Effective Programming Practices for Economists

Basic Python

Defining Functions

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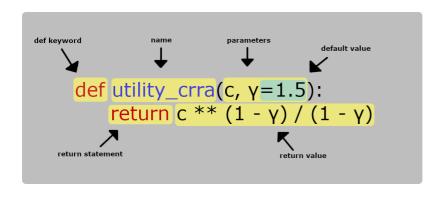
Contents

- Anatomy of functions
- Examples of functions
- Why functions are important!

Example: CRRA Utility function

$$u(c,\gamma) = rac{c^{(1-\gamma)}}{1-\gamma}$$

Anatomy of Python functions



- Start with the def keyword
- Name is lowercase_with_underscores
- There can be one or several parameters (a.k.a. arguments)
- You can assign default values for arguments
- Function body is indented by 4 spaces and can have one or several lines
- Inside the body you can do everything you have seen so far!

Example: CRRA Utility function

```
>>> def utility_crra(c, γ=1.5):
... return c ** (1 - γ) / (1 - γ)
>>> utility_crra(1.0)
-2.0
>>> utility_crra(c=1.0, γ=1.5)
-2.0
>>> utility_crra(c=1.0, γ=0.0)
1.0
```

- Function calls work with positional and keyword arguments
- Pass keyword arguments for any function with more than one argument!

Defining functions like a pro is the most important skill to become a good Python programmer!