

## ABSTRACT

This paper examines the behavior of optimal consumption and investment policies in aggregate stochastic growth models with stock-dependent rewards. Such models arise in the study of renewable resources, monetary growth, and growth with public capital. Under certain complementarity conditions optimal policies are monotonic and converge to a unique limiting distribution. Two examples illustrate the possibility of multiple limiting distributions when these conditions are violated. It is shown that adding sufficient randomness to production transforms multiple limiting distributions into a unique limiting distribution. The paper also provides general results on the limiting behavior of Markov processes with monotone transition functions.