## Challenges of globalization · M-C exam · 10 January 2019

- 1. Daly's impossibility theorem (after Herman Daly) asserts
- (a) capitalism is not self-destructive: for every economic problem there is a perfectly implementable and affordable technological solution.
- (b) US global dominance cannot be sustained.
- (c) global governance is impossible: the nation state will never dilute into some supranational form of political organization.
- (d) sustainable growth is impossible: growth necessarily deteriorates the environment.
- Of the following sentences, which one is not false?
- (a) The so-called third wave of globalization is not associated with the current information technology revolution.
- (b) The so-called first wave of globalization was not triggered by the European transatlantic voyages at the end of the 15th century.
- (c) The so-called second wave of globalization was exclusively a creation of the Chinese economy during the 19th century.
- (d) None of the above is a true sentence
- 'Nondemocratic systems are better at bringing about economic development' is a claim known as
- 'the big triad', which more generally refers to the inconsistency between the goals of growth, stability and fair distribution.
- (b) the Fermi paradox (after Enrico Fermi), which is also called 'the paradox of our times'.
- (c) 'the poverty trap of globalization', which itself is a direct consequence of the North-South divide.
- the Lee hypothesis (after Lee Kuan Yew, 1923-2015, president of Singapore).
- **4.** On the question of when globalization began,
- (a) the O'Rourke-Williamson position is that globalization began with the Agricultural Revolution some ten millennia ago.
- (b) the Flynn-Ğiráldez position is that globalization began recently, at the start of the 19th century.
- (c) the O'Rourke-Williamson position is that globalization started in the 16th century, when all sufficiently populated land masses initiated a sustained interaction.
- (d) None of the above
- The concept of 'big history'
- (a) states that Rodrik's trilemma is a false assertion.
- expresses the idea that cosmic evolution started with the (b) emergence of the human species.
- is just another popular name for the Anthropocene era.
- (d) None of the above
- **6.** Financial crises
- are impossible according to Minsky's financial instability hypothesis.
- are a necessity according to the efficient market hypothesis.
- are not possible according to Rodrik's trilemma.
- (d) None of the above
- Antonio Verde's globalization slowdown thesis
- does not attribute the slowdown of globalization to the failure of the middle classes to protect politically their
- (b) is a particular case of Rodrik's trilemma.
- (c) is also known as 'the inconsistent quartet', originally proposed by Tommaso Padoa-Schioppa.
- (d) None of the above

- **8.** Ian Bremmer's J-curve relates
- (a) the KOF globalization index with income inequality.
- (b) development with democracy.
- (c) market freedom with government intervention.
- (d) None of the above
- 9. Little Divergence and Great Divergence are the names given to the historical processes of
- (a) democratization and de-democratization, respectively.
- (b) globalization and de-globalization, respectively.
- (c) the Rise of the West and the rise of China, respectively.
- (d) None of the above
- 10. There is an absolute consensus on the contention that
- pro-market policies and reforms at the national level came first and globalization was the consequence.
- globalization occurred first and that forced governments to adopt pro-market policies and reforms.
- globalization is not a threat to the peace between states, because states never struggle for the control of natural resources.
- (d) None of the above
- 11. The concepts of tension belt, Seneca effect, X-event, offshoring and outsourcing have in common that
- all of them are caused by climate change.
- (b) when a tension belt creates a Seneca effect, the X-event of offshoring outsources the tension belt, which in turn magnifies the outsourcing X-event, unless the Seneca effect reverts the X-event and offshoring cancels out outsourcing, in which case the Seneca effect outsources all the tension belts.
- the last two are particular cases of the second one and the first implies the third.
- (d) None of the above
- **12.** Calling globalization an asymmetric process means
- (a) that only the rich countries benefit from globalization.
- (b) that only the poor countries benefit from globalization.
- (c) the world needs a global leader.
- (d) None of the above
- **13.** The fact that the current globalization process has partly deindustrialized the economies of developed countries
- (a) is called neoliberalism.
- (b) has contributed to drive down the wages of the industrial workers in the developing countries.
- has led to the creation of the North-South gap.
- (d) None of the above
- **14.** There is no difference between the following two notions.
- (a) Rodrik's trilemma and the Goldilocks principle
- (b) Globalization 2.0 and the Fourth Industrial Revolution
- (c) The Luddite fallacy and the technological singularity
- (d) None of the above
- **15.** Which sentence is not false concerning the so-called three recent epochs of globalization?
- The Neoliberal era took place in the 19th century.
- The Belle Epoch unfolded after World War II. (b)
- The Golden Age of capitalism started just immediately (c) after the collapse of the USSR.
- The three preceding sentences are false.
- **16.** The tension between hyperglobalization, the national state and democratic politics is known as
- (a) (Gabor) Steingart' fallacy of the globalization debate.(b) the death of conflict hypothesis.
- (c) according to Ian Morris, 'the paradox of development'.
- (d) None of the above

- 17. The difference between the concepts of globalization and globalism is
- absolutely none: they are synonyms.
- (b) that globalization is an ideology and globalism is the process of increasing interdependence between different parts of the world.
- (c) that globalism occurs necessarily first and globalization occurs next, once globalism has been exhausted.
- (d) None of the above
- **18.** The claim that the world is broken
- (a) holds that capitalism has no impact on the natural environement.
- (b) asserts that globalization has created a global labour market dominated by trade unions.
- (c) states that globalization is a tide that always and everywhere lifts all boats.
- does not mean that globalization is flattening, or that it is not mismanaging, the world.
- **19.** Rodrik's trilemma
- (a) is the converse of Yates' dilemma (the contention that it is impossible to create a society that is just and capitalist).
- (b) states that all poor countries will eventually converge to the standard of living of the rich countries.
- holds that it is not possible for an economy to simultaneously follow the prescriptions of market globalism and avoid environmental degradation.
- (d) None of the above
- **20.** Which sentence is not true?
- Sustainable growth is not possible according to Albert Bartlett's laws of sustainability.
- The 'tragedy of the commons' is succinctently expressed as 'freedom in a commons brings ruin to all'
- (c) Joseph Tainter's theory of why societies collapse uses the concepts of cost and benefit of investing in complexity.
- The graph known as 'the hockey stick curve' provides evidence for an inverse relationship between global temperature and atmospheric CO<sub>2</sub> levels for at least the last twenty millennia.
- **21.** The ecological footprint is an estimate of
- (a) the amount of pollution generated by a developed
- the total volume of  $CO_2$  emissions in the world.
- (c) is the difference between the globalization driven by politics and the globalization driven by technology.
- (d) the amount of resources, production, consumption and waste by an individual.
- **22.** (Mancur) Olson's hypothesis contends that
- (a) growth and stability of the global economy are inconsitent with the existence of a welfare state.
- Big Data is inconsistent with democracy.
- (c) as suggested initially by Gunnar Myrdal, international trade reinforces existing income differences between developed and developing countries.
- (d) None of the above
- **23.** One of Rodrik's rules for the global economy states that
- (a) there is just one way to prosperity.
- (b) in the near future, democratic governance and political communities will be organized through supranational organizations, most likely the United Nations.
- (c) the Olduvai theory of industrial civilization is almost certainly true and should therefore be taken into account to regulate the global economy.
- (d) markets should be deeply embeded in systems of governance, since markets are not self-regulated institutions.

- 24. The Triffin general dilemma, as described by Tommaso Padoa-Schioppa, asserts that
- too much inequality is a threat to democracy.
- (b) too much democracy is a threat to capitalism.
- (c) too much globalization is a threat to biodiversity.
- (d) None of the above
- **25.** The 'elephant curve' illustrates
- (a) how globalization has reinforced autocratic political
- (b) the ideological triumph of neoliberalism.
- the connection between Trump's victory in 2016 and the Brexit referendum.
- (d) None of the above
- **26.** Empirical evidence for the last two/three decades suggests that the benefits of globalization
- (a) have exclusively concentrated on developing countries.
- (b) have been mostly enjoyed by the poorer classes of the world.
- (c) have been evenly distributed among countries and also among social groups within countries.
- (d) None of the above
- **27.** The denial of which claim is not false?
- (a) The political will trilemma (Nacho Álvarez) captures the apparent impossibility of satisfying, at the same time, the demands by the people, by the national elites and the international financial demands.
- (b) One of the lines that the internet appears to have blurred is the line between the domestic and the international.
- (c) Today's ubiquitous connectivity seems to have generated, or at least reinforced, a new form of power that operates like a current (the traditional form of power operated rather like a currency). The new power is said to be made by many, open, partipatory and peer-driven. Besides, the goal with the new power is to channel it, rather than to hoard it.
- (d) All evidence unambiguously points to democracies dying exclusively through the use of military power and coercion.
- 28. It is not a general tendency in international migration, at least after World War II,
- that many countries experience multiple types of migration (labour migration, refugees, family reunion...).
- (b) that some countries traditionally being sources of migrants (like Spain, Turkey, South Korea, Poland) have become countries receiving migrants.
- (c) that migration has been globalized, in the sense that many more countries participate in international migration.
- that European countries continue to be an important source of emigration.
- **29.** Piketty's theory of inequality states that (a) the diffusion of knowledge and skills is a source of income inequality.
- the benefits of globalization are captured by capitalists, whereas the costs fall on workers.
- income inequality is reduced when income per capita grows.
- (d) None of the above
- **30.** John G. Glenn's 'paradox of dominance' establishes that
- (a) democracy creates the seeds of its own demise.
- (b) a hegemonic war is the necessary outcome of the rise of artificial intelligence.
- capitalism creates the seeds of its own demise.
- the economic system created by a dominant power (like the US) is used by the challengers to rise in power.

- 31. The Kuznets wave is a conjecture on the relationship between
- openness and stability.
- (b) income per capita and financial stability.
- (c) global peace and inequality.
- (d) income per capita and inequality.
- **32.** The Thucydides trap contends that
- (a) capitalism makes war inevitable.
- (b) democracy makes populism inevitable.
- globalization makes global financial crises inevitable. (c)
- (d) None of the above
- **33.** Moore's law is an observation (that has been approximately true for some 50 years) about
- the stability of technological progress.
- (b) the distribution of the costs of technological progress.
- (c) the distribution of the benefits of technological progress.
- (d) the growth of technological progress.
- **34.** The rise of the collaborative commons
- (a) is directly related to the rise of national populism.
- (b) means the benefits of globalization are captured by capitalists and the costs fall on workers.
- (c) is the phenomenon according to which income inequality falls when income per capita grows.
- (d) None of the above
- **35.** Which option does not include what can be considered a basic issue in the current global order?
- (a) Global norms of climate protection
- (b) Global financial regulation
- (c) Non-proliferation of nuclear weapons
- (d) None of the above
- **36.** What is not false about John Michael Greer's notion of catabolic collapse?
- It does not refer to the process by which, due to resource depletion, capital becomes waste.
- (b) A factor that can never cause catabolic collapse is declining energy availability.
- (c) It is equivalent to a Minsky moment.
- (d) It could be due to political turmoil.
- **37.** Which concept is not relevant in Earth system science?
- The Anthropocene
- (b) The Great Acceleration
- The planetary boundaries (c)
- (d) None of the above
- **38.** Jorgen Randers' grocline concept
- (a) is a particular case of the shifting baseline syndrome.
- (b) asserts that Trumponomics is probably a fallacy and possibly will produce a digital dictatorship.
- defines a world where the individual situation deteriorates while aggregate production (GDP) expands.
- (d) defines a world where the individual situation improves while aggregate production (GDP) shrinks.
- 39. Peter Turchin and Sergey Nefedov propose some generalizations of historical dynamics. One of them
- (a) is the neo-Malthusian principle, which states that capitalism if financially unstable in the long run.
- (b) is elite underproduction, a generalization according to which richer people tend to have fewer children.
- (c) human equality does not evolve in a zig-zag fashion, but has continuously increased since the origins of the human species.
- (d) None of the above

- **40.** Wolfgang Streeck identifies a set of systemic disorders of contemporary capitalism. Which option contains exactly one of those disorders?
- (a) Stagnation, corruption, the rise of the robots, local currencies
- (b) Plundering of the public domain, technological unemployment, complementary currencies
- (c) The Rise of the West, the Great Divergence, the Little
- (d) Cosmic evolution, US President Donald Trump, global anarchy, the existence of the euro
- **41.** Which sentence is not true?
- (a) A paradox of the knowledge society is that it may
- produce a type of ignorance due to excessive information.

  (b) Christian Parenti calls 'catastrophic convergence' the collision of political, economic and environmental disasters.
- The paradox of power is the observation that poorer or smaller groups often end up improving their positions in relation to richer or larger ones.
- (d) The Hubris Syndrome is a personality change that occurs when an individual becomes impoverished.
- **42.** Ultrasociality is the ability of human beings
- (a) to develop complex technologies.
- (b) to form large groups of strangers to struggle continuously among themselves.
- to form small groups that compete among themselves and cooperate with outsiders.
- (d) None of the above
- **43.** Henry Minzberg defines the plural sector as
- (a) the one that directly supports both democracy and the application of the plurality rule to make collective decisions.
- (b) the one consisting of the international elites.
- (c) the bureaucratic structure providing support to international organizations.
- (d) None of the above
- **44.** Among the adverse effects of globalization, Ian Bremmer does not list
- economic insecurity (globalization creates and shifts wealth).
- cultural anxiety (the movement of people across borders feeds public anxiety).
- the intensification of the battle 'us vs them'.
- (d) None of the above
- **45.** The G-zero world is one in which
- (a) China and the US lead the world cooperatively.
- a sort of Cold War 2.0 unfolds, in which the US and China are headed to some form of conflict.
- the world has a unique global leader.
- (d) None of the above
- **46.** Which sentence is not true?
- (a) The world-system perspective regards the modern world-system as structured in a core-periphery hierarchy in which some regions contain economically and militarily powerful states while other regions contain polities that are much less powerful and less developed.
- (b) The historical evidence suggests the existence of periods (or waves) of globalization and deglobalization.
- (c) One of the trends that will most likely shape the future is global environmental deterioration.
- (d) None of the above

- **47.** The assertion that democracy is a trap (David Runciman) means that
- (a) the less people believe in democracy, the stronger the democracy.
- (b) the more people believe in democracy, the stronger the democracy because the easier it is for people to know when something is wrong.
- (c) the weaker a democracy, the more people believe in its virtues.
- (d) None of the above
- **48.** The claim that development is necessarily ignited by elites
- (a) is known as the development trap.
- (b) is a direct consequence of the existence of the polar tension belt.
- (c) is known as the 80/20 rule or as 'the repugnant conclusion' (as named by Derek Parfit).
- (d) None of the above

- 49. The term 'alter-globalization' refers to
- (a) neoliberal globalization.
- (b) a social movement supporting the intensification of globalization.
- (c) the group of countries more interested in slowing down globalization.
- (d) None of the above
- **50.** Which claim does not appear to be sustained by the empirical evidence?
- (a) In the last few centuries, global power has followed cycles in which different countries rise to global hegemony for a time to be next replaced by another one.
- (b) The world is facing problems of overpopulation, overconsumption, environmentally malign technologies and inequality.
- (c) The most recent globalization process has contributed to accumulate economic power in the hands of relatively few multinational corporations.
- (d) None of the above

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## **Exam time: 40 minutes**

If the answers are delivered at minute x after the start of the exam, you get a 20% increase in your mark if x < 20 and you get a  $(60 - 2 \cdot x)$ % increase in your mark if  $30 \le x \le 20$ .

You can buy exam time after the 40 minutes: each additional minute implies a 2% reduction in your mark

## Choose at least 30 questions to be evaluated

Mark here the questions you select

Write your answers in **minuscule** (lower case letter) No answer:  $-0 \cdot \text{Only one}$  answer: if correct, +1; if incorrect, -1/3. Two answers: if one correct, +1/2; if none correct, -1/2.

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