Homework #1 Due in Tim’s Mailbox by 5:00 PM, Monday, Sept. 24.

Please do problems 1.A.2, 2.7, 3.5, 3.8, and 3.9. Also do the following problem:

1) Country A has income per capita of $8,103, and country B has income per capita of $1,097 [Note: ln(1,097) = 7 and ln(8,103) = 9.] Population in country A is growing at a rate of 2% per year, and total income (not income per capita) is growing at a rate of 3% per year. In country B, population is not growing at all, and total income is growing at a rate of 2% per year. Assuming that these growth rates remain unchanged, how long will it be before country B overtakes country A in terms of income per capita? Show how you got your answer. YOU MAY NOT USE A CALCULATOR.