Solution method dynamic hat algebra:

If there is a net inflow or outflow of migration not in steady state.

Solve the steady state equilibrium and assume that in 50 years etc. will reach steady state.

Figuring out if china’s technology explodes, what the path of utility would look like.

We don’t know migration level in the future, so seems hard to solve.

Solving value function with time varying:

Suppose migration in period t-1 is from data (transition matrix).

Iterate one period forward to get another transition matrix at t. However, there is migration data that we do not have. So we substitute the expression from t-1 and make it based solely on data from period t-1. This is done by getting the time difference as fraction.

For temporarily equilibrium:

Need path of labor to solve labor market clearing condition.

For proposition,