1. What does the Solow model predict for what type of economies should grow at relatively high rates and what type of economies should grow at relatively low rates? Use the graphical Solow model to show why this is the case.

2. Describe and illustrate the long-run impact of an improvement in an improvement in machine learning technology that allows automation of tasks that improve productive possibilities for companies across an economy.

   A. Use the Solow growth model to illustrate the change in long-run capital-per worker. Describe why you shift anything you shift.

   B. Use the production function to show how the change in long-run capital-per-worker affects the long-run output per worker.

That's Solo, not Solow.

3. Describe and illustrate the long-run impact of a drop in the growth rate of the population in a country.

   A. Use the Solow growth model to illustrate the change in long-run capital-per worker. Describe why you shift anything you shift.
   B. Use the production function to show how the change in long-run capital-per-worker affects the long-run output per worker.

That's the guy.

④ Suppose a government changes its tax policy to increase sales taxes (i.e. a tax on consumers' purchases goods and services) and decreases taxes on income from capital gains (i.e. taxes on interest earned from saving), and in such a way that total taxes and government expenditures do not change.

    Ⓐ Use the Solow growth model to illustrate the change in long-run capital-per worker. Describe why you shift anything you shift.

    Ⓑ Use the production function to show how the change in long-run capital-per-worker affects the long-run output per worker.

    Ⓒ Use the result above to comment on whether such a change in tax policy would be beneficial or harmful to the economy.

    Ⓓ Are sales taxes regressive or progressive? Are sales taxes distortionary? Are taxes on capital gains regressive or progressive? Are capital gains taxes distortionary? Use the answer to these questions to comment on whether such a change in tax policy would be beneficial or harmful to the economy.