

Figure 3-44 Run 3-7: behavior of the capital sector when the fraction of capital allocated to obtaining resources increases after 1970

and the industrial output per capita IOPC begin to fall. This is the effect of a food crisis on the industrial sector. Investing a large fraction of output in agriculture causes industrial investment to drop below depreciation, and output per capita declines.

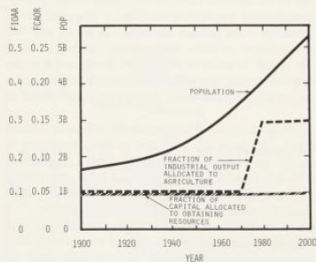


Figure 3-45 Driving functions for capital sector undergoing increasing food costs

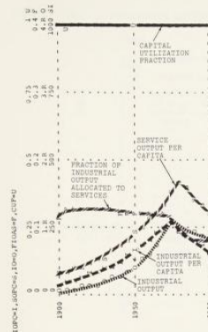


Figure 3-46 Run 3-8: behavior of the capital sector when the fraction of industrial output allocated to agriculture increases after 1970.

Finally, we can simulate a hypothetical reduction in population POP, and thus a shortage of labor. A decline in the population would lead to a higher labor utilization fraction LUF and thus a lower capital utilization factor CUF. The external parameters for this simulation are given in Figure 3-47. The effects of this change are

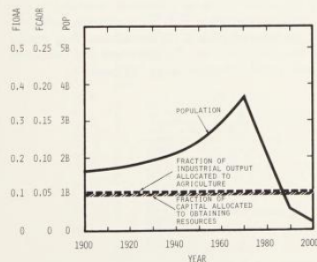


Figure 3-47 Driving functions for a population decline in the capital sector