

Written Exam for the B.Sc. or M.Sc. in Economics 2009-II

**The Economic History of Globalization**

Elective Course/Master's Course

16 June 2009

(4-hour closed book exam)

Please note that the language used in your exam paper must correspond to the language of the title for which you registered during exam registration. I.e. if you registered for the English title of the course, you must write your exam paper in English. Likewise, if you registered for the Danish title of the course or if you registered for the English title which was followed by “eksamen på dansk” in brackets, you must write your exam paper in Danish.

If you are in doubt about which title you registered for, please see the print of your exam registration from the students' self-service system.

**The three questions below are equally important**

1. First, we would like you to explain what type of indicators that can be used to assess the extent of integration and globalization in capital markets? Then, please, proceed by giving a historical overview of the development of international capital flows and international capital markets from 1870 to the present.
2. Inequality between nations can be measured in several ways. Describe the most commonly used measures. Proceed then by describing the major trends in world inequality from 1800 to the present. What role, if any, has globalization in the observed trends in inequality?
3. (a) Briefly describe the driving forces of migration, and the changes in their relative importance, during the two eras of mass migration, from 1850-1913 and after 1950.  
  
(b) Explain the main direct effects of these periods of mass migration in the receiving country on i) the relative scarcity of factors of production, ii) relative factor prices, and iii) income distribution. In your answer you should also consider the impact of adjustments outside the labour market, i.e. in the capital market and in the market for goods.