1. Suppose businesses expect demand for their products and services to increase in the near future. Describe and illustrate the impact on equilibrium investment and interest rate.
2. Suppose an improvement in technology makes capital more productive. Describe and illustrate the impact on equilibrium investment and interest rate.
3. Suppose a government decreases spending while keeping tax revenues the same. Describe and illustrate the impact on equilibrium investment and interest rate.
4. Suppose a government increases its spending on infrastructure such as roads, electrical lines, and communications infrastructure, all of which make business more productive. Suppose the governments finance this with cuts to less essential expenditures, so that total government expenditures and taxes stay the same. Describe and illustrate the impact on equilibrium investment and interest rate.

5. Suppose a government increases its spending on infrastructure such as roads, electrical lines, and communications infrastructure, all of which make business more productive. Suppose the government does this while keeping tax revenues the same. Describe and illustrate the impact on equilibrium investment and interest rate. Describe how and why your answer to this question is different than the previous question.
6. Suppose a country reduces international trade barriers which results in more foreign direct investment. Describe and illustrate the impact on equilibrium investment and interest rate.
7. There is statistical evidence that recent immigration of workers into the United States has led to an increase in capital utilization and therefore an increase in capital productivity. Describe and illustrate the impact on the equilibrium investment and interest rate in the United States.
8. Suppose changes in policies in foreign countries lead to a permanent increase in U.S. demand for imported goods, but businesses expect a negligible change in long-run total spending on U.S.-produced goods and services. Describe and illustrate the impact on equilibrium investment and interest rate in the United States.