Aggregate Supply and Demand Practice

For each headline adjust either aggregate supply or demand in the proper direction. Be sure to identify what happens to Costs or Spending, rGDP, Price Level, Inflation/Deflation, Unemployment, identify what part of the business cycle this movement would put the economy in, and be sure your graph is labeled correctly.

Headlines

1. New Oil Reserves are discovered worldwide resulting in lower production costs
2. Amazon announces Super Prime Day which includes 35% off everything sold on Amazon
3. NBC News announces that the economy is in a severe recession. (Think about how people would react to this news)
4. Robots around the world become sentient and demand wages for their labor, and at the same time human workers demand higher wages.