

# Math Recap

(Log-Approximation)



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## Log-approximation to growth rates

- Recall that  $g_X = \ln X_{t+1} - \ln X_t$ .



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► Note that  $(1 + g_X)(1 + g_Y) \approx 1 + g_X + g_Y$ .

# Lecture Recap

(Solow Model)



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- ▶ Steady state condition:  $sf(k^*) = (\delta + g_A + g_N)k^*$ .