

Political Economy (7004) Ph.D. Qualifying Examination Questions, Part I - 2011

Answer two of the following three questions:

1. Using a game theoretic framework, explain how can the notion “spontaneous order” be conceptualized and how that relates to whether the ‘market’ is embedded or disembedded in the sense of Polanyi?
2. According to North private property is efficient because it enables individuals to personally benefit from activities that promote economic growth. While that is true for a given period in history according to Marx, it later ceases to be true. Explain why.
3. Discuss Polanyi’s discussion of the evolution of the market pattern in connection with the rise of fictitious commodities. How is this argument similar to Marx’s analysis of ‘commodification of labor’

Qualifier Exam 2011

Political Economy Part II

1. There are three Marxist theories of capitalist accumulation and crisis. Explain each of the three theories and discuss how each of them contributes to the understanding of capitalist economic crisis. Based on your reading of the relevant Marxist and Post-Keynesian literature, discuss and analyze the evolution of the US capitalist institutions from 1929 to 2009. Discuss both the Big Government/Keynesian social structure of accumulation and the Neoliberal social structure of accumulation (SSA). In your discussion, please explain how each of the two SSAs helped to resolve the structural crisis of the previous SSA and prepared favorable conditions for capitalist accumulation. Then discuss how each SSA in turn led to new contradictions that eventually resulted in a new structural crisis.
2. After 1989, a socialist economic system based on centralized economic planning was widely considered to be a fundamentally flawed and unviable economic system. Based on your reading of Stiglitz, Roemer, and Weisskopf, elaborate on the arguments against socialist economic planning, focusing on the information, motivation (“principal-agent”), and innovation problems. In light of the actual performance of capitalism since 1989 (taking into account both the economic performance and the global ecological crisis), has capitalism proved to be more successful than socialism in addressing the information, motivation, and innovation problems? Explain why or why not. The threat of climate change caused by fossil fuels burning may prove to be the single most important issue confronting the humanity in the 21st century. Based on your reading of the relevant climate change literature, explain the potential catastrophic consequences of climate change. Can reasonable climate stabilization be achieved within the historical framework of capitalism? Explain why or why not. Can socialist economic planning help to achieve reasonable climate stabilization? Explain why or why not.