

JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY
SCHOOL OF BUSINESS AND ECONOMICS
UNIVERSITY EXAMINATION FOR THE DEGREE OF BACHELOR OF BUSINESS
ADMINISTRATION WITH IT
4th YEAR 2nd SEMESTER 2019/2020 ACADEMIC YEAR
MAIN /KISUMU/KISII/ NAMBALE & NAIROBI CAMPUSES.

COURSE CODE: ABA 422

COURSE TITLE: International Trade

EXAM VENUE:

STREAM: BBA

DATE:

EXAM SESSION:

TIME:

Instructions

1. Answer Question ONE (COMPULSARY) and ANY other two (2) questions
2. Candidates are advised not to write on the question paper.
3. Candidates must hand in their answer booklets to the invigilator while in the examination room.

QUESTION ONE (30 MARKS)

- a) Discuss the scope of international trade as an area of study. (8 marks).
- b) Examine some of the weaknesses of Mercantilism as a theory of international trade. (4 marks).
- c) Discuss Porter's National Competitive Advantage Theory. (8 marks).
- d) Explain clearly why countries engage in international trade. (6 marks).
- e) Kenya has a trade deficit with Germany. Explain. (4 marks).

QUESTION TWO (20 MARKS).

- a) Explain Kenya's international trade objectives in light of Globalization. (8 marks).
- b) Discuss some of the major challenges currently facing international trade in the world. (12 marks).

QUESTION THREE (20 MARKS).

- a) Discuss some of the instruments of trade restrictions used by the Kenyan Government. (12 marks).
- b) Explain why countries impose trade barrier even though trade is shown in the theories to be very beneficial. (8 marks).

QUESTION FOUR (20 MARKS).

- a) Discuss the role of Free Trade Area (FTA) in a country's growth and development. (6 marks).
- b) What have been some of the challenges facing the East African Customs' Union (6 marks).
- c) Discuss some ways of fostering close trading relationships in Eastern Africa to take advantage of the vast resource potentials of the region for shared prosperity. (8 marks).

QUESTION FIVE (20 MARKS).

- a) Discuss the effect of BREXIT on the direction and volume of Kenya's trade. (12 marks).
- b) Lamu port is expected to play an import role in trade in the Eastern African Region and possibly be upgraded to a free port. Discuss some of the economic benefits of a free port to a country such as Kenya. (8 marks).