

**ECONOMIC SOCIOLOGY PRELIMINARY EXAMINATION  
AUGUST 2002**

**AFTERNOON SESSION**

**Part III. Economics & Economic Sociology (25 percent of grade)  
(answer one of the following)**

1. Economists might expect interfirm collaborations to be plagued by opportunism. In contrast, Charles Sabel and Susan Helper and others have argued that pragmatic collaboration” can be supported by “learning by monitoring.” Discuss and evaluate this argument, explaining how it differs from economic theories of the firm.
2. Some labor economists have argued that inter-industry wage differences cannot be reconciled with standard economic models. Discuss the empirical evidence. How might efficiency-wage models explain these findings?
3. Economists are beginning to make extensive use of evolutionary game theory. Describe evolutionary game theory. Why might economic sociologists find it more compelling than standard game theory? How have economists used evolutionary game theory to explain the formation and persistence of social norms?
4. Within economics, much recent criticism of the dominant paradigm has come from behavioral economists who draw upon cognitive psychology. What are some of the issues raised by the behavioral economists? To what extent are these issue relevant for economic sociology?

**Part IV. Comparative/Institutional Economic Sociology (25 percent of exam grade)  
(answer one of the following)**

1. A central assumption in much of the globalization literature is that the growth of the new international division of labor constrains the ability of nation-states to intervene in their economies. Evaluate this assumption. How has globalization affected the welfare state in the developed countries and the developmental state in the Third World?
2. Capitalist countries vary considerably with respect to the institutional environments for making investment decisions. Some countries rely on stock markets, while others use banks for allocating capital. What does the research suggest are the effects of the different institutional structures of managerial decision-making? Choose three countries with different systems of capital markets and assess how they affect the behavior of economic actors.
3. Much attention has been given in recent years to the phenomenon of “industrial districts” or “economic agglomeration” with high spatial concentrations of firms producing similar products. Discuss alternative theories for why such agglomerations occur and why they tend to generate productivity advantages. In your answer be sure to discuss at least two empirical cases of agglomeration.