

**GRAND STRATEGY FOR INCREASING INCOME IN THE FACE OF UNEMPLOYMENT**

**Suppose that the IS curve intersects the LM curve in the**

extreme Keynesian region      intermediate region      classical region

**Suppose the IS curve is**

perfectly inelastic	Fiscal policy is ___ ineffective. ___ somewhat effective. ___ fully effective.	Fiscal policy is ___ ineffective. ___ somewhat effective. ___ fully effective.	Fiscal policy is ___ ineffective. ___ somewhat effective. ___ fully effective.
	Monetary policy is ___ ineffective. ___ somewhat effective.	Monetary policy is ___ ineffective. ___ somewhat effective.	Monetary policy is ___ ineffective. ___ somewhat effective.
not perfectly inelastic	Fiscal policy is ___ ineffective. ___ somewhat effective. ___ fully effective.	Fiscal policy is ___ ineffective. ___ somewhat effective. ___ fully effective.	Fiscal policy is ___ ineffective. ___ somewhat effective. ___ fully effective.
	Monetary policy is ___ ineffective. ___ somewhat effective.	Monetary policy is ___ ineffective. ___ somewhat effective.	Monetary policy is ___ ineffective. ___ somewhat effective.