20 Midterm questions

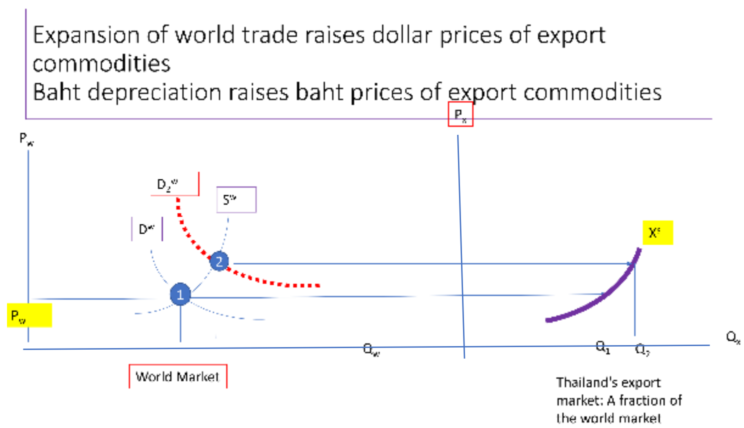
Special thanks to Sutima and Kititat

1. Why was Thailand able to grow rapidly between the 1960s and the early 1990s, but not after that?
2. What's the critical missing variable in the Twin deficits model? Does it matter for policy implications?

3. Why are exports and imports during 1997 and 1999 negatively correlated?

4. Why did Thailand's international reserves keep on rising in the period 1997-2005?

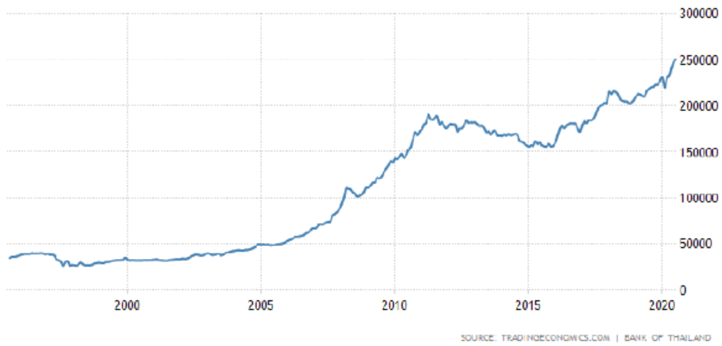
5. Use the following diagram to illustrate the impact of the US-China trade dispute on Thailand's exports?



6. From this quotation, "we learn from history that we learn nothing from history," have we "Thailand" learned anything from the 1998 recession?

7. Does the figure below imply anything about Thailand's exchange rate policy?

Foreign Exchange Reserves in Thailand increased to 250.4 billion dollars in July from 247.3 billion in June of 2020.



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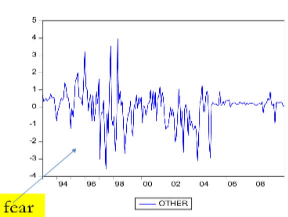
8. Compare and contrast the following two figures.

Volatility of other flows
(Nonresident baht account)



Intensifying fear caused capital outflow

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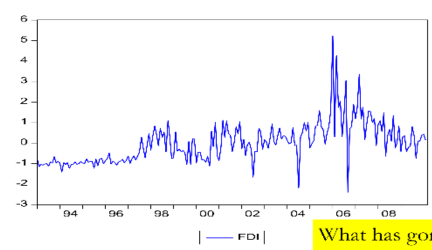
FDI Volatility



What has gone wrong?

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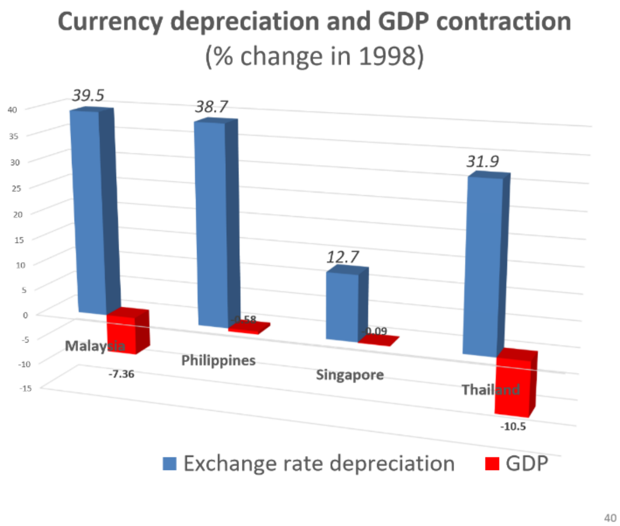
9. Can or should the Bank of Thailand raise/or cut the interest rate to prevent the baht from depreciation?

10. Compare and contrast: the impact of the COVID and 1997 financial crisis by using this data.



11. Explain the effectiveness of Thailand’s macroeconomic policy response to the Covid 19 pandemic.

12. Would K-shaped or Nike swoosh recovery have different impacts on the Thai economy? Which type of recovery should we be more concerned about?

13. What can Myanmar, Vietnam, and Cambodia learn from Thailand's development experience? What should they do and should not?

14. Thailand grew rapidly between the 1960s and the early 1990s. What stopped the country from growing quickly?

15. From this quotation, "we learn from history that we learn nothing from history," what have we not learned from the economic meltdown 1998?

16 Explain the stark differences between the V-shaped recovery in 1999 with the Nike swoosh episode in 2020.

17. Examine the concept of Hysteresis and discuss how it applies to health capital formation.

18 “The Business sentiment Index of domestic book ordering from 2008 to 2020 indicates a bleak future for Thailand’s manufacturing sector”. Agree or disagree, provide reasons.

19. "Thailand has sufficient policy instruments to respond to fluctuations in the global export demand. The government must choose policy instruments appropriately to ensure maximum impacts of stabilization policy." Elucidate.