



**EXAME DE PROFICIÊNCIA EM INGLÊS**

**Nas questões de 1 a 12, alguns itens são VERDADEIROS outros FALSOS. Analise-os e use a Folha de Respostas para marcar suas respostas.**

**COM BASE EM SUA INTERPRETAÇÃO DO TEXTO 1 ABAIXO, DECIDA SE AS AFIRMATIVAS DAS QUESTÕES 01 A 03 SÃO VERDADEIRAS OU FALSAS.**

**Text 1** - “Exogenous” Interest Rates, Technology, and Farm Prices versus “Endogenous” Conservation Incentives and Policies (Michael Lipton. In: Vosti, S. and Reardon, T., eds Sustainability, Growth, and Poverty Alleviation. The Johns Hopkins University Press, 1997, Ch 11).

Many authors attribute much resource degradation in developing rural areas (DRAs) to market failure and policy failure – failure, in each case, to “reflect environmental values.” Other authors attribute much resource degradation to incorrect domestic policies affecting relative prices. This chapter suggests, instead, that most resource degradation in DRAs responds to the success of domestic markets and policies. They succeed in communicating to rationally maximizing agents (households, firms, managers of common property) that changes in prices (especially real interest rates) and in technical options increasingly favour accelerated resource degradation.

Indeed, accelerated resource degradation in DRAs is mainly the cumulative consequence of developed country policies that have led to (1) a tripling of world real interest rates between 1945-1974 and 1979-1993, and in the longer term, (2) falling and unstable relative farm prices, and (3) labour-displacing technical progress. In this chapter I set out reasons for believing that these international effects have been paramount.

In addition, I contend here that these technology and price incentives responsible for much resource degradation in DRAs (1) depend more on technology than on price; (2) inasmuch as they depend on price, depend substantially on interest rates; and (3) in both these respects, are largely exogenous to agents in developing countries. Economic agents in DRAs are in the great majority of cases price takers for interest rates and other environmentally critical prices, and also product takers for the technology mix.

All this suggests that, although the explicit or implicit policy recommendations appearing throughout this volume are reasonable enough, their impact on rates of resource degradation in DRAs will be small, without appropriate changes in policy by the interest rate “price makers” and the technology “product makers” in the developed world.

### QUESTION 01

According to the text, much of natural resource degradation in developing rural areas (DRAs) has been (or can be) attributed to:

- ( 0 ) either market failure, or policy failure, but not both;
  - ( 1 ) markets and policy failure to reflect environmental values;
  - ( 2 ) relative prices distorting policies;
  - ( 3 ) the very success of domestic markets and policies in communicating changes in prices and in technical options;
  - (4) the failure of domestic markets and policies to inform decision makers about relevant changes in prices and in technical options.
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### QUESTION 02

In its analysis of the causes of natural resource degradation in DRAs, the text:

- ( 0 ) shifts the blame (for the degradation) from developing to developed country policies;
  - ( 1 ) singles out the tripling of world real interest rates as the chief cause of degradation;
  - ( 2 ) includes the historically declining relative farm prices in the world markets as one of the reasons for the degradation;
  - ( 3 ) is at odds with previous explanations;
  - ( 4 ) blames the farmers in developing rural areas for the adoption of labor-displacing technical progress.
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### QUESTION 03

In the rank of the factors that, somehow, stimulate resource depletion in DRAs,

- ( 0 ) price and technology are tied at the top;
  - ( 1 ) developed country policies take precedence over those of less developed countries;
  - ( 2 ) interest rates take precedence over the prices of environmental resources;
  - ( 3 ) technology isn't nearly as important as other environmentally critical prices;
  - ( 4 ) endogenous conservation incentives are more important than the exogenous ones.
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**COM BASE EM SUA INTERPRETAÇÃO DO TEXTO 2 ABAIXO, DECIDA SE AS AFIRMATIVAS DAS QUESTÕES 04 A 07 SÃO VERDADEIRAS OU FALSAS.**

**Text 2** - The Third Degree (Edward Chancellor. The devil take the hindmost: a history of financial speculation. New York: Plume Books, 1999: 345-349.)

John Maynard Keynes's personal and successful experience of speculation led him to the conclusion that markets were fundamentally inefficient. In his General Theory, Keynes defined speculation as the attempt to forecast changes in the psychology of the market. He likened speculation to a newspaper competition in which the competitors have to pick out six prettiest faces from hundreds of photographs, "so that each has to pick, not those faces which he himself finds prettiest, but those which he thinks likeliest to catch the fancy of the other competitors, all of whom are looking at the problem from the same point of view... We have reached the third degree where we devote our

intelligences to anticipating what average opinion expects the average opinion to be.”

Speculation which is a beneficial, indeed vital, component of the capitalist process has come to dominate the system to an unhealthy degree. To repeat Keynes’s warning from the 1930s: “when the capital development of a country becomes a by-product of the activities of a casino, the job is likely to be ill-done.” Momentum trading, trendfollowing speculators, overleveraged hedge funds, and corporate managements obsessed with daily fluctuations in share quotations are unlikely to produce the optimal distribution of scarce resources in the global economy. We have reached Keynes’s “third degree.”

Politicians and economists, pondering the problems caused by unfettered speculation, face an old dilemma. As Alexander Baring, head of the family lately brought down by Nick Leeson, remarked in 1825, any attempt to check speculation might be counterproductive: “the remedy would be worse than the disease, if, in putting a stop to this evil, they (the authorities) put a stop to the spirit of enterprise.”

#### **QUESTION 04**

According to the text, Keynes

- ( 0 ) enjoyed speculation;
  - ( 1 ) liked competition;
  - ( 2 ) studied the psychology of the market;
  - ( 3 ) used a metaphor to explain what speculation is all about;
  - ( 4 ) reached the conclusion that markets were inefficient through his own personal experience.
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#### **QUESTION 05**

The text leads to the conclusion that speculation

- ( 0 ) is a vital component of the capitalist process;
  - ( 1 ) has always dominated the capitalist system;
  - ( 2 ) is harmful to capitalism;
  - ( 3 ) may be either good or bad: It is a matter of degree; and it depends upon the circumstances;
  - ( 4 ) is a by-product of the activities of a casino.
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#### **QUESTION 06**

According to the text, Keynes’ concept of “third degree”

- ( 0 ) is ill-defined;
  - ( 1 ) is undefined;
  - ( 2 ) refers to situations in which speculation distorts resources allocation globally;
  - ( 3 ) occurs when corporate decision making is oriented by momentum trends;
  - ( 4 ) is reached when society’s economic decision making process is tainted by speculation.
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#### **QUESTION 07**

According to the text,

- ( 0 ) politicians and economists constantly worry about unfettered speculation;
- ( 1 ) Nick Leeson brought the head of Alexander Baring’s family down;
- ( 2 ) Alexander Baring alerted to the risks which attempts to curb speculation might pose;

- ( 3 ) the thrust of Baring's argument is that checking speculation might bring about an evil that is even worse than speculation itself,  
( 4 ) Nick Leeson remarked that any attempt to control speculation might backfire.
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**COM BASE EM SUA INTERPRETAÇÃO DO TEXTO 3 ABAIXO, DECIDA SE AS AFIRMATIVAS DAS QUESTÕES 08 e 09 SÃO VERDADEIRAS OU FALSAS.**

**Text 3** - Will Corporate Greed Prolong the Pandemic? Joseph E. Stiglitz & Lori Wallach. For Project Syndicate

(<https://www.project-syndicate.org/onpoint/big-pharma-blocking-wtowaiver-to-produce-more-covid-vaccines-by-joseph-e-stiglitz-and-lori-wallach-2021-05>)

The shortfall in global COVID-19 vaccine production could be closed if manufacturers around the world were granted access to the necessary technology and knowledge. But first, the US and other key governments must recognise the drug companies' opposition to this solution for the deadly rent-seeking that it is.

The only way to end the COVID-19 pandemic is to immunise enough people worldwide. The slogan "no one is safe until we are all safe" captures the epidemiological reality we face. Outbreaks anywhere could spawn a SARS-CoV-2 variant that is resistant to vaccines, forcing us all back into some form of lockdown. Given the emergence of worrisome new mutations in India, Brazil, South Africa, the United Kingdom, and elsewhere, this is no mere theoretical threat.

Worse, vaccine production is currently nowhere close to delivering the 10-15 billion doses needed to stop the spread of the virus. By the end of April, only 1.2 billion doses had been produced worldwide. At this rate, hundreds of millions of people in developing countries will remain unimmunised at least until 2023.

It is thus big news that US President Joe Biden's administration has announced it will join the 100 other countries seeking a COVID-19 emergency waiver of the World Trade Organization intellectual-property (IP) rules that have been enabling vaccine monopolisation. Timely negotiations of a WTO agreement temporarily removing these barriers would create the legal certainty governments and manufacturers around the world need to scale up production of vaccines, treatments, and diagnostics.

Last fall, former President Donald Trump recruited a handful of rich-country allies to block any such waiver negotiations. But pressure on the Biden administration to reverse this self-defeating blockade has been growing, garnering the support of 200 Nobel laureates and former heads of state and government (including many prominent neoliberal figures), 110 members of the US House of Representatives, ten US Senators, 400 US civil-society groups, 400 European parliamentarians, and many others.

#### **QUESTION 08**

According to the text,

- ( 0 ) The open access to technology and knowledge to produce the COVID-19 vaccine could reduce the shortfall in world immunisation;

- ( 1 ) Vaccines are not the only approach to end the COVID-19 pandemic;
  - ( 2 ) Outbreaks anywhere could generate a resistant variant to vaccines, affecting all world;
  - ( 3 ) The new mutations in India, Brazil, South Africa, and the United Kingdom pose a real threat;
  - ( 4 ) Current vaccines productions are delivering enough doses worldwide
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### QUESTION 09

We understand from the text:

- ( 0 ) Joe Biden will seek the COVID-19 vaccine emergency waiver of the World Trade Organization intellectual-property rules;
  - ( 1 ) Intellectual-property rules have been enabling vaccine monopolisation;
  - ( 2 ) Intellectual-property rules have been providing the spread of vaccine through developing countries;
  - ( 3 ) The compromises of a World Trade Organization deal temporarily removing intellectual-property rules would constitute the legal certainty governments and manufacturers worldwide need to scale up production of vaccines, treatments, and diagnostics;
  - ( 4 ) Maintaining the intellectual-property rules will allow governments and manufacturers worldwide to scale up the production of vaccines, treatments, and diagnostics.
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**COM BASE EM SUA INTERPRETAÇÃO DO TEXTO 4 ABAIXO, DECIDA SE AS AFIRMATIVAS DAS QUESTÕES 10 A 12 SÃO VERDADEIRAS OU FALSAS.**

**Text 4** - The Origins of Structuralism. H.W. Arndt. Modern Political Economy and Latin America. Eds. Jeffrey Frieden, Manuel Pastor Jr., and Michael Tomz. Westview Press, 2000: 5-9.

#### Introduction

In his recent book on economic development, I.M.D. Little distinguishes two broad categories of development economics. He calls them 'neoclassical economics' and 'structuralism'.

*"The structuralist sees the world as inflexible. Change is inhibited by obstacles, bottlenecks and constraints. People find it hard to move or adapt, and resources tend to be stuck. In economic terms, the supply of most things is inelastic. Such general inflexibility was thought to apply particularly to LDC's... Entrepreneurs were lacking; and communications were poor... This alleged inflexibility was married to the evident fact that the production structure of developing countries was very different from that of developed countries. To achieve development, it had to be changed rapidly... The structuralist view of the world provides a reason for distrusting the price mechanism and for trying to bring about change in other ways. If supplies and demands are very inelastic large price changes are needed to achieve small quantitative adjustments. Large price changes are disturbing, both directly and also because they result in changes in income distribution... If the losers are powerful, they may.. be able to resist the change through organized industrial or political action... Structuralism primarily seeks to provide a reason for managing change by administrative action."*

The purpose of this article is to explore further the origins of structuralism, both in the broader sense and the more specific context of Latin American structuralist theories of inflation, and the links between them.

**QUESTION 10**

According to I.M.D. Little, the world which the structuralists see:

- ( 0 ) has no corners. In such a world, change is a smooth process.
  - ( 1 ) is a world in which supply doesn't respond to price changes in most instances.
  - ( 2 ) is a world of perfect factor mobility.
  - ( 3 ) is paved with discontinuities. For development to occur, the productive structure has to be changed quickly.
  - ( 4 ) is not that different from the world, which the adepts of the neoclassical school see.
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**QUESTION 11**

According to the same author, structuralism rests on the following assumptions:

- ( 0 ) sticky prices,
  - ( 1 ) skewed distribution of land ownership,
  - ( 2 ) inelastic supply of goods and services,
  - ( 3 ) inelastic supply of factors of production,
  - ( 4 ) absence of bottlenecks, constraints, and obstacles to change.
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**QUESTION 12**

According to the Little quotation,

- ( 0 ) differences between the more and the less developed countries are a matter of degree, not of substance
  - ( 1 ) structuralist type analyses are irrelevant to developed countries, where markets function without a hitch.
  - ( 2 ) market equilibrium in LDCs is non-existent. Therefore, the price system cannot be trusted
  - ( 3 ) income distribution concerns are at the heart of the price mechanism failures
  - ( 4 ) the primary objective of structuralism is to justify government intervention in the development process.
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**FIM**