

Problem set.

Due by February 10th

Exercise 1

Consider a Solow-model economy at steady state. Describe what, if at all, is the impact of the following developments:

1. The rate of depreciation falls.
2. The rate of technological progress rises.
3. The rate of labor-force growth rises.
4. The savings rate falls.

Exercises from the set posted on the web-site

2.7

2.11

2.27

8.8

8.10