Figure 1: The Credit Market Equilibrium in Autarky
Figure 2: The Autarky Case

a) $R W(k_t)$

b) $K^*(R) > K(\lambda)$ and $K^*(R) < K(\lambda)$
Figure 3: The Dynamics in Small Open Economies
Figure 4: The Small Open Economy Case

\[ P = \frac{\rho}{\rho^2}, \quad (K) = r \]

\[ f(\lambda R/r) = 1 \]

\[ Rf'(K(\lambda)) = r \]

Diagram shows the relationship between \( R/r \) and \( \lambda \) with points marked as A, B, and C.
Figure 5: The Instability of the Symmetric Steady State when $K^*(R_c) < K^*(R) < K(\lambda)$
Figure 6: The World Economy
Figure A1: $\lambda < \lambda_c$

Figure A2: $\lambda > \lambda_c$
Figure A3