Name of Experiment:	Deficit Financing Experiment

ENDOGENOUS VARIABLES		History	****	Short Run		****	****	Long Run		****
ACCOUNTING IDENTITIES		2008	2009	2010	2011	2012	2019	2024	2029	2034
Gross Domestic Product **(GDP)**	New Sim	$7,000.0	$7,064.8	$7,067.9	$7,034.1	$6,995.3	$7,014.1	$6,998.7	$6,999.8	$7,000.1
	Base Case	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0
	Diff	$0.0	$64.8	$67.9	$34.1	-$4.7	$14.1	-$1.3	-$0.2	$0.1
Taxes **(T)**	New Sim	$1,050.0	$1,059.7	$1,060.2	$1,055.1	$1,049.3	$1,052.1	$1,049.8	$1,050.0	$1,050.0
	Base Case	$1,050.0	$1,050.0	$1,050.0	$1,050.0	$1,050.0	$1,050.0	$1,050.0	$1,050.0	$1,050.0
	Diff	$0.0	$9.7	$10.2	$5.1	-$0.7	$2.1	-$0.2	$0.0	$0.0
Disposable Income **(YDP)**	New Sim	$5,950.0	$6,005.1	$6,007.7	$5,979.0	$5,946.0	$5,962.0	$5,948.9	$5,949.9	$5,950.1
	Base Case	$5,950.0	$5,950.0	$5,950.0	$5,950.0	$5,950.0	$5,950.0	$5,950.0	$5,950.0	$5,950.0
	Diff	$0.0	$55.1	$57.7	$29.0	-$4.0	$12.0	-$1.1	-$0.1	$0.1
Net Exports **(NETEX)**	New Sim	($248.2)	($320.5)	($392.6)	($466.8)	($544.2)	($544.2)	($544.2)	($544.2)	($544.2)
	Base Case	($248.2)	($248.2)	($248.2)	($248.2)	($248.2)	($248.2)	($248.2)	($248.2)	($248.2)
	Diff	$0.0	-$72.3	-$144.3	-$218.6	-$295.9	-$296.0	-$295.9	-$295.9	-$295.9
Price Level **(P)**	New Sim	1.00	1.01	1.04	1.08	1.12	1.11	1.12	1.12	1.12
	Base Case	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Diff	0.00	0.01	0.04	0.08	0.12	0.11	0.12	0.12	0.12
BEHAVIORAL EQUATIONS										
Consumption Expenditure **(C)**	New Sim	$5,483.3	$5,534.1	$5,536.5	$5,510.1	$5,479.6	$5,494.4	$5,482.3	$5,483.2	$5,483.4
	Base Case	$5,483.3	$5,483.3	$5,483.3	$5,483.3	$5,483.3	$5,483.3	$5,483.3	$5,483.3	$5,483.3
	Diff	$0.0	$50.7	$53.1	$26.7	-$3.7	$11.0	-$1.0	-$0.1	$0.1
Real Interest Rate **(R)**	New Sim	4.0	4.5	5.2	6.0	6.9	6.9	6.9	6.9	6.9
	Base Case	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
	Diff	0.0	0.5	1.2	2.0	2.9	2.9	2.9	2.9	2.9
Investment **(I)**	New Sim	$1,000.0	$986.3	$959.0	$926.0	$894.9	$896.6	$895.6	$895.9	$896.0
	Base Case	$1,000.0	$1,000.0	$1,000.0	$1,000.0	$1,000.0	$1,000.0	$1,000.0	$1,000.0	$1,000.0
	Diff	$0.0	-$13.7	-$40.9	-$74.0	-$105.1	-$103.4	-$104.4	-$104.1	-$104.0
Real Exchange Rate **(EXCH)**	New Sim	1.00	1.00	1.00	0.99	0.99	0.99	0.99	0.99	0.99
	Base Case	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Diff	0.00	0.00	0.00	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01
Exports **(EX)**	New Sim	$1,764.3	$1,670.4	$1,631.1	$1,620.2	$1,619.8	$1,633.9	$1,631.6	$1,631.8	$1,631.8
	Base Case	$1,764.3	$1,764.3	$1,764.3	$1,764.3	$1,764.3	$1,764.3	$1,764.3	$1,764.3	$1,764.3
	Diff	$0.0	-$93.9	-$133.2	-$144.1	-$144.5	-$130.4	-$132.7	-$132.5	-$132.5
Imports **(IM)**	New Sim	$2,012.5	$2,061.1	$2,101.0	$2,137.2	$2,175.2	$2,178.1	$2,175.8	$2,175.9	$2,176.0
	Base Case	$2,012.5	$2,012.5	$2,012.5	$2,012.5	$2,012.5	$2,012.5	$2,012.5	$2,012.5	$2,012.5
	Diff	$0.0	$48.6	$88.4	$124.7	$162.7	$165.6	$163.2	$163.4	$163.4
Inflation **(P%)**	New Sim	0.0	1.4	2.8	3.6	3.5	0.2	-0.1	0.0	0.0
	Base Case	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	Diff	0.0	1.4	2.8	3.6	3.5	0.2	-0.1	0.0	0.0
EXOGENOUS VARIABLES										
POLICY VARIABLES										
Money Supply **(M)**	New Sim	$3,500.0	$3,500.0	$3,500.0	$3,500.0	$3,500.0	$3,500.0	$3,500.0	$3,500.0	$3,500.0
	Base Case	$3,500.0	$3,500.0	$3,500.0	$3,500.0	$3,500.0	$3,500.0	$3,500.0	$3,500.0	$3,500.0
	Diff	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Government Purchases **(G)**	New Sim	$764.9	$864.9	$964.9	$1,064.9	$1,164.9	$1,164.9	$1,164.9	$1,164.9	$1,164.9
	Base Case	$764.9	$764.9	$764.9	$764.9	$764.9	$764.9	$764.9	$764.9	$764.9
	Diff	$0.0	$100.0	$200.0	$300.0	$400.0	$400.0	$400.0	$400.0	$400.0
Tax Rate **(TAX%)**	New Sim	15%	15%	15%	15%	15%	15%	15%	15%	15%
	Base Case	15%	15%	15%	15%	15%	15%	15%	15%	15%
	Diff	0%	0%	0%	0%	0%	0%	0%	0%	0%
REST-OF-WORLD VARIABLES										
Price Level, ROW	New Sim	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
	Base Case	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
	Diff	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Real Interest Rate, ROW	New Sim	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
	Base Case	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
	Diff	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
GDP @ Rest of World	New Sim	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0
	Base Case	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0
	Diff	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
OTHERS										
Potential GDP **(GDP@FULL)**	New Sim	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0
	Base Case	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0	$7,000.0
	Diff	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0