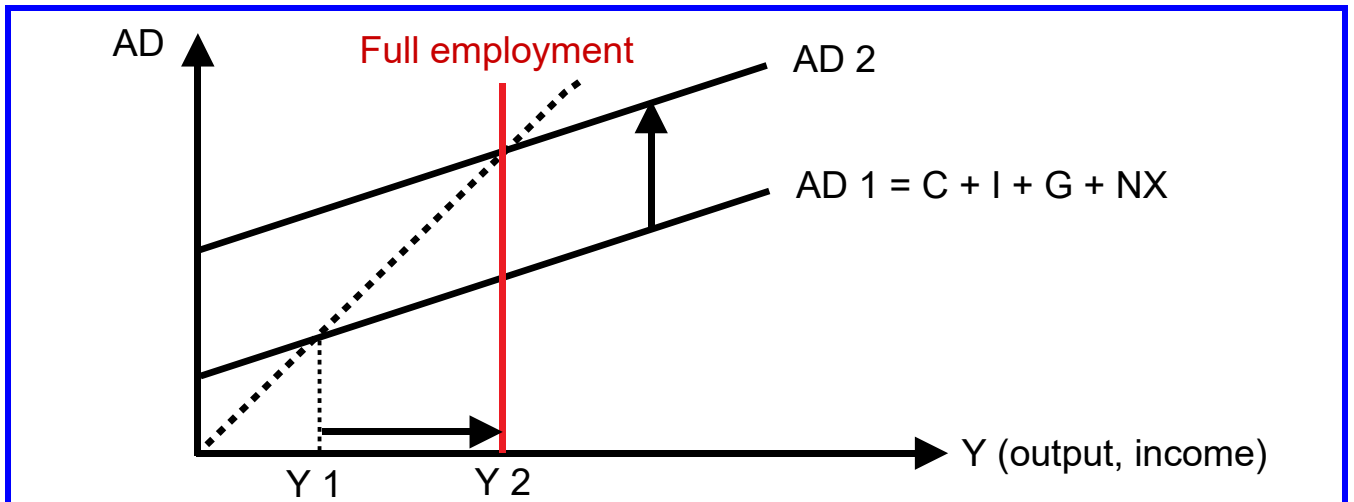


Fiscal policy - Keynes

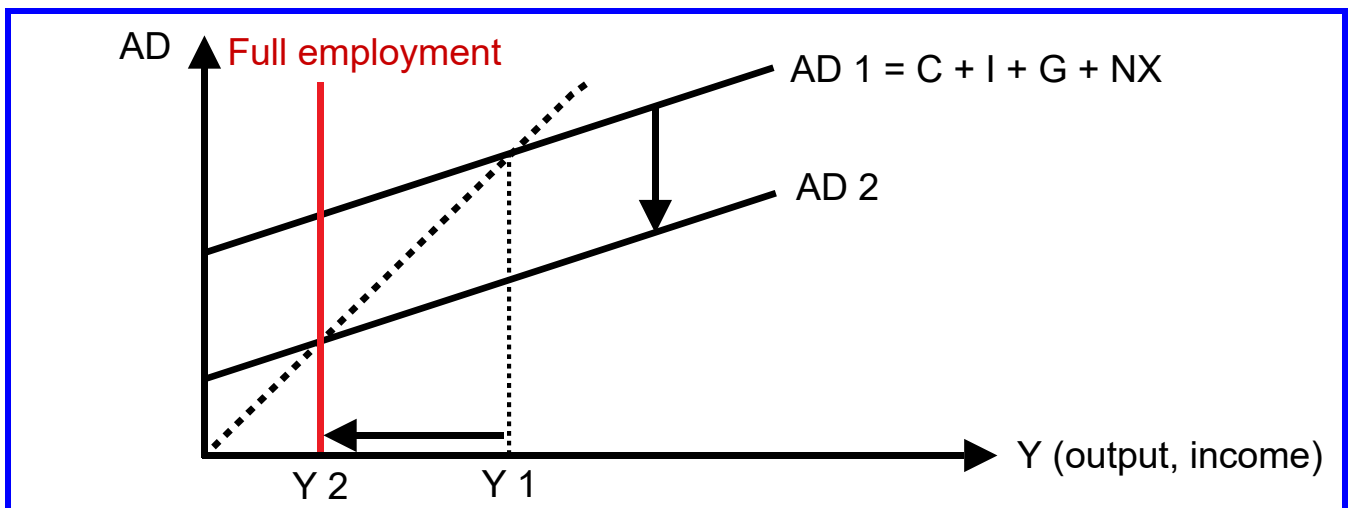
① Expansionary fiscal policy (recession)

→ $G+$ or $\text{taxes}-$



② Contractionary fiscal policy (boom)

→ $G-$ or $\text{taxes}+$



AD = Aggregate demand	C = Consumption
I = Investment	G = Government spending
NX = Net exports (= exports - imports)	