



RIARA SCHOOL OF INTERNATIONAL RELATIONS & DIPLOMACY
NURTURING INNOVATORS
SEPTEMBER – DECEMBER 2019 TRIMESTER
**EXAMINATIONS FOR BACHELOR OF ARTS IN INTERNATIONAL RELATIONS &
DIPLOMACY**
INSTRUCTOR: BEATRICE MAISORI
RIR 212: INTRODUCTION TO INTERNATIONAL ECONOMICS

DATE: 19TH DECEMBER 2019

TIME: 2 HOURS

INSTRUCTIONS

Answer question one and any other two

Marks allocated to each question are shown at the end of the question

Arrange your work neatly and indicate the questions answered in the Examination booklet

SPECIAL INSTRUCTIONS:

1. Write your REGISTRATION NO. Clearly on the answer booklet(s)
2. Answer Question One (COMPULSORY) and ANY One in Section B
3. Questions in all sections should be answered in answer booklet(s)
4. Marks allocated to each question are shown at the end of the question.
5. PLEASE start the answer to EACH question on a NEW PAGE
6. For the questions, write the number of the question on the answer booklet(s) in the order you answered them
7. Write your answers in paragraph form unless stated otherwise
8. Keep your phone(s) SWITCHED OFF at the front of the examination room
9. Keep ALL bags and caps at the front of the examination room and do not refer to any unauthorized material before or during the course of the examination
10. You are only allowed to leave the examination room 30 minutes to the end of the Examination

QUESTION ONE: COMPULSORY (30 MARKS)

- a) Describe some of the differences between tariffs and quotas? **(4 Marks)**
- b) Is it possible to trade foreign exchange in the futures market? How does such trading differ from the forward market? **(6 Marks)**
- c) Discuss the ethical issues associated with multinational corporations (MNCs) **(10 Marks)**
- d) What are the intent and impact of domestic content requirements? **(6 Marks)**
- e) What is meant by economic integration? **(4 Marks)**

QUESTION TWO

- a) What are the essential arguments in favor of free trade? **(4 Marks)**
- b) What are some of the growth strategies that have been employed by the developing nations? How successful are these strategies? **(6 Marks)**
- c) In your view does exposure to competition with the world leader in a particular industry improve a firm's productivity? Discuss. **(10 Marks)**

QUESTION THREE

- a) Describe the flying-geese pattern of economic growth? What countries have pursued this strategy? **(10 Marks)**
- b) Explain how immigration and trade may worsen wage inequality, and how college education may mitigate against that. **(5 Marks)**
- c) How can tariffs be justified? **(5 Marks)**

QUESTION FOUR

- a) What are the roles of the IMF and the WTO in encouraging, monitoring, and regulating international trade? **(10 Marks)**
- b) How can differences in two countries' cultures create ethical issues in the running of a Multinational Corporation (MNC)? **(10 Marks)**