10.4 Crime and Punishment 2

Monday, October 12, 2020 1

Model of law enforcement

Cost = $\frac{1}{2}P^2$ If mitigation of cost of cheme when captured

Cost of Annishment/unit = β X = amount of chime $U = 1 - (1 - \text{NP})X - \frac{1}{2}P^2 - PXP\beta$ $\frac{d^2p}{d^2p} = QX - P - X\betaP = Q$ $P = X(R - \betaP) = Q - RP = Q$

