

Comparative Political Economy
Spring 2021
Final Exam

Name:

Date & Time Begun:

You may work on the exam for 48 hours. You may use any class materials (notes, lectures, readings) for this exam, but do not conduct outside research or consult with others. Good answers will focus on material covered in class.

I. Short Essays: Answer any three (3) questions. Read the instructions before answering and just answer what the question asks. Define your terms where necessary. Your answers should be approximately 2 paragraphs. (20 points each)

1. How and why is the politics of welfare state retrenchment (cuts in benefits) different than the politics of welfare state expansion? Can politicians ever cut the welfare state and if so how?
2. How does public choice theory show why government cannot solve our problems? Can it explain the successes of governments? How?
3. Is economic inequality the central problem of our time? How much of a problem is it and why? Do different potential causes of inequality lead you to different assessments? Focus more on empirical research than normative arguments.
4. To what extent are the main criticisms of big business justified? What are the arguments in favour of big business?

II. Long Essay. You must answer this question. Make sure to define your terms. Your essay should be approximately 3 pages. (40 points)

Fukuyama argues in *The End of History* that the combination of democracy and capitalism is the best answer we have to the problem of social order. Is he right? Consider the following issues: (1) Are democracy and capitalism compatible or do they tend to undermine each other? And how exactly? (2) How has the relationship between democracy and capitalism evolved over the last century or so in the developed world and what are the main forces behind this evolution? (3) What are the prospects for democratic capitalism systems today? Are they resilient or are they breaking down? And how?