

must increase lower

Response to demand \downarrow $-$ $-$ $-$ $+$ direct response only!

matrix of feed back

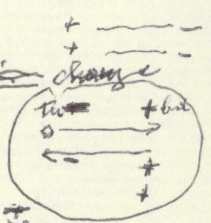
Program feedback of to an increase in	Invest (net borrow)	Budget deficit	Foreign Balance	Household net loans
to increase in	0	+	+	+
Budget deficit	+	0	+	+
foreign balance	+	+	0	+
household net loans	+	+	+	0

- here
 1. Demand Response
 2. Policy Response

including policy rules
 w.r.t. of foreign balance

Practically policy reacts by
 the CB will intervene if it's allowed

+ positive feedback (cumulative change in one direction)



- negative feedback (converging)



Response of demand:	Business	Government	Foreign	Household
$w + \pi$	+	+	-	-
$w + BD$	-	0	+	+
$w + FB$	-	-	+	+
$w + nHL$	+	+	+	0

only direct response

direct
 budget deficit
 output
 self-response of the sector is in demand in net balance conditions to my knowledge!