Name:

Date:

Facilitator:

School:

6.02 AS-AD Model

 

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| --- | --- | --- | --- |
| **Situation** | **Which curve shifts?****Which direction?** | **Price Level and Output****Increase or Decrease** | **Recessionary or Inflationary** (Will the situation cause a recession or inflation?) |
| The cost of oil rises sharply | AS to the left | Price level increasesOutput decreases | Recessionary |
| 1. The Government increases spending sharply on infrastructure
 |  |  |  |
| 1. American goods increase in demand from foreign buyers
 |  |  |  |
| 1. Immigration into the country increases dramatically
 |  |  |  |
| 1. Interest rates decrease
 |  |  |  |
| 1. A technological breakthrough makes companies more productive
 |  |  |  |
| 1. The government increases regulations on greenhouse gas emissions
 |  |  |  |
| 1. The government increases subsidies in all sectors of the economy
 |  |  |  |
| 1. With renewed confidence consumers increase spending for Christmas
 |  |  |  |