

# METHOD A (12 points) - Structure of the Exam

QUESTIONS (Score)	TOPICS	Lectures and Texts
3 out of 4 open question (3 points each)	Early Growth	L5 – L6
	Globalizations	L7 – L10; L14 – L17
	Economic Policy	L11 – L17; T4
	Firms	L9; L12; L17; T3
9 Multiple Choice questions (total 3 points)	Texts 3 and 4 (2 each)	
	The same as above (5 each)	L5 – L17

# METHOD B (20 points) - Structure of the Exam

QUESTIONS ( <u>Score</u> )	TOPICS	Lectures and Texts
4 open question ( <u>3 points each</u> )	Early Growth	L1 – L6
	Globalizations	L7 – L10; L14 – L17
	Economic Policy	L11 – L17; T4
	Firms	L9; L12; L17; T3
12 to 16 Multiple Choice ( <u>8 points</u> )	Texts 1 to 4 (8-10 questions)	
	The same as above (4-6 questions)	L1 – L17

# Open Question from the last year

Consider the following table, with some indicators about one Western European country in the 1950-1980 period. Can these data explain the high growth rates of the “Golden Age”?

	1950	1960	1970	1980
Days of Work Lost to labour disputes (100 = 1950)	100	10	24	34
Unemployment (in % of Labour force)	10.1	1.3	0.9	3.8
Investment, as a share of GDP	23	27	28	23

Source: Mitchell, *Historical Statistics*

# Examples of Multiple-Choice Question

**In Text 2, Eichengreen distinguishes proximate from ultimate causes:**

- a) High investment is a proximate cause, while inter- and intra-state commitments are ultimate causes
- b) Catching-up and the role of capital-labour pacts are the ultimate causes
- c) The creation of multilateral institutions like Bretton Woods or GATT are the ultimate causes of growth, and high investment
- d) High investment is the ultimate cause, with export-led growth being the proximate cause.

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

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

# Examples of Multiple-Choice Question

## **In the first months after the 1929 Crash**

- a) Unemployment attained peak levels, as investment banks and agricultural firms sacked thousands of workers.
- b) Industrial firms were hit hard and sacked thousands of workers, driving unemployment to unprecedented levels.
- c) Banks started to fail, as they were regarded by the public as unreliable and short of funds.
- d) The government reacted by helping banks and industries under pressure.

## **One of the key economic consequences of World War I was**

- a) The creation of multilateral institutions like the League of Nations.
- b) The USA became a capital-rich country, instead of a net importer of European capital.
- c) The end of American worldwide industrial and political predominance.
- d) The USA started their industrialization process, ceasing to be a protectionist exporter of agrarian.