

# ABOUT QUANTITIES AND VALUES OF FIRM CAPITAL GOODS

ANONYMOUS

## 1. MODEL'S INPUTS

We have the value  $K_f$  of the productive capital of the firm  $f$ . We subdivide it in  $n$  constituent parts expressed as quotas  $q_i$  with  $\sum_{i=1}^n q_i = 1$ .

We calculate—as sum of production costs—the prices of the  $n$  types of capital productive goods, as  $p_i$ .

With  $k_{f,i} = q_i K_f$  as investment components in value, we obtain  $\bar{k}_{f,i} = p_i k_{f,i}$ .

Into the code we have to pay attention where to use  $k_{f,i}$  of  $\bar{k}_{f,i}$ .