

**FINAL EXAM**  
**ODD SEMESTER 2019/2020**  
**INTERNATIONAL ECONOMICS (ECEU603200) - B**

Lecture : Fithra Faisal Hastiadi., Ph.D.  
Date : Wednesday, 18 December 2019  
Time : 180 minutes

*Open Book and Open Notes*

1. Developed economies, over the recent years, have been facing a reduced industrial production and industrial employment. In this context, the political debate in most countries has been focusing on the policies that may be used to attenuate the adverse consequences of globalization. Some would like to introduce new trade barriers; others simply promote the consumption of domestic products. What are the arguments that may support such policies?
2. During the period of persistent rupiah's depreciation against US dollar, several high-ranking officials try to calm the market by saying that the Indonesian economy will be benefited from the depreciation since it will boost export and attract investment. As a well-known economist, a journalist from Kompas calls you to seek scholarly explanation. What is your opinion?
3. Most customs unions or free trade agreements are created between countries of close geographical proximity. Why is this the case? Is this always welfare increasing? Why or why not?
4. The current account deficit is now posing a serious threat to the Indonesian economy, the government of Indonesia is still struggling to cope with the problems with several austerity measures to curb imports. How do you see this as an economist?

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