

Chapter 5

A Closed-Economy Model One-Period Macroeconomic Model



Figure 5.1 A Model Takes Exogenous Variables and Determines Endogenous Variables

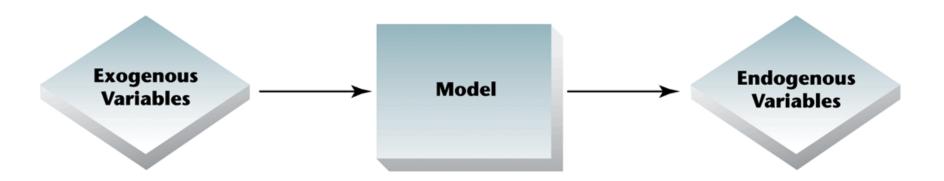


Figure 5.2 The Production Function and the Production Possibilities Frontier

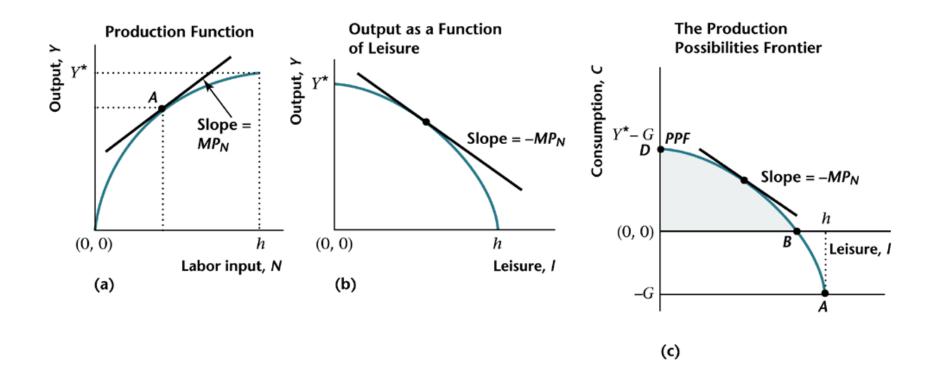


Figure 5.3 Competitive Equilibrium

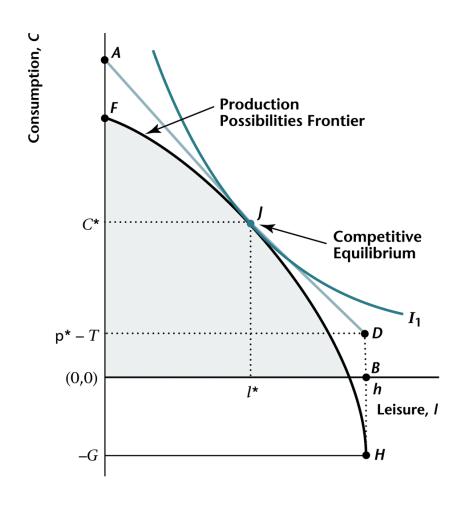


Figure 5.4 Pareto Optimality

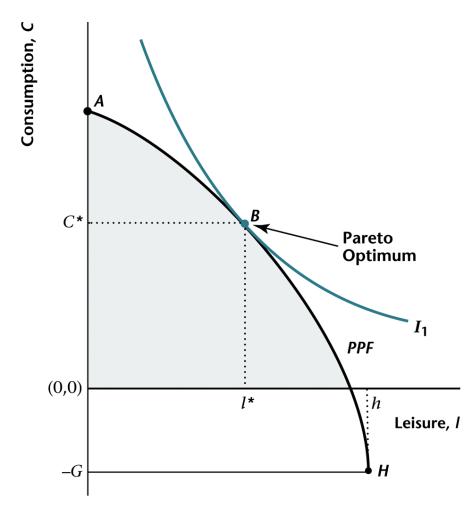


Figure 5.5 Using the Second Welfare Theorem to Determine a Competitive Equilibrium

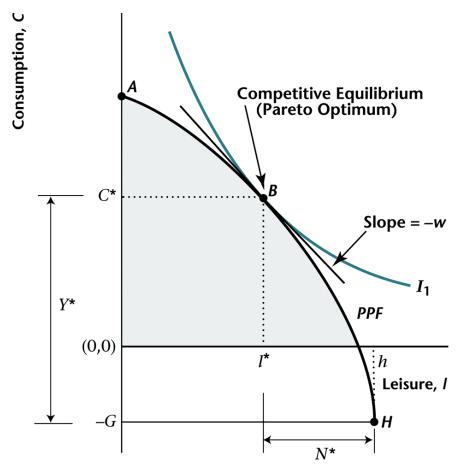


Figure 5.6 Equilibrium Effects of an Increase in Government Spending

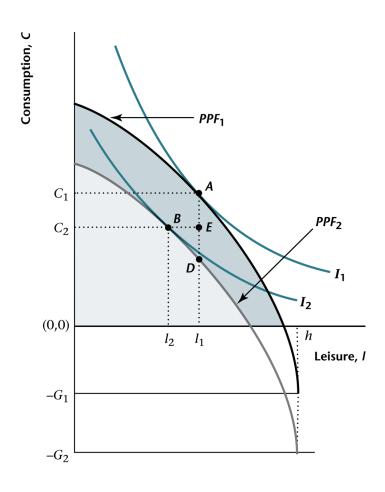


Figure 5.7 GDP, Consumption, and Government Expenditures

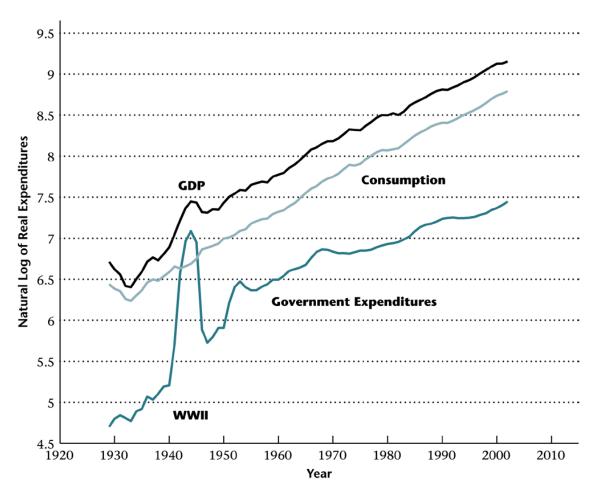


Figure 5.8 Increase in Total Factor Productivity

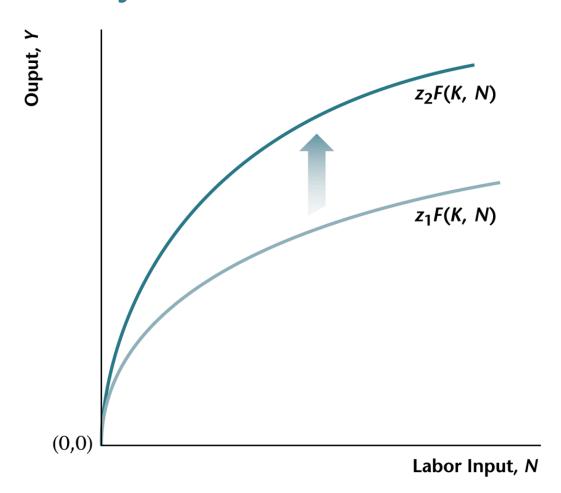


Figure 5.9 Competitive Equilibrium Effects of an Increase in Total Factor Productivity

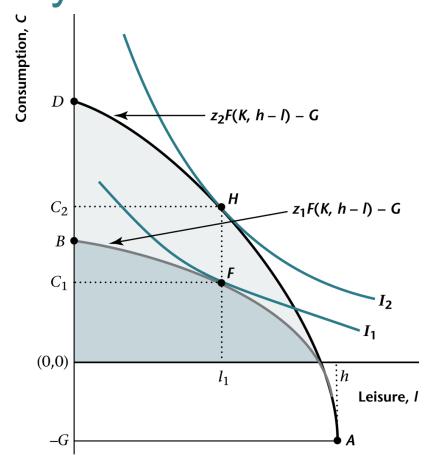


Figure 5.10 Income and Substitution Effects of an Increase in Total Factor Productivity

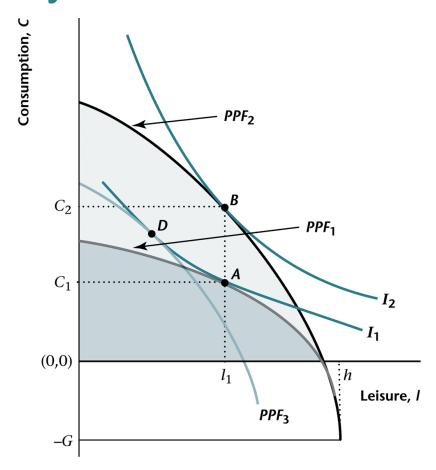


Figure 5.11 Deviations from Trend in Real GDP and the Solow Residual

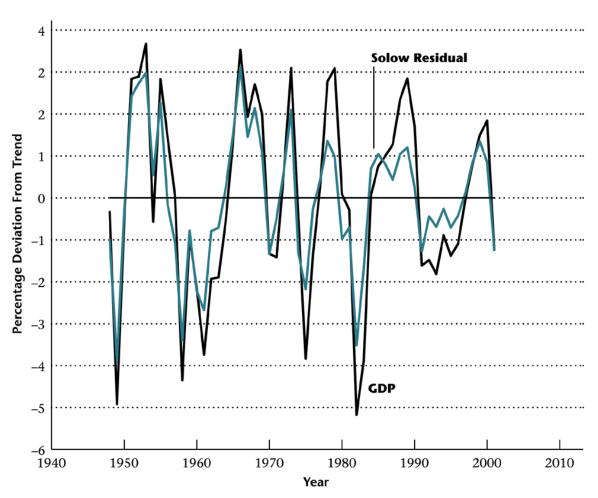


Figure 5.12 The Relative Price of Energy

