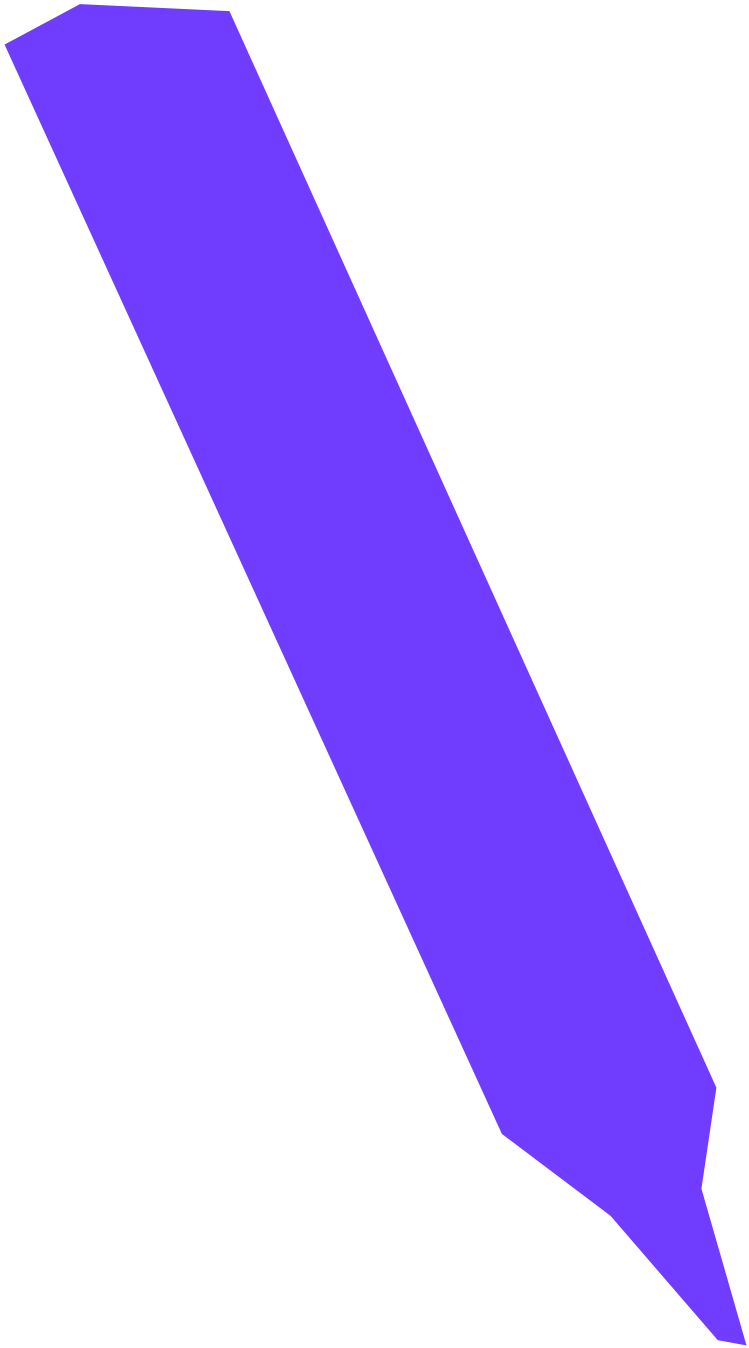
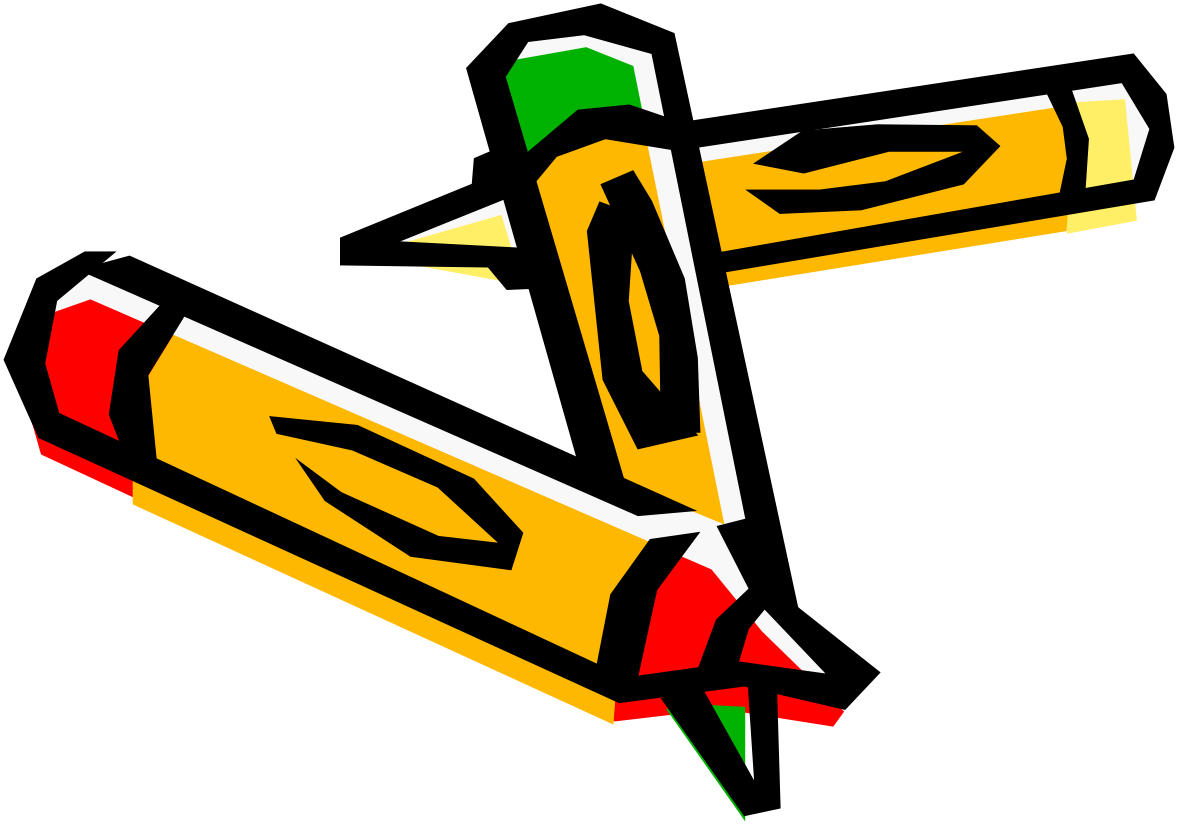
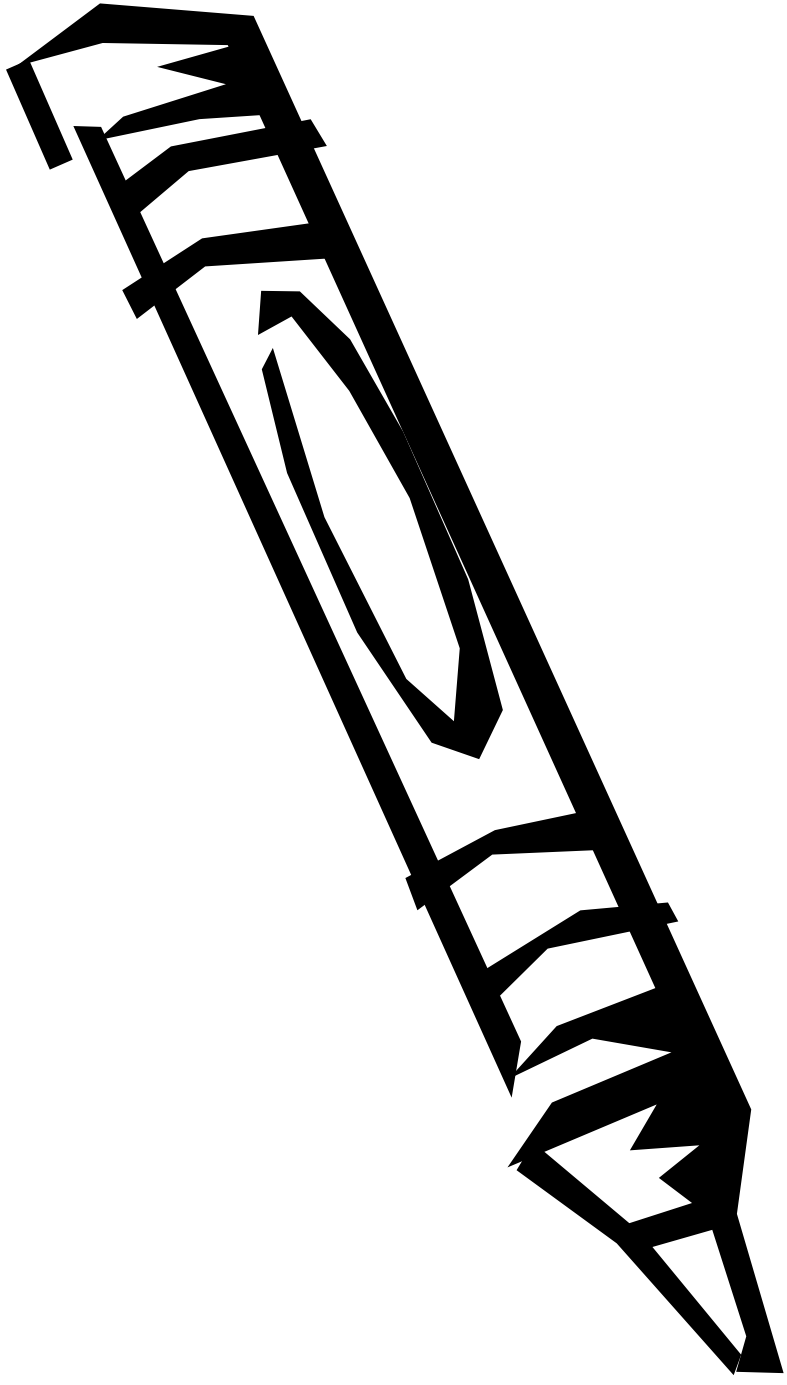


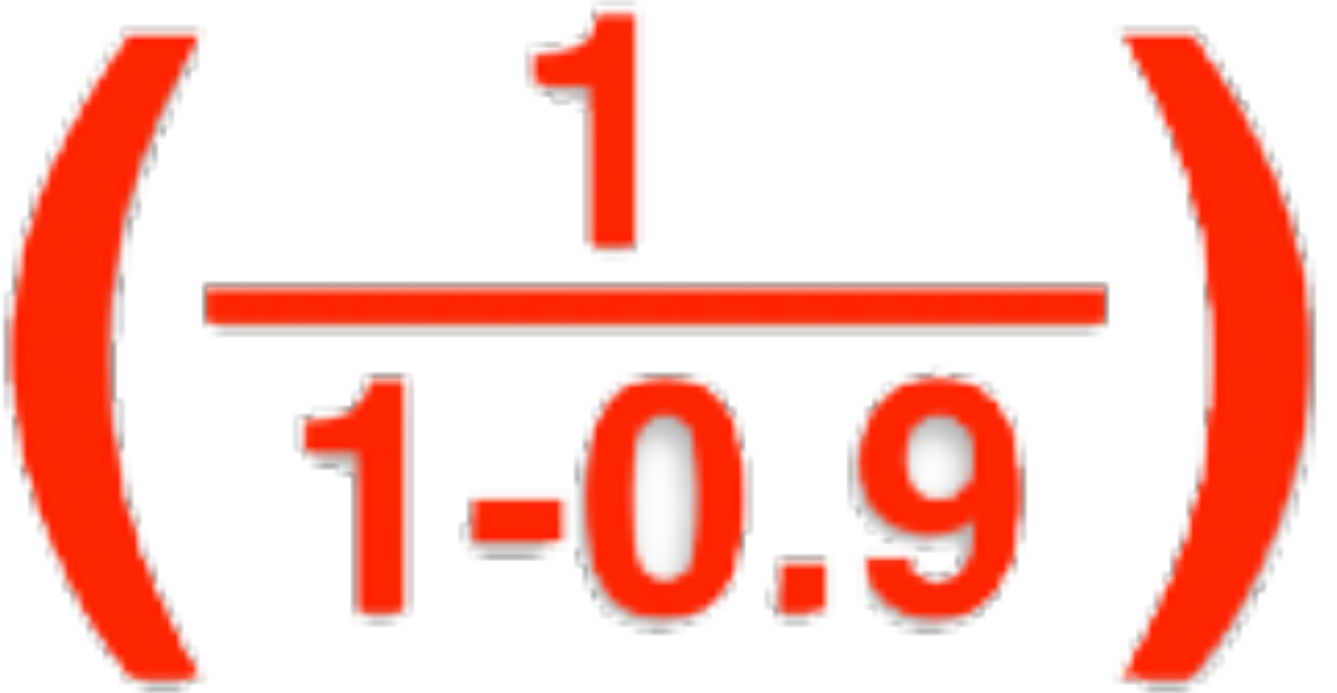




15

-100

This infinite sum of terms equals:


1
1-0.9


1
0.1


= -100

$$= -100_{(10)}$$


-1,000

ΔSpending=


Original
drop in consumption
due to fear


Total drop in
consumption after many
lose their livelihood

This infinite sum of terms equals:

$$-100\left(\frac{1}{1-0.9}\right) = -100\left(\frac{1}{0.1}\right)$$

Original drop in consumption due to fear

Total drop in consumption after many lose their livelihood

$$= -100\ (10)$$

$$\Delta \text{Spending} = -1{,}000$$