

## Exercise 3 - MCAT CARS

### Writing MCAT Questions

Hotshot French economist Thomas Piketty, of the Paris School of Economics, looked at the major democracies with North Atlantic coastlines over the past couple of centuries. He saw five striking facts: First, ownership of private wealth—with its power to command resources, dictate where and how people would work, and shape politics—was always highly concentrated. Second, 150 years—six generations—ago, the ratio of a country's total private wealth to its total annual income was about six. Third, 50 years—two generations—ago, that capital-income ratio was about three. Fourth, over the past two generations that capital-income ratio has been rising rapidly. Fifth, the flow of income to the owner of the dollar capital did not rise when capital was relatively scarce, but plodded along at a typical net rate of profit of about 5% per year generation after generation. He wondered what these facts predicted for the shape of the major North Atlantic economies in the 21st century. And so he wrote a big book, *Capital in the Twenty-First Century*, that was published last year.

It has been a surprise bestseller. Thomas Piketty's English-language translator, Art Goldhammer, reports that there are now 2.2 million copies in print and e-book form in 30 different languages scattered around the globe.

Piketty's big surprise best-selling book has one central claim: Two generations ago the major North Atlantic economies were all four stable social democracies—relatively egalitarian places when viewed in historical perspective (for native-born white guys, at least), with political voice widely distributed throughout the population, the claims of wealth to drive political directions and shape economic structures not neutralized but kept within bounds. That was the North Atlantic economy that we lived in and had grown used to as recently as one generation ago. That, Piketty argues, was an unstable historical anomaly. It is now passing away.

Piketty believes that the rising inequality trends we have seen over the past generation and see now are simply returning us to what is the pattern of unequal income distribution and dominant plutocracy that is normal for an industrialized market economy in which productivity growth is not unusually fast. We had thought otherwise, and grown used to the social-democratic structure of two generations ago only because it came at the end of an era in which productivity growth had been unusually fast; the various political, depression, and revolutionary shocks to overturn established and inherited wealth had been atypically large.

“...inequality is a factor that leads enormous investments of resources to deliver little of ultimate value in the sense of human well-being and human satisfaction. “

The social democratic economy model the major North Atlantic economies followed as recently as a single generation ago had five salient features. First, that labor was important relative to ownership of wealth as a source of income. Next, enterprise and savings were important relative to inheritance as a source of accumulated wealth. Opportunity, while constrained by race and gender, was not that constrained by class—there was upward mobility. Economic growth—both numbers of workers and the productivity of the average worker—was relatively rapid, with each generation clearly larger and more productive than its predecessor. And finally, politics were relatively democratic, in that while the rich spoke with a louder voice, their concerns did not drown out the economic interests of others.

And Thomas Piketty's central claim is that all five of these once-salient features of our social democracy are vanishing. We are, he believes, on a long-run historical trajectory to return us to a situation more like the nineteenth century, in which ownership of capital is more important relative to labor as a source of income; inheritance dominates enterprise and savings as a source of wealth; opportunity is tightly constrained by class of birth; economic growth is slow (both because of declining technological invention and birth rates on the one hand, and because established wealth, which is hostile to the creative destruction that drives economic growth, possesses a bigger voice in shaping the political economy); and politics is dominated by plutocrats.

Brad DeLong, “The Melting Away of North Atlantic Social Democracy,” TPM Features. TPM Media LLC., 2015.

**For each category below, create one CARS question stem derived from the passage above.**

**Main Idea**

These are general questions dealing with the cardinal issues of the passage. Main idea questions are designed to see if you grasped the central theme of the passage as a whole.

**Author's Tone**

This type of general question asks whether you understood the author's point of view on the subject of the passage. These questions are often the most subtle. Is the author being critical or supportive. Is their tone objectively neutral or biased and partisan? The differences among the answer choices in tone questions can sometimes be hard to tease out.

**Thematic Extension**

These questions are in the same family with the Main Idea or Tone questions, which deal with the passage as a whole, but Thematic Extension questions ask you to take the author's argument or point of view and draw a conclusion about another subject or derive a broader proposition.

**Specific Inference**

These questions will identify a specific section of the passage and ask for an interpretation that goes a little deeper than the explicit reference, asking you to read 'between the lines.' These questions are often about judging the shade of meaning the author puts on a word within a specific context.

**Facts & Information**

On one level these questions are a test for your retention of specific facts or concepts stated in the passage. However, on another level, they are a test of how well you synthesized and retained the organization and flow of the passage. This is because often the process of answering this kind of question involves returning to the passage to find the information.