ℹ Candidate instructions

ECON4640 - Political Economics - postponed

This is some important information about the postponed written exam in ECON4640. Please read this carefully before you start answering the exam.

Date of exam: Wednesday, January 9, 2019

Time for exam: 09.00 – 12.00

The problem set: The problem set consists of five questions. They will be given equal weight.

Sketches: In this exam, you may use sketches on all questions. You are to use the sketching sheets handed to you. You can use more than one sketching sheet per question. See instructions for filling out sketching sheets on your desk. It is very important that you make sure to allocate time to fill in the headings (the code for each problem, candidate number, course code, date etc.) on the sheets that you will use to add to your answer. You will find the code for each problem under the problem text. You will NOT be given extra time to fill out the "general information" on the sketching sheets (task codes, candidate number etc.)

Resources allowed: No written or printed resources - or calculator - is allowed (except if you have been granted use of a dictionary from the Faculty of Social Sciences).

Grading: The grades given: A-F, with A as the best and E as the weakest passing grade. F is fail.

1 Question 1

Present the main building blocks of a model of probabilistic voting. What is the main intuition behind the model?

Fill in your answer here and/or on sketching sheets

Maximum marks: 0

Attaching sketches to this question?
Use the following code:

X X X X X X X

2 Question 2

Consider a setting where income is unequally distributed, and where income can be taxed with a linear tax rate, with some deadweight loss, to finance a flat redistribution scheme. How would the tax level be chosen in a setting with probabilistic voting?

Fill in your answer here and/or on sketching sheets

Maximum marks: 0

Attaching sketches to this question?
Use the following code:

X X X X X X X

3   # Question 3

What is the effect of increased inequality on the politically determined tax level in this model? How would you go forth to test this result empirically?

Fill in your answer here and/or on sketching sheets

Maximum marks: 0

Attaching sketches to this question?
Use the following code:

X X X X X X

4   # Question 4

Typically, predictions from simple models of the effect of inequality on growth are rejected. Why do these models perform so poorly empirically? Which factors can be missing from the models?

Fill in your answer here and/or on sketching sheets

Maximum marks: 0

Attaching sketches to this question?
Use the following code:

X X X X X X

5   # Question 5

So far, we have assumed democratic institutions. Explain how citizens matter for policy outcomes in non-democracies in Wang's (2016) model of China in the middle-income trap.

Fill in your answer here and/or on sketching sheets

Maximum marks: 0

Attaching sketches to this question?
Use the following code:

X X X X X X