

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

EMBU CAMPUS

**EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF EDUCATION
(PRIMARY OPTION)**

PECO 331: TRADE

STREAMS: B.ED (PRIMARY OPTION)

TIME: 2 HOURS

DAY/DATE: SATURDAY 11/08/2018

8.30 A.M. – 10.30 A.M.

INSTRUCTION:

- **SECTION A-QUESTION ONE (1)-IS COMPULSORY.**
- **SECTION B-ANSWER ANY OTHER TWO QUESTIONS.**

SECTION A

QUESTION ONE (1)-IS COMPULSORY (30 MARKS)

Diaspora Kenyans to put up mega project in Taita Taveta

An ambitious multi-billion shillings project to create 20,000 jobs in Taita Taveta County is in the offing, thanks to Kenyans in the diaspora.

Already the Taita Taveta County Assembly has approved the Sh. 100 billion diaspora university town development plan.

The proposed university is not only provide education and conduct research but promises to transform the lives of thousands by creating jobs and promoting Small and Medium Enterprises (SMEs) while also encouraging the creation of new ones. SMEs are to have a piece of the immense project by being awarded tenders to supply materials.

The county is enthusiastic the project will change the economic fortunes of its population through the expansion of employment opportunities and affording small firms a golden chance to participate in the project.

Besides the contracts to supply raw materials and render an assortment of services, entrepreneurs will also benefit immensely from transfer of skills and experiences as they undertake the project.

The plan, which borrows university towns in the US, targets to create 500 new SMEs and 20,000 jobs in five years. While these may seem overly ambitious, the project leaders say their forecasts are based on solid evidence from similar models of town universities elsewhere.

“The university town model is not new and where one of our founders, Prof Phillip Mutisya of North Carolina Central University went to, is a university town,” says Mr Dan Kamau who heads the site development office in Voi.

The jobs expected to be created have been classified in six categories: University, town, design build, medical hospital, tourism and SMEs (Small Medium Enterprises)

Ndara B community chairman Benjamin Mwandaa, whose community is to benefit from the jobs says. “The move by the diaspora to create jobs is good for the young people. My community is happy to be part of the project.”

Mr. Mwandaa said about 80 percent of those who have expressed interest for the jobs are aged between 18 years and 35 years.

Mr. Kamau added: “The new town is for meeting the constitutional rights of healthcare, housing, clean water, social security and education for these young adults.”

Regretting the production time lost when persons stay idle during the day, he estimates that Kenya is currently losing about 40 million hours of production time a day and about 10 billion hours annually.

“If this time is valued at an average of Sh 500 per hour, it equates to losing Sh 5 trillion every year. The diaspora university town project will put about 150 million hours to production, 100 million hours at the site and the other 50 million hours in production and transportation of materials and supplies through SMEs across the country,” he said.

Mr Kamau said WPI Professors Arthur Gerstenfeld (Retired) and the late Prof Raphael Njoroge mooted the idea for the university development. The second idea was a housing development using diaspora capital and was started by diaspora Kenyans.

“The two ideas would become development plans and later merge through to become a university town development plan,” Mr Kamau said.

He added: “Thereafter the system would become the Kenya University Project (KUP) system once adjusted to incorporate the Constitution.”

The establishment of the university also involves setting up 6,000 residential units, presenting huge opportunities for small businesses.

Already, the group has identified a 1,500 acre land out of the 3,000 acres needed for the establish of the university.

“The approved plan is for a university that can accommodate 30,000 students and 90,000 residents on 3, 000 acres of land,” says Mr. Kamau.

The university model, he says is based on WPI project-based learning approach which brings together SMEs, education investors as well as property developers, town planners and designers, among other players.

“We call it university town because the ratio of students to residents will be one student to three residents,” Mr Kamau says.

More opportunities also lie in wait from the way the university conducts its learning, which incorporates project-based research and innovation.

“Over 1,000 persons have so far expressed interest to be part of the project. The project will transform their lives as they work and create wealth for themselves,” Mr. Kamau says.

“The biggest loss in Kenya every year is when persons stay idle when they would have been building the town, house, road producing material, educating children or doing something that develops Kenya.”

REQUIRED

1. (a) How and why might diasporas’ ability to buy differ from that of individuals of a similar age who remained in their country of origin or homelands? (6 marks)
- (b) Are the projects featured in this case targeting a global segment when they target their diaspora communities? Why or why not? (6 marks)
- (c) How might your knowledge as a Trader be useful in this setting? (6 marks)
- (d) What might contribute to the success of this project? (6 marks)
- (e) What advise would you give prospective traders concerning its businesses in the country. (6 marks)

SECTION B: ANSWER ANY OTHER TWO QUESTIONS

QUESTION TWO

2. (a) You have been invited to a conference in Nairobi. Prepare a presentation to educate the delegates on, 'World Trade Organization.' Using your vast knowledge in this course. (10 marks)

(b) As a trader, what are the different methods a business can use to obtain and/or develop political risk assessment information? What do you think are the strengths and weaknesses of each?

(10 marks)

QUESTION THREE

3. (a) As a trader in Embu, advise fellow traders attending Embu Agricultural Society of Kenya show on how they can export their fresh vegetables to Europe. (10 marks)

(b) Describe some opportunities and challenges that emerge in international trade for the businesses. (10

marks)

QUESTION FOUR

4. (a) You have invited to Trade conference in Embu, Prepare a presentation to Traders entitled Packaging and labelling as a prominent trader in the region. (10 marks)

(b) When a trader enters a new market, what can managers learn in the cultural environment the business aspires to venture. (10

marks)
