UNIVERSITY OF CAMBRIDGE
Faculty of Economics

Part I Examinations Report 2018-2019

Chairman's Report

Part I of the Economics Tripos 2018-19

In June 2019 Part I examinations were taken by 159 students. The proportion of students obtaining 1st, 2.1, 2.2 and 3rd, respectively, were 30.2%, 57.9%, 10.7% and 0.6%. The proportion of firsts was very slightly less than in the previous year, but the proportion of 2.1s considerably higher, with a corresponding reduction in those awarded a 2.2. The examiners felt this was justified, they noted the general high quality of the scripts and observed students had been organised and diligent in their approach to the exams. Comments on performance at the level of individual papers will be provided in the internal examiners' reports.

The Board of Examiners agreed that the Pigou prize for best overall performance should be awarded to Valerie Chuang, Christ's College.

The examinations proceeded smoothly. There were no procedural issues and the timetable for paper setting and marking was adhered to by all examiners and assessors. The external examiner, Professor Kaushik Mitra, provided valuable comments on drafts of the exam papers and insightful remarks on the final scripts. Cherie Lee and Craig Peacock ensured the efficient and calm management of the whole process. I would like to thank all those involved.

That said, there are two issues I would like to raise for future years. None of the lecturers for mathematics, statistics and econometrics were able to be appointed as examiners for Paper 3. While all those involved in teaching the paper were willing to go beyond the usual expectation for the various stages of paper setting, and thus ensured a problem-free exam, this required reliance on the good will of these people and cannot be presumed for future years. Further, the exam was set in LaTeX, a programme with which very few in the Faculty are familiar, so corrections had to be made by these few, even though they had no role in the Part I examination process. I particular thank Donald Robertson, Aytek Erdil and Melvyn Weeks for going the extra mile. However, it is essential that someone who lectures on Paper 3 is appointed to the Part I examiners and takes responsibility for this examination in the future.

The second issue pertains to the introduction of an assessed essay component to Paper 5, British Economic History. Overall this appears to have been a good innovation. The students enjoyed the opportunity to write a considered piece of work and favoured the compensating reduction in topics to revise and length of examination. The essays were of a good quality and, combined with the examination marks, brought the level and distribution of marks for this paper in line with those for the theory and metrics papers. However, the process could do with some refinement. The details are in the examiners' report but can be summarised as: a full four day period for the essay to be completed, it was just over three this year; a tighter window for submission of the essay; and submission to occur before 12 noon on a week day other than Friday, so that those who hadn't submitted by the deadline could be chased up with colleges and a solution sought.

Additionally, the examiners raised some issues they would like brought to the Faculty's and to the candidates' attention. We were pleased that the previous concerns about poor handwriting had been noted and that none of the scripts had marks deducted for illegible work. But we noted that candidates also needed reminding that only work that they submitted as part of the exam would be considered for marking. This particularly refers to rough work. If a candidate wishes something he/she has written on rough paper to be considered it must be attached to the script and the relevant part clearly designated. Finally, there was a request for the Faculty Board to consider whether the classing guidelines for this Part remain appropriate, there was a feeling that the criteria for each class may have been set for a period in time when marking was typically done within a more restricted scale.

Sara Horrell
July 2019

Economics Tripos Part I 2019

Printed: 02/07/2019 10:23

	Paper 1	Paper 2	Paper 3 M	Paper 3 S	Paper 3	Paper 4	P5 Essay	P5 Exam	Paper 5	All
Mean	64.6	65.3	64.1	66.4	65.5	64.2	66.9	65.1	65.9	64.4
Standard Deviaton	6.2	7.1	7.4	11.4	8.1	4.5	7.5	6.1	6.5	#N/A
Skewness	-0.7	-0.5	-0.5	-0.9	-0.7	-0.3	0.2	-0.1	-1.5	#N/A
Excess kurtosis	0.6	0.6	0.1	0.4	0.4	0.3	0.2	0.5	7.6	#N/A
Median	65	66	64	68	66	64	66	65	66	#N/A
Compulsory paper average	0	0	0	0	0	0	0	0	0	0
30th percentile	62	62	61	64	62	62	63	62	64	#N/A
40th percentile	64	64	63	67	64	63	65	64	65	#N/A
Number of cases	158	159	159	159	159	159	161	159	161	163
Marks over 70	23.4%	28.3%	27.0%	44.7%	36.5%	17.6%	28.0%	21.4%	27.3%	14.7%
Marks 60-69	59.5%	56.0%	49.7%	32.7%	44.7%	69.8%	59.6%	63.5%	60.2%	71.8%
Marks 50-59	15.8%	13.8%	20.1%	11.9%	14.5%	12.6%	12.4%	14.5%	11.2%	10.4%
Marks 40-49	1.3%	1.9%	3.1%	6.9%	4.4%	0.0%	0.0%	0.6%	0.0%	0.6%
Marks under 40	0.0%	0.0%	0.0%	3.8%	0.0%	0.0%	0.0%	0.0%	1.2%	2.5%

Distribution by class

I	48	30.2%
II.1	92	57.9%
II.2	17	10.7%
III	1	0.6%
Other	1	0.6%

Inter Paper Correlation

	P1	P2	P3M	P3S	P3	P4	P5 Ess	P5 Ex	P5	
P1		0.63	0.53	0.67	0.72	0.15	0.18	0.41	0.36	
P2	0.59		0.35	0.56	0.56	0.28	0.22	0.51	0.44	Raw
P3M	0.48	0.29		0.43	0.76	0.18	0.10	0.18	0.17	Mark
P3S	0.64	0.52	0.43		0.91	0.18	0.21	0.41	0.38	Correlatio
P3	0.68	0.50	0.75	0.89		0.22	0.19	0.38	0.35	
P4	0.14	0.24	0.19	0.09	0.18		0.12	0.22	0.22	
P5 Ess	0.21	0.26	0.07	0.22	0.19	0.15		0.22	0.70	
P5 Ex	0.40	0.49	0.15	0.42	0.35	0.19	0.19		0.72	
P5	0.35	0.46	0.11	0.36	0.30	0.19	0.81	0.67		

Rank Correlation

External Examiner Report

The Vice Chancellor
University of Cambridge The
Old Schools

16 July 2018

Dear Professor Stephen Toope

I am writing as the external examiner for the Part I Economics Tripos exam.

I was involved with the reviewing of question papers as well as the moderation of exam scripts including advising of class borderlines. I was happy with the entire process of the conduct of the Part I exams. I received the programme materials (the Tripos Brochure) and was given good time to review the draft examination papers that were supplied with model answers and marking criteria. I had the opportunity to make comments on these draft papers and supporting material. My suggestions for improvement to the draft exam papers and model answers were taken on board and I felt the questions were of an appropriate standard.

I was able to assess whether internal marking had been appropriately and consistently applied. The Chair of Examiners demonstrated a very hands-on approach to tackling various issues that had arisen during or after the exam. These were explained to me in detail and I was satisfied with the way these issues were handled.

I reviewed a sample of the scripts across the top, middle and bottom of the range, borderline candidates, and evidence of internal moderation. I was satisfied that the marking had been consistent and classifications were of an appropriate standard. It was very helpful that the markers had provided detailed comments for the marks allocated to each quesion in the exam papers.

The standards set are appropriate for qualifications at this level and comparable with similar programmes in other UK institutions that I have been involved with at the Universities of York, St Andrews, Birmingham and Royal Holloway College, University of London. The assessment procedures are sound and measure student achievement rigorously against the intended learning outcomes. The examination process and the determination of awards was fairly conducted.

Student performances were generally very impressive; certainly at the top end of the scale and the distribution by classes was appropriate.
All in all, I found the entire process sound and fairly conducted and it was a delight to work with the Chair of Examiners and the Administrative Secretary during this process.

Professor Kaushik Mitra
Dept of Economics
University of Birmingham, Birmingham, UK

Paper 1 Microeconomics

The standard of scripts was generally high, with about 23% Firsts and 60% II.1s.

A1 examined students' understanding of utility maximization. Most students did well on part a), even though not all were able to simplify the analysis by recognizing that a and b were perfect substitutes. In part b), some students reported the definitions of consumers surplus, equivalent variation and com- pensating variation, but were not able to apply these concepts to the given policy change.

A2 asked students to determine whether given preferences were rational and strictly convex. The overall quality of answers was good. Students correctly defined transitivity and strict convexity, but the detail provided to justify their answers varied significantly across students.

A3 asked students to define price elasticity of demand and explain why a monopolists choice of price will never be in the inelastic section of the demand curve. A vast majority of students answered this question very well, which was expected given that it tested rather straightforward concepts.

A4 tested students understanding of Pareto-efficiency. Most students demonstrated a solid understanding and were able to find a Pareto-efficient production and allocation plan. However, only a minority of students was able to address part b) and recognize that any arbitrary redistribution of money was also efficient.

A5 was mostly well-answered, but, disappointingly, some students cannot distinguish between the notion of Coase Bargaining and the notion of creating a market for an externality, in which agents act as price-takers. This is despite repeated warnings not to make this error.

A6: quite well answered. Weaker answers failed to explain precisely how to bring about a Pareto-improvement.

B7 asked students to assess whether firms should reward customers through a unit discount or a cash transfer. Very few students answered this question. Overall quality was good but no student provided a comprehensive and very careful answer.

B8 asked students to compute the optimal choices of a profit-maximizing monopolist. Overall students did well. In part a), a few got wrong the aggregate demand function but still carried out correctly the remaining steps. In part b) and c), most students provided correct definitions of first and second degree price discrimination, but not all were able to apply these concepts and the resulting quality of answers was mixed.

B9 examined students' understanding of the rational choice framework. Very few students answered this question. While quality was mixed in part a), most students did well in the application in part b).

B10: about three-quarters answered this. The hard aspect of this question is dealing with the boundary. Only very few did this properly. Nevertheless, most got reasonably good marks by doing the rest of the question well. Some still misunderstand Walras' Law.

B11: another very popular question (95 answers). Most got the optimal plan right, but many should have explained the reasoning better - with a linear maximand a first-order condition is not generally appropriate, so more care is needed. Few answered part (e) well (Second Welfare Theorem).

B12: not a very popular question. Parts (a)-(c) were mostly well-answered.
(d) was more challenging. Answers to part (e) were often too brief and sketchy - some discussion of practical policy was required.

Professor Robert Evans
Dr Gabriella Santangelo

Part I Paper 2 – Macroeconomics

The exam had the form of six section A (short) questions and four section B (long) questions. Four students withdrew from the exam. All students answered the required number of questions. Students are reminded that they should read the questions *very carefully* before starting to write their answer and try to answer all parts of the questions.

A bit more than 80% of the students reached a class of II.1 or I for this paper. No students failed this exam. The average mark was 65.3% with a standard deviation of approximately 7.1. The distribution of number of answers for each of the long questions was as follows:

B7	B8	B9	B10
39	129	85	65

We note that the most popular question was question B8 and the overall distribution for long questions was well balanced. Our comments on each of the questions follow:

A1: Students did very well with this relatively easy question. For part (a) of the question, many students did not realise that the change in the minimum wage is so small that it would probably have almost no effect on unemployment.

A2: There are many ways to answer this question, some of them more long-winded, others shorter and more intuitive. Students that linked the saving rate at the golden rule with the share of capital in the aggregate production function scored higher marks for this question. Extra points were given for providing an intuitive interpretation of this relationship. Many students did not seem to know the definition of dynamic efficiency/inefficiency in the context of the Solow growth model.

A3: Generally, this question was well answered, however we noted that many students made a mistake in part (a) namely that the inflation rate in Funland is double of that in Humland. Also, in part (b), many students stated that the Hum dollar will appreciate, but they did not actually calculate by how much.

A4: This question was generally well answered, with students able to trace out the effects of a change in the inflation target through the IS-MP model and into the AS-AD. The best answers additionally gave consideration to the complicating effects of the zero lower bound, and/or the importance of the precise way that expectations are formed. Weaker students were unable to illustrate properly the dynamic adjustment process that brings the AS-AD to long-run equilibrium.

A5: This question was a good discriminator. Strong candidates were able to give a clear account of the role of capital controls, and to present a coherent case for asymmetry. Weaker answers confused the use of capital controls with currency crises under free capital mobility, or in some cases failed to explain the role of controls in their reasoning.

A6: Part (a) of this question, on the role of business uncertainty, was mostly well answered – though a surprising number of candidates argued that reduced interest-rate sensitivity of investment would flatten the IS curve. Part (b) was well-answered by candidates that saw a link to the zero bound, but also induced quite a lot of vague statements linked to the Fisher equation.

B7: This was a question that combined actual macroeconomic data, application of some basic growth accounting techniques and commentary on the economic performance of three comparable European economies. We were very pleased to see that several students chose to answer this question and generally did a good job. The average grade for this question was higher than for the other three long questions. Part (c) of the question was a very good discriminator because there is a large variety of factors that are important for the discussion, and most students did not mention all of them.

B8: The first three parts of this question build up a simple extension to the money supply model the students saw in the lectures in order to guide them to answer the fourth part of the question, which asks whether we can treat the money multiplier as an exogenous variable. The students gave good

answers for parts (b) and (c). Part (a) did not go great, although it should have been easy. It seems that for many students it is not clear what endogenous and exogenous variables are. As a consequence, most students did not manage to give a good answer for part (d). Only few students realised that if er *responds* to monetary policy, then it should not be treated as exogenous in a model of money supply.

B9: This question required candidates to think through a novel version of the open economy Keynesian model, in which the money supply fed back on the real exchange rate. This provided a case intermediate between the 'pure fixed' and 'pure floating' exchange rate regimes covered in lectures. Parts (a) and (b) aimed to push candidates down the path of taking this interpretation, though relatively few took the bait. Slightly under half noted that the money supply rule could be interpreted as a loose exchange-rate feedback rule, but although many were able to plot the resulting money market equilibrium outcome in (e,Y) space, few saw that the parameter delta took the economy between the two extreme examples. Part (c) was a comparative statics exercise – the effects on Y of an increase in r* – that takes different signs in the two 'textbook' cases. Around half of the candidates were able to obtain the right algebraic expression for this (most of the rest only took the partial impact on the IS curve, holding e constant). A handful of excellent scripts noticed the dependence on delta and provided intuition. These answers scored very highly.

B10: This was an algebraic question that required students to think about the foundations of the sticky-wage model of aggregate supply. The main point was that in a model with involuntary unemployment, demand-determined employment could be more easily justified. This could overcome an objection to the model discussed in lectures: why are workers willing to work longer hours when the wage falls? Parts (a) and (b) required candidates to think through the algebra of a simple equilibrium labour market model with worker bargaining power, giving rise to involuntary unemployment. (a) was a straightforward exercise, and almost all answered it with ease. (b) was also not hard, requiring a simple comparison between the labour supply and employment level at a given wage rate. Many students over-complicated this task, becoming lost in the algebra, but most emerged with the right answer in the end. Part (c) then required a discussion of the role worker bargaining power could play in improving the plausibility of sticky wages. Good students saw the link through involuntary unemployment to demand-determined hiring, and the best answers were admirably clear and articulate. Weaker students instead produced vague comments on the likelihood of wages being fixed when workers had bargaining power, or general discussions of the performance of the sticky-wage model. Thus part (c) was the best discriminator.

Summary: This was a good exam: the questions were well balanced and covered all topics that we taught at the lectures. We were pleased to see a more even distribution of question selection in section B than previous years. Students still tend to prefer problems rather than applied/essay questions, but we would like to remind them that economic intuition is in many ways a lot more important than doing just dry mathematical derivations. We would also like to remind students that *all* taught material is examinable, and that given the structure of the exam (6 compulsory short questions), they cannot afford to not study certain topics. Importantly, students should not spend a disproportionate amount of time and space in answering the short questions.

Dr Chryssi Giannitsarou and Dr Charles Brendon

Paper 3 Quantitative Methods in Economics

There were 159 candidates for this paper. We were very pleased with overall performance: 36.5% obtained firsts, another 44.7% obtained a 2:1 and the remainder obtained a 2:2 or lower. The average of 64.1 in Maths and 66.4 in Statistics reflects the good quality of the papers.

The maths part of the paper asked students to demonstrate their knowledge and understanding of mathematical operations in economics and not merely to describe effects. In general the candidates proved their capability and were able to demonstrate good understanding and reasoning in this section.

The stronger answers demonstrated the ability to work through the mathematical question as set well, clearly showing interpretation and working, and importantly, these were able to relate the question to the economic framework in which it was set. Several answers were impressive in this regard. It was a shame though that there were some weaker answers, which either did not address some sections of questions or did not attempt any part of a question. This was to the detriment of candidates being able to show some knowledge.

Question 1
Generally, this part was answered well with candidates working out the correct answer effectively, with the stronger answers displaying thoughtful demonstration of working. In part b the stronger answers showed working through to the correct solution very well, although, in some cases there was difficulty with finding the correct numerical solutions.

Question 2
On the Hicksian demand schedule - strong answers discussed this demand schedule well, sometimes drawing on comparison to the Marshallian curve; and also discussing the Slutsky decomposition. However, several answers were descriptive rather than analytical and did not demonstrate any understanding of the underlying mathematics. More descriptive and terse answers did not gain good marks.

Question 3
Seemed to pose a challenge to some candidates where those answers got lost in the attempt to calculate the area without drawing on an appropriate working method, so these did not achieve the right answer. Strong answers included good working through to the correct solution with clarity.

Question 4
Most answers to this question were very reasonable. Higher marks were awarded to answers showing and discussing methodology, providing cogent evidence for the correct solution, and demonstrating underlying understanding through clear reasoning. Answers that provided little or no reasoning for the conclusions drawn gained fewer marks.

Question 5
This question was answered by most of the candidates who attempted it well though the last part proved problematic for some. Weaker answers either stated that one good would be a Giffen good without identifying which one, or the wrong good was so identified.

Question 6
Of those who attempted this question, several candidates addressed all parts of it very well. However, where there was imprecision in working in the earlier parts, this led to inaccuracies in the last part. Those answers that showed reasoning and method gained marks even if they did not quite achieve the required numerical result.

The statistics portion of this year's paper 3 exam asked students to demonstrate both concrete applied skills (i.e., calculating probabilities, calculating the power of a test), theoretical understanding (i.e., proofs of major concepts), and conceptual understanding (i.e., discursive questions on concepts which could use, but did not require, mathematical proofs).

A large number of students displayed a robust and deep understanding of the course material. We were pleased that the number of students who could demonstrate high level of mastery of the course content. For the small number of students with only weak command of the course content or a very weak performance on some questions, we encourage them to use the summer to solidify their foundation so that they can better succeed in next year's Part IIA econometrics course.

Question 7
The majority of students performed well on part (a). Some failed to answer the question about independence entirely. In order to gain full marks in part (b), a clear mathematical statement was required. In part (c), full marks required a parameter restriction as well as a verbal answer.
For question 8, the overwhelming majority of students returned correct answers. A small number failed to draw a Venn diagram.

Question 9
A straightforward question based on lecture and supervision material and most students answered this question well. Some students provided an incorrect definition of power and consequently, provided the wrong numerical answer.

Question 10
Admitted a wide range of answers. Most students provided good answers to a, b, and c, but some lost marks for a lack of precision in answering b and c. A large number of students understood that, of the available options, only omitting an important variable would cause bias in the least squares estimator. More marks were provided to answers with more complete explanations.

Question 11
Very few students answered this question. The majority did not complete the question. Two excellent answers were received. It was necessary to show one's work (as stated throughout the question).

Question 12
The vast majority of students (141) answered this question and the average quality of the responses was very high. One stumbling block for many students was part c; the correct answer was that removing one observation reduces efficiency, but does not affect bias. In part d, there were a large number of excellent answers that included explanations of which assumptions allowed the students to proceed to the next line of their proof. Some students' answers included mistakes that indicated that they did not really understand how the expectation operator works; they received partial credit for their efforts.

Dr Meredith Crowley and Dr Alex Morris

Paper 4 Political and Social Aspects of Economics

1 Compare the economic policies and the economic performances between the so-called 'golden age of capitalism' and the subsequent 'age of neo-liberalism' in the advanced capitalist economies. What does this exercise tell you about the role of the state in the economy?

This question was the less popular of the two questions set on the "Economics as a Political Subject" part of the paper. It was answered by 64 candidates and was generally answered well. Candidates who performed less well tended to focus too much on Britain and not enough on the rest of the world. Others were limited in their coverage of policies and excluded any analysis of the Bretton Woods system, a key policy feature during the so-called 'Golden Age of Capitalism'. Better answers tended to be global in focus, look at a broad range of policies and were able to deploy the secondary literature on the subject in an accurate and nuanced way.

2 Discuss different types of power that matter in economic analysis.

This question was answered by 73 candidates and was generally answered well. The best candidates noted that market power comes from monopolistic/oligopolistic and monopsonic/oligopsonic positions. Such candidates also discussed structural power, emanating from imbalances in income and wealth; the power to discriminate, *viz.* employers discriminating against certain groups (e.g., women, ethnic minorities); the power to dictate things within organisations, most economic activities are organised not through markets but through organisations, such as corporations and the government; and the power to make people think what you want them to think. Better answers gave concrete examples of these types of power.

3 "The consensus in post-World War 2 British politics occurred out of necessity rather than as the result of ideological beliefs". Discuss.

This question was answered by 146 candidates and was generally answered well. The best answers noted that the median voter theorem explains the adoption of the National Insurance Act and National Health Service Act of 1946 by the subsequent Conservative governments. The best answers also noted that Churchill had been a significant social reformer before and after World War 1 and thus had contributed to the development of the welfare state prior to Clement Attlee. Although Churchill opposed nationalisation in principal, MacMillan and other leading Tories embraced it. Keynesian economic theory was the dominant economic paradigm and so had to be adopted by both Labour and Conservative governments. The Foreign and Colonial policies were set prior to Attlee (partially by Churchill) and the Labour government was obliged by electoral opinion to follow these (in part). Attlee started the atomic bomb programme and the Conservatives continued it. But these policies had to be changed subsequent to the 'Suez crisis'.

4 "Tony Blair and his New Labour government largely accepted the policies of Margaret Thatcher's Conservative government". Discuss.

This question was the most popular on the paper: all but 10 candidates sitting Paper 4 this year answered this question. Good answers defined the policy transformation put into effect by the Thatcher government and the extent to which the Blair government continued or deviated from it. Such answers discussed both economic and social policies, but also the foreign and defence policy continuities and changes. Less good answers were rather narrative and lacked much in terms of detail. Better answers were more analytical and engaged with the secondary literature on the relationship between Thatcherism and Blairism.

5 To what extent was the Great Recession of 2008 different from other economic failures Britain endured since 1945?

This question was the second most popular on the paper: all but 13 candidates sitting Paper 4 this year answered this question. Good answers included analysis of the causes, nature and consequence of the financial crisis of 2007-09 in Britain in comparison to other economic problems in the post-war period. The weakest candidates just provided a narrative of the Great Recession without much analysis of previous economic failures. Better candidates were able to explore previous economic failures in more detail and compare them in an analytical way with the Great Recession. The best answers were able to deploy the latest research on British economic failures and British banking crises in a way far exceeding the normal expectations for a Part I student.

6 (a) Outline a model which shows how human capital affects economic growth.
(b) If we wish to target educational institutions in order to reduce poverty, then how important is the role of school quality?

This question was answered by 47 candidates and was generally answered well. The best answers presented the model of human capital and economic development outlined in lectures; then discussed the importance of educational institutions, distinguishing between the roles of school quantity and school quality. The best answers also cited studies on teacher truancy in India, Duflo Indonesian schools and Bedi and Edwards in the Honduras.

7 (a) How do political institutions affect economic growth? In this context, does democracy ensure higher growth?
(b) Evaluate the claim that political institutions matter more for economic development than human capital.

This question was answered by 46 candidates and was generally answered well. The best candidates discussed the role of political institutions: democracy, autocracy and how they affect governance; the role of the state and where political institutions are important. The best candidates also discussed the Acemoglu, Johnson and Robinson result with the instrument of European settler mortality and the Glaeser argument that human capital is more important; and expressed a view on the 'institutions versus human capital affects growth more' debate.

Mr Nigel Knight & Dr Charles Read

Paper 5 British Economic History

This year was the first in which the British Economic History paper had an assessed essay for the British Industrial Revolution component and a shortened (two-hour) examination on the period for which the candidate had attended lectures, either British Economic History 1850-1914 or British Interwar Economic History. The average mark for the assessed essay component, 66.9%, was slightly higher than for the exam component, 65.1%, with a correspondingly higher proportion in the first class range. Overall, the marks for this paper were high, 65.9% on average, with 27.3% of candidates being awarded a first, 60.2% a 2.1, and 11.2% a 2.2. The examiners also noted a high degree of correlation between each individuals' marks for the assessed essay and the examination. The examiners were pleased with the new format and felt that, apart from the logistical issues mentioned below, it had been successful.

Assessed Essay

The candidates wrote a 2,500-word essay on one of two set titles. The first title involved analyzing the relationship between living standards and economic and productivity growth. The second involved assessing how the evidence on three explanations for technological development during the Industrial Revolution might aid our understanding of the process of technological innovation more generally. Each topic allowed candidates to discuss arguments and evidence with which they were familiar from the literature, and also provided an opportunity to develop and explore the links between the two aspects of the question. The best candidates took advantage of these opportunities and were awarded marks into the mid-80s. Indeed, most students produced well-informed, competent essays that discussed much of the relevant literature. However, there were a small number of weaker essays which tended to be brief, to recite only material from the lectures (sometimes wrongly), and to write a general answer on the subject at large while failing to address the specifics of the question asked.

All the essays were subject to a plagiarism check through TurnItIn. Checks on those with relatively high aggregate matches revealed no serious concerns and revealed that the candidates had cited their sources appropriately.

Feedback on the format of assessment for Paper 5 was sought from the student representative. He confirmed the opinion of the examiners, namely that the assessed essay had offered the opportunity for students to engage more fully with a topic.

However, we all identified some problems with the logistics. The essay was released at 10 a.m. on a Tuesday with the submission deadline between 10 a.m. and 3 p.m. the following Friday. Unfortunately, this did not give the students the four days they were expecting to complete the essay and many candidates spent most of the final day checking references and printing out the work. Four full days for essay completion is recommended for future years. In a few cases, students reported difficulties obtaining some of the relevant books from libraries.

Although the two specific books mentioned by students in this case were in fact openly available online via the University Library and the Marshall Library, we recommend that in future examiners ensure in advance that any key readings are indeed available digitally, where difficulties are anticipated. The Undergraduate Office staff also identified problems with the submission process. The majority of students arrived to hand in their essays immediately before the deadline, starting from 2.30 pm onwards. This meant that the staff had to remain in the Faculty until 6 p.m. in order to ensure that all the essays were handed in. This made it impossible for them to contact colleges on the same day concerning those students who had not returned any work. This problem was compounded as the submission day was followed not just by a weekend but also by a Bank Holiday Monday. For future years, we recommend that the essay title be released on a Friday morning, with the submission deadline set for the following Tuesday between 11 a.m. and 1 p.m.

We would like to express huge gratitude to Dawn and Cherie who handled this year's process with humour and forbearance; we hope that implementing the recommendations above will streamline the process for future years.

Exam

British Economic History 1850-1914

Nearly two fifths of the students opted to take the British Economic History 1850-1914 course. Of these the majority answered questions 1 and 2 with just eight answering the question on corporate structure. All the questions were answered well: the first two attracted an average mark of nearly 66%, while candidates who selected question 3 evidently did so because it interested them and they achieved an average mark of 72%. They recognised the problems associated with the corporate form in the UK in this period, but demonstrated that this was probably no worse than elsewhere and that the deficiencies did not seem to put off investors, so that poor corporate form could not be causally linked to late Victorian decline. Question 1 on output and productivity evidence was answered (inappropriately) by weaker candidates as a question about British economic 'failure' in this period. Better candidates focussed on the GDP per capita and TFP evidence and provided a good discussion of Broadberry's explanation of relative manufacturing performance and sectoral shift, although they tended to be more informed about the comparison with the USA than with Germany. The best candidates developed the service sector comparisons and recognised that the relative economic position of Britain was not a function of financial sector performance in this period but more closely related to developments in transport and communication. Question 2 asked about outdated technology and size of firm hampering British growth. Weaker candidates devoted too much of their discussion to entrepreneurial attitudes and, while discussing some specific techniques, tended to provide only a very sketchy coverage of the impact of small firm size. Better candidates did this part of the question particularly well, by contrast, recognising the potential for larger firm size to allow efficiencies and market power, but seeing that market power could also create problems.

British Inter-war Economic History

Bifurcated Labour Market

Some students found this question difficult. Weak answers focussed on the contrast in causes of unemployment between the 1920s and 1930s; not all discussed bifurcation in relation to short duration as well as long duration; and only the better candidates linked the time paths of short- and long-term unemployment to economic recovery and considered how growth and rising long-term unemployment might coexist. Stronger responses were familiar with the concept and were able to relate it to the labour market of the 1930s.

Return to Gold

This question proved popular with most students choosing this topic. Strong responses treated the return to gold as a process over the period 1919-25, discussed the movements of the real exchange rate and related the exchange rate to trade and economic performance over the 1920s. The concept of trade hysteresis was discussed and used to understand trade performance and the output gap of the 1920s. Most of the responses neglected productivity growth during the 1920s.

General Tariff

Most students were able to comment on aspects of the General tariff (including additional tariffs and Imperial preference). The best responses used a wide set of evidence to evaluate the tariff effects, drawing on evidence form effective protection rates, difference-in-difference industry studies, macro effects and trade bloc effects. Stronger responses related tariffs to the discussion of policy regime change in the 1930s.

Dr Sara Horrell
Professor Sheilagh Ogilvie
Dr Solomos Solomou