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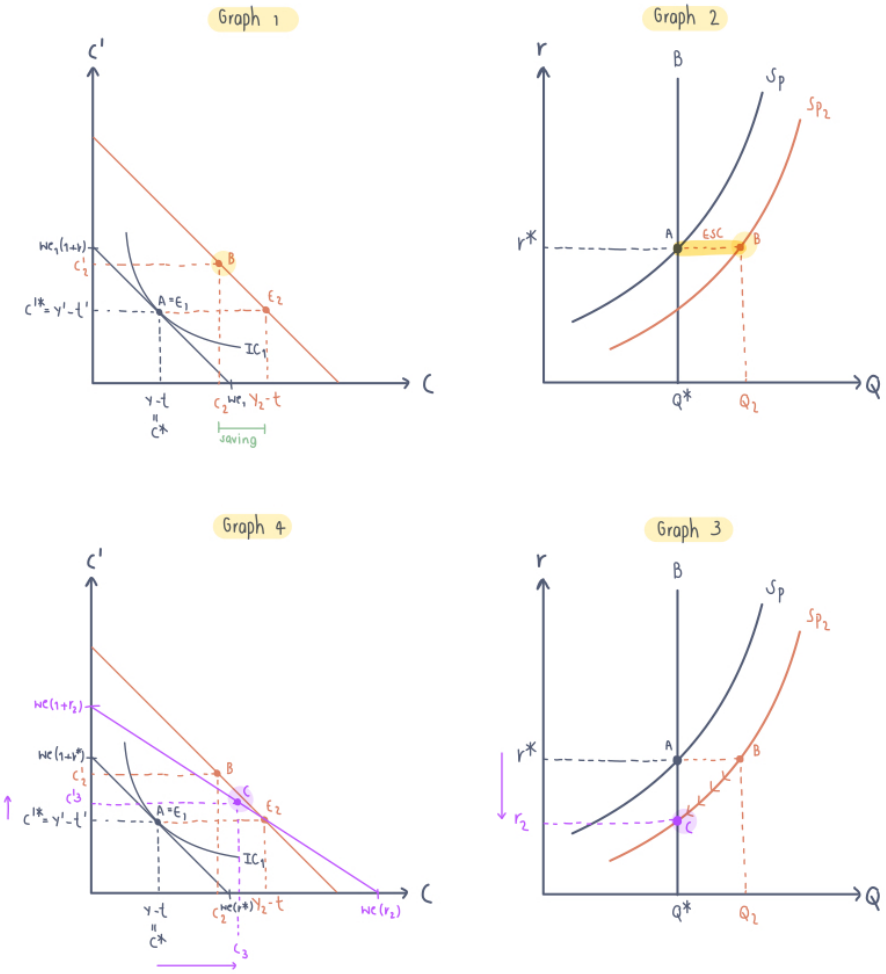
Half-half (คนละครึ่ง)

In this work, let's assume that everyone get half-half credit. It is the campaign that people can buy foods and something else at the 50% discount because government pays for the rest 50%, so the owner of the shops get money at the fulled price. It means that this is an advantage for both consumers and sellers. However, there is a maximum at 300 baht per day. It means that in one day you can buy whatever you want at the 50% discount from the fulled price but if you buy more than 300 baht, the maximum discount you could get is 150 baht. When government gives the credit to everyone, they will feel richer and their current income will be increased.



For graph 1, at the beginning, assume that everyone consumes at the same amount of income they get, at point A=E1 (y-t=C* and y'-t'=C'*). After having the half-half, their current income increases, so the endowment point move from E1 to E2. The movement shows that their current income increases (from y-t to y2-t), however, their future income stills at the same amount (y'-t'). Fortunately, people currently consume at point B (C* moves to C2 and C'* moves to C'2)

which is less than the current income they have right now (y2-t > C2) so they have more saving.

For graph 2, people's saving increases implies that national saving also increases, so Sp curve shifts right to Sp2 at the same interest rate. Excess supply for credits or ESC occurs (point B).

For graph 3, finally, the interest rate will drop, to clear the ESC in the credit market, until it is at the equilibrium (point C).

For graph 4. Decreasing in interest rate causes current consumption to increase (from C2 to C3) and future consumption to decrease (from C'2 to C'3). However, in total change, this half-half campaign increases both current and future consumption (C* to C3 and C'* to C'3).