

ECON 1078-002

Problem set # 1

January 22, 2018

Due Monday 1/29 at the start of class. Numbered questions are from the textbook. Please write clearly, draw a box around your final answer, and submit your answers in the order listed below. (The blue box is a clickable link.)

Section 1.1: Numbers 1, 2

Section 1.2: Numbers 1, 2, 6, 8, 9

Section 1.3: Numbers 1, 4, 5, 8, 9, 11, 15

Word problem: Read this comic (url: <http://www.smbc-comics.com/index.php?id=3154>).

1. Using what we've learned about growth factors, write a formula for the strength of punch number t , assuming the strength of the first punch is P .
2. Using your formula, calculate the strength of the 200,000th punch, assuming the strength of the first punch is 3. (You will probably need a calculator for this)
3. Will the punch strength ever reach 0? If yes, when will it reach? If no, why not? (Assume a finite number of punches are delivered.)