

```
>> RunMe
```

```
==== calibrating parameters by exact MM for two-country world ...
```

```
lambda: -1, b: 6.09812, bSouth: 0.813736, gamma: 0.963119, KNorth: 260.274, rWorld: ✓  
0.0486667
```

```
==== ranking of safety levels
```

```
autarky output maximizing health level in North is 99%  
KNorth: 257.839, share of healthy workers (laissez-faire): 90%  
KNorth: 260.274, share of healthy workers (firm level union): 98%  
KNorth: 260.275, share of healthy workers (output planner): 99%  
KNorth: 260.274, share of healthy workers (welfare planner (via s)): 99.709
```

```
==== healthy and happy without globalization?
```

```
share of healthy workers without globalization:  
    Countries with OUTFlow of capital due to globalization (Germany): 0.980375  
    Countries with INFLOW of capital due to globalization (Canada): 0.9785
```

```
TFPclosedCAN =
```

```
6.0353
```

```
TFPclosedGER =
```

```
6.0316
```

```
GDP effects of globalization:  
GDPtrade/GDPclosed for Canada: 1.07779 and for Germany: 0.980639  
TFPtrade/TFPclosed for Canada: 0.999513 and for Germany: 1.00013
```

```
==== safety level in South is now rising
```

```
initial interest rate is 4.86667 percent
```

```
zNorth =
```

```
Columns 1 through 10
```

```
98.0000 97.9993 97.9986 97.9980 97.9973 97.9967 97.9960 97.9954 ✓  
97.9949 97.9944
```

```
Column 11
```

```
97.9939
```

```
inflow to South is 2.26291, i.e. capital stock increases by 5.69628 percent  
inflow to North is -2.26291, i.e. capital stock increases by -0.869433 percent  
Health in North grows by -0.00575322% and TFP by 0.00189572%
```

```
TFPini =
```

```
6.0981
```

```
TFPafter =
```

```
6.0324
```

```
TFPchangeSouth =
```

```
-1.0779
```

```
GDP in North grows by -0.292589, and in South by 6.31133 percent  
World GDP grows by 0.581903 percent
```

```
>>
```