**Quiz**

1. Answer the questions below according to Autor’s article that we discussed in the class. You can find the article at my Avesis page as “Author – 99%”.
2. Explain why inequality among 99% is more important than the inequality caused by the richest 1%. (Hint: Page 844 of the article)
3. The supply of skilled labor (= college graduates) grows very fast in the US between 1964 and 1982. According to the supply-demand model, how would that affect college wage premium? Is this prediction of the model consistent with the data? (Hint: See Figure 3)
4. The average tuition increased 300% in the US in 1965-2010. Is this high? (Hint: See Figure 4)
5. In Turkey, wage Gini is around 0.35 and the college wage premium is around 1.9 according to the OECD data. Then what would be the intergenerational elasticity of income in Turkey accoridng to Figure 5.
6. Labor share is falling in the US as we discussed in the class. A particular explanation is cheap capital, i.e. low interest rate. If cheap capital replaces labor, this would explain why the labor share is falling. Why is this explanation wrong?

(Hint: We discussed this in the class. See also Barkai (2016), page 32-33-34, that you can find at my Avesis web page as “Declining Labor and Capital Shares”.)

1. The figure below is from Autor et. al. (2017). You can find the essay at my Avesis web page. The title of the essay is “Concentrating on the Fall of the Labor Share.” Explain why this data suggests that the falling labor share is due to super star firms.

