The Solow-Swan Model

Key Equation

$$\partial k/k = A \cdot s \cdot y/k - (s \cdot \delta + n)$$

```
In [3]: k_{domain} = linspace(0, 10, 100)
             @manipulate for A in 1:5, s in 0:0.05:1, \delta in 0:0.05:1, n in 0:0.01:0.1, \DeltaL in -.5:.1:.5, t in 0:2:25
                        plot(
                                     # Initial State
                                    layer(x=[5], y=[.5*.5+.05], Geom.point, Theme(default color=colorant"black", line width=1pt)),
                                     layer(xintercept=[5.0], Geom.vline(color=["black"], style=[[1mm]], size=[.5mm])),
                                     layer(yintercept=[.5*.5+.05], Geom.hline(color=["black"], size=[.5mm])),
                                    layer(x=k_domain, y=3*.5*(1/k_domain), Geom.line, Theme(default_color=colorant"black", line_width=
                                     # Changing
                                    layer(x=[(A*s)/(s*\delta+n)*(1+\Delta L/(t+1))], \ y=[s*\delta+n], \ Geom.point, \ Theme(default\_color=color=ant"red")),
                                     layer(xintercept=[(A*s)/(s*\delta+n)*(1+\Delta L/(t+1))], \ Geom.vline(color=["red"], \ style=[[1mm]], \ size=[.5mm])
                                     layer(yintercept=[s*6+n], Geom.hline(color=["red"], size=[.5mm])),
                                     layer(x=k\_domain, y=A*s*(1/(k\_domain/(1+\Delta L/(t+1)))), Geom.line, Theme(default\_color=colorant"red", All (t+1)))) = (1+t) + (
                                     # Configuration
                                    Coord.Cartesian(xmin=0, xmax=10, ymin=0, ymax=1),
                                    Guide.xlabel("k = K/L (capital per worker)"),
                                    Guide.ylabel("Determinants of \Delta k/k")
            end
           4
                                                                3
```

s 0.85

s — 0.85

δ 0.5

n 0.05

ΔL -0.3

t 🕽

Out[3]:

