

**BINDURA UNIVERSITY OF SCIENCE EDUCATION**

**FACULTY OF COMMERCE**

**DEPARTMENT OF ECONOMICS**

**PROGRAMME**

**BACHELOR OF SCIENCE HONOURS DEGREE IN ECONOMICS**

**EC204: INTERNATIONAL ECONOMICS (3)**

**DURATION: 3 HOURS**

**INSTRUCTIONS TO CANDIDATES:**

- (i) Answer any four questions
  - (ii) All questions carry equal marks
  - (iii) Start each answer on a fresh page
  - (iv) Show all workings where applicable.
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**QUESTION 1**

- (a) Distinguish between Tariff and Non-Tariff methods of protection as used in International Trade. (10 Marks)
  - (b) Explain three factors which influence a firm's international competitiveness. (15 Marks)
- [25 Marks]**

**QUESTION 2**

Explain the following terms as used in international trade:

- (a) Quotas (5 Marks)
  - (b) Embargoes (5 Marks)
  - (c) Customs unions (5 Marks)
  - (d) Common markets, and, (5 Marks)
  - (e) Economic unions. (5 Marks)
- [25 Marks]**

**QUESTION 3**

Discuss strategies Zimbabwe can adopt in improving her international competitiveness?

**[25 Marks]**

**QUESTION 4**

Discuss the case for and against a government introducing protectionist measures to protect an industry.

**[25 Marks]**

**QUESTION 5**

Explain the features of a Balance of Payments.

**[25 Marks]**

**QUESTION 6**

Explain the following concepts of international trade:

(a) Comparative Advantage

(12 Marks)

(b) Absolute Advantage

(13 Marks)

**[25 Marks]**

**END OF EXAMINATION**