

Wilf Csaplar Jr.

Economics 270

Homework #10

Due 4/24

The last one!

Place your name on the back of this sheet of paper and nowhere else. Staple your answers on the front of this sheet of paper. Failure to follow these directions will cost you 1 point. Your assignment will be typed, except graphs can be drawn by hand and mathematical equations can be done by hand. Failure to type it will cost you 10 points. If you use double-sided printing or print on the back of scrap paper, I will give you one additional point.

If you are a Senior taking *comps*, then your paper is due on 4/19. You will not take the third exam nor will you hand in Assignment #10.

1) (20 points) The *Great Leap Forward* has often been ridiculed as the *Great Leap Backwards*. What was it? Explain two reasons why it was unsuccessful.

2) (15 points) In the 21st century, China has had negative real interest rates. What is the economic problem caused by this?

3) (20 points) China has been growing quite fast in the 21st century. Many people feel that this growth will not sustain itself for very long. What problems are developing which might slow its growth? Explain how those two problems would slow their growth.

4) (15 points) China has had great success in reducing poverty. Why do you think they have been so successful? Explain your logic.

5) (15 points) China has been spending a lot of money building infrastructure and factories in developing countries, especially in poor African countries (Sudan, Zimbabwe, etc.) and countries with dictators (Sri Lanka, North Korea, etc.) What do you think is their motivation for doing that? Explain your logic.

6) (15 points) Obviously, China is neither a pure capitalist nor a pure communist country. Which do you think they are closer to? Explain your logic.