

Name \_\_\_\_\_

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### Quiz 8

1. How is the basic model with microeconomic foundations modified to study international trade?
2. What is autarky? For a household? For a nation?
3. What are the constraints that are changed in order to solve a 2-agent model with trade?
4. In theory, who should benefit more following a bilateral trade agreement between the United States and Mexico? Why?
5. Why do you think Donald Trump is friendly to Canada on NAFTA but not to Mexico?