

A)

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

Rome, June 12, 2018

Please write your name and **id number**.

Grades will be published in anonymous form on the course's web site. Publication will be notified through the course's newsletter ASAP.

**Grades <12 will be registered on Infostud**

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- 1)** Briefly summarize the results obtained by Knack and Keefer (1997, *Quarterly Journal of Economics*) in their cross-country analysis of the role of networks and trust in economic growth.
- 2)** Explain the determinants of "bilateral trust" (trust between pairs of nations) in the work of Guiso, Sapienza and Zingales (2009, *Quarterly Journal of Economics*), and the effect of bilateral trust on international trade.
- 3)** Explain how Algan and Cahuc (2010, *American Economic Review*) measure inherited trust in their paper.