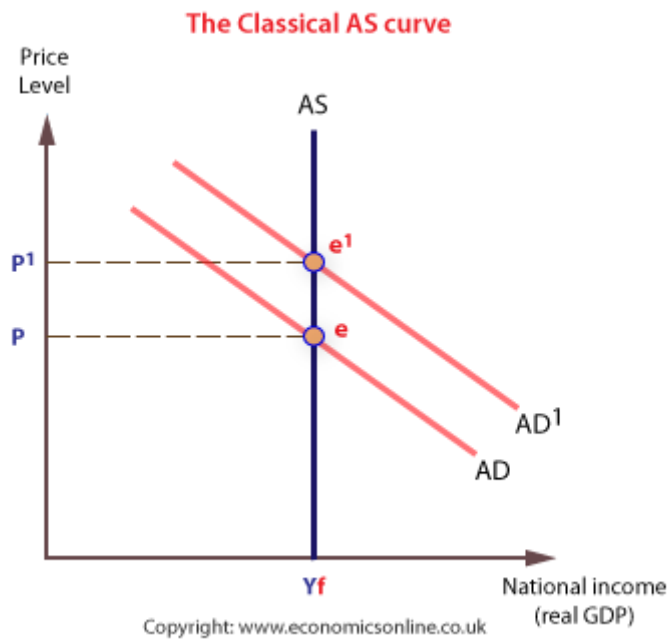


A change in AD on a classical AS curve only causes a change in the price level, not on real output. Example:



The Keynesian AS curve

The Keynesian AS curve assumes that prices and wages are fixed until full employment is reached.

Preview from Notesale.co.uk
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