

SAMPLE FINAL

A total of 100 points are possible.

Last Name: _____ First Name: _____

Your Student ID Number: _ _ _ _ - _ _ _ - _ _ _ _ _

Part A: Multiple Choice Questions

(30 questions, each of which is worth 2 points)

Questions 1-5.

What item below best fits with

1. “An Essay on a Principle of Population”
2. “The Rocket”
3. “The Water Frame”
4. “The Atmospheric Engine”
5. “The Glorious Revolution”

A	James Stephenson
B	1798
C	1688
D	Thomas Newcomen
E	1769

Questions 6-10.

What item below best fits with

6. “Kapital”
7. “The Fertility Transition”
8. “Family Allowance”
9. “The Irish Famine”
10. “Hyperinflation”

A	1881
B	1922
C	New Poor Law
D	Old Poor Law
E	1867

Questions 11-20

What item below best fits as an estimate of

11. The percentage rate of productivity growth in the world **before** the Industrial Revolution.
12. The percentage rate of productivity growth in successful economies **since** the Industrial Revolution
13. The percentage rate of productivity growth in England, 1760-1860.
14. The average number of surviving children per woman before the Industrial Revolution.
15. The average number of surviving children per woman in recent years in Spain.
16. English population in 1860 relative to English population in 1760.
17. French population in 1760 relative to English population in 1760.
18. The income elasticity of food demand during the Industrial Revolution.
19. The percentage real interest rate on the most secure investments since the Industrial Revolution.
20. The difference (in percent) between Indian and English real interest rates in 1900.

A	0
B	1
C	2
D	3
E	0.5

21. Suppose that in an economy output is growing at 5%, the capital stock is growing at 2%, the labor supply is growing at 2%, the land supply is growing at 0%, and the share of capital, labor and land in national income are respectively 1/4, 1/2, and 1/4. What is the rate of growth of the CAPITAL STOCK PER ACRE?

- A. 0%
- B. 2%
- C. 3%
- D. 4%
- E. 5%

22. Which of the following is **NOT** a formula for productivity growth rates

- A. $g_A = (g_Q - g_L) - a.(g_K - g_L) - c.(g_T - g_L)$
- B. $g_A = a.(g_r - g_p) + b.(g_w - g_p) + c.(g_s - g_p)$
- C. $g_A = a.g_K + b.g_L + c.g_T - g_L$
- D. $g_A = a.g_r + b.g_w + c.g_s - (a+b+c)g_p$
- E. $g_A = a.g_r/p + b.g_w/p + c.g_s/p$

23. Which of the following novels was written as a criticism of the **New Poor Law in England**?

A	Brave New World
B	Great Expectations
C	Les Miserables
D	Oliver Twist
E	Lucky Jim

24. The percentage by which food supplies per person **fell** in Ireland in the famine years of 1846-51 was?

A	73%
B	51%
C	38%
D	32%
E	18%

25. The Industrial Revolution witnessed the beginning of a long term decline in the share of labor employed in agriculture in economically successful countries. This decline occurred mainly because

- A. Agricultural productivity growth has been slower than industrial productivity growth.
- B. Population has grown relative to the land area making food relatively more expensive.
- C. The income elasticity of demand for food is less than 1.
- D. People in modern industry do not use as many calories for work as people in pre-industrial societies.
- E. Agricultural productivity growth has been faster than industrial productivity growth.

26. Suppose that the cuts in poor law payments in England from 1834-40 did not result in any increase in land rents. This would imply that

- A The writers of the Poor Law Report were correct in their description of the Old Poor Law.
- B The Old Poor Law was just a transfer of income from land owners to the poor with no other consequences.
- C The workhouse was effective in improving labor discipline.
- D The Old Poor Law mainly served as a subsidy for farm labor.
- E Workhouses cost more per person than direct payments to the poor under the old system.

27. The key idea in the Becker explanation of why fertility declines with income is

- A. Higher income is associated with improvements in the opportunities for women.
- B. Children should be regarded as yielding the same kinds of utility to parents as do potatoes
- C. Dogs substitute for children in high income societies because dogs are more loyal and do not involve college tuition costs
- D. Children are a time intensive form of consumption
- E. Everyone always had a target family size of two children.

28. Which factor about an industry is the best predictor historically of high rates of return to capital?

A. High rates of technological advance
B. Barriers to entry of competitors
C. High share of capital in production costs
D. High share of land in production costs
E. High share of labor in production costs

29. The share of wealth owned by the bottom 40% of adults measured in terms of income in the UK in recent years was:

- A. 3%
- B. 18%
- C. 33%
- D. 40%
- E. 57%

30. In recent years the average effective tax rate on wage income in Sweden has been?

- A. 0%
- B. 20%
- C. 40%
- D. 60%
- E. 80%

Part B: LONGER ANSWERS (40 points)

1. The Industrial Revolution was certainly fully under way by 1870. So why isn't the whole world developed? (20)

2. Explain how we can reconcile the diagram below with the claim that 1760 did not represent a dramatic turning point in human history (20).

GDP per Capita relative to Population, England 1260-1869

