

ECT1
ECONOMICS TRIPOS PART I

Wednesday 13 June 2018 9:00-12:00

Paper 4

POLITICAL AND SOCIAL ASPECTS OF ECONOMICS

Answer **FOUR** questions only.

Answer all parts to the question.

Each question carries equal weight.

Write your **candidate number** (not your name) on the cover of each booklet.

Candidates are asked to note that there may be a reduction in marks for scripts with illegible handwriting.

If you identify an error in this paper, please alert the **Invigilator**, who will notify the **Examiner**. A **general** announcement will be made if the error is validated.**STATIONERY REQUIREMENTS**

20 Page booklet x 1

Rough work pads

Tags

**SPECIAL REQUIREMENTS TO BE SUPPLIED FOR THIS
EXAMINATION**

You may not start to read the questions printed on the subsequent pages of this question paper until instructed that you may do so by the Invigilator.

1. 'The conventional view is that most of today's rich countries have used free-market, free-trade policies to develop their economies. The reality is the opposite.' Discuss with reference to historical examples.
2. 'Despite the aspirations of free-market economists, it is not possible to rid the economy of politics.' Discuss.
3. 'Given the political constraints, there will never be a coherent system of economic governance in the European Union.' Discuss.
4. 'The political accord in British politics between 1945 and 1979 proved to be effective in delivering the outcomes that the electorate and the politicians wanted.' Discuss.
5. 'Margaret Thatcher's government was a radical one, but Tony Blair's New Labour government was much more in accord with the wishes of the electorate.' Discuss.
6. In what ways was the Great Recession of 2008 different in nature from other major economic challenges Britain has faced since 1945? In what ways did British governments deal with the Great Recession differently from how they dealt with other major economic challenges since 1945?
7.
 - (a) In what ways might legal institutions affect economic development?
 - (b) What is the difference between common law and civil law legal systems?
 - (c) Does the empirical evidence suggest that legal systems explain differences in economic growth across countries?
8.
 - (a) What is social capital?
 - (b) In order to measure social capital, is it better to use attitudinal data or participation data? Provide examples to illustrate your argument.
 - (c) How does social capital affect human capital in the economy?

END OF PAPER