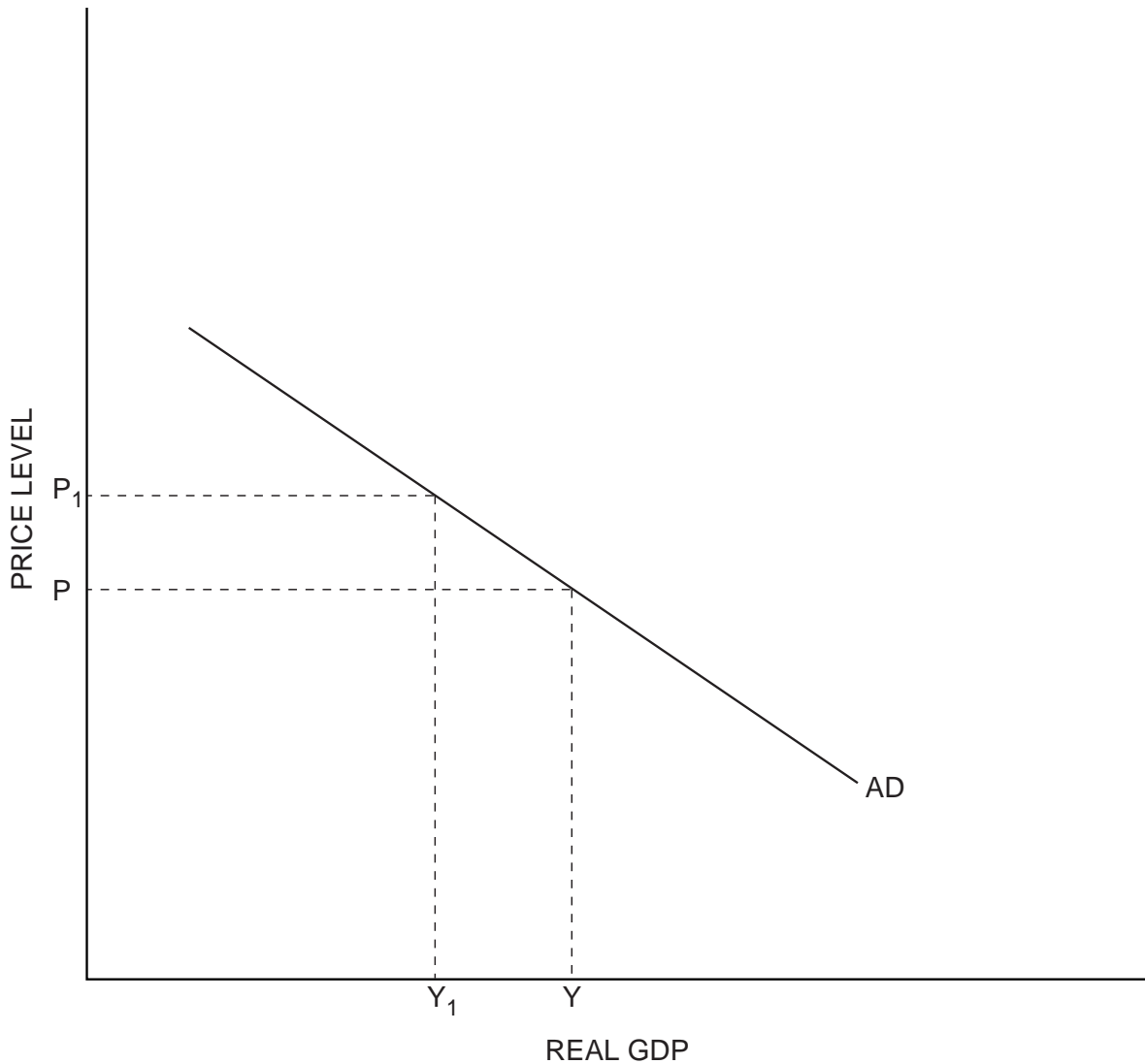


## Aggregate Demand



An increase in price from  $P$  to  $P_1$  results in a decrease in real GDP from  $Y$  to  $Y_1$ .