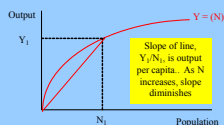


The Malthusian Model



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- Indeed, the model is still used in many public policy discussions.

Key Assumptions

- Resources, if they grow at all, tend to grow at an arithmetic rate.

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- Population, unchecked by famine, will grow at a geometric rate.

A Graphical Interpretation

- Diminishing returns to proportion
 - Double the number of workers, you get more output, but not twice as much

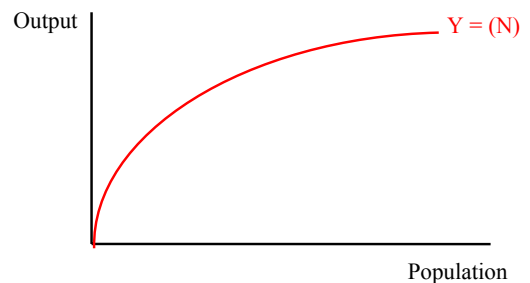
A Graphical Interpretation

- Diminishing returns to proportion
- Population unchecked by famine grows at a geometric rate.
 - We will not attempt to measure this rate.

A Graphical Interpretation

- Diminishing returns to proportion
- Population unchecked by famine grows at a geometric rate.
- There is a minimum subsistence budget s.
 - Again, we will not attempt to quantify this budget.

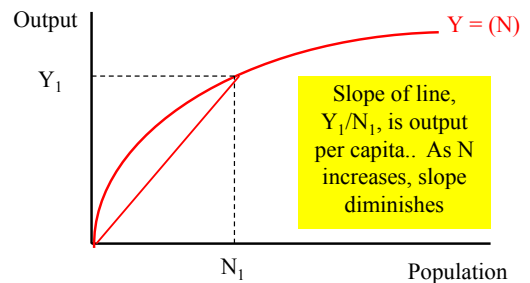
The Basic Graph

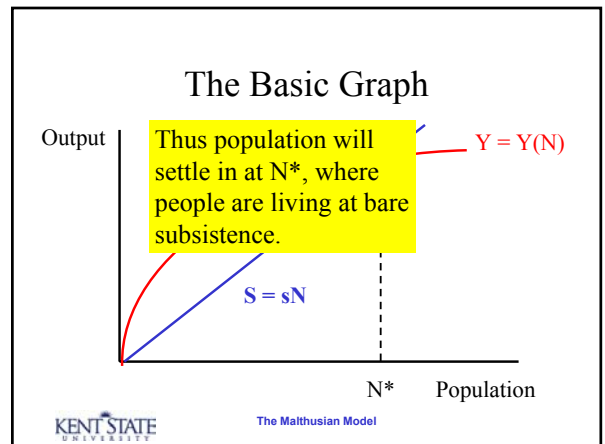
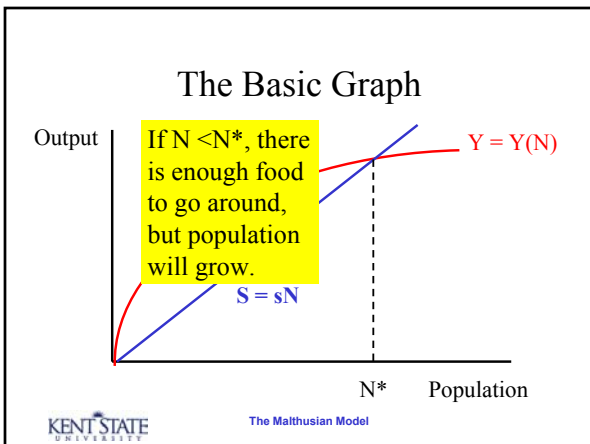
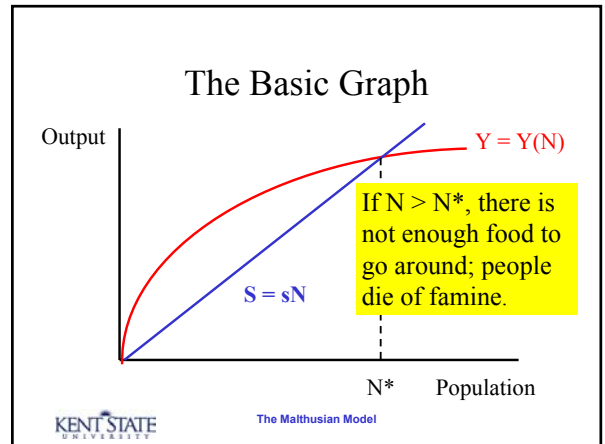
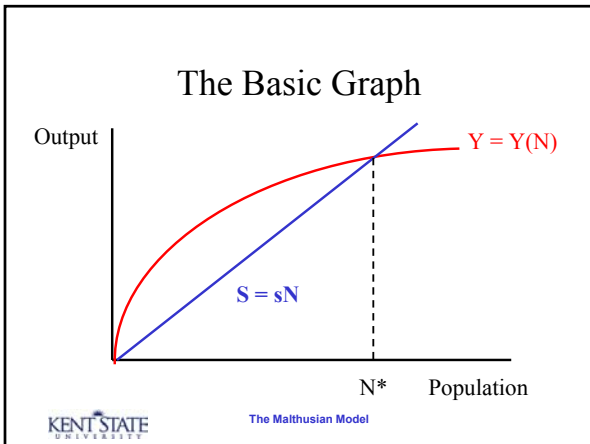
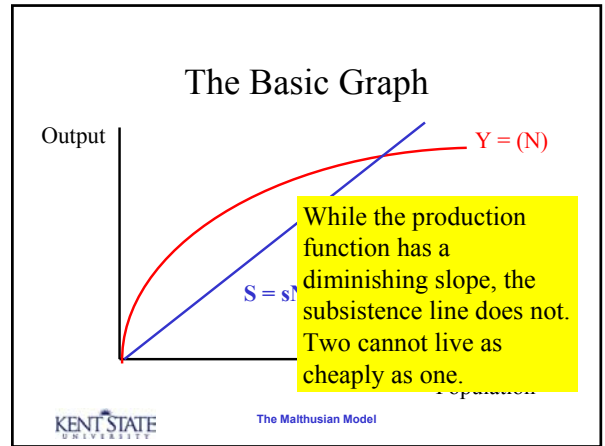
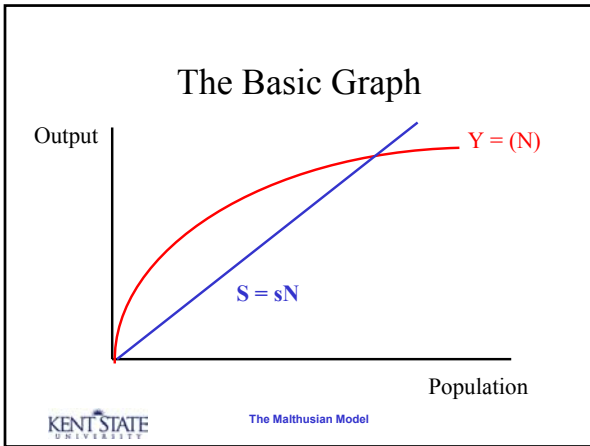


The Basic Graph

- Output
- The more people (workers), the higher the level of output.
 - But output rises at a lower rate than population.
 - That is, there is a positive but diminishing marginal physical product.
- Population

The Basic Graph





End

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