



UNIVERSITI KUALA LUMPUR BUSINESS SCHOOL

FINAL EXAMINATION

JANUARY 2016 SEMESTER

SUBJECT CODE : EEB21103
SUBJECT TITLE : INTERNATIONAL POLITICAL ECONOMICS
LEVEL : BACHELOR
TIME / DURATION : 2:00PM – 5:00PM / 3 HOURS
DATE : 23RD MAY 2016

INSTRUCTIONS TO CANDIDATES

1. Please read the instructions given in the question paper CAREFULLY.
 2. This question paper is printed on both sides of the paper.
 3. This question paper consists of FOUR (4) questions. Answer ALL questions.
 4. Please write your answers on the answer booklet provided.
 5. All questions must be answered in English (any other language is not allowed).
 6. This question paper must not be removed from the examination hall.
-

THERE IS ONE (1) PAGE OF QUESTIONS, EXCLUDING THIS PAGE.

(Total: 100 marks)

Question 1

“Economists of every persuasion are concerned that free trade is superior to trade protection...”. If international trade is so good for all the countries concerned, why is it that countries do not trade freely. Discuss.

[25 marks]

Question 2

“Foreign direct investment (FDI) influences the host country’s economic growth through the transfer of new technologies and know-how, formation of human resources, integration in global markets, increase of competition, and firms’ development and reorganization. Empirically, a variety of studies considers that FDI generate economic growth in the host country. However, there is also evidence that FDI is a source of negative effects’.

Explain this ambiguity of results.

[25 marks]

Question 3

“In the past, migrants have generally moved from poorer to richer countries, however, recent evidence suggests that this is beginning to change with increasing levels of south-south and circular migration being seen”.

Explain factors that are involved in the determination of international migration.

[25 marks]

Question 4

“Globalization helps developing countries to deal with rest of the world increase their economic growth, solving the poverty problems in their country. In the past, developing countries were not able to tap on the world economy due to trade barriers. They cannot share the same economic growth that developed countries had. However, with globalization the World Bank and International Management encourage developing countries to go through market reforms and radical changes through large loans. Many developing nations began to take steps to open their markets by removing tariffs and free up their economies”. What defines a globalization? and what are the long term effect of globalization to income equality, population growth, and economic development?

[25 marks]

END OF QUESTION PAPER