



Beijing-Dublin International College



SEMESTER II MIDTERM- 2023/2024

School of Economics

ECON1046J: Economics and Society

Prof. Kevin Denny
Dr. Zuzanna Studnicka

Time Allowed: 60 minutes

Instructions for Candidates

Candidates should attempt all questions. Read the questions carefully and check they do not continue over the following page. The use of calculators is **NOT** permitted. Write all your answers in the answer sheet provided

Good luck!

BJUT Student ID: _____

UCD Student ID: _____

I have read and clearly understand the Examination Rules of both Beijing University of Technology and University College Dublin. I am aware of the Punishment for Violating the Rules of Beijing University of Technology and/or University College Dublin. I hereby promise to abide by the relevant rules and regulations by not giving or receiving any help during the exam. If caught violating the rules, I accept the punishment thereof.

Honesty Pledge : _____

(Signature)

Instructions for Invigilators

This examination paper is not to be removed from the examination. Candidates are allowed to perform rough work on it. They should hand it to the examination supervisor at the end of the examination, together with their answer sheet and any rough work. The use of calculators is **NOT** permitted.

MCQ (30 marks) for each question, choose the single best answer. There is no negative marking.

1. What does the equilibrium price and quantity represent in a market?
 - A. The price at which producers are willing to supply any quantity of the good.
 - B. The price at which demand exceeds supply, leading to shortages.
 - C. The point where the supply curve intersects the demand curve, resulting in a balance between quantity demanded and quantity supplied.
 - D. The price at which producers maximize their profits, regardless of consumer preferences.
2. If there is an improvement in technology in the production of a good, what effect will it have on the equilibrium price and quantity?
 - A. Equilibrium price decreases, equilibrium quantity increases
 - B. Equilibrium price increases, equilibrium quantity decreases
 - C. Equilibrium price and quantity both increase
 - D. Equilibrium price and quantity both decrease
3. In response to a decrease in the price of a substitute good, what will happen in the market?
 - A. Demand decreases
 - B. Demand increases
 - C. Supply decreases
 - D. Supply increases
4. Which of the following best describes the shape of the Kuznets Curve?
 - A. A linear downward-sloping curve.
 - B. A linear upward-sloping curve.
 - C. An inverted U-shaped curve.
 - D. A U-shaped curve
5. What does the Kuznets Curve attempt to illustrate?
 - A. The relationship between income inequality and economic growth over time.
 - B. The direct correlation between population growth and environmental degradation.
 - C. The inverse relationship between education levels and poverty rates in developing countries.
 - D. The impact of technological advancements on the level of unemployment in industrialized nations.
6. What is nominal GDP?
 - A. GDP adjusted for inflation, providing a more accurate measure of economic growth.
 - B. GDP measured in current prices without accounting for inflation.
 - C. GDP calculated only for domestic production, excluding imports and exports.
 - D. GDP calculated using the income approach rather than the expenditure approach.
7. If a country's GDP grows at an annual rate of 3% and its initial GDP is \$10,000, what will be its GDP after 2 years?
 - A. Approximately \$10,330
 - B. Approximately \$10,610
 - C. Approximately \$10,430
 - D. None of these

8. Which of the following is not a factor that can contribute to economic growth?
- A. Increase in labour force
 - B. Technological advancements
 - C. Increase in government spending
 - D. Expansion of capital investment
 - E. All of these factors contribute to economic growth
9. The term "real GDP growth" refers to:
- A. Growth of GDP adjusted for CPI
 - B. Growth of GDP without considering inflation
 - C. Growth of GDP adjusted for PPP
 - D. Growth of GDP excluding exports and imports
10. In economic terms, what does the Gini coefficient represent?
- A. Total income earned by the top 1% of the population
 - B. The extent of poverty within a society
 - C. The degree of income or wealth inequality within a society
 - D. The average income of a country's population
11. Which of the following is NOT a potential consequence of poverty?
- A. Reduced access to education and healthcare
 - B. Increased crime rates
 - C. Higher levels of economic growth
 - D. Limited economic opportunities
12. What does the Human Development Index (HDI) measure?
- A. Economic growth within a country
 - B. Income inequality within a country
 - C. Overall development levels of countries based on health, education, and standard of living
 - D. Gross Domestic Product (GDP) per capita of a country
13. What does a shortage indicate in a market?
- A. Excess supply of a good or service
 - B. Equilibrium between supply and demand
 - C. Insufficient supply to meet demand at the prevailing price
 - D. Decrease in consumer demand for a good or service
14. What does diminishing marginal returns indicate in the context of production?
- A. Each additional unit of input increases output by the same amount.
 - B. Each additional unit of input increases output by a decreasing amount.
 - C. Each additional unit of input increases output by an increasing amount.
 - D. Output remains constant regardless of the amount of input used.

15. What was one of the main consequences of the Industrial Revolution on society?
- A. Decrease in urbanization
 - B. Increase in agricultural production
 - C. Growth of urban populations
 - D. Decline of manufacturing industries

PART II

Follow up questions (5x2 marks)

- A. Explain your answer in 2 using a fully labelled graph.
- B. Explain your answer in 4.
- C. Explain your answer in 9.
- D. Explain the advantages of using Human Development Index (HDI) over GDP.
- E. Explain your answer in 13 using a fully labelled graph.