

HRES 6144

DEGREE OF MASTER OF PHILOSOPHY

Russian and East European Studies

**TRANSITIONS FROM COMMAND TO MARKET ECONOMIES IN
THE FORMER SOVIET UNION AND EASTERN EUROPE**

TRINITY TERM 2007

Tuesday 12 June, 9.30 a.m. – 12.30 p.m.

Please start the answer to each question on a separate sheet.

Candidates should answer **THREE** questions.

Do **not** turn over until told that you may do so.

1. What were the advantages and drawbacks of using pegged exchange rates as nominal anchors in the economies of East Central Europe in the early 1990s?
2. What are the preconditions for adopting an inflation-targeting regime? Assess the advantages and disadvantages of adopting such a regime in Russia.
3. Can mass privatization in a transitional economy create an efficient system of corporate governance?
4. To what extent is the soft budget constraint syndrome in transition economies associated with the interventions of politicians in industry?
5. Assess the roles of tight monetary policy and pervasive barter in the Russian currency crisis of August 1998.
6. 'As oligarchs are the only currently feasible counterweight to the predatory and corrupt Russian bureaucracy, they are a unique constituency that is both willing and able to lobby for development of market institutions' (Guriev and Rachinsky, 2005). Do you agree?
7. In what ways are the financial systems of transitional economies underdeveloped? What policies would best promote their development?
8. How far has EU accession benefited the economies of Eastern Europe?
9. What determines the incidence of corruption in transitional economies?
10. To what extent have governments in transitional economies been able to limit growth in personal income inequality?

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