

Last Name: \_\_\_\_\_

First Name: \_\_\_\_\_

Immatriculation No.: \_\_\_\_\_

Place No.: \_\_\_\_\_

**BERGISCHE UNIVERSITÄT WUPPERTAL**  
**Fachbereich Wirtschaftswissenschaft**

**Klausuraufgaben**

**Economic Integration and the World Economy**

**Alle Studienrichtungen**

Prüfer / Examiner:  
Prof. Dr. P.J.J. Welfens

Prüfungstag / Date:  
18.02.2014

Erlaubte Hilfsmittel / Allowed tools:  
Keine / None

**Alle Aussagen sind zu begründen und Rechenschritte, so fern notwendig vollständig wiederzugeben.**

**Abweichungen führen zu Abzügen bei der Punktzahl.**

**Bei Unklarheiten im Verständnis der Aufgaben ist anzugeben unter welche Annahmen die Aufgaben bearbeitet wurden.**

**Die Klausur gilt als bestanden, wenn die erreichte Punktzahl mindestens 45 Punkte beträgt.**

**Es sind drei der vier Aufgabenteile zu beantworten**

**All arguments are to be justified and all steps of any calculation should be stated.**

**Deviations might lead to a deduction of points.**

**If unclear on how to answer a question, name the assumptions under which the question has been answered.**

**The exam is passed if the overall amount of points is at least 45.**

**Three of the four parts are to be answered.**

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*Unterschrift / Signature*

Die Klausur besteht aus insgesamt 2 (zwei) Seiten. / The exam consists of 2 (two) pages.

## **Part I**

### **Economic Dynamics and Integration in Eastern Europe and Asia**

#### *Question 1 (10 Points)*

- a) There are several types of Economic Integration. Please define the different types of economic integration and explain the difference between them (Hint: You can refer to Balassa (1961))
- b) By using the classification from a), what is the difference between the EU and ASEAN?

#### *Question 2 (10 Points)*

One of the most well-known crises is the Asian Financial Crisis in 1998. Five Asian countries experienced severe impacts, namely Indonesia, Korea, Malaysia, the Philippines and Thailand. The IMF came to help by introducing several policies in order to cope with the negative impacts. However, some analysts argue that the IMF did not help much and even worsened the crisis. Please explain the arguments that support the IMF's failure in managing the Asian Financial Crisis (Hint: You can refer to Weisbrot (2007))

#### *Question 3 (5 Points)*

Describe the concept of economic transition. In particular name five dimensions of the economic transition process.

#### *Question 4 (5 Points)*

What are key effects of EU membership for Eastern European accession countries? (Name at least three.)

## **Part II**

### **Simulation Models for Policy Analysis**

#### *Question 1 (10 Points)*

Explain the Phillips curve analysis for the short term and the long run.

#### *Question 2 (20 Points)*

What are the key theoretical elements of the New Keynesian Macroeconomics?

## **Part III**

### **Monetary Integration**

#### *Question 1 (10 Points)*

Define monetary integration and explain the economic logic of the convergence criteria for Economic and Monetary Union in the European Union.

#### *Question 2 (20 Points)*

What are the key criteria in the Optimum Currency (OCA) Area literature – are Portugal and Greece meeting the OCA criteria?