

**Economics 314**  
**Daily Question #3**

**Spring 2013**  
**February 4**

In the Solow model, what exactly is  $k$ , both in mathematical terms and intuitively? What do we mean by  $\dot{k} = 0$ ? Show that  $\dot{k} = 0$  if and only if  $\frac{\dot{K}}{K} = \frac{\dot{L}}{L} + \frac{\dot{A}}{A}$ .