July 5, 2020

1 Allocations in the Deterministic Case

I am to solve the system of differential equations

$$\mathcal{U}'(\theta) = \frac{k}{\theta c_0} \tag{1}$$

$$\mu'(\theta) = \frac{\lambda_1 c_1}{\beta} - \mu \frac{f'}{f} \tag{2}$$

where the allocations $c_0(\theta)$, $c_1(\theta)$, and $k(\theta)$ are solutions to the following:

2 Stochastic i.i.d. Model