

Do NOT write your name anywhere. (Canvas will tell me who turned in the assignment.) All answers must be typed, except for mathematics and graphs. Take pictures of your written answers and use your own software or <https://pdfcandy.com/> to create a single PDF size A4. (pdfcandy.com will convert many file types to PDF, resize PDF, merge PDF and many other things for free. However, Apple phones may require using [CamScanner](#) before using pdfcandy.com.) Failure to follow these directions will cost you 10 points.

1) (25 points) Which part of my web page, <http://www.WCsaplarJr.info> do you think will be most helpful? Why? Is anything missing that you would like to see? What is the URL for the first exam from this class during the last semester it was taught? Suppose you were a sophomore Managerial Economics major, then what courses does the Economics Program suggest you be taking this semester? According to the boxes in yellow on my main page, which of the 25 most requested skills on LindedIn are taught to our Economics majors?

2) (20 points) Economics is described by some books as the “study of incentives.” Given that, explain why democracies normally have more successful economies than countries with totalitarian governments.

3) (20 points) We say that a higher GDP per capita means the country is better off. However, studies of “happiness” often conclude that a poor country like Nepal is happier than a rich country like the USA. What is GDP per capita not considering? Why is that important?

4) (20 points) Economics is described by some books as the “study of incentives.” Given that, why do you think egalitarian communes (where everybody earns the same income) rarely survive for more than one generation after they are formed? Explain your logic.

5) (15 points) What is meant by “fixed country effects”? Explain why they make conclusions in this course difficult to reach?

Either fill in this list on your first homework assignment, or e-mail your preferences to me at [WCsaplarJr@bethanywv.edu](mailto:WCsaplarJr@bethanywv.edu) by 1:30 on Friday, August 21<sup>st</sup>. **Note that no student will be assigned to discuss a country they lived in for more than one year.** Rank them from 1 (first choice) to 5 (last choice).

\_\_\_\_\_ Germany      9/29 (before we finish discussing USA)  
\_\_\_\_\_ Japan      10/8

Exam #3

\_\_\_\_\_ Russia      11/3  
\_\_\_\_\_ China      11/5 (before we finish discussing Russia)  
\_\_\_\_\_ Czech Republic      11/12