

Political Economy (7004) Ph.D. Qualifying Examination Questions - 2014

Answer two of the following three questions:

1. In what sense can it be argued that the theory of contested exchange highlights the relevance of collective action problems in the context of a market economy with fully defined private property rights? In other words, is something similar to “tragedy of commons” possible in a market economy and if so how and why?
2. Compare and contrast North’s theory of the state with that of Marx as it relates to the nexus between property rights and economic growth. More specifically, make sure to address the question of what accounts historically for the revolutionary increase in economic growth under capitalism according to North, and what Marx would have to say on that.
3. Drawing on Marx and Polanyi, explain what makes “self-regulation” possible in a capitalist market economy and what are, if anything, might be its limits.

Political Economy 2, Summer 2014

1. Discuss how the capitalist economic institutions had evolved from the Great Depression of the 1930s to the Great Recession of 2008-9 and how the changing institutions had shaped capitalist accumulation at successive stages of development. In your answer, explain and compare the following writers’ arguments on the modern capitalist economy: Gordon, Weisskopf, and Bowles; John Bellamy Foster; James Crotty; and David Felix.
2. Both classical Marxism and the world system approach regard capitalism as a historical system that can exist only under specific historical conditions. Compare the classical Marxist and the world system arguments by answering the following questions:
 - (a) In the *Preface to A Contribution to the Critique of Political Economy*, Marx argued that the development of productive forces would sooner or later result in an epoch of social revolution. Explain Marx’s arguments.

(b) In “Peace, Stability, and Legitimacy,” Wallerstein argues that the capitalist world-economy is entering into a time of “chaos”, a concept borrowed from modern science. Give a brief summary of Wallerstein’s arguments on why all systems (physical, biological, and social) will eventually lose their capacity to restore equilibrium and end with “bifurcations.”

(c) In *Socialism: Utopian and Scientific*, Engels discussed the “contradiction between socialised production and capitalistic appropriation.” According to Engels, how did this basic contradiction of capitalism manifest and present itself as two different antagonisms?

(d) Towards the conclusion of “The Rise and Future Demise of the World Capitalist System,” Wallerstein discussed two “fundamental contradictions.” According to Wallerstein, what were the two “fundamental contradictions” involved in the workings of the capitalist world-system?