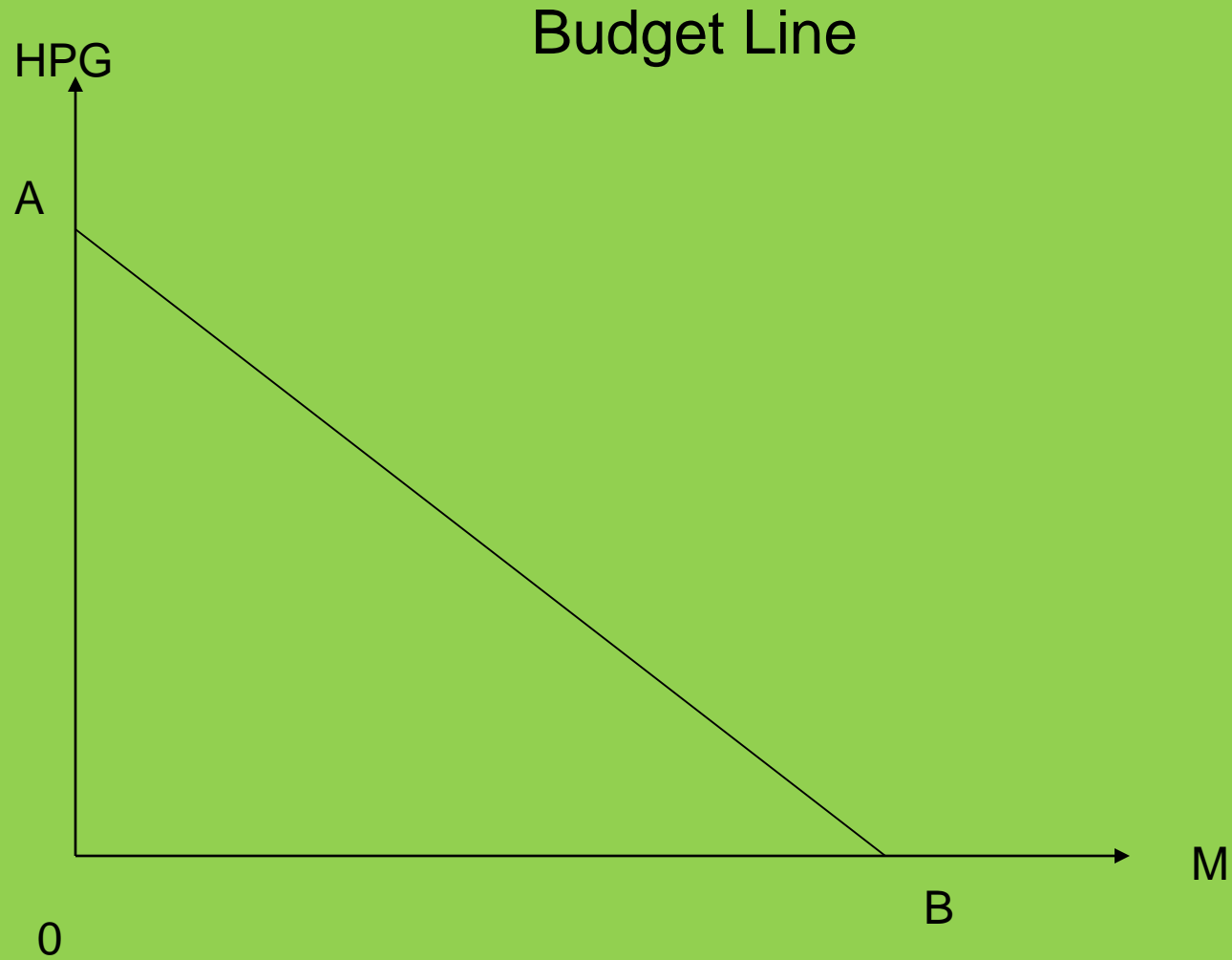


MSSC – 2016 Macro Economics

Macro Economic Equilibrium



Budget Line

$$\text{HPG} = a - b (M)$$

$$b = \Delta M \div \Delta \text{HPG}$$

b = Price Ratio of Exports & Imports

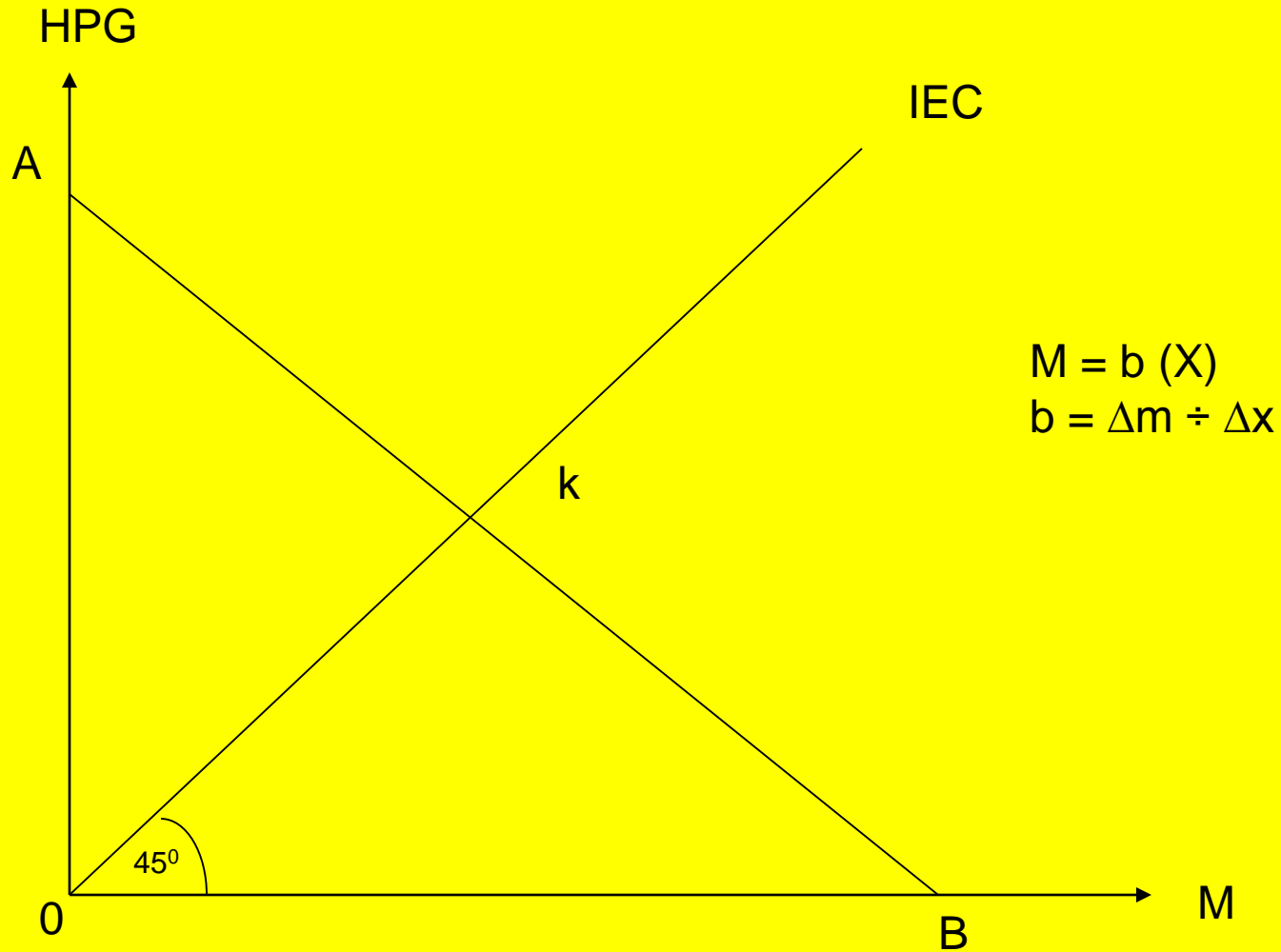
$$b = m \div x$$

x = price of exports

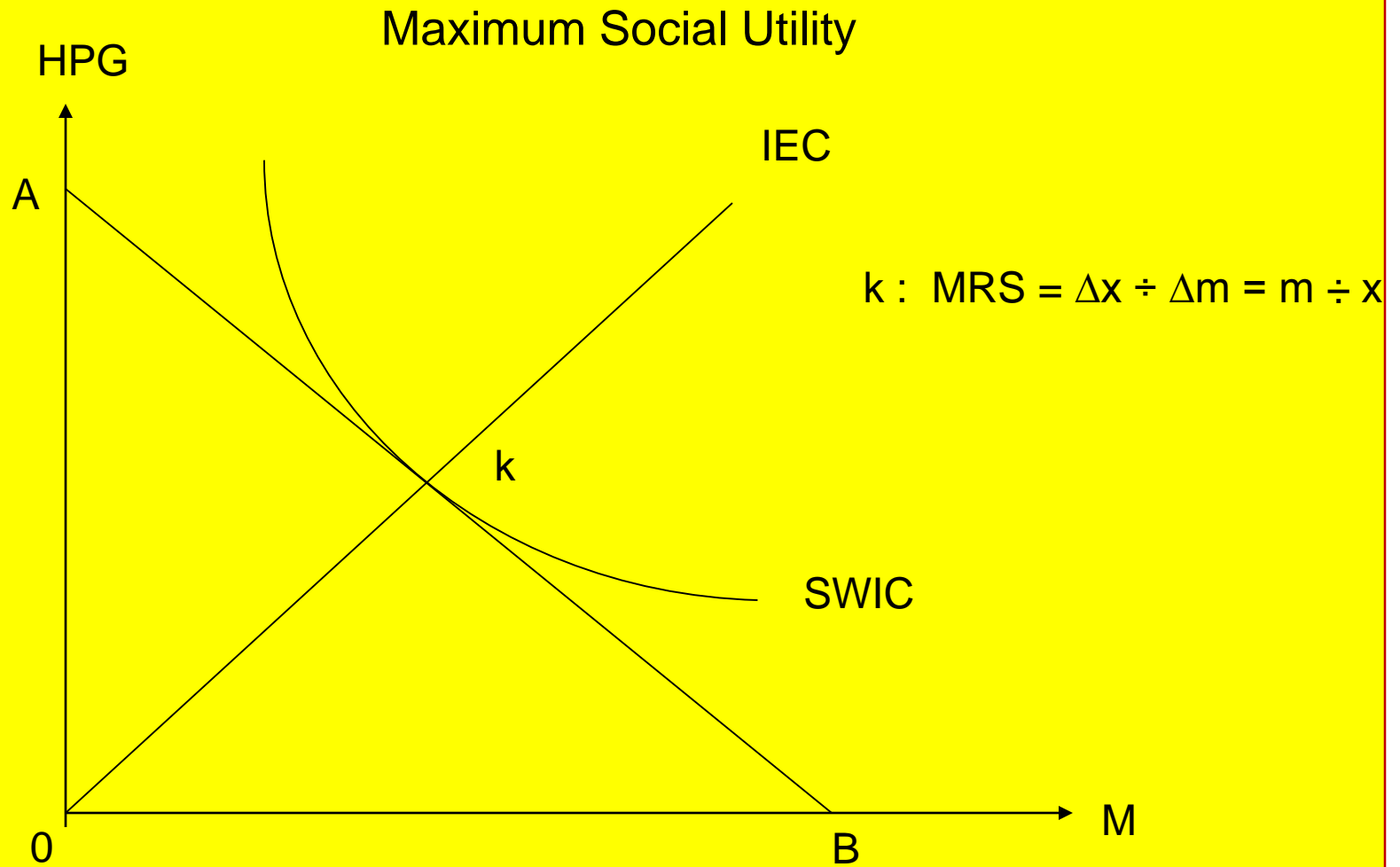
m = price of imports

a = quantity of imports are zero and maximum home products goods

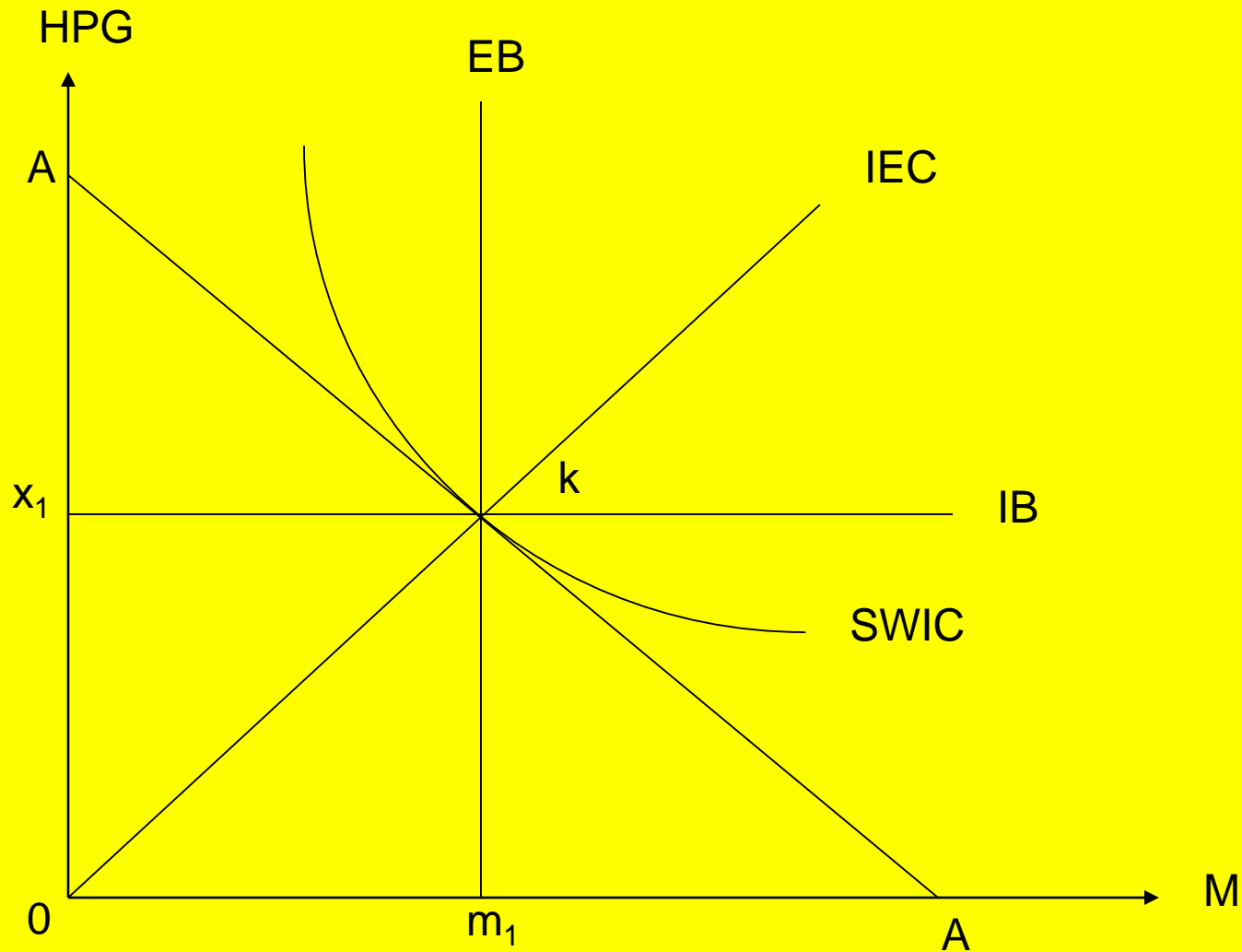
Income Expenditure line (curve)



Social Welfare Indifference Curve

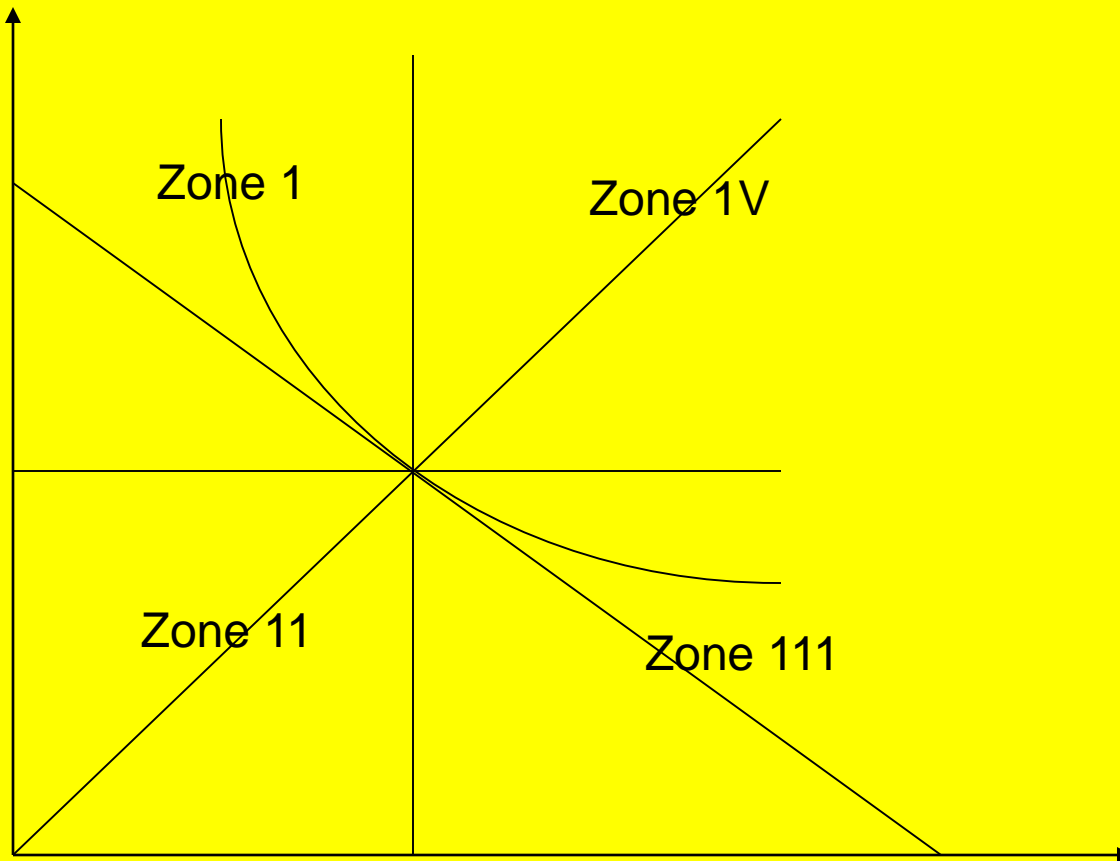


Internal and External Balance

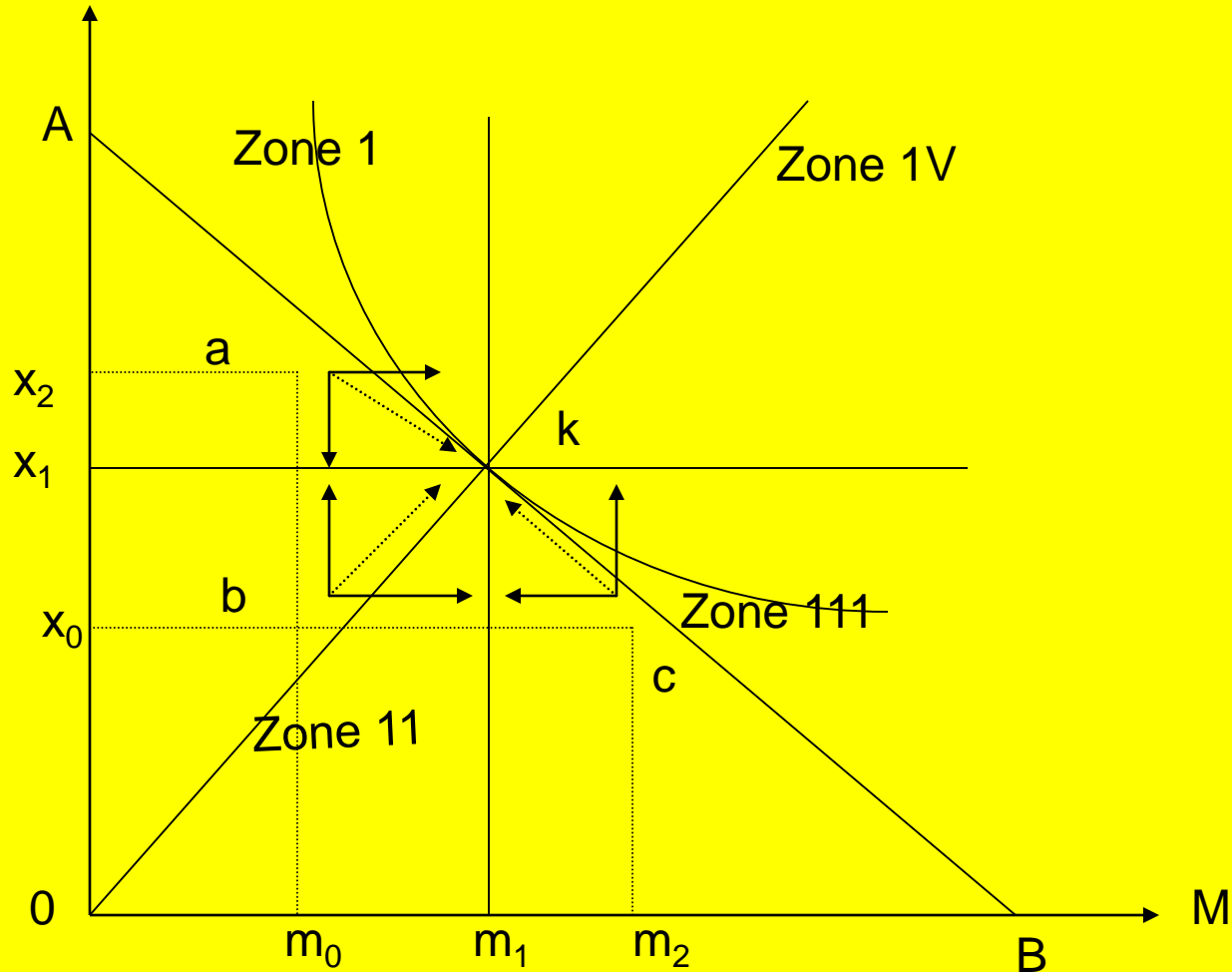


Zone Analysis

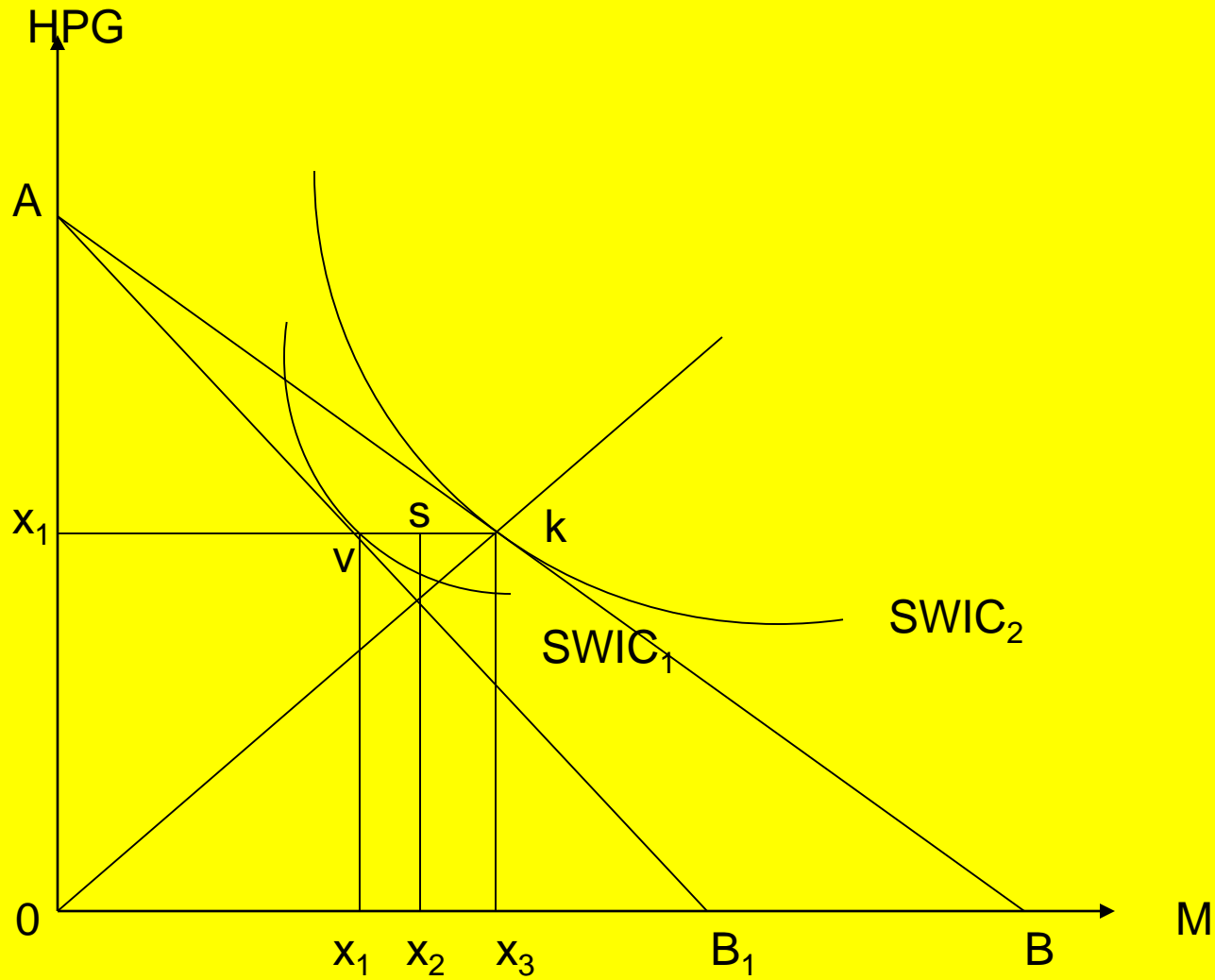
Features of Several Zones



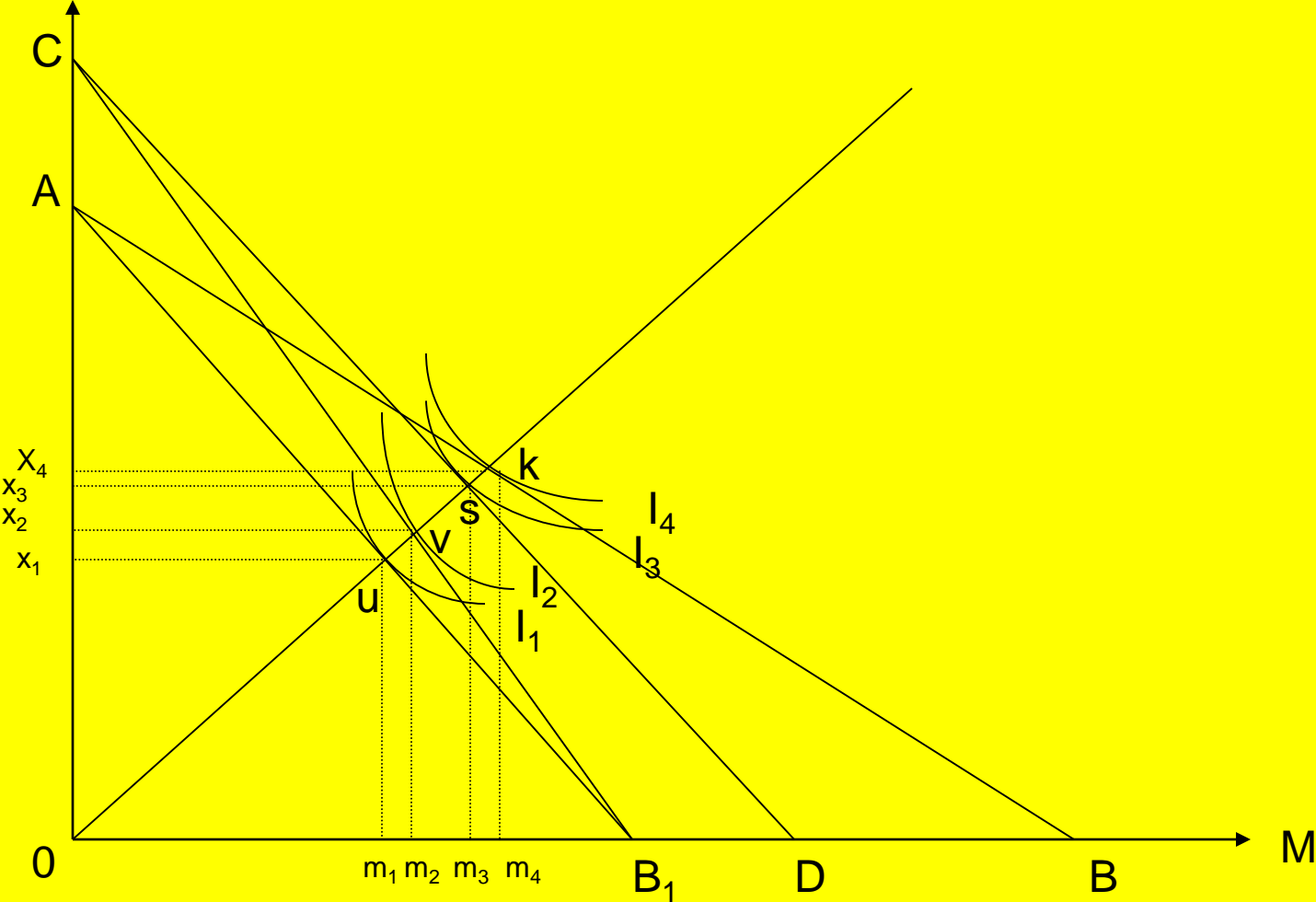
Internal and External Policies



Macro Economic Policies



Macro Economic Policies



Macro Economic Policies

