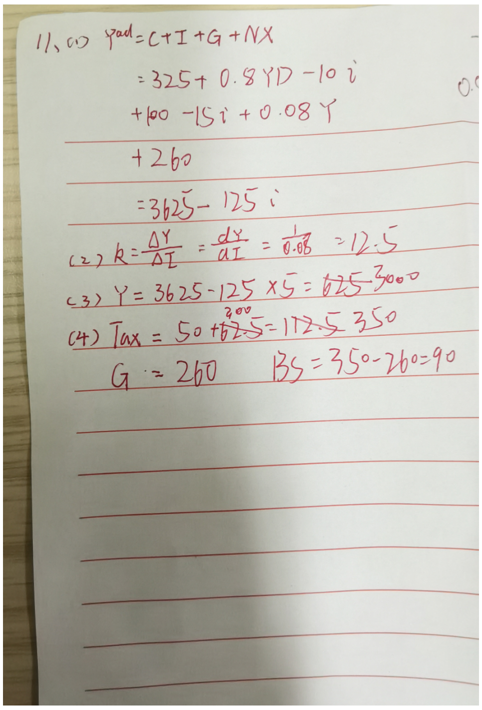
11.



11、(1) $Y^{ad} = C + I + G + NX$

$= 325 + 0.8YD - 10i$

$+ 100 - 15i + 0.08Y$

$+ 260$

$= 3625 - 125i$

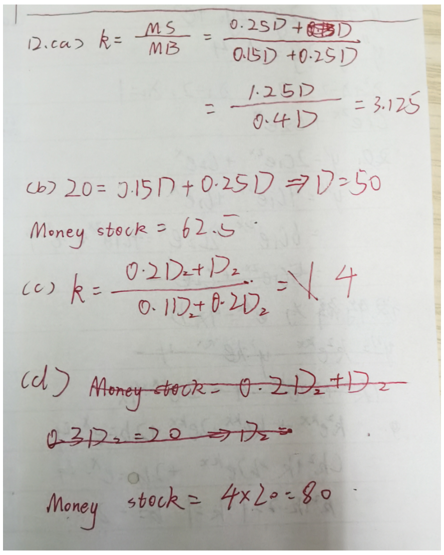
(2) $k = \frac{\Delta Y}{\Delta I} = \frac{dY}{dI} = \frac{1}{0.08} = 12.5$

(3) $Y = 3625 - 125 \times 5 = \cancel{625}\ 3000$

(4) $Tax = 50 + \cancel{62.5}\ 300 = \cancel{112.5}\ 350$

$G = 260 \quad BS = 350 - 260 = 90$

12.



12.(a) $k = \frac{MS}{MB} = \frac{0.25D + D}{0.15D + 0.25D} = \frac{1.25D}{0.4D} = 3.125$

(b) $20 = 0.15D + 0.25D \Rightarrow D = 50$

Money stock = 62.5

(c) $k = \frac{0.2D_2 + D_2}{0.1D_2 + 0.2D_2} = \cancel{1}\ 4$

(d) ~~Money stock = $0.2D_2 + D_2$~~

~~$0.3D_2 = 20 \Rightarrow D_2 =$~~

Money stock = $4 \times 20 = 80$

13. I agree with the professor. When the money supply keeps growing, the prices of all consumer goods will rise. When money supply becomes the main factor in the pricing of consumer goods and bulk commodities, the price rise caused by the imbalance between supply and demand is far less than the price rise caused by the increase in money supply.We should also note that when the increase of money supply causes the price to rise, theoretically, the rise of all commodity prices should be the same. However, this view ignores the price stickiness. In fact, the rise in food and energy prices caused by geographical conflicts has increased the relative price growth of these commodities in the United States.The fact that the oil price dropped below $100 after the Fed

raised interest rates shows that inflation is essentially a monetary phenomenon.I think that while controlling inflation, we should also pay attention to the impact of the reduction of money supply on the derivatives of risky assets and the prices of fixed assets to avoid financial crisis and recession.

14. a. Classical political economy: A free competitive market economy is the most efficient economic model, and the government should not interfere in the economy. We should increase imports, reduce exports and increase domestic gold and silver reserves.

b. Keynesianism: The root of economic recession is the reduction of demand for commodities. The government should intervene in the economy, increase the income of workers, adopt expansionary fiscal policies, increase expenditure and reduce unemployment.

c. Neo Classical synthesis school : Pay attention to supply while analyzing demand.The government should use fiscal and monetary policies to reduce unemployment.The mixture of market price mechanism and state intervention is the economic model of modern countries.

d. Monetarism: Money demand is a stable function of income and interest rate. Money supply is the main factor affecting income. In the short term, money affects the supply, and a small part affects the price. In the long term, the supply has nothing to do with money. The government should control the money supply and the economy will adjust itself.