

Problem Set 4

Due: Thursday, October 9, 2014

Readings: Chapter 4 of [BT] except Sections 4.7, 4.10.

Problem 1: Exercise 4.3 of [BT]

Hint: Think what conditions have to be satisfied at an optimal solution.

Problem 2: Exercise 4.9 of [BT]

Problem 3: Exercise 4.10 of [BT]

Problem 4: Exercise 4.25 of [BT]

Problem 5: Exercise 4.31 of [BT]

Hint: Consider the problem of maximizing $\mathbf{p}'\mathbf{e}$, where \mathbf{e} is the vector of all 1's, subject to $\mathbf{p}'\mathbf{P} = \mathbf{p}'$, and $\mathbf{p} \geq \mathbf{0}$, and examine its feasibility.