



JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION FOR BACHELOR OF BUSINESS ADMINISTRATION
(BBA-With IT)

ABA 422: INTERNATIONAL TRADE

DURATION: 2 HOURS

MAIN CAMPUS

INSTRUCTIONS

1. Answer Question ONE and any other TWO Questions in this paper.
2. DO NOT write on the QUESTION paper, all writings should be done on the Examination Answer Booklet
3. Observe University Examination Rules and Regulations

Question one

- a) State and explain the types of tariffs (6 marks)
- b) Define the term trade liberalization. (4 marks)
- c) In the context of trade liberalization, explain how the government can influence and promote trade in your country. (10 marks)
- d) Discuss the role of trade (10 marks)

Question two

- a) Distinguish between the theory of comparative advantage and absolute advantage (10 marks)
- b) What is opportunity cost (4 marks)
- c) Differentiate between international trade and bilateral trade (6 marks)

Question three

An import quota is a more restrictive trade barrier than an equivalent import tariff, discuss

(20 marks)

Question four

- a) Explain what is meant by dumping. (2 marks)
- b) Discuss the forms of dumping (9 marks)
- c) Discuss the arguments for trade restrictions (9 marks)

Question five

- a) What do you understand by the term custom union (3 marks)
 - b) Explain the primary objectives of the European Economic Community (5 marks)
 - c) State and explain the factors influencing exchange rates (12 marks)
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