

Pol Econ I – 2019 Qualifying Exam Questions

1. Using game theoretical concepts, discuss and criticize how Bowles conceptualizes *power* in a capitalist economy? What are the different ways in which asymmetric power can be conceptualized in an analytical setting?
2. Discuss in detail the social and economic dynamics that give rise to Polanyi's *Double Movement*, i.e., why market expansion can both stimulate or retard economic growth? Make sure to include in your answer (a) why market expansion creates a social protection gap; (b) *fictitious commodities*; (c) and *countermovement*.

1. Based on your reading of Devine, Gordon/Weisskopf/Bowles, Keynes, and Bellofiore, discuss and compare the Marxian crisis theories and the Keynesian/Minskian crisis theories. How were Keynes's and Minsky's understandings of the underlying cause of capitalist economic crisis different from the various Marxian crisis theories? According to Minsky (as interpreted by Bellofiore), how did contradictions within Keynes's ideas contribute to the limitations and failures of big government capitalism and create the conditions for the rise of money manager capitalism?

2. According to Hayek, what was the main economic problem of society? How did Hayek, using his theory of "knowledge", argue that a rational economic system would have to be based on "price system" rather than "central planning"? According to Carl Riskin, Vicente Navarro, and Robert C. Allen, socialist planning succeeded in mobilizing economic surplus, raising quality of life in low-income countries, and promoting rapid industrialization in certain historical context. Based on your reading of Riskin, Navarro, and Allen, discuss why Hayek failed to anticipate the relative economic and social success of socialist economies before the 1970s. In your answer, please elaborate on the impact of class structure, limitations of GDP as a measure of welfare, and certain fundamental market failures neglected by Hayek.