

# Economic Growth

## Problems Sets

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### Problem Set 1

#### Exercise 1

#### Digression: The SIR-model of Mathematical Epidemiology

Three real variables  $S, I, N$  are relevant measures in the context of a pandemic

$S$  is the number of susceptible individuals,

$I$  the number of infectious individuals,

$N$  the size of the population

Moreover,  $c$  is the infection rate,  $\omega$  the recovery rate.<sup>1</sup>

$$\begin{aligned}\dot{I} &= cIS + \omega I \\ \dot{S} &= -cIS - \omega I \\ N &= I + S\end{aligned}$$

Verify:

- (1)  $N$  is constant over time!
- (2) The differential equations above are interdependent. Although the differential equation for  $I$  looks linear in  $I$ , it is actually quadratic.
- (3) The system of differential equations  $(\dot{I}, \dot{S})$  can be transformed into two very similar unconnected, quadratic differential equations. Using a short hand  $A = cN - \omega$  one of them is

$$\dot{I} = (A - cI)I$$

- (4) If  $I$  takes the value  $I_0$  at time zero the following function is the solution for  $I(t)$ .

$$I(t) = \frac{I_0 e^{At}}{1 + \frac{c}{A} I_0 (e^{At} - 1)}$$

- (5) Find the solution for  $S(t)$ .
- (6) For  $t \rightarrow \infty$  the number of infected  $I$  will converge to  $N - \omega/c$ .

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<sup>1</sup>The inverse of these rates is the average time it takes to get infected or to recover.

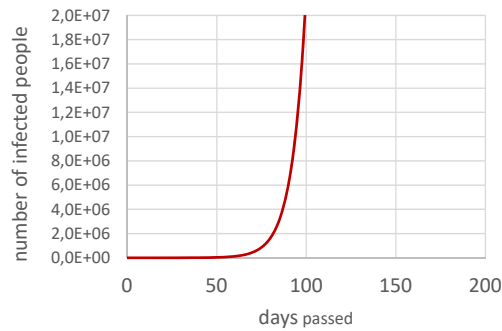


Figure 1: Exponential spreading

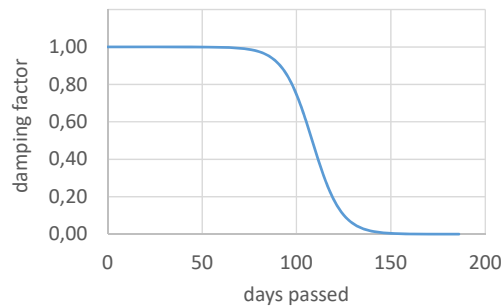


Figure 2: Damping of the exponential spreading

Let us put some numbers to the model get a feeling for what can happen in such a system.

$$c = 2 \cdot 10^{-9}, \quad \omega = 0,03$$

The right hand side of the differential equation decomposes into two effects.

- The positive linear part  $AI$  of  $\dot{I}$  causes exponential growth due to spreading of the virus. This makes up the numerator of the solution.
- This linear part drives the infection process if there are no limiting obstacles for the virus to spread. Various reactions may cause a damping of spreading of the virus if the share of infected people is high.
- The negative quadratic part  $-cI^2$  causes damping of the exponential growth due to saturation making up the denominator.
- The result may be almost exponential spreading at the beginning of the pandemic whereas spreading may come to a halt before the share of infected people reaches 100%.

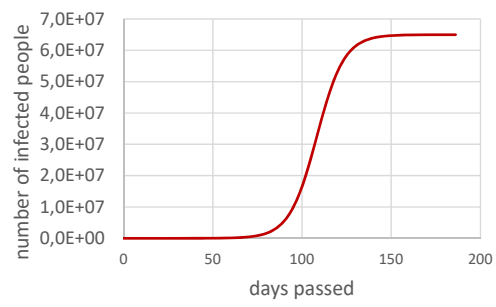


Figure 3: The SIR-model of mathematical epidemiology