DUE ON Econ 331 – Intermediate Macroeconomics - Homework N5 5 points

- **N1**. (3 points) Derive the IS curve (you should show 4 (four) graphs). Shortly explain the derivation.
- N2. (2 points) Show (graphically) what happens to the IS curve if
 - a) there is an increase in autonomous consumer expenditure
 - b) there is a decrease in autonomous investment spending
 - c) there is an increase in government purchases
 - d) there is a decrease in net exports