

Figure 1. Short-run flow equilibrium

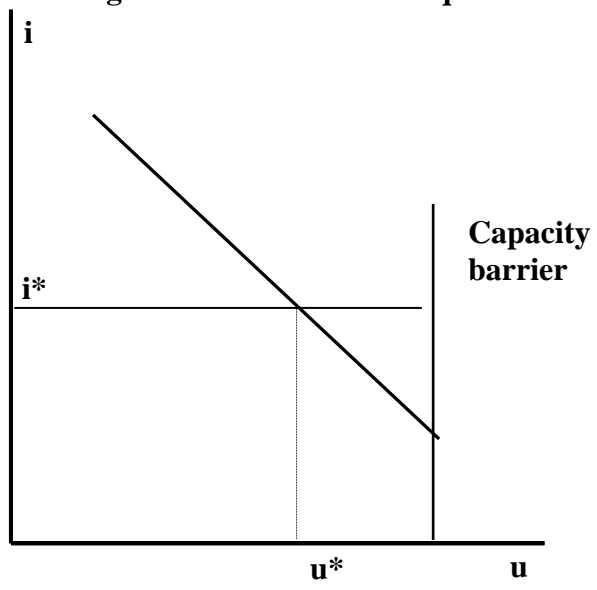


Figure 2. Short-run equilibrium

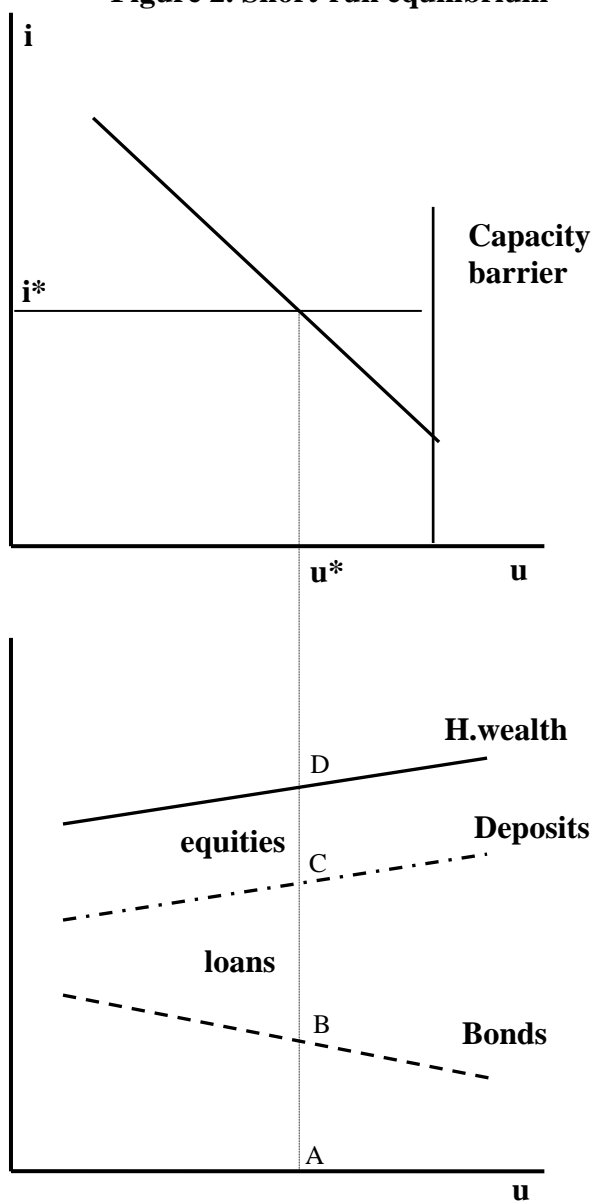


Figure 3. Model phase diagrams under alternative regimes

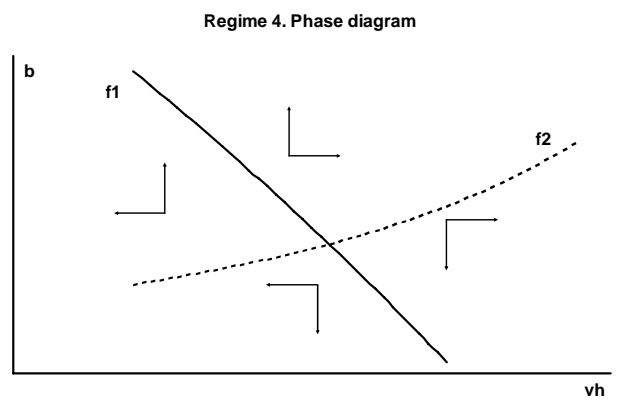
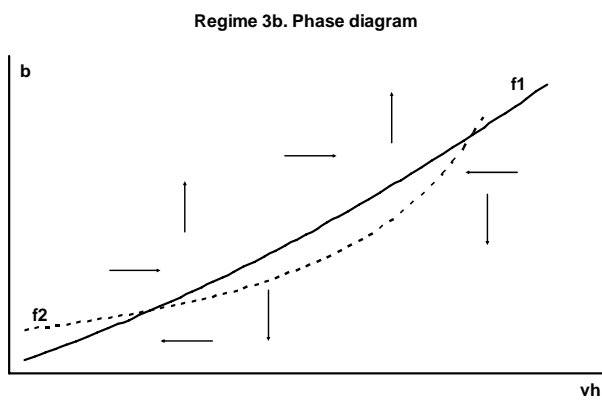
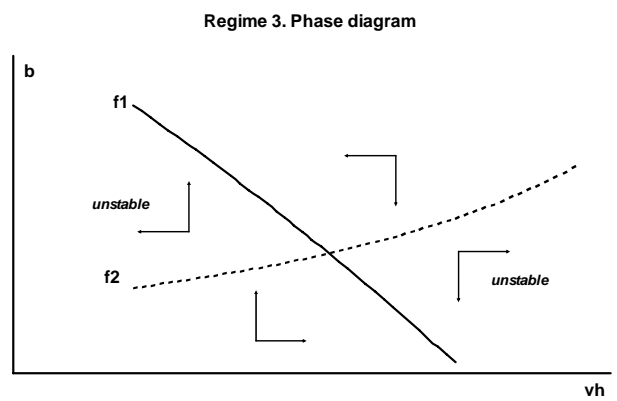
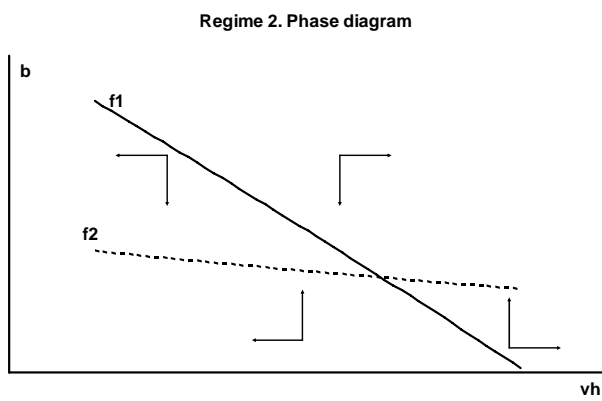
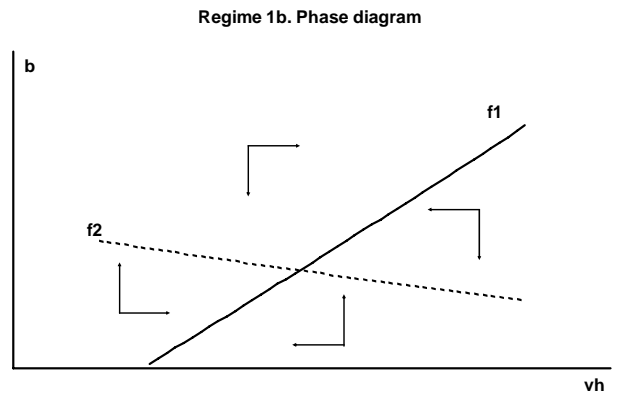
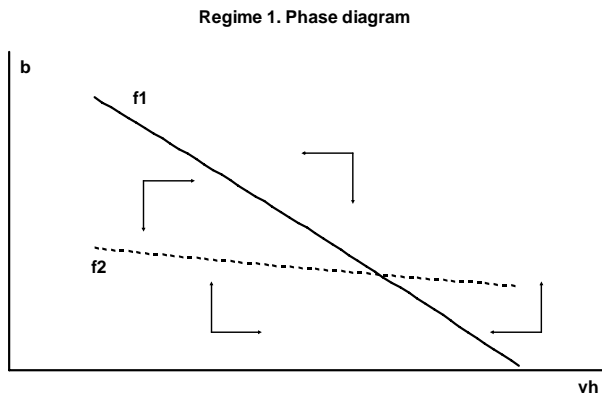


Figure 4. Long-run equilibrium under different (stable) regimes

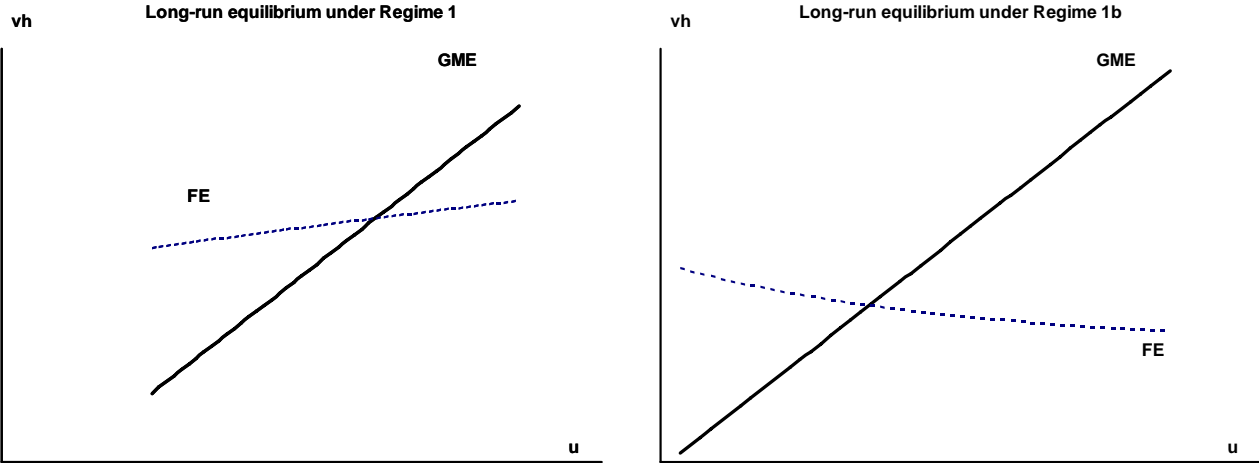


Figure 5. A shock to govt. expenditure (Regime 1b)

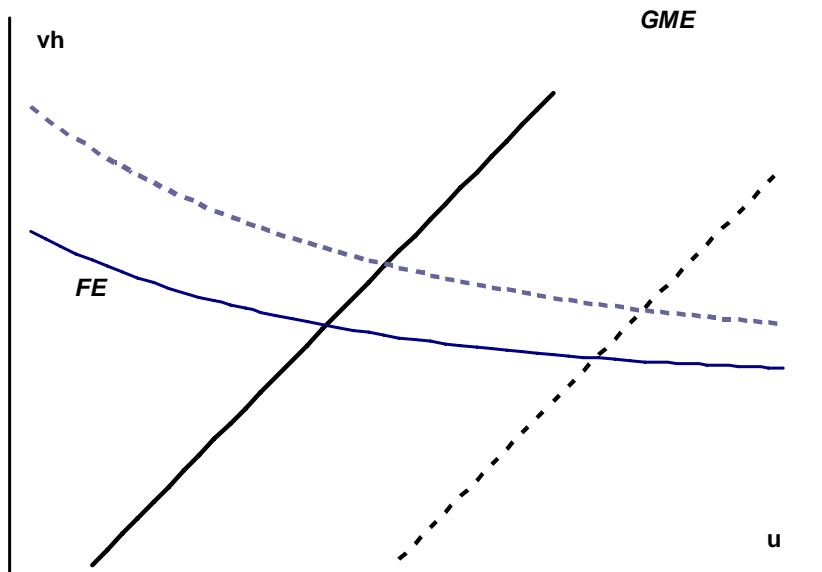


Figure 6. A shock to wages (Regime 1b)

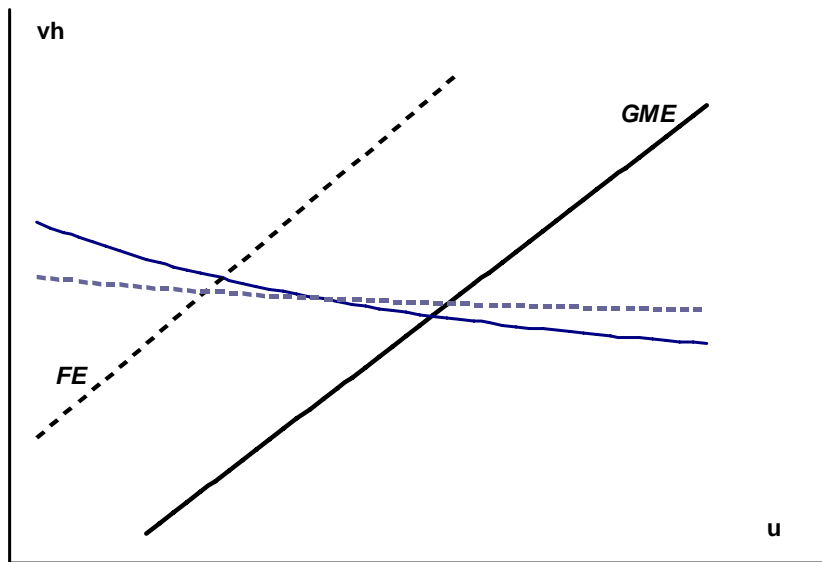


Figure 7. A shock to the interest rate (Regime 1b)

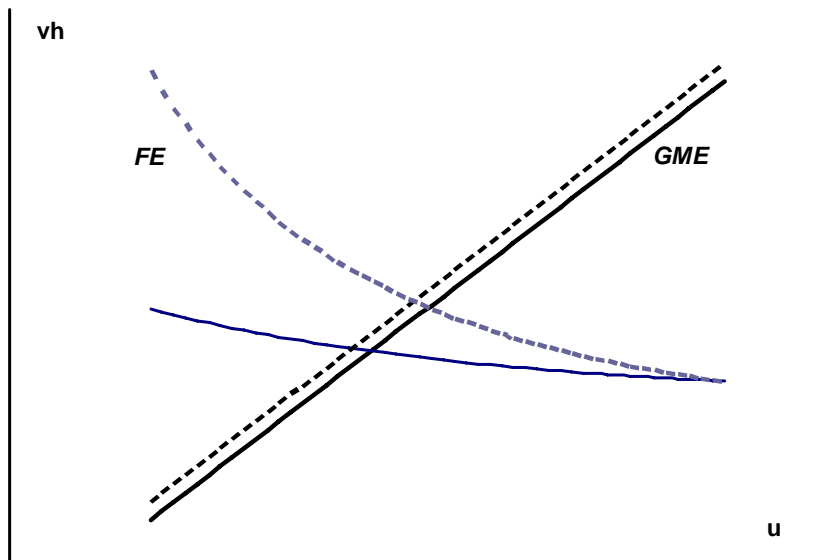


Figure 8. Dynamic response of model variables to a shock to the rate of interest (Regime 1b)

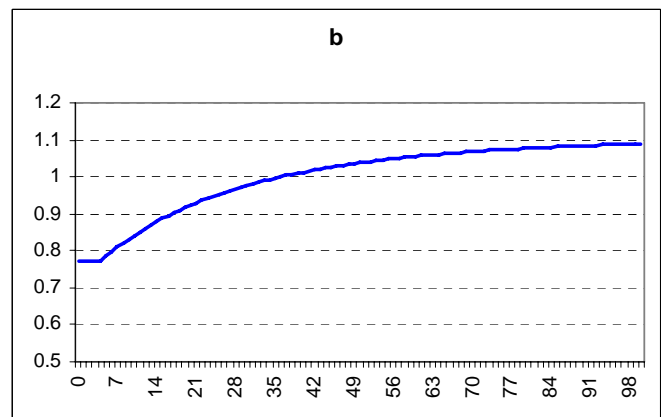
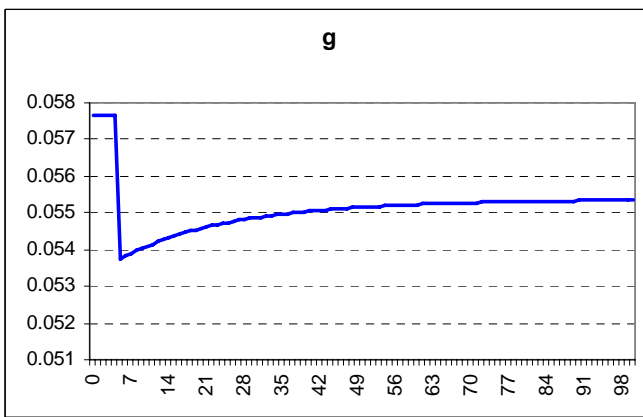
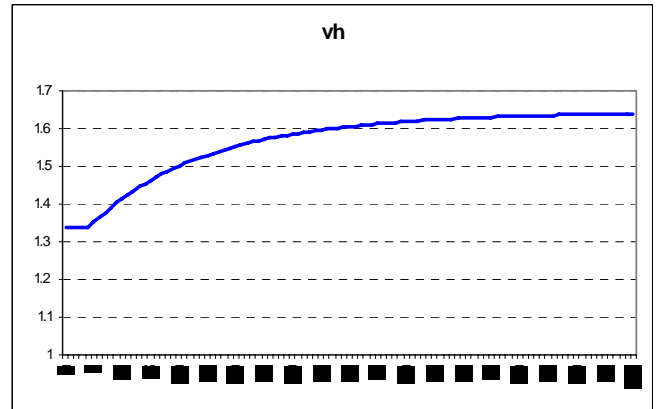
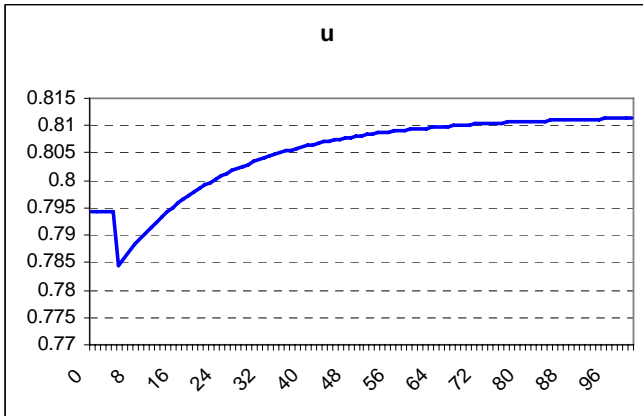


Figure 9. A shock to the interest rate (switch to Regime 3)

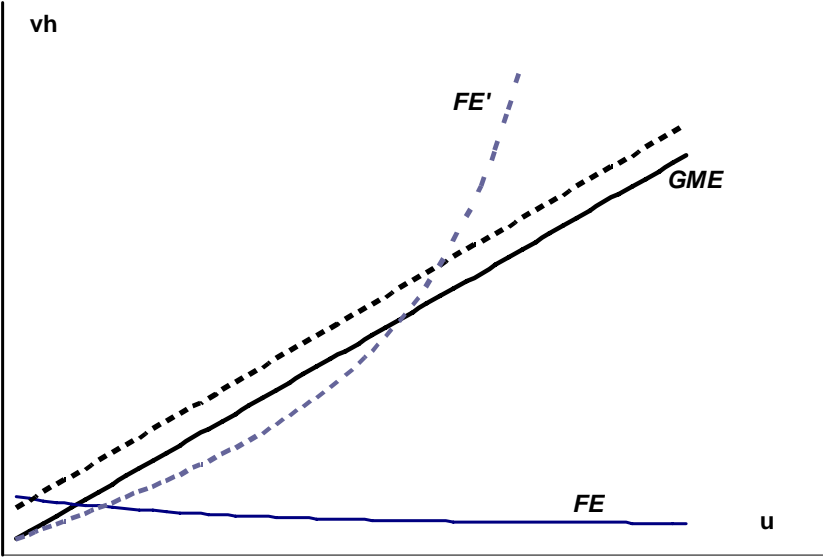


Figure 10. Dynamic response of model variables to a shock to the rate of interest (Regime 3)

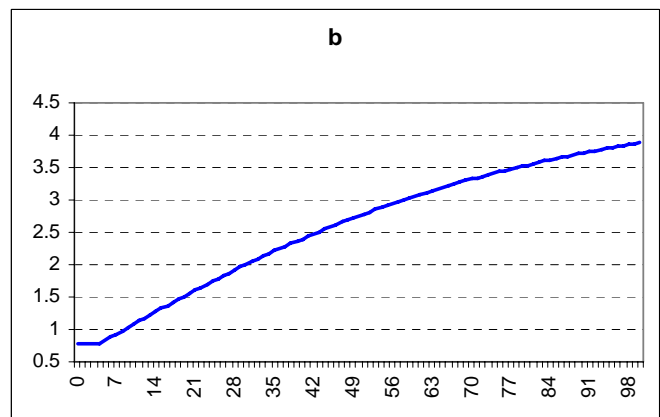
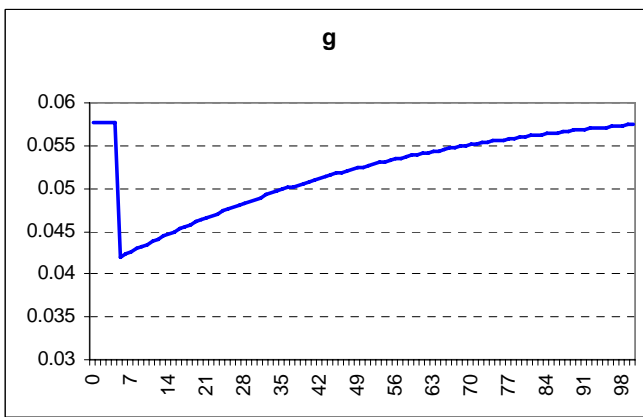
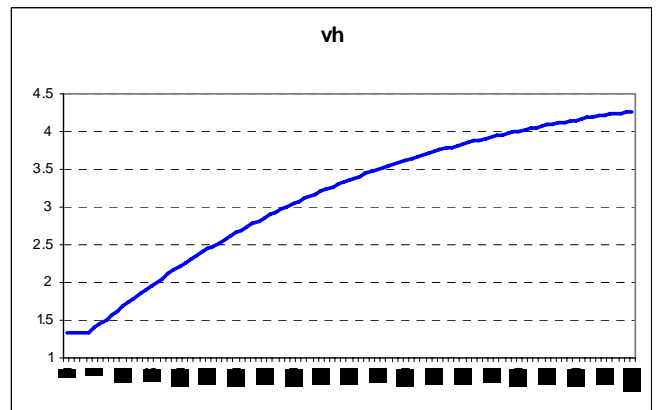
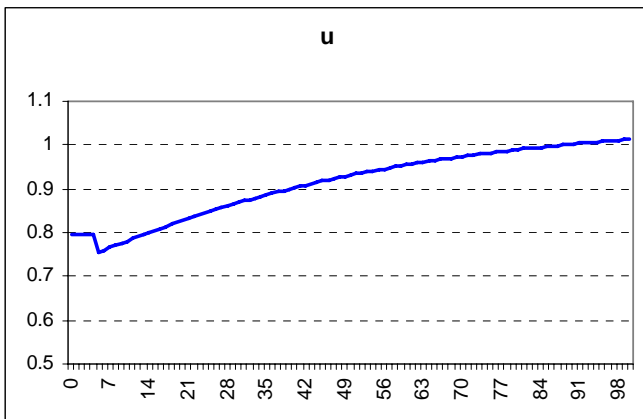


Figure 11. A shock to financial markets (Regime 1b)

