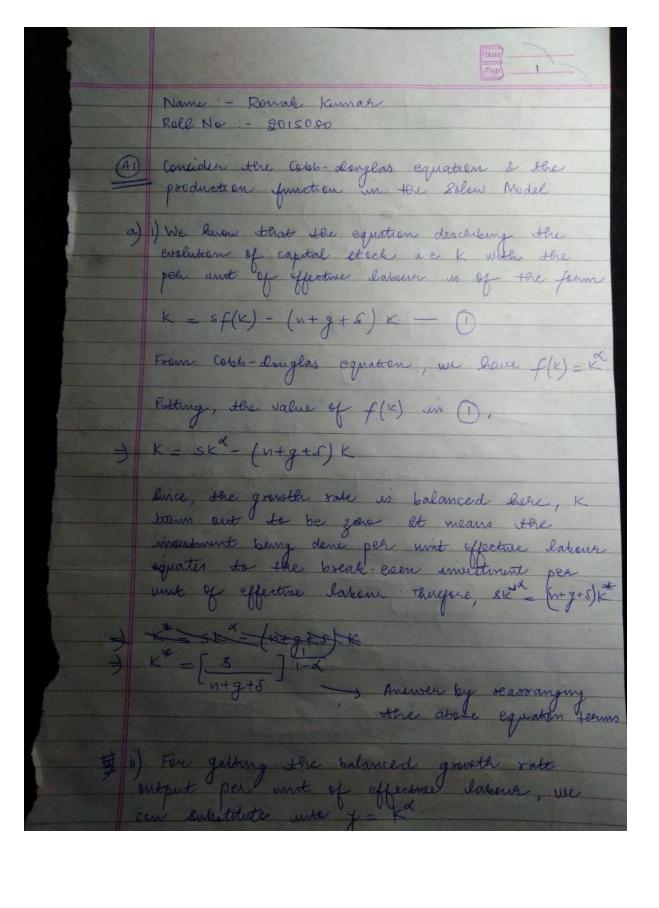
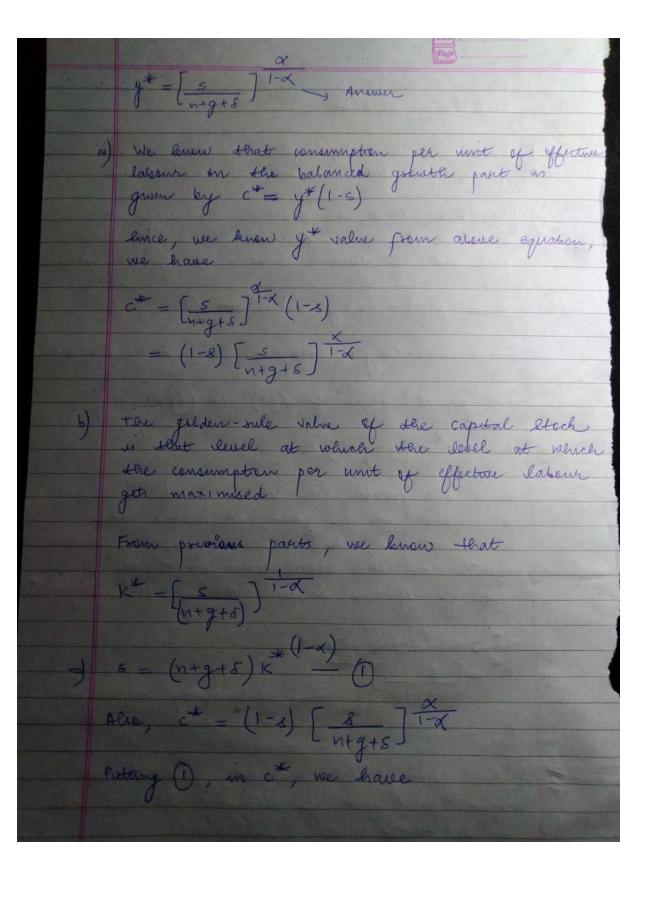
Name :- Ronak Kumar Roll No :- 2015080

MA Assignment-4

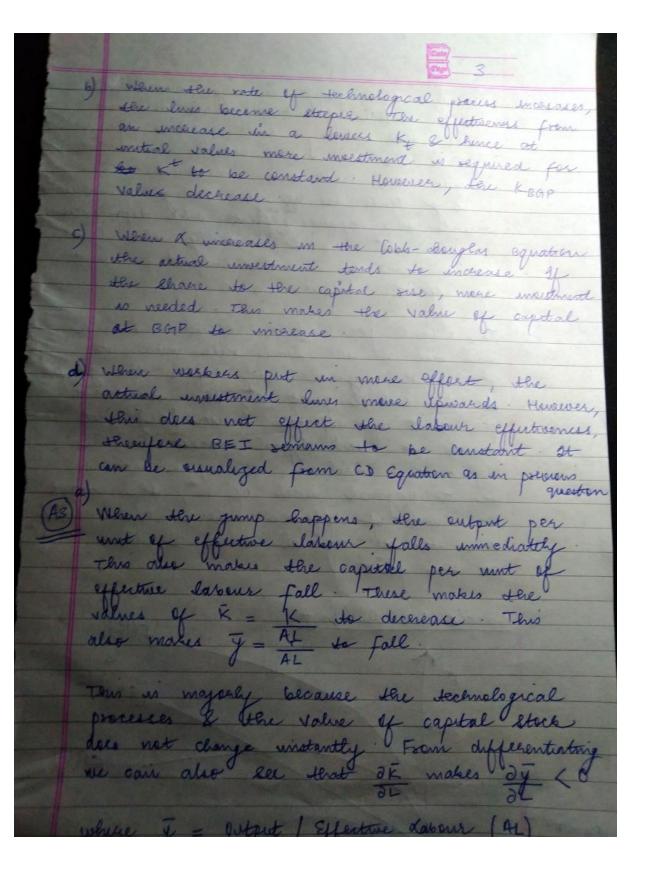
I have attached the screenshots for my written work





c* = [1-(n+g+s) x*(1-x)]. [(n+g+s) x*(1-x)] 1-x bolung this, we have c = x = (n+g+8) x - 0 Now, we would maximize the equation (3) with the K. Defferentiating with the 2c* = < K* - (n+g+s) For getting the maxima, we equate this XK* - (n+g+8) = 0 x 1x x-1 = n+g+8 - (3) this equation (3) can be thought like a function f(K), a differential function which defines here golden-sule livel of capital w.s.t effective labour. solving for K* from eg 3, K+= K Gilden Ratio = [X] y Answer

We know that previous amouser Putting K* in equation Say that with Cobb - Dranglas golden ratio is equal to cut W.r. f. capital He sate of depreciation When 8 decleases v.C. Break-Even - Investment can be understeed as for any value by , less investment is seguered uts initial value Therefore, the BGP value increased when rate of deprecention we S falls



b) The one-time jump is only enterpreted as an unital establish which does not effect the economy later. When the k decreases, the actual investment exceeds the break-even unsextment. The economy tends to be now lawing & exceeds the regative reflects like degreestrate etc. This K* sleep & eventually this leads to an inchease in the original per unot of effective labour ise T the output per unt of effective largue will see at the same rate until its reaches the original level before the zumo It the cretical point Kt the insetment per unit of effective labour (AL) just exceeds the technological process & the depocuation involved when K reacher to its original level of 15th, the cutput per unt of effective labour also would at this point . Graphs you all parts (From Book)