

The Local Multiplier Effect

HERE'S THE IDEA

Buying local products at locally owned businesses keeps money circulating closer to where you spend it. This creates a ripple effect as those businesses and their employees in turn spend your money locally. Corporate chains send most of your money out of town.



For every \$1 spent at a local business ...



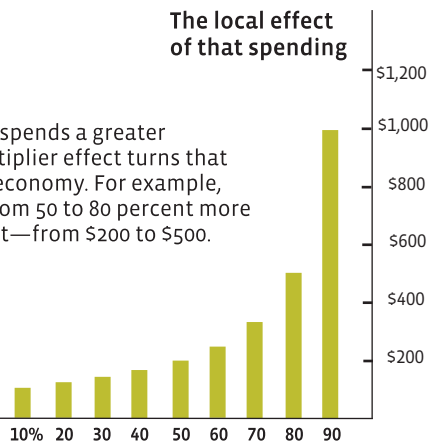
For every \$1 spent at a corporate chain ...



A LITTLE GOES A LONG WAY

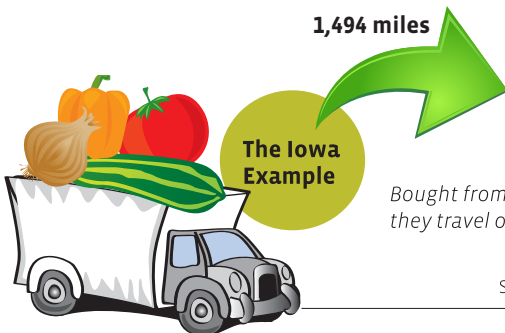
If everyone in a community spends a greater percentage locally, the multiplier effect turns that into big bucks for the local economy. For example, increasing local spending from 50 to 80 percent more than doubles the local effect—from \$200 to \$500.

Increasing percentages of \$100 spent locally



AND A BONUS!

By buying local goods, you maximize your money's impact and minimize fuel use and CO₂ production. Produce from the supermarket travels up to 92 times farther than produce grown locally.



1,494 miles

The Iowa Example

A study by the Leopold Center found that 16 common crops that grow in Iowa travel an average of 1,494 miles to reach chain groceries there.

Bought from local growers, they travel only 56 miles.

Sources: Sustainable Seattle; Civic Economics.

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Find out more about local living economies in the Winter 2007 issue of YES! Magazine, **Go Local**. Back copies at YesMagazine.org/store.

Online version and printable PDF of **The Local Multiplier Effect** at YesMagazine.org/multiplier.

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