

Δa



































2







2























































































































ΔC



-

100

-

100

-1000 * 0.9



100

*

0.9

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...





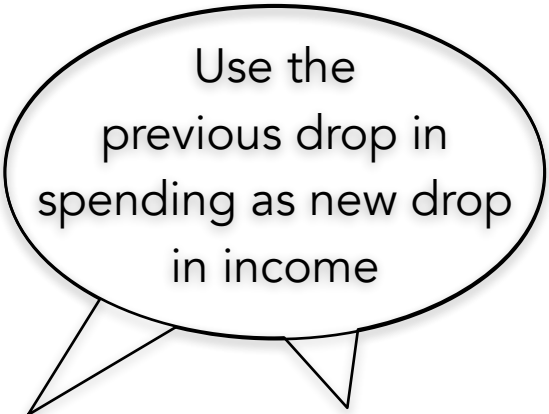




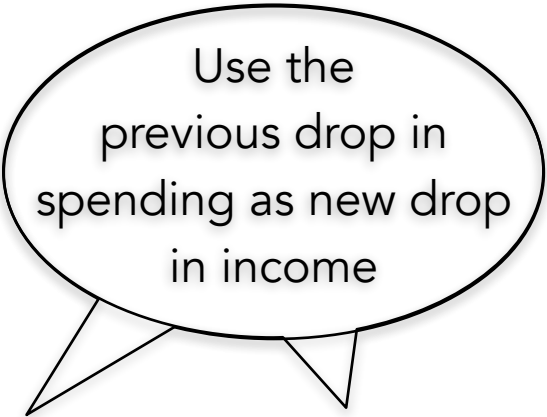




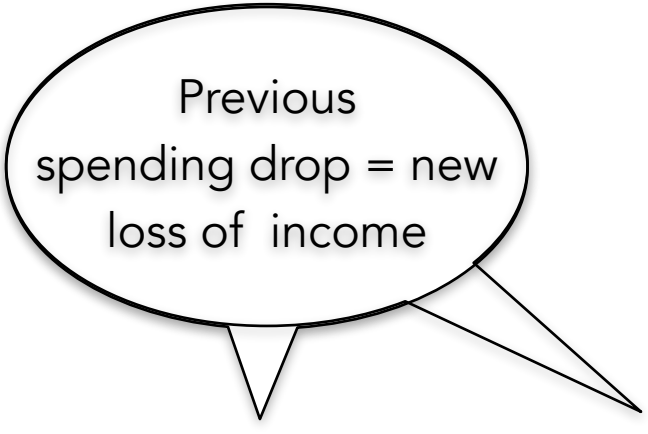




Use the
previous drop in
spending as new drop
in income

A large, black-outlined speech bubble with a drop shadow. It has two small 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 black and white line drawing of a speech bubble. The bubble is an oval shape with a tail pointing downwards and to the right. Inside the bubble, the text "Previous spending drop = new loss of income" is written in a simple, sans-serif font.

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... + ...



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

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

+ ...

