

Name: _____

Economics 496/895 Final
Prof. Bryan Caplan
Fall 2020

Instructions:

- You have 75 minutes to complete this exam.
- Write all answers directly on the exam.
- You may use any books, notes, or other materials that you wish, but avoid spending too much time on any one question.
- Partial credit may be awarded on all questions.
- The maximum possible number of points is 100.
- **Undergraduates should answer ALL 5 of the All-Level Questions. They should NOT answer the Graduate-Level Question.**
- **Graduate students should answer 4 out of the 5 All-Level Questions, PLUS the Graduate-Level Question.**
- You should have 5 pages, counting this one.

Part 1: All-Level Questions (20 points each for undergrads, 15 points each for graduate students)

Answers should be 4-6 sentences long. Use diagrams if helpful.

1. "You cannot simultaneously have free migration and a welfare state." Using everything you've learned, assess the accuracy of Friedman's famous claim.

2. Why does Caplan say that "Trust is overrated"? Is he right? Defend your position.

3. How exactly do Putterman-Weil's results in Table IV of their paper *strengthen* the case for migration from less-developed countries?

4. If you were Garrett Jones, how would you react to Caplan's claim that people who believe that IQ is socially valuable should welcome immigrants from low-IQ countries? Strive to write a paragraph that Garrett would endorse!

5. What do you consider the best argument *against* immigration? Construct a keyhole solution to address your own greatest concern.

Part 2: Graduate Level Question (40 points for graduate students)

Answers should be one page long. Use diagrams if helpful.

1. Suppose the 1924 Immigration Act had remained the law of the land since its adoption. Building on all the research you've read in the course, how exactly would the American politics look different today? Be sure to discuss policy as well as partisanship, and the magnitude as well as the direction of change.