

Political Science 4109: Comparative Political Economy

Spring 2022

Midterm Exam

Reminder: You are free to use any course materials to answer these questions (readings, slides, etc.), but you should NOT do external research. Your answers should be based on course materials. Once you begin the exam, you have 24 hours to complete it.

I. Short Essays: Answer any two (2) questions. Read the instructions before answering and just answer what the question asks. Define your terms where necessary. Length: approximately 2 paragraphs. (25 points each)

1. What were the main necessary factors for the world to break out of the Malthusian trap of low growth? How did they manifest themselves in England's economic development?
2. The Czech Ministry of Industry and Trade is considering launching a major new policy where the state helps to identify and support key industries in the Czech Republic. They have asked you to brief them on the main benefits and hazards of such an approach. What will you tell them?
3. In the 1990s the Washington Consensus (also known as neoliberalism) was the dominant way of thinking about economic development for poor countries. What are the main criticisms of this approach? Were they correct?

II. Long Essay. You must answer this question. Make sure to define your terms. Length: approximately 3 pages. (50 points)

How would you explain the great divergence between rich and poor countries? Of the theories we have discussed (geography, state, market, democracy), which is the most important factor and why? Your answer should have four parts: (i) how does this factor produce the great divergence, (ii) why do you think it is the most important factor, (iii) what are the main criticisms of the importance of this factor and how would you defend its importance against its critics, and (iv) what are the policy implications of this theory – ie, if this factor is the most important, then what policies should poor countries adopt in order to grow?