

Instructions for PS4

- 1) **'main.jl'** is the main file that creates
 - 1.1) a plot for linear basis functions
 - 1.2) a plot for the optimal saving policy functions with two states of labor (use `NewtonRoot_mult.jl` subroutine)
- 2) **'FEM_aiyagari.jl'** is the file that
 - 2.1) Create household instance that holds all parameters (Household instance).
 - 2.2) Construct a linear basis (ψ function).
 - 2.3) Compute numerical integral (num_quad function).
 - 2.4) Estimate saving policy function with finite element method (get_apol function).
 - 2.5) Compute expected value on the R.H.S. of the Euler equation (get_expected function).
 - 2.6) Compute residual equation (get_resid function).
 - 2.7) Compute the numerical integration of weighted residuals with Galerkin weights (weighted_resid function).
 - 2.8) Stacks up all weighted residuals into a matrix G (G function).
- 3) **'NewtonRoot_mult.jl'** is the file that
 - 3.1) Solve for multivariable roots of a function.