

Δa







SR





U



6

















2





h

2



Q







S















6







u





U



6









6









U





S











m

U





















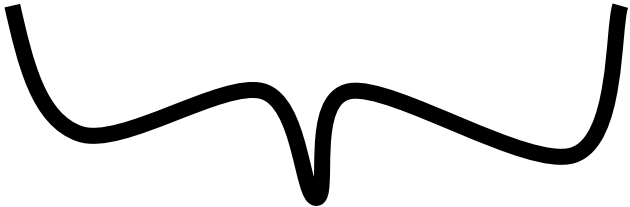


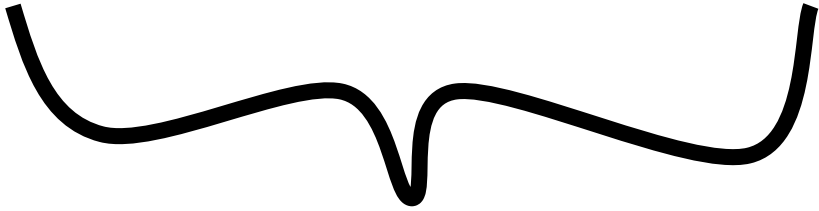


S









ΔC



-

100

-

1000

-1000 * 0.9



1000*009

ΔC

-1000 * 0.9 * 0.9

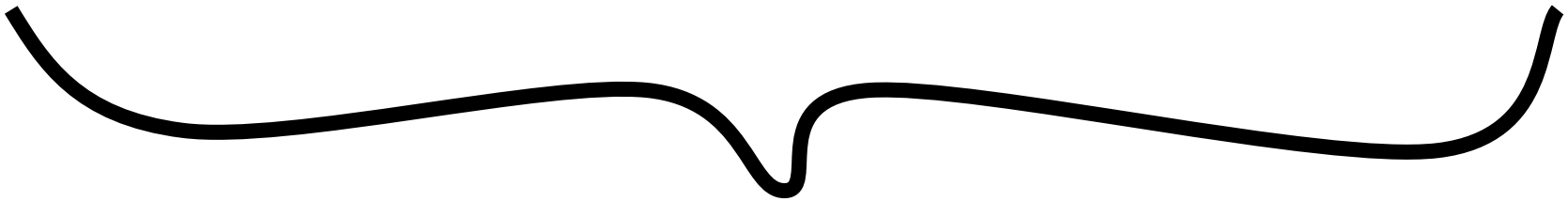
-1000 * 0.9 * 0.9 * 0.9

ΔC

-1000 * 0.9 * 0.9 * 0.9

-1000 * 0.9 * 0.9

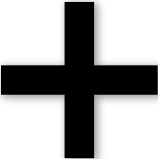
-1000 * 0.9 * 0.9 * 0.9 * 0.9



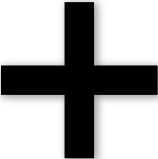
ΔC

and soon.



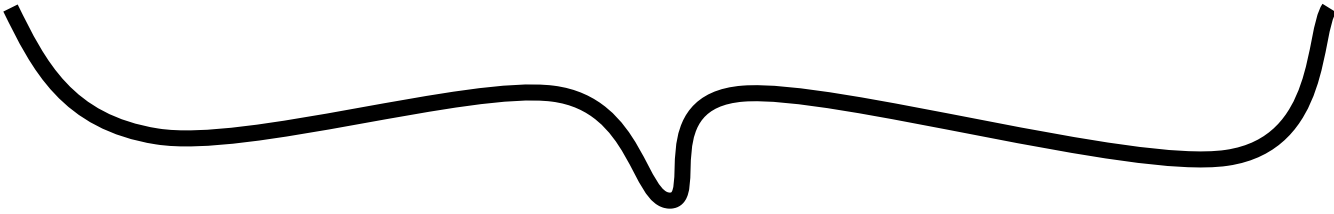


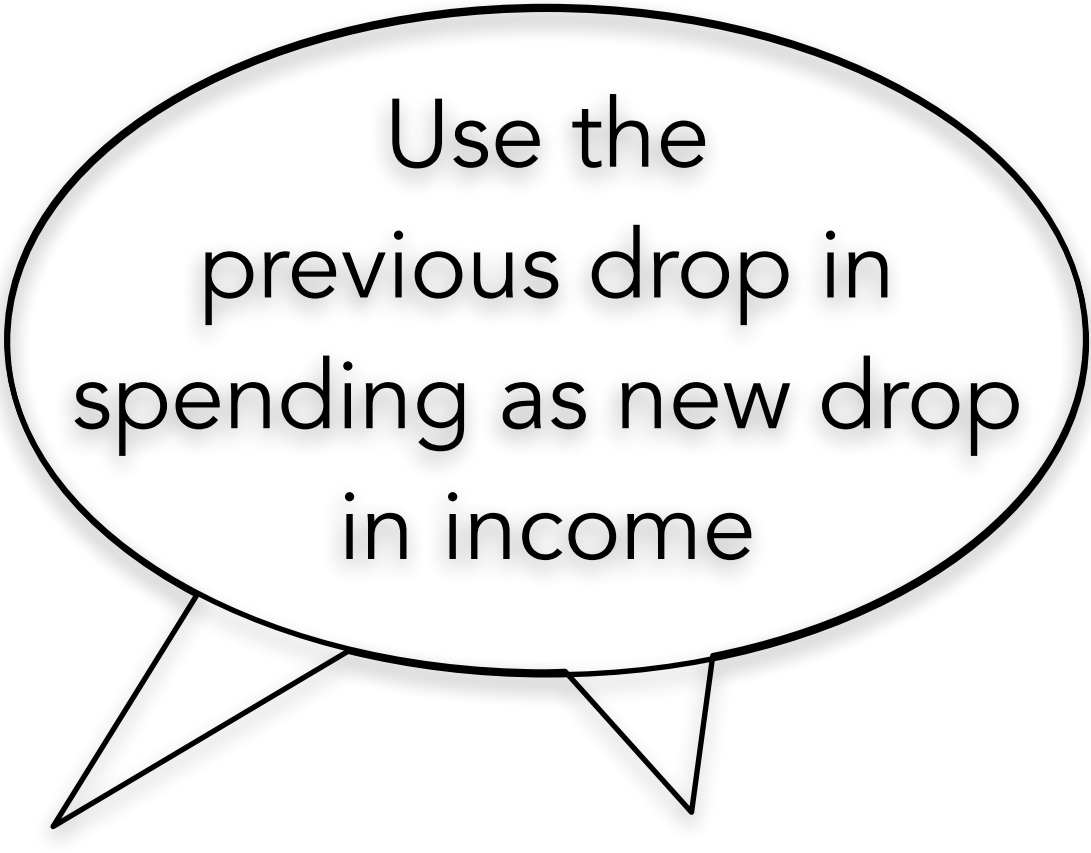




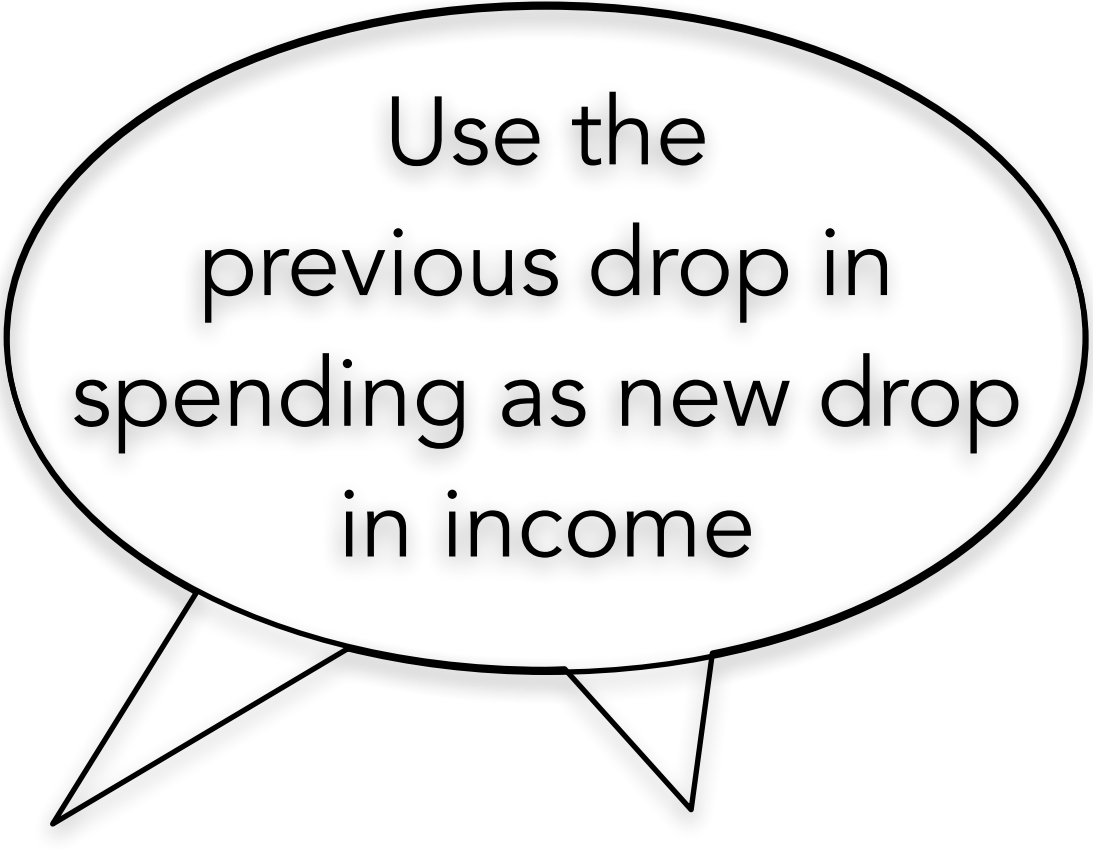




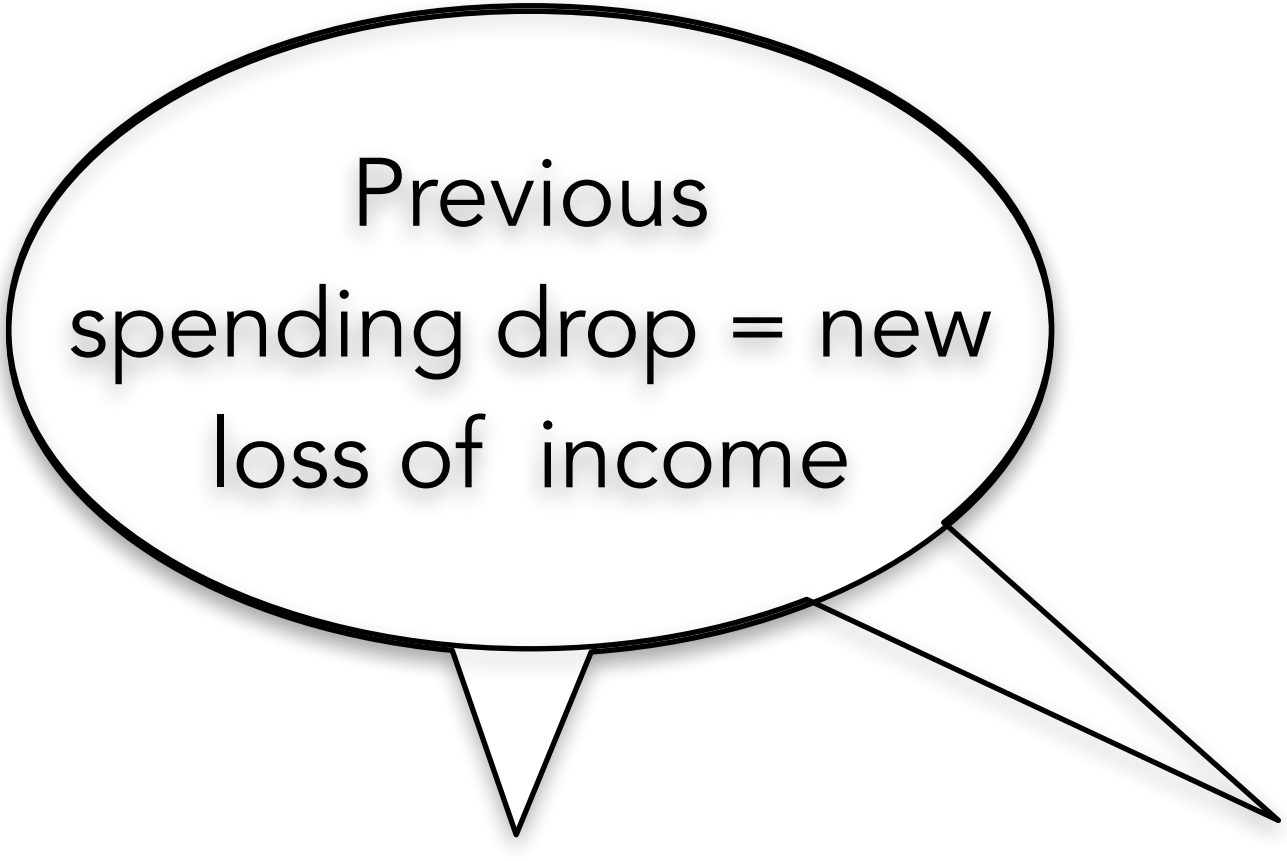


A large, black-outlined speech bubble with a soft drop shadow. It has two triangular tails pointing downwards and outwards from the bottom edge. Inside the bubble, the text "Use the previous drop in spending as new drop in income" is written in a black, sans-serif font, centered and arranged in four lines.

Use the
previous drop in
spending as new drop
in income

A large, black-outlined speech bubble with a soft drop shadow. It has two triangular tails pointing downwards and outwards from the bottom edge. Inside the bubble, the text "Use the previous drop in spending as new drop in income" is written in a black, sans-serif font, centered and arranged in four lines.

Use the
previous drop in
spending as new drop
in income

A large, black-outlined speech bubble with a drop shadow. It has a long tail pointing towards the bottom right and a smaller tail pointing towards the bottom center.

Previous
spending drop = new
loss of income

To calculate the **total change** in spending and output after all rounds of the multiplier process:

$$\underbrace{-100}_{\Delta a} + \underbrace{-100 * 0.9}_{\Delta C} + \underbrace{-100 * 0.9 * 0.9}_{\Delta C}$$

$$+ \underbrace{-100 * 0.9 * 0.9 * 0.9}_{\Delta C} + \underbrace{-100 * 0.9 * 0.9 * 0.9 * 0.9}_{\Delta C}$$

and so on... + ...


$$-100 + -100 * 0.9 + -100 * 0.9 * 0.9$$

$$-100 * 0.9 * 0.9 * 0.9 + -100 * 0.9 * 0.9 * 0.9 * 0.9$$

+ ...