

Written Exam for the B.Sc. or M.Sc. in Economics summer 2011
The Economic History of Globalization

Master's Course

Date 28 June 2011

(3-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.

1. Please, list the indicators that can be used to evaluate how well capital markets are integrated globally.

Proceed by applying these criteria to international capital markets and present a periodization of the last 150 years according to whether capital markets were well integrated or not.

2. The 'law of one price' is often referred to in the context of commodity market integration.

Define the 'law of one price'.

Proceed by discussing price convergence in transatlantic commodity (grain) markets before 1914.

What caused the price convergence in grain between US and Europe?