

On page 26, just before equation (1.30), Romer defines

$$\lambda \equiv - \left. \frac{\partial \dot{k}(k)}{\partial k} \right|_{k=k^*} .$$

1. Explain in non-mathematical English what  $\frac{\partial \dot{k}(k)}{\partial k}$  means.
2. Explain in non-mathematical English what  $\left. \right|_{k=k^*}$  means.
3. Explain why  $\lambda$  is the “rate of convergence” and what that means.