

ECON 100B Final Exam Review Sheet

David Agrawal

The following are some concepts that I think are important to master. They may or may not be important for the exam. In addition, there are many important concepts that I have left off this list. Thus, this list should only serve as a primitive outline. You should use the Chapter section headers as a more comprehensive outline and should consult your section and lecture notes. Additionally, reading the text and supplemental articles will be important. Please be sure to review the supplemental readings we have covered since the first midterm. You should be able to find solutions mathematically when appropriate. Remember that the final exam is cumulative. Good luck!

Chapters 1 – 6, 9-14, 19

Professor Kaufman will use material from these chapters on this midterm. Therefore, you should consult [Handout 3](#) and [Handout 7](#) to review this material.

Chapter 7

Equations and assumptions of Solow

What is the solution to the Solow model?

Steady State

Transition Dynamics

What do the results of Solow imply?

Shocking (experimenting with) the Solow model

The Golden Level of Capital

The Solow Model with Population Growth

Chapter 8

Solow with Technological Progress

How does this model give us long-run growth?

Convergence vs. Conditional Convergence

Policies to Promote Economic Growth

Endogenous Growth Models

Total Factor Productivity

Chapter 16

Keynesian Consumption Function

Microeconomics of Consumption

Life-Cycle Hypothesis

Permanent Income Hypothesis

Random Walk

Chapter 17

Types of Investment

Taxes Impact on Investment

Financing Constraints

Accelerator Model

Chapter 15

Debt vs. Deficit

Government Budget Constraint

Traditional View of Government Debt

Ricardian Equivalence

Epilogue

What is the take away of this course?

To study, I recommend the following. Given a limited amount of time, you should only proceed to the lower numbers if you have mastered the previous items.

1. First, review your new notes from lecture and section with an emphasis on graphical and mathematical models. Also, review economic logic explaining the models.
2. Review material notes from the old exams.
3. Then, review the new supplemental articles from Blackboard and make sure you can summarize all their arguments.
4. Then review the solutions to the two homework problem sets. Perhaps try solving some of them again.
5. If you have not already done so, it is probably too late to read the textbook. Thus, read the notes I posted on my website if you have time.
6. Do some practice problems from the workbook if you have time.