



**University of Utah**  
**Department of Economics**  
**PhD Qualifying Examination in**  
**Political Economy**  
**Tuesday, May 28, 2024**  
**9am – 1:30pm**

Please write legibly with a dark pen or pencil and use only the front side of the paper provided.

You may answer these questions in any order, but be sure to label each answer with Section/Part \_\_, Question \_\_\_\_.

Be sure to include your PIN on each page of your answer document, along with numbering each page. At the end, add the total number of pages to the first and last page.

Any questions about testing protocol can be directed to the proctor.

## Political Economy Qualifying Exam 2024

### Part 1

*Answer 2 of the following questions.*

1. What is the “long-period method” of the classical political economists? Explain the key concepts of this method, including the distinction between market and natural prices.
2. Define the profit rate. What are the main determinants of the profit rate? How do “social relations of production” and “the development of forces of production” affect the average profit rate?
3. What is the “New Interpretation” approach to the “transformation problem”? What issues in value theory does this approach address?
4. What is the “capitalist law of exchange” and how does it differ from the “commodity law of exchange”? What principles of competition and free mobility of labor and capital are involved in each?

## **Qualifier Exam, Political Economy Part 2 (Summer 2024)**

**Students should answer both of the following two questions:**

Q1

Discuss whether a capitalist economic system can remain “stable” with zero or negative economic growth. In your answer, explain your definition of capitalism. A stable economic system may be understood as an economy that is at or can be brought back to macroeconomic equilibrium that is reasonably close to full employment without having unsustainable trends (e.g., a trend towards indefinite rise of debt-to-income ratio would be clearly unsustainable).

Q2

Both Karl Marx and Immanuel Wallerstein argued that all social systems have life cycles. Compare and discuss Marx’s and Wallerstein’s arguments that every social system had a beginning, had or will have an end, and can only exist during a limited historical period. Do you think that Marx’s and Wallerstein’s arguments can be applied to capitalism (in other words, do you agree that capitalism cannot survive forever and can only exist within a limited period of time that may be comparable to the life-length of some of the earlier social systems)? Explain.