

EE212 1/2021

Assignment 10: Government spending and IS LM model

If government decide to reduce government spending, how this situation affect equilibrium real interest rate (r) and real income (Y) in the good market, money market and the IS-LM model. You should explain all the steps and the adjustment process similar to what I did in my lecture.

Deadline: Tuesday November 16th, 2021 midnight

Note: Please name your file as **Assignment_10_Government_spending_and_IS_LM_Model**