

**AGRICULTURAL ECONOMICS 450**  
**MID-TERM EXAM**  
**Thursday, October 4, 2007**  
***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. Use diagrams as appropriate.**

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

1. (10 points) Explain and diagrammatically illustrate the economic reasoning behind the following statement: "Traditional economies are efficient but have a low level of productivity."
2. (10 points) Describe the main points of the film *Slum Futures*.
3. (10 points) What is the concept of purchasing power parity (PPP) and why is it important in comparing incomes across countries?
4. (10 points) Define, describe and diagrammatically illustrate the Kuznets Curve hypothesis.
5. (10 points) Describe one type of use value associated with the environment and natural resources.
6. (10 points) Describe the main points of the *Economist* article, "Sickness or Symptom?" (This article dealt with child labor.)
7. (10 points) Describe three of the main economic differences between human capital and physical capital.
8. (10 points) Why are high crop and livestock yields not necessarily synonymous with high incomes for farmers?
9. (10 points) Choose one of the additional assigned readings and describe the main points of that reading. Also explain whether you agree or disagree with those points, and why. Do not choose the *Economist* article in question #6.
10. (10 points) Describe the main points of the film *Helping Ourselves*.