1. Recall that the Jefferson apportionment method works as follows. Begin by giving each state one representative. Then, give the next representative to the state with the smallest value of \( \frac{a_i+1}{p_i} \), where \( a_i \) is the number of seats that state \( i \) has gotten so far, and \( p_i \) is the population of state \( i \). Keep going until all the representatives are apportioned.

(a) Why does this method favor the populous states more than the Adams method, which gives the next representative to the state with the smallest value of \( \frac{a_i}{p_i} \)?

(b) What is the Alabama Paradox, and why can’t it occur with the Jefferson method?

(c) What problem does occur with the Jefferson method (other than favoring the large states)?

2. Exercise 3.13.7 (page 138).

3. (a) Consider a rental car company with branches in Orlando and Tampa. Each rents cars to Florida tourists. The company specializes in catering to travel agencies that want to arrange tourist activities in both Orlando and Tampa. Consequently, a traveler will rent a car in one city and drop it off in either city. This can lead to an imbalance in available cars to rent. Historical data on the percentage of cars rented and returned to these locations are reflected in the transition matrix below:

<table>
<thead>
<tr>
<th></th>
<th>Orlando</th>
<th>Tampa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orlando</td>
<td>0.5</td>
<td>0.2</td>
</tr>
<tr>
<td>Tampa</td>
<td>0.5</td>
<td>0.8</td>
</tr>
</tbody>
</table>

(Thus 20% of the cars rented in Tampa are returned to Orlando, etc.) Assuming that all of the cars are originally in Orlando, figure out the long-term behavior of the percentages of cars available at each location. What happens if you start with different initial conditions (that is, not all the cars start in Orlando)?

(b) Now consider a Markov chain with transition matrix

\[
\begin{pmatrix}
0 & 1 & 0 \\
0 & 0 & 1 \\
1 & 0 & 0
\end{pmatrix}
\]

What’s the long-term behavior? How does it depend on the initial conditions?

(c) Same questions as (2), for the chain with matrix

\[
\begin{pmatrix}
0.5 & 0.2 & 0.2 & 0 \\
0.5 & 0.8 & 0 & 0 \\
0 & 0 & 0 & 1 \\
0 & 0 & 0.8 & 0
\end{pmatrix}
\]

(Hint: Draw the transition diagram and ponder it before starting any long computations.)

4. Suppose that there are currently 25,000 unemployed workers in Atlanta. Each month 8% of all those unemployed find jobs, but another 1500 become unemployed.

(a) How many people will be unemployed 6 months from now?

(b) Will the number of unemployed workers ever stabilize? If so, at what level?

5. During a typical year, the monkey population grows by a factor of \( X \), where \( X \) is a normal random variable with mean 1.1 and variance 0.2. However, with probability 0.05, a given year can produce a catastrophically bad banana harvest. In that case, subtract 0.4 from the growth factor.

Let \( M_n \) be the monkey population after \( n \) years, and assume that \( M_0 = 100 \). You may also assume that all of the random variables are independent.

(a) Compute the mean and variance of \( M_1 \).

(b) Compute the mean of \( M_n \).