

“Like many other peripheral countries, the USA took part in world trade mostly as an exporter of agricultural goods”

- a) True: the USA failed to industrialize.
- b) False: the USA was not a peripheral economy.
- c) False: the USA was essentially an exporter of industrialised goods.
- d) True: most of US exports were primary goods like wheat and cotton

Globalization can be defined as the existence of

- a) “A worldwide expansion of the Industrial Revolution in the 19th century”.
- b) “worldwide factors and commodity flows determined by price differences”.
- c) “Worldwide trade flows, migrations and investment”.
- d) “The process by which poorer countries grow faster than richer countries”

“Globalization became complete circa 1870”. Is this statement correct? Yes or No?

- a) Yes: gold standard finally allowed developed (USA and UK) to invest abroad
- b) Yes: right institutions for low-interest areas to invest abroad arrived then
- c) No: country specialization had started earlier in the century
- d) Yes: country specialization was then completed with railways and steam navigation

“Factor prices largely explain the origin and direction of their flows in 19th-cent. Globalization”. True or False?

- a) True: labor flowed from poorer to wealthier countries, inversely to capital
- b) True: labor & capital were better rewarded in the New World than in the Old
- c) False: migrations determined by non-economic factors, ex: persecutions.
- d) False: capital circulated according to interest rates differences.

According to Galor, the rapid rise of living standards (or ‘Industrial Revolution’) occurred

- a) With the introduction of the steam technology
- b) When population composition and population sized reached a given threshold
- c) After a phase of dropping of fertility rates occurred
- d) When accumulated innovations & human capital reached a critical level

For Galor, The near disappearance of the Northwestern Inuit as a 1820 epidemic killed most of its adult population shows that

- a) With the introduction of the steam technology
- b) When population composition and population sized reached a given threshold
- c) After a phase of dropping of fertility rates occurred
- d) When accumulated innovations & human capital reached a critical level

Only one of the following options correctly describes the role of a given illustration in Galor's argument. Which one?

- a) Italy's North and South divide shows that geography differences create different cultures and values
- b) Quantys and Qualys show how Malthusian preventative checks improve human K
- c) NW Inuit shows that the right population composition leads to growth
- d) Biffurcation theory shows how slow accumulation of human capital and technology result in rapid change

According to Galor, land productivity has been a major factor in economic performance, because

- a) Countries w/ high-yield crops more likely to experience economic growth
- b) Investment strategy prevails in areas w/ higher returns from agriculture
- c) More fertile regions were comparatively more threatened by overpopulation
- d) Labour-intensive, high-yield crops create less incentives for investment