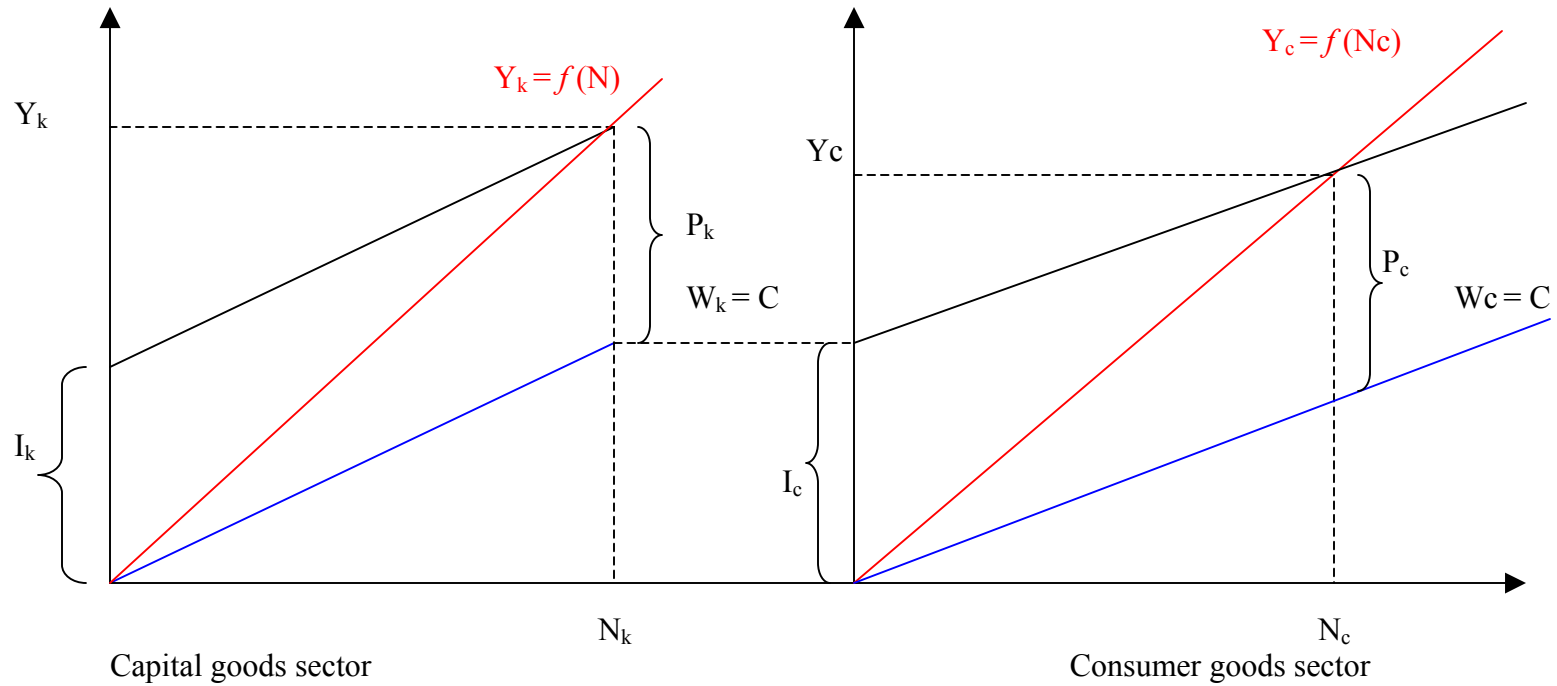


### Two-sector Model



$$\begin{aligned}
 Y_k &= W_k + P_k \\
 Y_k &= P_c + P_k \\
 P &= I
 \end{aligned}$$

$$\begin{aligned}
 Y_c &= W_c + P_c \\
 Y_c &= W_c + W_k \\
 W_k &= P_c
 \end{aligned}$$

(Consumer goods sector assumed relatively labor intensive)