Problem Set 5
Intertemporal Choice

This problem set asks you to work through some *q*-model experiments, using computational representations of the model and Jupyter notebooks. This will require some setup on your computer.

0.1 Install Dolo

The first step is to install Dolo.

You can install Dolo from the Anaconda prompt with the command `pip install dolo`. If this does not work, more detailed instructions are available in Dolo's docs. If this still does not work, get in touch with the TA.

0.2 Download the q-model computational tools

Download the Q-Investment repo. This repo, which was created by Mateo V-G, contains the tools that you will use to solve the problem set.

0.3 Find the template file and make sure it works

We have created a template file that loads all the required tools, provides examples of how to use them, and defines functions you might find useful. It is located in `Examples/Problem_set_template.ipynb` of the 'Q_Investment' repo you just downloaded.

Locate the file and run it. It is important that you run this file from its exact location, so that it can "find" the external files that define the tools that it uses. Verify that the whole file runs without errors.

0.4 Modify the template to add your answers

Modify the template adding your answers. You can answer both questions in the same file. Please read the questions carefully (**intuitively explaining why the diagrams you produce look the way they do is a very important part of the questions**).

0.5 Submit your solution by email

Submit your solution by email. Your solution must be either single Jupyter notebook file, or a notebook for each question.