

ECON1910 Spring 2021

Instruction to graders

The materials to answer both questions are covered in the lectures. The hand-out of lecture notes has one chapter on poverty and one section on trade-openness and development. It is a challenge for the candidates to connect the two questions and to use concepts and measures of poverty in the discussion of the effects of trade. There are several ways of answering both questions and a good grade requires that the student motivates the chosen way of addressing them.

On the questions

1.i) we should expect a discussion of the poverty line, the head count measure -- and perhaps more advanced measures. A critical approach is super

1.ii) Here the candidate can pick and choose among many alternative policies. A good motivation is super

1.iii) Here we expect a discussion that indicates that development is something more than economic growth. A reduction in poverty can be an additional aspect of a positive development -- together with many more. A broad approach is super.

2. Here we should expect an identification of winners and losers from opening up for international trade. A good analysis of how losers may fall below the poverty line is super.