



KENYATTA UNIVERSITY

UNIVERSITY EXAMINATIONS 2010/2011

INSTITUTIONAL BASED PROGRAMME (IBP) AUGUST SESSION
EXAMINATION FOR THE DEGREE OF MASTER OF SCIENCE IN
AGRIBUSINESS MANAGEMENT AND TRADE

KBT 511: INTERNATIONAL TRADE

DATE: Wednesday, 29th December, 2010

TIME: 9.00 a.m. – 12.00 p.m.

INSTRUCTIONS:

SECTION A:

Answer question **ONE** and **THREE** others.

1.
 - a. Discuss the concept “commercial policy” (5 marks)
 - b. Expound on the five stages countries have to undergo towards integration. (5 marks)
 - c. Explain why the current WTO negotiations have not been concluded. (5 marks)
 - d. Discuss the tools used by countries to restrict international trade. (5 marks)
 - e. By taking one product produced in Kenya, explain why the country continues to produce it or should stop producing it. (5 marks)
2. Discuss the connection between trade and specialization. (15 marks)
3. ‘Developing countries can still achieve high living standards even without factor endowment (minerals etc). Discuss. (15 marks)

4. Explain 'population growth' as a theme in the classical theory of economic growth. (15 marks)
5. Discuss why countries are better off economically if they engage in free trade rather than protectionism. (15 marks)
6. Expound on the importance of regional integration. (15 marks)