Inrease in	round 1	round 2	round3	round4		total
Local Income	$100,000	$60,000	$36,000	$21,600	....	$250,000
Lccal Consumption	60,000	36,000	21,600	12,960	....	150,000
Imports	40,000	24,000	14,400	8,640	....	100,000

Define

ΔX – size of income injection

M – marginal propensity to consume local goods/services

Δ total income = $\Delta X \cdot \dfrac{1}{1-m}$

$\dfrac{1}{1-m}$ - multiplier

If m=.60 multiplier is 2.5

Every dollar increase in income from exports causes a $2.50 total income increase