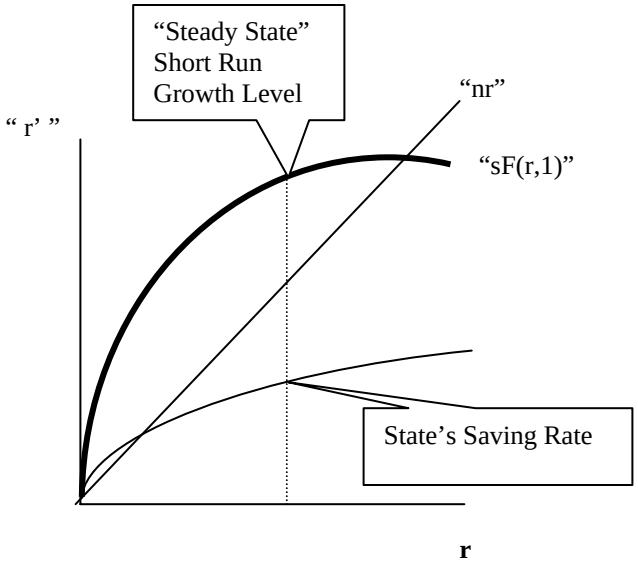
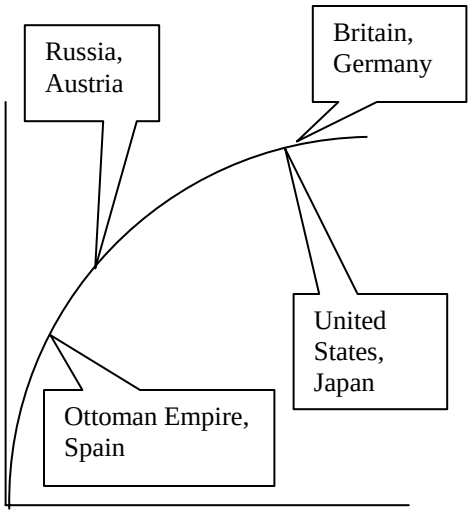
Figure 2: The Neoclassical Solow Growth Model



1. K' = sF(K, L)
2. L' = nL
3. r' = sF(r, 1) – nr

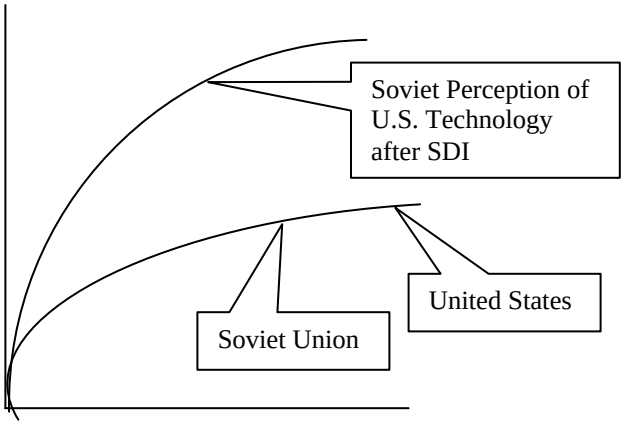
Where K and L are the stocks of capital and labor respectively.
--"s" is the (constant) average propesnity to save
--"F" is the production function satisfying constant returns to scale
--"x'" = dx/dt
--"r"=K/L the capital-labor ratio
*** The actual slope of the growth function is exogenous and dependent upon technology and productivity.

Figure 3:
Relative Technological Levels



The Great Powers Prior to World War One

Figure 4:
Relative Technological Levels



Superpower Perceptions and Realities in 1983