

		K(T)=Saving		TildeK(T+1)=Saving		Does saving
		Incremental	Account at	K(T+1)=Saving	Account at the end of	account decrease if
Year T	Earnings	Savings if	beginning of	Account at end	T if withdraw \$5000	stop working in T?
		work	T	of T if Work	at beginning of T and	TildeK(T+1)<K(T)
					do not work	
1	10000	5000	0.0	5000.0		
2	10000	5000	5000.0	10250.0	0.0	1
3	10000	5000	10250.0	15762.5	5512.5	1
4	10000	5000	15762.5	21550.6	11300.6	1
5	10000	5000	21550.6	27628.2	17378.2	1
6	10000	5000	27628.2	34009.6	23759.6	1
7	10000	5000	34009.6	40710.0	30460.0	1
8	10000	5000	40710.0	47745.5	37495.5	1
9	10000	5000	47745.5	55132.8	44882.8	1
10	10000	5000	55132.8	62889.5	52639.5	1
11	10000	5000	62889.5	71033.9	60783.9	1
12	10000	5000	71033.9	79585.6	69335.6	1
13	10000	5000	79585.6	88564.9	78314.9	1
14	10000	5000	88564.9	97993.2	87743.2	1
15	10000	5000	97993.2	107892.8	97642.8	1
16	10000	5000	107892.8	118287.5	108037.5	0
17	10000	5000	118287.5	129201.8	118951.8	0
18	10000	5000	129201.8	140661.9	130411.9	0
19	10000	5000	140661.9	152695.0	142445.0	0
20	10000	5000	152695.0	165329.8	155079.8	0
21	10000	5000	165329.8	178596.3	168346.3	0

r	0.05
s	0.6
T	10.87572

NPV of current and future consumption ($5K(1+1/r)$)
105000

14.7128