

In Class Exam 2: Economic Development (Questions 1-20 are worth 4 points apiece)

1. Which of the below is a primary victory of reason that produced the rise of the West.
  - A. Development of faith in progress within Christian theology
  - B. The written word, developed in Fertile Crescent, produced the vehicle by which Mohammed and the Islamic religion and culture combined with the ancient Greek and Roman texts producing the Ottoman Empire after the Byzantine Empire.
  - C. Greek rational, logical philosophy informed politicians and practice to influence states to increasingly respect personal freedom.
  - D. Agriculture was begun in the European West and produced agricultural surpluses before any other region.
  - E. Roman commerce throughout their Empire, resulting in the development of capitalism within responsive states.
2. \_\_\_\_\_ absorbed the teaching of Greek philosophy, particularly the logical arguments contained in Socrates, Plato and Aristotle.
  - A. St Augustine's belief in a rational Creator and free will
  - B. Judaic scholars
  - C. Islamic theologians
  - D. Chinese philosophers
  - E. Hindu theologians
3. Jesus contributes to the idea that rational discernment of His life and teachings reveal more about the created universe because:
  - A. All of the below
  - B. He spoke in parables, but did not write down his teachings
  - C. He did not own slaves
  - D. He lived amongst the outcast of society, prostitutes, tax collectors, Samaritans, criminals, etc.
  - E. His life and death can be shown to be consistent with the predictions in the Old Testament by the prophets.
4. Prior to Copernicus and his perfected heliocentric model of the solar system, Medieval science cleared the way for this scientific theory through:
  - A. Buriden's theory that space was a vacuum, and hence absent friction
  - B. Buriden and d'Oresme who formulated that the Earth turned on its axis.
  - C. d'Oresme also conjectured that the atmosphere also moved with the Earth's rotation, as well as any object moving vertically from the Earth
  - D. Cusa's theory that a person's location will always appear stationary to him/her.
  - E. All of the above, and Copernicus was aware of all of the above discoveries – theories.

5. Alfred North Whitehead argued:
  - A. Science arose in Europe because of the widespread “faith in the possibility of science.... derivative from the medieval theology.”
  - B. Images of gods in other religions, particularly in Asia, are too impersonal or too irrational to sustain science.
  - C. The creation of the universe is an inscrutable secret that can never be understood by man.
  - D. A., and B.
  - E. A. B. and C.
6. Interest on loans was a bit more difficult to accept. However, the Church fathers thought:
  - A. If an asset like land was used as collateral on the loan, then the income from the asset during the term of the loan could be paid to the lender, without reducing the principal of the loan.
  - B. It was proper to consider the alternative uses of the money to the creditor when determining conditions on the loan.
  - C. The lender should be an active partner in the enterprise.
  - D. Lenders were able to trade notes, which were like shares of the loan amongst other lenders to make it look like taking an equity (shareholder) stake, but in reality still delivering a predictable rate of interest.
  - E. All of the above.
7. Slavery ended in Medieval Europe because:
  - A. The Catholic Church allowed free and slave individuals to receive the Sacraments (Baptism, Confession, Eucharist, Confirmation, Marriage, Last Rights, Holy Orders).
  - B. It overcame the original respect for slavery written by the Apostle Paul, because he argued for their equality with their slave owners before the God of Heaven.
  - C. The fall of the pagan Roman Empire reduced the demand for slaves as well as the support for their existence as a slave by the state.
  - D. Royals, such as Charlemagne, came to oppose slavery as an immoral institution.
  - E. All of the above.
8. The Romans and Greeks failed to develop water, wind and horse power because:
  - A. Both societies used an abundance of slaves, like the Egyptians, and hence had no incentive to develop power from alternative sources.
  - B. The wind was too light in their territories, and there were few rivers in their territories that could be used
  - C. This is false; Romans used water powered mills to grind their grains into flour.
  - D. This is false; the Roman farmers used horses as work animals plowing fields.
  - E. This is false; the Romans and Greeks developed sailing ships which were more useful than manned rowing ships.

9. Medieval households enjoyed greater warmth and freedom from moisture compared to Roman households because of their possession of \_\_\_\_\_.  
A. large apartment complexes with huge courtyards with community firepits.  
B. chimneys and better window enclosures  
C. more underground homes built into sides of hills  
D. application of large tent awnings over the roofs of apartments  
E. all of the above
10. Universities were founded in Europe starting in the middle of the 12<sup>th</sup> century and throughout the 13<sup>th</sup> century. Which of the sites below is a location of one of these institutions of higher learning?  
A. Berlin  
B. Milan  
C. Moscow  
D. Florence  
E. Amsterdam
11. Chinese philosophers:  
A. believed that the universe has always existed and it just is.  
B. The universe had a beginning and an end, and then another cycle to repeat.  
C. A rational Creator produced the universe and the natural laws could be uncovered operating the universe as clues to the Creator.  
D. An impersonal God produced the universe that was inhabited by many smaller deities (immortal beings), but the impersonal God had no further contact with the universe.  
E. The heavenly bodies were living creatures.
12. Stark's definition of capitalism is quite detailed. It requires all of the following:  
A. Privately owned, stable and relatively well organized firms, engaged in lawful activities.  
B. The pursuit of complex commercial activities for pecuniary gain.  
C. A, B, D and E.  
D. The economic actors, including paid workers, interact in relatively free markets.  
E. The activities are systematic, long-term in focus for future gains, with reinvestment of wealth in productive enterprises.
13. Eyeglasses were \_\_\_\_\_, and helped to extend the productive work life of \_\_\_\_\_.  
A. invented in China; mandarins teaching the importance of leisure.  
B. invented in Italy, and increasingly used throughout Europe; individuals over 40 involved in any detailed handiwork.  
C. imported from Asia into the Middle East; imams in mosques.  
D. simultaneously and independently invented in Italy and China; priests and mandarins in each country.

- E. commonly used throughout the world by the time of Columbus; field workers and sailors.
14. Transportation improvements during the Medieval period include all the below except:
- A. Development of the horse collar, which allowed horses to replace slower oxen
  - B. Development of iron horse shoes which improved horse traction and protection of their hooves
  - C. Development of stronger hulls compared to Greek and Roman
  - D. The perfection of the magnetic compass and rounded hulls
  - E. shipsInvention of harnesses which permitted large teams of draught animals
15. Unlike Judaism and Islam, Christian theology led to a separation of Church and state because:
- A. Jesus recognized Roman authority over things like taxes, but God's authority over morality.
  - B. Mohammed was both prophet and secular ruler of the Islamic state.
  - C. Pharisees, Sadducees, Scribes were not only educated in the Jewish Law, but in the whole Old Testament. They served also as judges of the Law, which governed almost every action in daily life.
  - D. All of the above and below.
  - E. Jesus was concerned about life of the soul for eternity, not merely life on Earth.
16. The parable of the Prodigal Son revealed:
- A. God loves the return of the lost sheep, the sinner.
  - B. Jealousy of God's infinite mercy is often strongest amongst the well behaved, and must be shown to be a sin of envy
  - C. The Prodigal Son's demand for his inheritance meant his rejection of his father.
  - D. The wages of sin led the Prodigal Son to envy the pigs, which in the Jewish faith is the dirtiest of animals and forbidden to be eaten by an observant Jew.
  - E. All of the above.
17. As monasteries became more specialized and profitable, which of the following changes occurred:
- A. Religious orders became increasingly involved in day to day operation of the profit making venture.
  - B. All of the below.
  - C. Rising sophistication in management, and selecting amongst the religious order individuals with the best potential for successful business foresight.
  - D. Increasingly lending out of their profits for interest, with higher interest if the borrower is more likely to default on the loan.
  - E. Hiring for wages, non religious workers instead of slaves or serfs.

18. A Just Price became a Christian doctrine that a price could exceed the cost of production. Which of the following contributed to this acceptance?
- A. Saint Albertus Magnus proposed that "goods are worth what the market estimates at the time of the sale."
  - B. Saint Augustine stated the obvious that "it is natural and lawful to wish to buy cheap and sell dear."
  - C. Saint Thomas Aquinas stated that the Just price was a function of "the buyer's desire for the thing purchased, as long as the buyer is not misled or under duress"
  - D. Saint Thomas Aquinas stated that the Just price was a function of "the seller's willingness or reluctance to sell (as long as the seller is not under duress to sell), and available to any buyer at that moment"
  - E. All of the above.
19. Orthoprax is defined as \_\_\_\_\_, and orthodox is defined as \_\_\_\_\_.
- A. correct belief, correct practice
  - B. random practice, random belief
  - C. correct practice, correct belief
  - D. faith tradition of devout Catholic Christians, faith tradition of devout Jews and Muslims
  - E. none of the above
20. Example(s) of orthoprax religion is(are) \_\_\_\_\_, and example(s) of orthodox religion is(are) \_\_\_\_\_.
- A. Islam and Christianity; Judaism
  - B. Judaism and Christianity; Islam
  - C. Islam and Judaism; Hinduism
  - D. Islam and Judaism; Christianity
  - E. Hinduism; Christianity, Islam, and Judaism

21. (20 total)

A. (5) Give three examples of despotic tyranny that dramatically reduced the incentive to take risks up front for hope or expectation of high returns in the future. That is give three examples (location, date and brief summary) of Asian – Middle Eastern despotism which wrecked or indicated a hostility towards capitalist endeavors.

B. (5) Name the competing city states prior to the Renaissance (and the Protestant Reformation) that vastly expanded public input in decision making, fostering dramatically expanding commerce and industry. Give the counter example, which buttresses the argument in favor of freedom and capitalism, and why freedom was restricted.

- C. (10) List the achievements in music, architecture, literature, education and science during the Medieval period that far surpassed Roman and Greek achievements.