INSTRUCTIONS:

1. Read the following instructions carefully before answering the paper, as failure to act upon them will result in a loss of marks.
2. Write your answers in your answer book, which is provided in the exam.
3. Ensure that your name and student number are clearly indicated on your answer book.
4. Write your answers in either blue or black ink in your answer book.
5. Read each question very carefully before you answer it and number your answers exactly as the questions are numbered.
6. Begin with the question for which you think you will get the best marks.
7. Note the mark allocations for each question – give enough facts to earn the marks allocated. Don’t waste time by giving more information than required.
8. You are welcome to use diagrams to illustrate your answers.
9. Please write neatly – we cannot mark illegible handwriting.
10. Any student caught cheating will have his or her examination paper and notes confiscated. The College will take disciplinary measures to protect the integrity of these examinations.
11. If there is something wrong with or missing from your exam paper or your answer book, please inform your invigilator immediately. If you do not inform your invigilator about a problem, the College will not be able to rectify it afterwards, and your marks cannot be adjusted to allow for the problem.
12. This paper may be removed from the examination hall after the examination has taken place.
QUESTION 1

(a) Name two industries that have been severely affected as a result of imports from China and India. (2)

(b) i. Why would it be useful to examine a country's balance of payments data? (5)
   ii. Which body compiles the balance of payments account? (1)

(c) i. Explain what the capital account is. (2)
   ii. What is recorded by the capital account? (4)

(d) List two measures of debt burden of a nation on the economy. (2)

(e) List three ways in which South Africa can balance its payments with another country. (3 × 2 = 6)

(f) In contrast to the USA, Japan realised continuous current account surpluses. What could be the main causes for these surpluses? (3) [25]

QUESTION 2

(a) State the functions of the State in the context of international law. (5)

(b) i. Define codified law. (2)
   ii. List the three codes which determine the code of law. (3)

(c) Give six examples of economic risk in an analysis of the economic environment. (6)

(d) Explain the three types of cultural values. (3 × 2 = 6)

(e) There are close to two billion Muslims in the world. You are the international marketing manager for SAB-Miller Breweries.

   Explain why there is little or no market for alcohol in Muslim countries. Under which environment would we classify this market? (3) [25]
QUESTION 3

(a) Describe three types of monetary barriers. (3 × 2 = 6)

(b) Answer the following questions with True or False

i. If a group of countries abolish trade barriers between them and set the same tariffs on goods coming in from other countries, they are described as a common market. (1)

ii. Dumping occurs when Chinese goods are sold for less overseas than their cost of production. (1)

iii. The main advantage of quotas as compared to tariffs in the view of policymakers is quotas remove the uncertainty about the quantity of imports. (1)

(c) Give five disadvantages of tariffs. (5 × 2 = 10)

(d) During the apartheid years, South Africa faced sport boycotts and trade embargoes. Give three advantages of a trade embargo. (3 × 2 = 6) [25]

QUESTION 4

(a) i. Define Trade-Related Aspects of Intellectual Property Rights (TRIPS). (5)

ii. Give two main provisions of TRIPS. (2 × 2 = 4)

(b) Name five government organisations that are responsible for policy development, implementation and administration of all aspects of trade. (5)

(c) List six forms of trade agreements. (6)

(d) Lesotho and Swaziland are members of the Southern African Customs Union (SACU). Name the other three member countries of SACU. (3)

(e) Explain why you think agreements and institutions were put in place in terms of international trade. (2) [25]

[100]

TOTAL: 100 MARKS