



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 (FINANCE OPTION).
4TH YEAR 2ND SEMESTER 2025 SEMESTER EXAMINATION.
MAIN CAMPUS.

COURSE CODE: BAB 1420

COURSE TITLE: INTERNATIONAL TRADE

EXAM VENUE: LAB 6

STREAM: BBA FINANCE.

DATE: 15/04/2025

EXAM SESSION: 15.00 – 17.00 PM

TIME: 2 HOURS

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) What are the reasons for the growth of international trade between Countries? (6 marks)
- b) Examine the differences between the classical and the modern international trade theories? (6 marks)
- c) Explain briefly the advantages of trading blocks on international trade? (4 marks)
- d) How would a successful BRICS impact global trade? (4 marks)
- e) What is a currency swap as used in international trade? (4 marks)
- f) Explain briefly the different types of international trade? (6 marks)

QUESTION TWO (20 MARKS).

- a) Discuss Porter's National competitive advantage theory of International Trade. (10 marks)
- b) Examine the effects of Globalization on international trade? (10 marks)

QUESTION THREE (20 MARKS)

- a) Argue clearly the economic basis for the infant industry rationale for trade barriers (10 marks)
- b) Discuss how the refurbishment of the Port of Kisumu will impact Kenya's International Trade in the Great Lakes region? (10 marks)

QUESTION FOUR (20 MARKS).

- a) Discuss the Principle of reciprocity in international relations and how it affects the growth of international trade, especially as it relates to Global North and Global South trade relations. (10 marks)
- b) What are the major challenges to the growth of South-South trade relations? (10 marks)

QUESTION FIVE (20 MARKS).

- a) Discuss the trade creation and trade diversion of a Customs Union? (8 marks)
- b) Examine the major limitations of the World Trade Organization in promoting equitable share of the global market. (12 marks)