22. TRADE

This topic entails:

(i) Identifying and defining types of trade
(ii) Discussing factors influencing trade
(iii) Identifying major exports and imports of Kenya
(iv) Discussing significance of trade to Kenya
(v) Discussing problems facing trade in Kenya
(vi) Role played by selected trading blocks in the economies of their respective regions.

1. Use the diagram below to answer question 5a and 5b

<table>
<thead>
<tr>
<th>Country X</th>
<th>Country Y</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Tea</td>
<td>• Machinery</td>
</tr>
<tr>
<td>• Coffee</td>
<td>• Electricity</td>
</tr>
<tr>
<td>• Soda ash</td>
<td>• Vehicles</td>
</tr>
</tbody>
</table>

   a) Identify the type of trade shown above
   b) State problems country X is likely to face in the trade shown above

2. (a) Give two types of international trade
    (b) State two reasons why there is less trade between Kenya and other African countries

3. (a) State two problems facing trade in Kenya.
    (b) Give three benefits of regional trading blocs.

4. (a) Outline two objectives of the common market for Eastern and Southern Africa (COMESA)
    (b) State two efforts made by the Kenya government to enhance external trade

5. a) i) Differentiate between visible and invisible exports
       ii) Name three invisible exports from Kenya
    b) i) Apart from the Economic Community of West African States (ECOWAS) name two
          other regional trading blocks in Africa
        ii) Identify three member countries of ECOWAS
        iii) Explain five economic benefits of the Economic Community of West Africa
             states (ECOWAS)

6. (a) What is balance of payment?
    (b) Identify three problems that face traders dealing with primary goods

7. (a) Distinguish between visible and invisible export.
    (b) State three negative effects of a country over relying on import goods.