

Sapienza University of Rome, Faculty of Economics
Economics and Policy of Networks
Prof. Fabio Sabatini

Please write your name and **id number** (*matricola*) on the paper sheet

Withdrawal from the exam is only allowed within the first 15 minutes (approximately until 9.15). After that deadline, your exam will be subject to evaluation.

The exam will end at 10.30.

Your grades will be published on the course's website ASAP and you will be notified of the publication via email.

In case you want to reject your grade and repeat the exam, please notify me within the following 12 hours after the publication.

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1) Illustrate Becker's theory of social interactions by explaining how social influences shape agents' utility functions.

2) Briefly explain:

- The Olson-Putnam controversy about civic networks and how Knack and Keefer (1997) measured those networks.
- The results obtained by Knack and Keefer (1997) in their cross-country analysis of the role of networks and trust in economic growth.

3) Explain why, in absence of regulation, strong family networks would give employers a monopsonistic power on the labour market and describe the claims by Alesina et al. (2014) about the role of family networks in the regulation of labour markets.