# KENYATTA UNIVERSITY

## UNIVERSITY EXAMINATIONS 2011/2012

### SECOND SEMESTER EXAMINATION FOR THE DEGREE OF MASTER OF SCIENCE IN AGRIBUSINESS

### KBT 511: INTERNATIONAL TRADE

**DATE:** Tuesday 27th March, 2012 **TIME:** 9.00 a.m. – 12.00 p.m.

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**INSTRUCTIONS**

*Answer question ONE and any other THREE.*

Q1. a) Evaluate the stages of regional integration. [7 marks]

b) Discuss the reasons given for trade restrictions. [6 marks]

c) Examiners the measures that can help increase trade among African countries. [6 marks]

d) Discuss the relationship between opportunity cost, specialization and productivity. [6 marks]

Q2. Discuss the assumptions made by traditional trade theories. [15 marks]

Q3. Using a suitable illustration, explain the principles of Vent for Growth theory as proposed by Hla Mynant. [15 marks]

Q4. Explain why increasing productivity alone may not improve people's standard of living. [15 marks]

Q5. Discuss the reasoning behind initiatives like AGOA and EPAs. [15 marks]

Q6. In 2011, Makerere University produced an electric vehicle, discuss this initiative in the context of trade theory. [15 marks]

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