

Response (dollars per initial dollar of government purchases)

1.0  
0.9  
0.8  
0.7  
0.6  
0.5  
0.4  
0.3  
0.2  
0.1  
0.0

1 3 5 7 9 11 13 15 17 19 21 23 25 27 29 31 33 35 37 39 41 43 45 47 49 51 53 55 57 59 61 63 65 67 69 71 73 75 77 79

Response of output to government purchases shock

Response of consumption

Quarter

