

SECTION A

ESSAY (100 marks)

Instruction: This section consists of **five (5)** questions. Answer **four (4)** questions.

QUESTION 1

International trade is the transaction of goods and services across international borders.

- (a) Explain **FIVE (5)** factors that speed up the growth of international trade.
(15 marks)
- (b) Discuss **FIVE (5)** advantages of international trade.
(10 marks)

QUESTION 2

Classical trade theories describe how international trade was conducted since the early days of globalisation.

- (a) Discuss the first theory, the mercantilism theory.
(4 marks)
- (b) Explain **THREE (3)** mechanism popularly used to achieve the goal of mercantilism nations.
(12 marks)
- (c) The World Trade Organisation (WTO) trading system principles are comprised of five criteria. Explain **THREE (3)** of the criteria.
(9 marks)

POLITEKNIK
Jabatan Pengajian Politeknik

EXAMINATION AND EVALUATION DIVISION
DEPARTMENT OF POLYTECHNIC EDUCATION
(MINISTRY OF HIGHER EDUCATION)

COMMERCE DEPARTMENT

FINAL EXAMINATION
DECEMBER 2011 SESSION

P4503 : INTERNATIONAL TRADE

DATE : 23.04.2012
DURATION : 2 HOURS (08:30AM – 10:30AM)

This paper consists of **FOUR(4)** pages including the front page.
Section A: Essay (5 questions – answer 4)

CONFIDENTIAL UNTIL 23.04.2012
DO NOT OPEN THIS QUESTION PAPER UNTIL INSTRUCTED BY THE
CHIEF INVIGILATOR

QUESTION 3

Malaysia's international trade experienced tremendous growth throughout the last three decades.

- (a) Explain **FIVE (5)** factors that encourage Malaysia to be involved in International trade.

(15 marks)

- (b) List **FOUR (4)** Malaysia's top trading partners recently.

(4 marks)

- (c) Discuss **ONE (1)** of the important events below:

- i. The Financial Crisis.
- ii. The Oil Crisis.

(6 marks)

QUESTION 4

Economic integration can take place on various levels, depending on its intensity.

- (a) Explain **FIVE (5)** levels of economic integration that are commonly practice by countries in strengthening their economic positions.

(20 marks)

- (b) The Association of Southeast Asian Nations (ASEAN) was formed in 1967. State **THREE (3)** objectives of ASEAN.

(5 marks)