

Homework 8

Due on 29/10/2024, by 23:00

This assignment is optional but **STRONGLY RECOMMENDED**. If you do not submit the answers till the deadline, the score of your final exam will substitute for the score for this assignment. Submit only the correct letter for each task on eLearn under 'Quizzes' within 'COR2100-Economics and Society G10-11-12-13'. Note that the actual text of questions and answers is not supposed to appear on the eLearn quiz. You have unlimited attempts. The system is programmed to credit your last attempt. Be informed that if you submit an attempt and afterwards you re-open the quiz, you must submit your answers **AGAIN** or else the system will grade the unfinished attempt with 0 (because it is the last one) and there is **NOTHING** I can do to fix this after the fact. Late homework or homework submitted outside eLearn cannot be accepted as this would violate SMU official policy for fairness and transparency in grading. This assignment is protected by Grade Insurance™: If the assignment's average turns out to be below 75, an equal amount of bonus points will be given to every work, for the average to become 75. Direct any homework questions to your TA.

1. Which of the following is most likely to determine fertility according to the Malthusian theory?
 - A. Religion.
 - B. Science.
 - C. Income.
 - D. Geopolitics.
2. Which of the following is most likely to be the reason why poorer countries often exhibit higher economic growth than developed countries?
 - A. Because poorer countries receive financial assistance from richer countries.
 - B. Because poorer countries have increased fertility.
 - C. Because poorer countries benefit from technologies invented in wealthier economies.
 - D. Because poorer countries export natural resources.
3. Greece recently introduced a 6-day work week. Which of the following could be a result of such a policy?
 - A. Increase in output produced.
 - B. Decrease in productivity.
 - C. Both A and B.
 - D. None of the above.
4. Which of the following is most likely to decrease a country's aggregate saving?
 - A. An increase in the interest rate.
 - B. The expectation that the GDP per capita will increase in the future.
 - C. The expectation that income tax will increase in the future.
 - D. Government offering tax benefits to pension plans.
5. According to the Solow model, which of the following is most likely to increase a country's steady-state output?
 - A. An increase in K .
 - B. An increase in L .
 - C. An increase in d .
 - D. It is not possible for an economy to increase its steady-state output.

6. In the Solow model, which of the following curves will shift if workers become more productive?
- A. sY .
 - B. dK .
 - C. sY and dK .
 - D. None of the above.
7. An economy has sY and dK curves that yield a steady-state output of 100. Its current output is 78. Which of the following is most likely for the next year according to the Solow model?
- A. The economy will have $Y = 78$.
 - B. The economy will have $78 < Y \leq 100$.
 - C. The economy will have $Y = 100$.
 - D. The economy will have $100 < Y$.
8. Which of the following is most likely to be an example of catch-up growth?
- A. Germany reaching Turkey's real GDP.
 - B. Singapore reaching Indonesia's GDP growth rate.
 - C. Malaysia surpassing Greece's capital accumulation.
 - D. Mexico reaching USA's GDP per capita.
9. Real GDP per capita in a country increased by 5%. Which of the following is certain?
- A. Population increased.
 - B. Inequality decreased.
 - C. Poverty decreased.
 - D. None of the above.
10. Which of the following is most likely to be a result of the exponential nature of GDP growth?
- A. Large differences in growth rates lead to small differences in GDP in the future.
 - B. Large differences in growth rates lead to large differences in GDP in the future.
 - C. Small differences in growth rates lead to small differences in GDP in the future.
 - D. Small differences in growth rates lead to large differences in GDP in the future.

Good afternoon! Two types of people will claim they want to help you in life. Those who will lower the bar for you and those who will train you to jump higher. You will love the first type more, but the second will change your life.

Kosmas