

AGRICULTURAL ECONOMICS 450
2006 FINAL EXAM – December 19, 2006
100 points total

Answer each question. Your answers should be short (one to three paragraphs) and to the point. Points will be deducted for incorrect answers and for answers with excessive amounts of irrelevant material.

Put your name on each of your answer sheets and number your answer sheets.

1. (10 points) Describe the three main alternative definitions of sustainability found in the literature on sustainable development.
2. (10 points) How can international trade permit countries to take advantage of international spillovers in R&D?
3. (10 points) Human capital is often described as the engine of economic growth. Why human capital rather than physical capital or natural resources?
4. (10 points) Describe two of the main differences between financial markets in developing countries and developed countries.
5. (10 points) Describe the main points of the films *Bootstrap Capitalism* and *Credit Where Credit Is Due*.
6. (10 points) Explain and diagrammatically illustrate the Marshallian inefficiency argument associated with share tenancy. Also explain why share tenancy may persist in spite of this inefficiency.
7. (10 points) Choose any one of your fellow students' term papers. What are the main points of that paper? Do you agree with those points? Why or why not? *Do not choose your own paper.*
8. (10 points) Define and describe the Environmental Kuznets Curve hypothesis.
9. (10 points) Choose any one of the additional assigned readings since the mid-term exam. What are the main points of that reading? Do you agree with those points? Why or why not?
10. (10 points) Describe the collateral effect, investment effect, and transaction effect that may be associated with land titling.