

7003 Qualifying Exam Questions – 2021

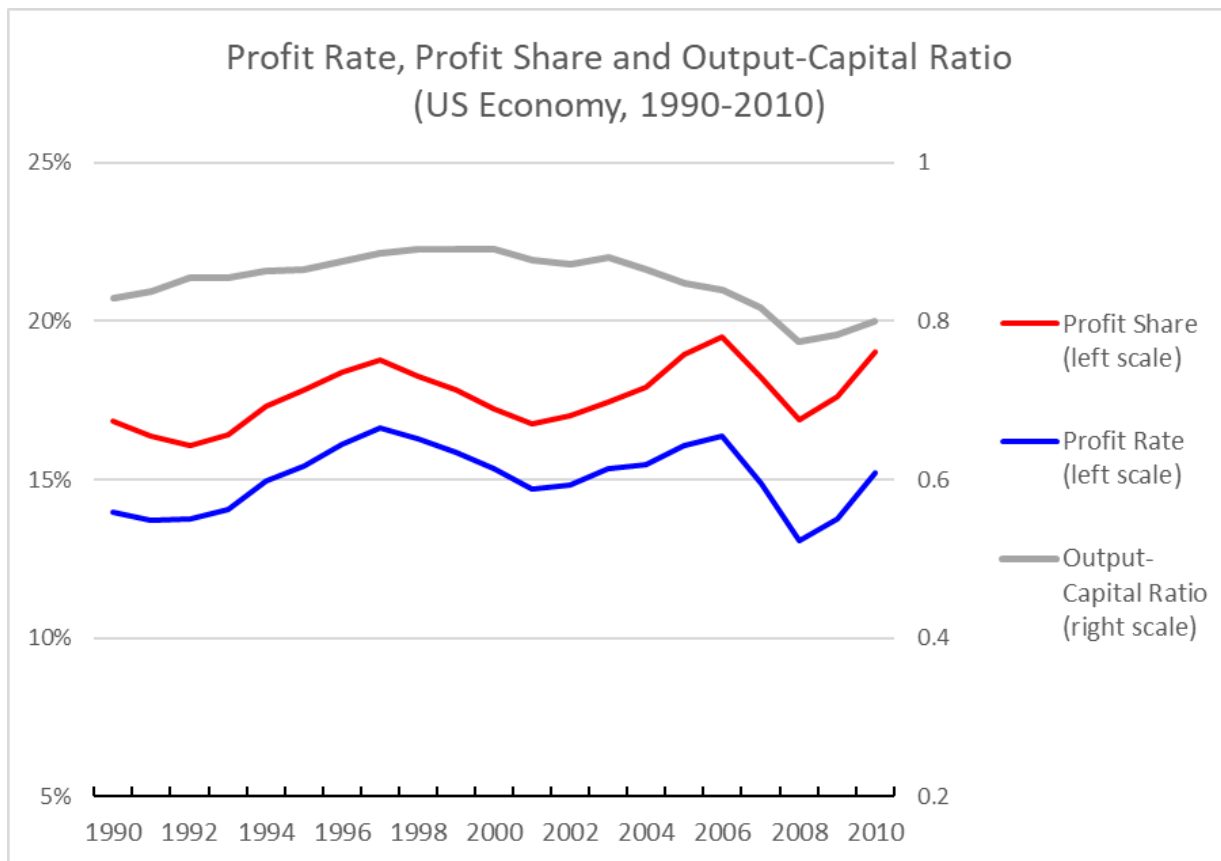
Answer two of the following three questions.

1. Discuss what social and economic dynamics give rise to Polanyi's *Double Movement*, i.e., why market expansion can both stimulate or retard economic growth? Make sure to explain in your answer (a) the link between market expansion social protection gap; (b) fictitious commodities; (c) and countermovement.
2. Discuss the distinction Marx draws between the "sphere of exchange" and the "sphere of production" his conception of the firm. How is it both similar and different from the approach taken by neo-institutionalist economists such as Coase and Williamson, respectively. Present and critically discuss efforts by authors such as Bowles and Gintis to interpret Marx's discussion of the capital labor conflict as a principle agent problem.
3. Using wage-profit diagrams, discuss (i) Marx's distinction between absolute and relative surplus value; (ii) his theory of distribution compared to mainstream theory; (iii) capital biased technological change, and (iv) the era during real wage indexation (*golden age*) and after deregulation.

## Qualifier Exam Questions, Political Economy II

1. Can reasonable climate stabilization be achieved under capitalism? Reasonable climate stabilization is defined as limiting global warming to not more than two degrees Celsius relative to the pre-industrial time. Discuss this question based on your reading of Anderson and Bows, Hickel and Kallis, Peters et al., and Wallerstein.

2. Consider the following graph (the variables are measured using methods and data sources explained in Econ 7004):



Use one or more than one of the alternative Marxian theories of accumulation and crisis (rising organic composition of capital, social conflict, and under-consumption) to explain the

cyclical movements of the Marxian variables in this period. In your answer, use what you read from the relevant readings, your general knowledge of US economic development in this period, and some educated guesses.

Please note that the period includes two business cycles: 1990 to 2001 and 2001 to 2008 (trough to trough). For each of the two cycles, explain what in your view had caused the rise or fall of the profit share, output-capital ratio, and profit rate. In case you choose to use more than one theoretical approach, make sure the approaches you use are empirically and theoretically compatible with each other.