

## FIRST MIDTERM EXAM

==> Answer any three (3) of the Questions (A.) - (D.)  
for 24% each. Do **NOT** answer all four of (A.) - (D.).  
Answer all 14 multiple choice questions on your  
UCD 2000 (or "Scantron") form for 2% each.

Be sure that each written answer gives relevant  
facts, without digressing from the question asked.

(A.) \_\_\_\_\_  
(B.) \_\_\_\_\_  
(C.) \_\_\_\_\_  
(D.) \_\_\_\_\_  
mc@2 \_\_\_\_\_  
Total \_\_\_\_\_  
DLG \_\_\_\_\_

Answer any three (3) of the Questions (A) - (D)  
for 24% each. Do **NOT** answer all four of (A) - (D).

(A) (24%) Three features of American agriculture during the half-century between the Civil War and World War I were (A1) the degree to which the South specialized in growing and exporting cotton, (A2) sharecropping in the South, and (A3) federal land policy in frontier areas. For each of these three institutions, explain whether it was efficient or inefficient, where efficient means raising national income and inefficient means lowering it.

(Try to make clear what alternative you are comparing each feature with. Efficient or inefficient relative to what?)

**(B)** (24%) Between the Civil War and World War I, the United States allowed some things to flow more freely than other things. It embraced nearly free global movement for human beings, imposing very few barriers to the free immigration of humans. Yet we had high tariffs against imported industrial goods from Britain and elsewhere, and we had barriers to credit (lending) between different parts of the US.

Explain how this combination of free immigration, import tariffs, and unequal credit across regions affected the well-being of (1) landless Southerners, and (B2) Midwest farmers who owned their own farmland. [Note that your answer should mention six effects: effects of free immigration on (B1) and on (B2), the effect of industrial-good tariffs on (B1) and on (B2), and the effects of regional differences in credit on (B1) and on (B2).]

(C) (24%) Choose any three (3) out of the following six factors, and describe how it affected the average income per person of the South (or of blacks in the South) between 1940 and 1970. [That is, for some of your three, you could choose to explain how it affected all of the South, and for others you could choose to explain how it affected Southern blacks. Just be clear which way you are answering.]

- (C.1) changes in the share of adults that were allowed to vote;
- (C.2) changes in cotton agriculture;
- (C.3) changes in federal government spending;
- (C.4) changes in federal minimum wage laws;
- (C.5) changes in the demand for labor outside of the South; or
- (C.6) changes in the attractiveness of Southern living (as seen by non-Southerners).

**(D)** (24%) Choose any four (4) of these seven statements about events between about 1870 and 1910-1914. Say whether each statement is correct. Also, as best you can, explain specifically when in the 1870-1910/14 period this was true (Examples: “As far as we know, it was true throughout the whole 1870-1914 period” or “It was false in 1870-1900, but true in 1900-1914” or “All we were shown in this course was that it was true from 1880 to 1900”). Each of your four answers counts for 6 percent of the midterm.

Remember: Don't answer more than four parts of Question (D).

(D.1) “Income per capita in the South caught up with income per capita in the rest of the United States.”

(D.2) “US farmers’ real incomes fell on the average.”

(D.3) “US farmers’ terms of trade fell on the average.”

(D.4) “US farmers had to pay higher interest rates when borrowing than did industrial borrowers in the eastern states.”

(D.5) “US farmers had to pay high and rising monopolistic freight rates to the railroads for shipping their products.”

(D.6) “The immigrant household received more from cities’ government welfare programs and from private charity than did the average urban household.”

(D.7) “A greater share of immigrants was male, and a greater share of the US population was foreign born, than in the 1980s or 1990s.”

## MULTIPLE CHOICE QUESTIONS

Answer all 14 questions for 2 percent each = 28 percent overall

- (1.) Which of the following is generally true about the benefits of U.S. farm policy after 1933?
- (a) Agricultural prices fell further than otherwise would have been the case.
  - (b) Income taxes were lower than otherwise would have been the case.
  - (c) Farm laborers' wages were higher than otherwise would have been the case.
  - (d) Owners of farmland were wealthier than otherwise would have been the case.
  - (e) All of the above are true.
- (2.) A time when both the real price of farmland and the real price of farm products (the farmers' terms of trade) sank to their lowest level was
- (a) around 1900.
  - (b) around 1913.
  - (c) around 1935.
  - (d) around 1950.
  - (e) around 1995.
- (3.) In which of the following eras was the allocation of public schooling expenditures per pupils most discriminatory in favor of whites against blacks in the South?
- (a) Around 1890
  - (b) Around 1910
  - (c) Around 1960
  - (d) Around 1980
  - (e) Around 2000
- (4.) Between 1860 and 1880, GDP per capita in the South dropped well below that of the North. Which of the following is **not** an explanation for this relative drop?
- (a) More Americans were killed during the Civil War than in all wars since.
  - (b) During the Civil War, cotton production increased in India, Egypt, and Brazil.
  - (c) There was withdrawal of black labor after the war.
  - (d) Diseases spread during the war left people less productive.
  - (e) The Midwest (North Central region) continued to expand its productivity during and after the war.
- (5.) After the Civil War, GDP per capita in the South remained well below that of the North for 75 years. Which of the following best helps to explain why the South stayed so far behind for so long?
- (a) The relative price of cotton declined steadily for 50 years after the Civil War.
  - (b) Debt peonage forced poor farmers to grow cotton, which was less profitable than corn.

- (c) Sharecropping among non-landowners was more widespread in the South than in the North.
  - (d) A shift to free trade policies hurt the South.
  - (e) The South provided less public education than the North.
- (6.) Which of the following acts of legislation did the most to promote free and open immigration into the United States?
- (a) The original 1790 Naturalization Act.
  - (b) The Chinese Exclusion Act of 1882.
  - (c) The literacy requirement of 1917.
  - (d) The National Origins Act of 1924.
  - (e) California's Proposition 187 in 1994.
- (7.) Which of the following acts of legislation did the most to restrict the inflow of immigrants into the United States?
- (a) The original 1790 Naturalization Act.
  - (b) The National Origins Act of 1924.
  - (c) The Braceros Program of 1942.
  - (d) The 1965 changes in national-origins quotas.
  - (e) California's Proposition 187 in 1994.
- (8.) In which of these periods was federal government intervention, as opposed to ordinary market forces, most crucial in raising the incomes of blacks relative to whites?
- (a) The 1890s.
  - (b) 1900-1914.
  - (c) 1965-1975.
  - (d) The 1980s.
  - (e) The 1990s.
- (9.) The decade in which the U.S. government shifted most vigorously toward aiding farmers was
- (a) The 1870s.
  - (b) The 1890s.
  - (c) The 1910s
  - (d) The 1930s.
  - (e) The 1990s.
- (10.) The farm legislation that did the most to cut the price of farm products and the cost of raising farmers' incomes was
- (a) The Agricultural Adjustment Act (AAA) of 1933, setting up the Commodity Credit Corporation (CCC).
  - (b) The Soil Bank Act of 1956.
  - (c) President Reagan's farm bill of 1981.
  - (d) The "Freedom to Farm Bill" (Federal Agricultural Improvement and Reform Act) of 1996.
  - (e) The Farm Security and Rural Investment Act of 2002.



(11.) Between 1870 and 1900, which of the following would have resulted in an increase in the share of GDP going to farmers (other things equal)?

- (a) An overall increase in U.S. GDP per capita.
- (b) Strict laws against usury in Mid-western states.
- (c) Higher tariffs on manufactured goods.
- (d) Greater enforcement of laws prohibiting interstate banking.
- (e) None of the above would have resulted in an increase in the share of GDP going to farmers.

(12.) In which one of the following ways have extra immigrants been a net burden on government budgets since about 1980?

- (a) Governments have paid more for public schooling for immigrant children, than the immigrants pay in taxes in the short run (pay-as-you-go basis).
- (b) Governments have paid more for immigrants' Social Security retirement benefits than the immigrants pay in taxes in the short run (pay-as-you-go basis).
- (c) Over a whole lifetime, governments pay more for public schooling than the schooled immigrants pay back in taxes.
- (d) Over several generations, say up to the year 2100, immigrants will probably cost more in Social Security pensions than they will pay when taxed as workers.
- (e) Over several generations, say up to the year 2100, governments will probably pay more for immigrants' public schooling than the schooled immigrants will pay back in taxes.

(13.) Which of the following statements about the historical effects of immigration is true?

- (a) Their arrival probably lowered the net economic well-being of US natives (those already here before them) in the period 1900-1914.
- (b) Their arrival probably lowered the net economic well-being of US natives (those already here before them) in the period since 1980.
- (c) They made large short-run net contributions to Social Security in the period 1900-1914 (on a pay-as-you-go basis).
- (d) They made large short-run net contributions to Social Security in the period since 1980 (on a pay-as-you-go basis).
- (e) They made large lifetime contributions to Social Security since the 1930s (over one whole adult life span).

(14.) Which of the following did not contribute to increasing hostility toward immigrants after 1900?

- (a) A rise in the fraction of immigrants coming from non-English-speaking countries in which income per person was much lower than the U.S.
- (b) An increasing share of low-skilled immigrants.
- (c) Anti-communist fears after World War I.
- (d) The adverse effect of immigration on the wages of low-skilled workers.
- (e) An unprecedented flood of immigrants from China and Japan.