

ECONOMICS I

Candidates should answer **THREE** questions

1. Does the fact that, on any given day, a significant proportion of the U.K.'s housing stock remains unoccupied mean that the housing market is not working?
2. Are the reasons for productivity differences between firms in the same country helpful for understanding productivity differences between countries?
3. Does the return of inflation in the advanced industrial countries show that the lessons of the 1970s have not been learned?
4. Is central bank independence an emperor with no clothes?
5. Does turbulence in international energy markets in 2022 make the fight against climate change easier or more difficult?
6. Has behavioural economics done more to show that human beings are not self-interested or to show that they are not rational?
7. Should public policy do more to ensure that international supply chains take account of the risks of disruption?
8. Does incorporating heterogeneity between types of economic agent improve the predictive power of macroeconomic models?
9. Are we any closer to understanding how much of the gender or racial differences in economic outcomes is due to discrimination?
10. Are "developing countries" too heterogeneous a group to be a useful category for devising economic policy?
11. "Labour should be treated as a resource, not as a cost". Discuss.

ECONOMICS II

Candidates should answer **THREE** questions

1. Are hypotheses about the long-run economic consequences of historical events impossible to test?
2. What, if anything, should be done about the increased debt-to-GDP ratios caused by the COVID-19 pandemic?
3. Is inefficiency in economic outcomes due more to the mismatch of economic agents to tasks or to inadequate incentives to perform the tasks they have?
4. Does the internet facilitate price discrimination, and does it matter?
5. Should competition policy treat platforms differently from other firms?
6. “Measurement problems are...rife in estimating the stock of many kinds of natural capital..but it is far better to work with rough and ready figures than to ignore whole swathes of capital goods by pretending they do not exist” (PARTHA DASGUPTA). Discuss.
7. Is intellectual property a more important obstacle to the production of vaccines by poor countries than lack of know-how in manufacturing and distribution?
8. Is venture capital more important than equity and debt markets for financing innovation?
9. “Real people live in transitions, but economists focus on equilibrium states”. Discuss.
10. “Politicians use economics as drunks use lampposts - for support rather than illumination”. Discuss.

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1. Why does price dispersion for identical products persist?
2. How should the richest individuals be taxed?
3. Does history show that economic change depends on what people believe?
4. Why does advertising work?
5. Should governments continue to use furlough schemes to support the labour market after the pandemic passes?
6. 'If the product is free then you are the product.' Does this matter?
7. Should consumers be expected to read the small print in the contracts they sign?
8. Can consumers have too much choice?
9. Which is the preferable approach for wealthy countries to support COVID vaccination in low-income countries: patent waivers, or paying pharmaceutical firms at prevailing prices?
10. Is divestment an effective way to influence the behaviour of fossil fuel companies?

ECONOMICS II

Candidates should answer **THREE** questions

1. Does allowing short selling of financial securities lead to prices that are closer to their fundamental values?
2. Will the Euro survive?
3. Is it time for a new Bretton Woods?
4. How important are 'hand-to-mouth' households for macroeconomic policy?
5. When, if ever, do national security concerns justify trade barriers?
6. Does growing market power in the economy need to be addressed?
7. Should poverty ever be attributed to 'aspirations failure'?
8. Does the jump in public debt arising from the pandemic pose a major inflation risk?
9. Should pension funds invest in risky assets? If so, who should bear the risk?
10. When, if ever, should governments run randomized controlled trials?

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1. To combat global climate change, many economists, including 27 Nobel Laureates, signed a statement recommending a carbon tax, starting at \$40 a ton and increasing every year until emissions reductions goals are met with revenue returned directly to citizens through equal lump-sum rebates, to replace cumbersome regulations (*Wall Street Journal*, January 17, 2019). Is such a policy adequate?
2. What, if anything, should the government do to reduce the high price of housing in the UK?
3. Is there an economic case for limiting the highest pay in an organization to twenty times the lowest pay?
4. 'Trickle-down economics is a myth' (JOSEPH STIGLITZ). Is it?
5. Is the concept of equilibrium useful for understanding real-world economic behaviour?
6. Is a shortage of good instruments preventing us from answering economic questions with econometric methods?
7. 'My advice . . . could not be more simple: put 10% of the cash in short-term government bonds and 90% in a very low-cost S&P 500 index fund' (WARREN BUFFETT). Is this good investment advice?
8. Is there an economic basis for conglomerates?
9. What does the evidence on the gender pay gap in an organization tell us about its causes?
10. Five years after graduation, Oxford Economics graduates have the highest mean annual earnings of graduates from all UK degrees, including Cambridge Economics. Why?

ECONOMICS II

Candidates should answer **THREE** questions

1. Has globalization affected the marriage market?
2. How can countries get out of the middle income trap?
3. Can a trade war be won?
4. Has the economics profession failed society?
5. Is China a currency manipulator?
6. Has development economics been providing more and more precise answers to less and less important questions?
7. Should governments try to pick winners?
8. What is an appropriate methodology for evaluating whether the UK has gained economically from being a member of the EU?
9. Should central banks increase interest rates now in order to have more flexibility to lower them in the event of another financial crisis?
10. Should firms be prevented from charging loyal customers more than other customers?

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1. Is studying infinite horizon problems in game theory useful?
2. Can welfare economics cope with endogenous preferences?
3. Is the current economics curriculum fit for purpose?
4. Is time-inconsistent decision making necessarily a mistake?
5. What if anything is wrong with targeted advertising?
6. Should insurance companies be allowed to price on the basis of gender?
7. Does it matter that university bosses are paid a lot?
8. How important is replicability in experimental social science?
9. Should Uber and Airbnb face the same regulations as more traditional operators?
10. Does the median voter remain a relevant concept?

ECONOMICS II

Candidates should answer **THREE** questions

1. Is there a natural rate of unemployment?
2. Has the time come to bring privatized companies back into state ownership?
3. Do recent developments in information processing technology mean that ‘central planning’ is now more realistic?
4. Why does price dispersion for identical products persist?
5. Are there good reasons to believe that the long-run real interest rate is negative?
6. ‘Perhaps one day earthquakes, hurricanes and financial crashes will all be predictable. But we don’t have to wait until then for seismology, meteorology and economics to become sciences; they already are’ (ERIC MASKIN, 2013). Discuss.
7. How should the long-term care of the elderly be financed?
8. Will big data allow econometrics to be ‘theory free’?
9. Has quantitative easing had undesirable distributional effects?
10. Should central banks regulate crypto-currencies?
11. Are import tariffs any worse than other forms of taxation?

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1. How should roads be priced?
2. Do robots reduce wages?
3. Is there a case for subsidizing child care?
4. Should governments tax unhealthy foods?
5. Does repeated interaction increase human cooperation?
6. Can evidence from the lab be useful in informing economic policy decisions?
7. Should we give priority to educating girls rather than boys in developing countries?
8. Can there be too much labour market flexibility?
9. How should government policies support small and medium sized enterprises?
10. Is there a case for a universal basic income?

ECONOMICS II

Candidates should answer **THREE** questions

1. Is there any evidence of secular stagnation?
2. Does the experience of China undermine the proposition that democracy is good for economic growth?
3. Who will gain from Brexit?
4. Is there a tension between global and national equality?
5. Do aggregate fluctuations have micro-economic origins?
6. Should government policy support better access to mobile broadband?
7. Can a price be put on human life?
8. It is only a matter of time before the Eurozone falls apart?
9. Is there a case for supporting agricultural production in advanced economies?
10. Will big data transform econometrics?

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1. Is reference-dependence with loss aversion a mistake for a decision-maker?
2. ‘The inference from the unpredictability of stock prices to their rationality is a remarkable error.’ Comment.
3. Why did Google pay Apple \$1 billion dollars in 2014 to be iOS’s default search engine, when Apple users were free to switch manually to any other search engine?
4. Does competition ensure that firms that innovate will do so in ways that increase product value, rather than in ways that better enable them to exploit naïve consumers?
5. Is there a way to make a currency like Bitcoin credible as a store of value or means of payment, without impinging on the privacy of the currency creators or holders?
6. Do markets make people behave more selfishly than they would in a non-market setting?
7. Do financial markets need more than the prevention of fraud to work well?
8. Is pay discrimination a sign of a non-competitive labour market?
9. Are repeated ‘black swan’ events more likely to be a sign of randomness than a sign that the model is wrong?
10. Can public policy serve freedom of choice better by compelling people to make *some* choice, rather than by setting a default but allowing people to opt out?

ECONOMICS II

Candidates should answer **THREE** questions

1. Is price stickiness the root of all macroeconomic evil?
2. Given the difficulties experienced in financing infrastructural investment, is talk of a global savings glut mistaken?
3. Are negative interest rates the right way to tackle persistent unemployment and low inflation?
4. Under what conditions, if any, are capital controls desirable?
5. Has economics become excessively empirical?
6. Are the causes of economic growth, or its absence, really to be found in the distant past?
7. Is the *General Theory* the ultimate proof that economic theory needs maths?
8. Economists teach their students that labour demand curves slope down. At the same time, many economists deny that immigration lowers wages. Are they simply confused?
9. Is the Transatlantic Trade and Investment Partnership desirable?
10. Is the Kaldor-Hicks welfare criterion defensible; and if not, do economists have anything to say about welfare comparisons?