
PRELIMINARY EXAMINATION FOR THE Ph.D. DEGREE

There are two parts to this test. Please answer a total of three questions, with at least one question from each part.

Part 1

1. How important is schooling for economic development? Organize the models and the empirical literature that we have studied to analyze this issue. In particular analyze whether schooling has an effect on growth (or on levels of income) both theoretically and empirically.
2. Present the facts that Prescott believes should be explained by a theory of total factor productivity. Analyze in a simple way what can be explained by capital accumulation and what cannot be explained by it, requiring a theory of total factor productivity
3. Using the neo-classical (and the Solow) model of growth as reference, explain what is convergence. Make sure that you describe the difference between conditional and absolute convergence and between beta and gamma convergence. Using references to the papers by Barro and Sala I martin on the topic summarize the main finding of this literature. Propose also alternative theoretical framework compatible with convergence, besides the neo-classic model.
4. The recent empirical literature has used two methods, often called “growth accounting” and “development accounting” to inquire into determinants of different growth rates and different income per capita across countries. Having in mind Young (1995) as an example of growth accounting and Hall and Jones (1999) as an example of development accounting describe the procedures, what we learn from each and what are their limits.

Part 2

5. Discuss the importance of macroeconomic management and social factors in long-run economic growth.
6. Some China scholars have identified “lessons from China” that ought to have guided the transition strategies implemented in Poland and Russia. Evaluate these “lessons from China”.

7. What implications does the theory of the second best have for the conduct of economic policy? How are the findings of several multi-country studies on the economic effects of industrial policies (as measured by the effective rate of protection) relevant to the assessment of the applicability of the theory of the second best?

8. Economic management in the 1980s was advised to focus on "getting prices right", the slogan in the 1990s was "getting institutions right." Explain the basis of the broader approach to economic development, especially the importance of this broader approach to increasing the rate of technical innovation. How does the Washington Consensus fit into this analysis? In your answer, please include an evaluation of the claim that "institutions" trump all other variables in explaining economic growth.