**“Like many other peripheral countries, the USA took part in world trade mostly as an exporter of agricultural goods and, hence, failed to industrialize.” Is this statement is correct?**

* + 1. Yes.
		2. No.

**In an economy where technological developments increase the demand for the services of specialised workers, the increase in earning capacity by the QuaLys (who could build and handle more complex tools and machines) their share in the population would increase. Is this statement correct?**

* 1. Yes.
	2. No.

**“During the nineteenth century, the international flows of capital and labour were indifferent to the institutions of the origin and destination countries.” Is this statement correct?**

* 1. Yes.
	2. No.

 **“Historically, the predictions of the Malthusian model about the effects of population growth on per capita wealth proved incorrect, because during most of history innovation resulted in an increase in population, but not of living standards.” Is this statement is correct?**

* 1. Yes.
	2. No.

**According to Oded Galor's theory, the cultural traits of human societies have geographical explanations:**

a) False: Oded Galor does not consider geographic variables.

b) False: for Galor, societies settle in areas whose geographical conditions are adequate to their values, so geography is a social choice.

c) True: the cultures developed in more fertile regions display more concern with savings.

d) True: more fertile regions developed less social trust and stronger family ties.

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

1. Quantys and Qualys show how investment and consumption strategies by different groups during the Malthusian era led to different outcomes.
2. The Italian North/South divide shows that geographical differences create differences in social capital (cultural traits that foster civic engagement and trust)
3. The near-disappearance of an Inuit clan in the 1820s shows that large populations are more conducive to growth under a Malthusian mechanism.
4. The Bifurcation Theory provides an analogy for how at some point minor changes in population composition and size led to the relatively abrupt end of the Malthusian Era.

**“During the nineteenth-century Globalization differences in wage rates and the rates of return on investment prompted the flow of labor and capital from wealthy regions where earnings were high to regions were earnings were low”. True or False?**

1. True: labor flowed from poorer to wealthier countries and capital flowed in the opposite direction.
2. True: labor and capital flowed to the regions with high earnings.
3. False: workers were attracted to lands where earnings were higher, like Brazil or North America.
4. False: foreign investment was guided by political, not economic, criteria.

**Among the factors contributed to the unequal spread of the benefits of Globalization across the world we can include**

* 1. Self-imposed limits that led to the creation of enclave economies, with little growth except in some specific sectors.
	2. Institutions and policies limiting the size and returns of foreign investment.
	3. The absence of a mechanism for allowing capital to flow from the core countries to the periphery.
	4. The failure of peripheral countries to find a comparative advantages, despite the opening up of international trade.

**Among the ‘wheels of change’ in the model developed by Oded Galor we find:**

* 1. Population size and cultural traits, which are the ultimate causes for productivity increases.
	2. Population composition (i.e., the response to the social value placed on skills).
	3. Culture and institutions, as both the demand and supply for innovation increase when culture and institutions are enlightened and future-oriented.
	4. Population size (i.e., the capacity for keeping population at a stable level).

**A good example of an “Enclave Economy” during the nineteenth-century Globalization is provided by**

* 1. China, a peripheral country which remained largely unaffected by the Globalization flows.
	2. African colonies specialized in raw materials like cotton, palm oil, or rubber.
	3. All peripheral economies, since these were, by definition, an enclave economy.
	4. Peripheral economies Australia, New Zealand, whose highly-productive agriculture was geared towards exports.