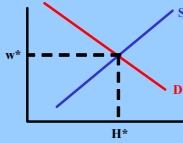
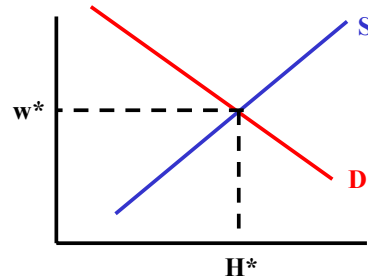


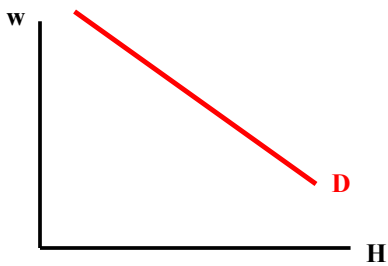
Determining Wage Rates



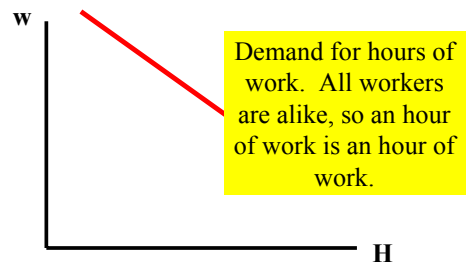
Labor Supply and Demand



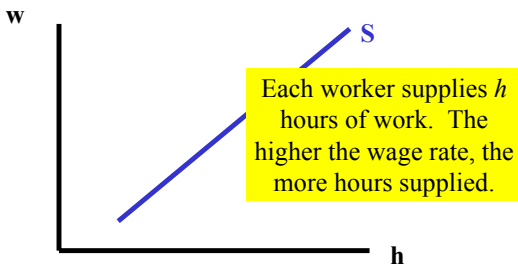
Labor Supply and Demand



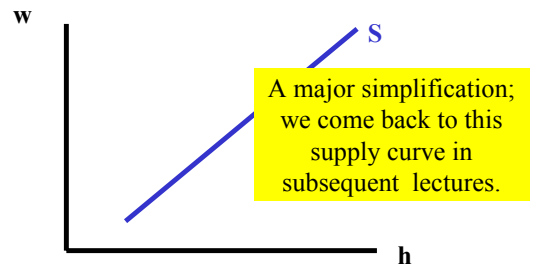
Labor Supply and Demand



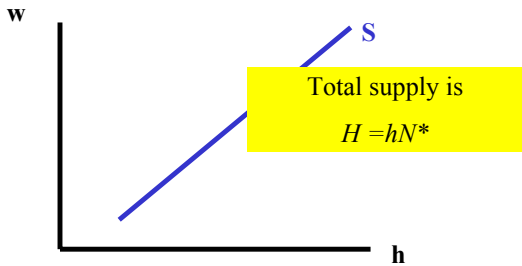
Labor Supply and Demand



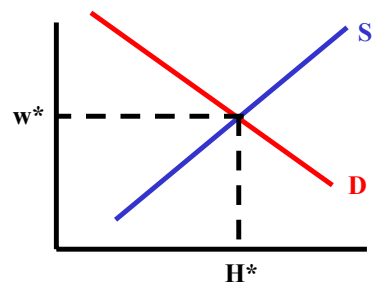
Labor Supply and Demand



Labor Supply and Demand



Labor Supply and Demand



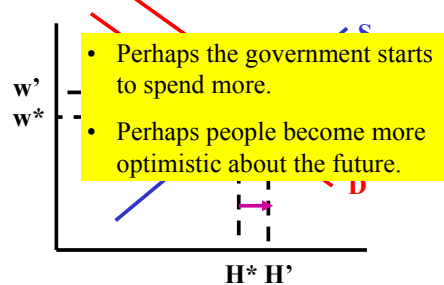
Assumptions

- All N^* workers are alike
- w^* is the hourly wage rate
- Each worker spends

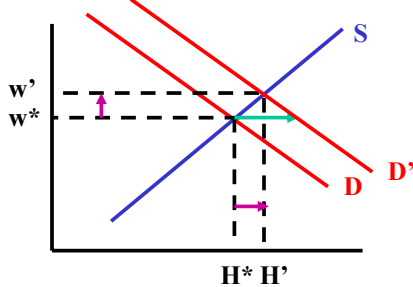
$$h^* = H^*/N^*$$

hours in work

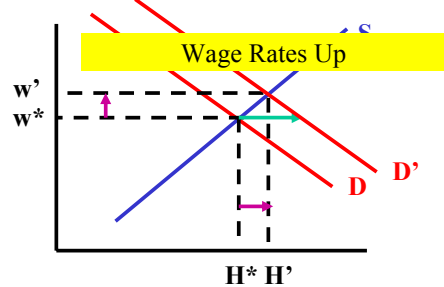
A Spending Spree

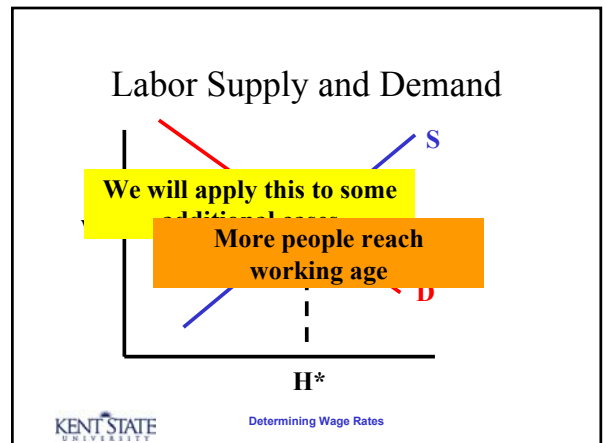
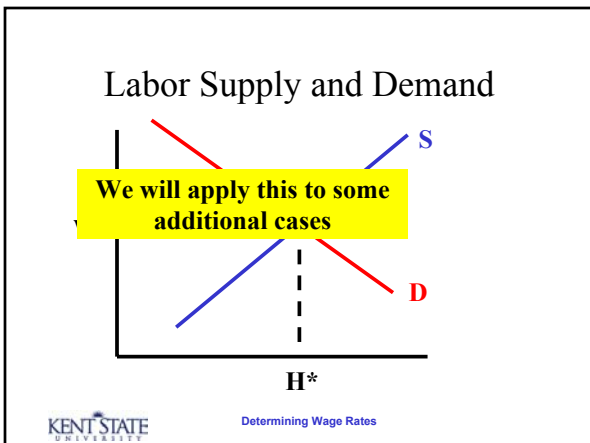
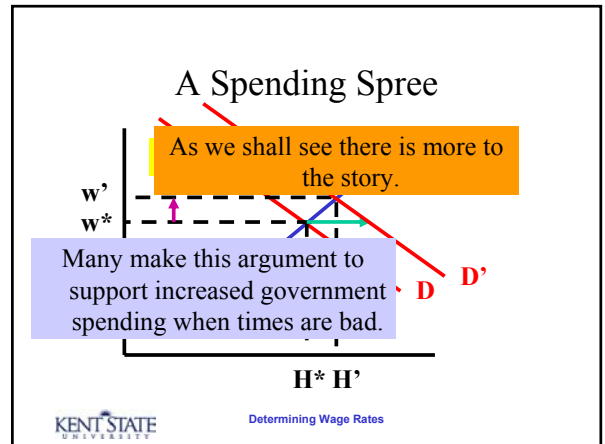
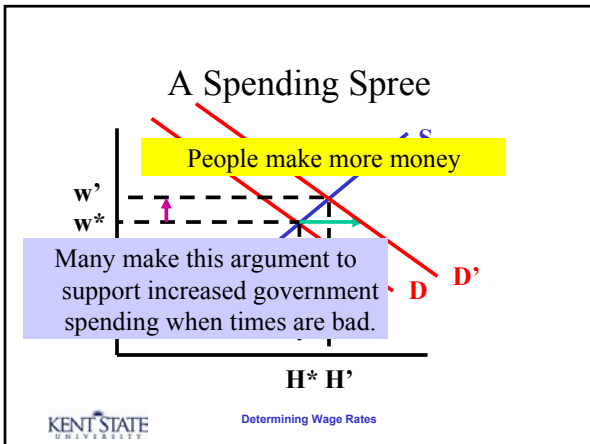
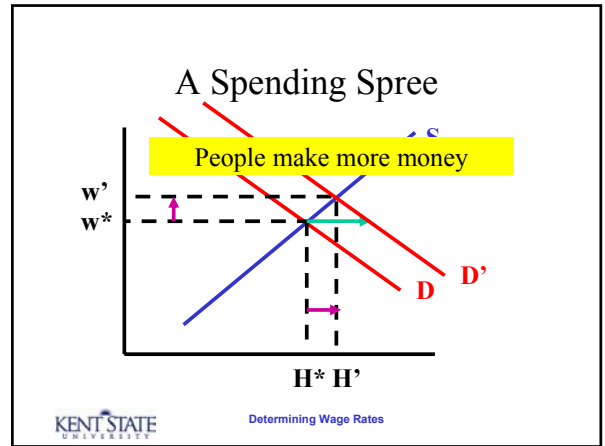
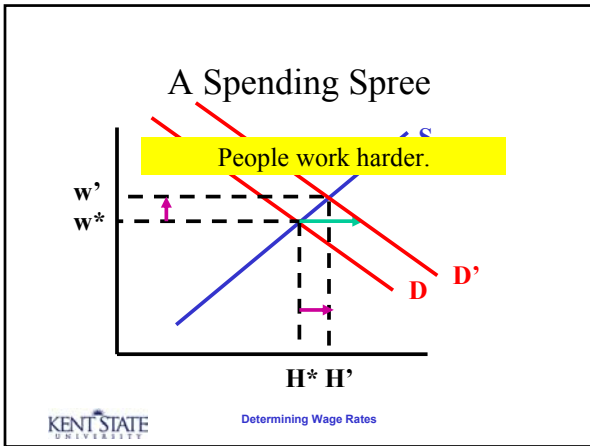


A Spending Spree

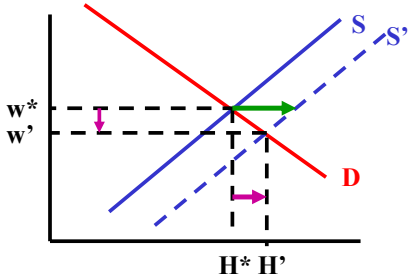


A Spending Spree

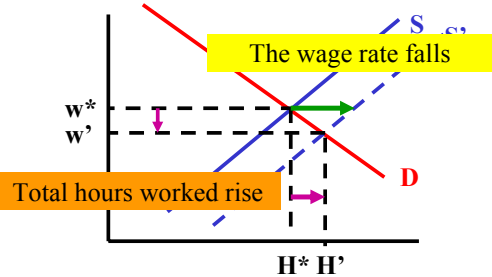




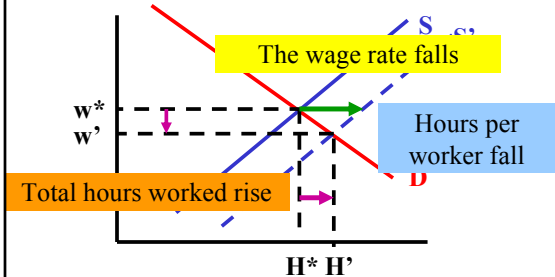
More people reach working age



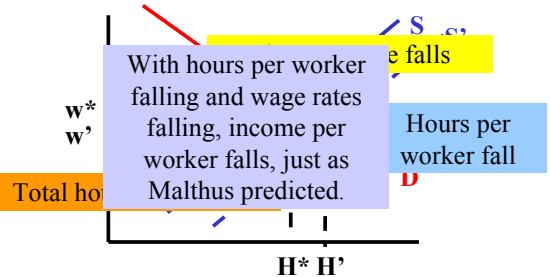
More people reach working age



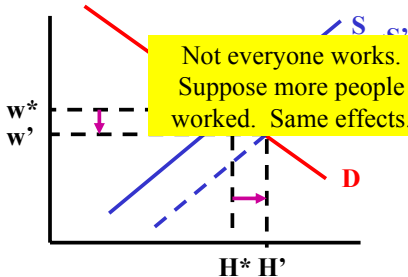
More people reach working age



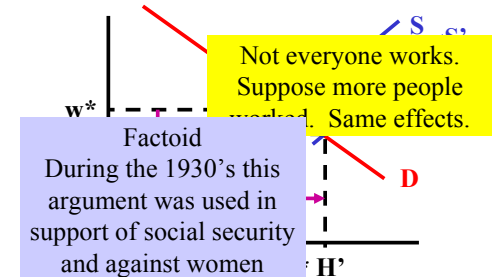
More people reach working age



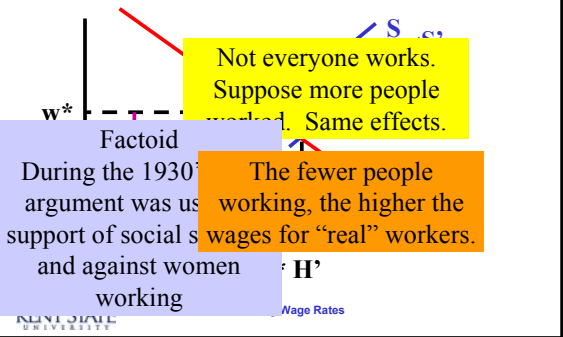
More people reach working age



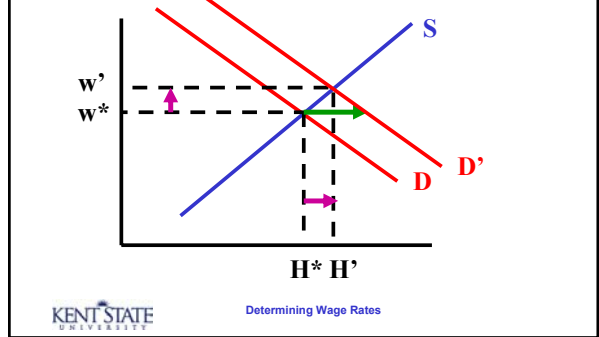
More people reach working age



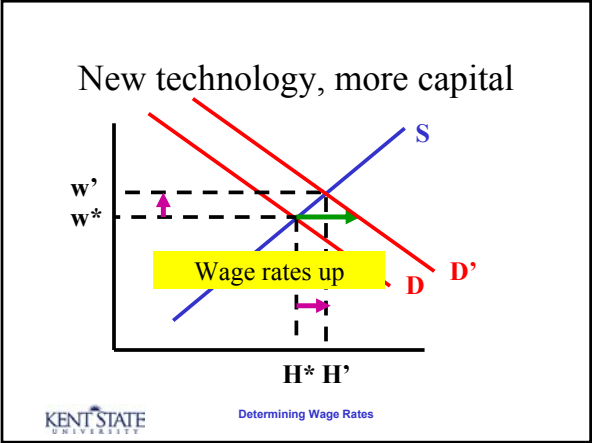
More people reach working age



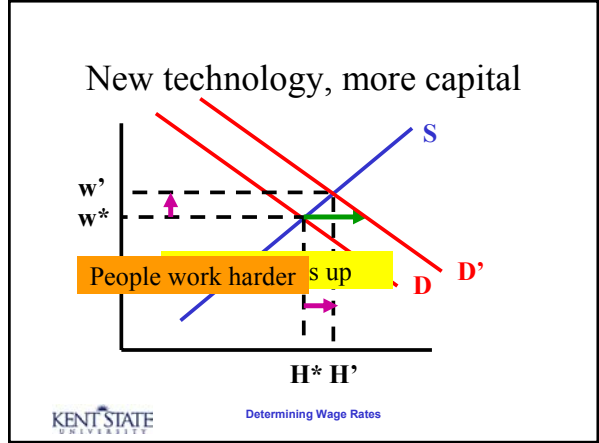
New technology, more capital



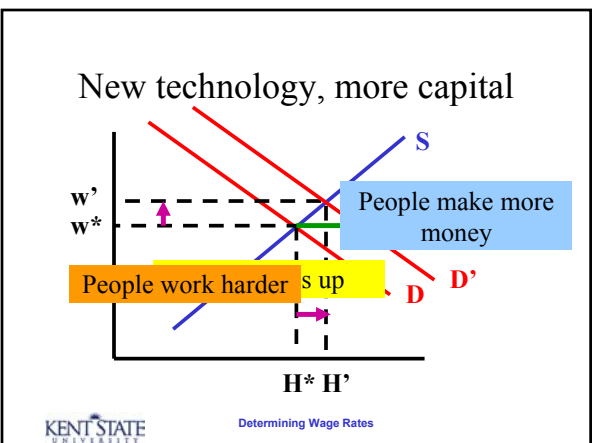
New technology, more capital



New technology, more capital



New technology, more capital



End

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