



The Co-operative University of Kenya

END OF SEMESTER EXAMINATIONS MAY-2018

EXAMINATION FOR THE DEGREE OF BACHELOR OF COMMERCE

UNIT CODE: HBC 2305

UNIT TITLE: INTERNATIONAL BUSINESS MANAGEMENT

DATE: 23RD MAY, 2018

TIME: 9:00 AM – 11:00 AM

INSTRUCTIONS:

- Answer question **ONE (compulsory)** and any other **TWO** questions

QUESTION ONE

- Define the term “International Business.” (4 marks)
- Discuss any four factors (elements) that encourage International trade (16 marks)
- Discuss how Globalization has affected Multinational Companies in the recent past. (10 marks)

QUESTION TWO

In the Global Financial System arena, businesses in the process of International Trade use various methods of payment. Discuss any FIVE methods used. (20 marks)

QUESTION THREE

- Explain some of the barriers that are erected by countries to protect local Industries. (10 marks)
- Explain any four theories that explain the existence of International Trade. (10 marks)

QUESTION FOUR

Discuss the following levels of economic integration. (20 marks)

- Free Trade Area
- The Customs Union
- The Common Market
- Economic Union

QUESTION FIVE

Business firms have found it necessary to operate across local boundaries. Discuss the PUSH and PULL factors in relation to this. (20 marks)