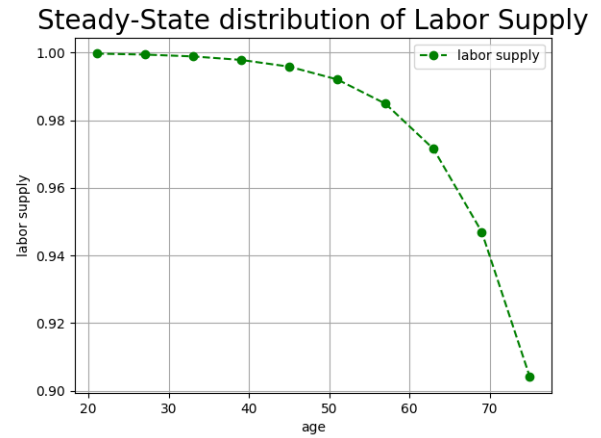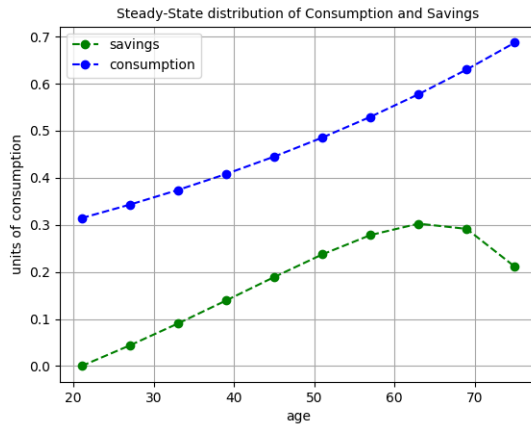# Problem Set 5

MACS 40000, Dr. Evans

Fiona Fan
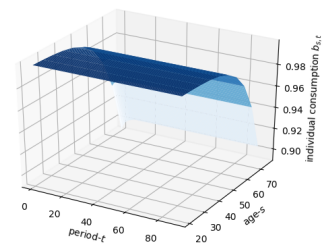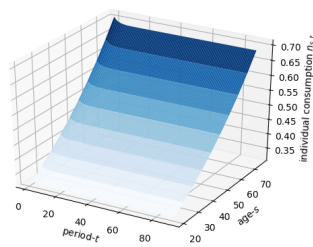
Problem 7.3 (a)

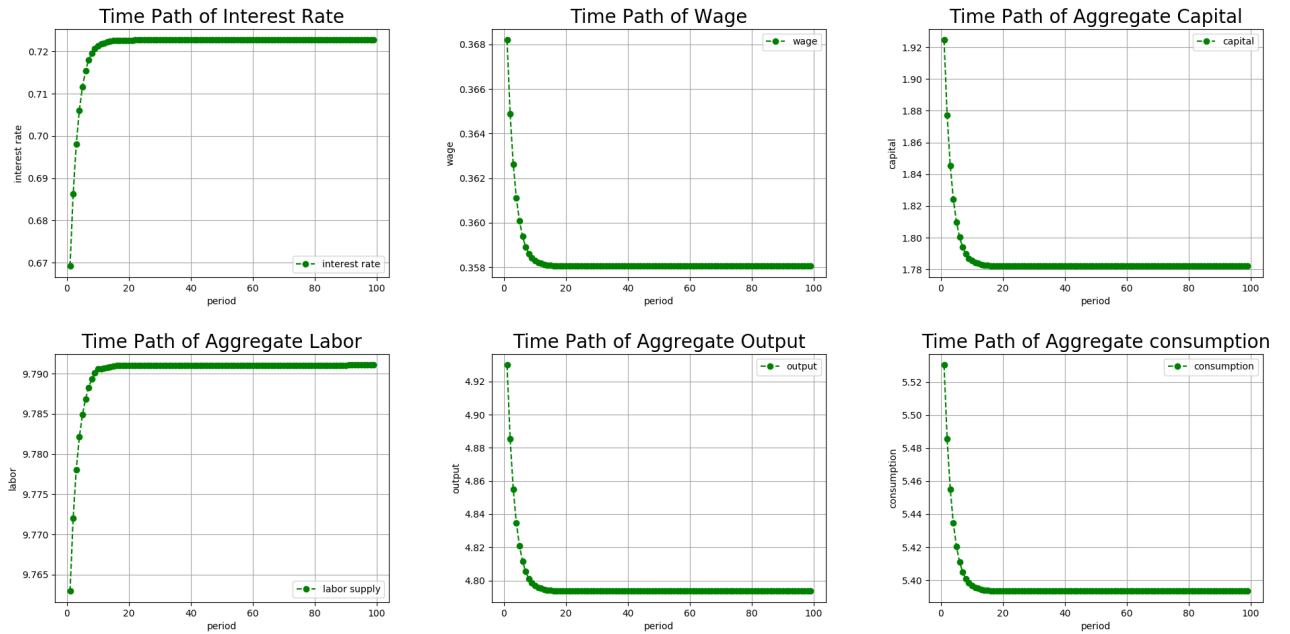## Problem 7.3 (b)

$\bar{r}$	0.72
$\bar{w}$	0.36
$\bar{K}$	1.78
$\bar{L}$	9.79
$\bar{Y}$	5.39
$\bar{C}$	4.79
Savings Euler Error	$3.1e^{-5}$
Labor Euler Error	$5.95e^{-14}$
Last period saving	$7.6e^{-5}$
Resource Constraint Error	$-1.13e^{-9}$

Problem 2(a)
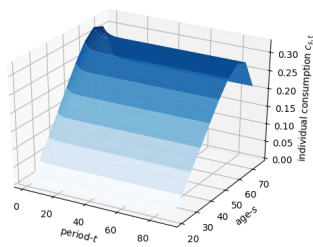
Problem 2(b)

Problem 2(c)

Savings Euler Error	0.55
Labor Euler Error	$8.43e^{-6}$
Last period saving	0.23
Resource Constraint Error	$2.67e^{-5}$

Problem 2(d)
T is 20 for the economy to get 0.0001 within $\bar{K}$.