



# THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

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**MAIN EXAMINATION**

**JANUARY – APRIL 2019 TRIMESTER**

**FACULTY OF ARTS AND SOCIAL SCIENCES**

**DEPARTMENT OF DEVELOPMENT STUDIES**

**REGULAR / ODEL PROGRAMME**

**SDS 309 / SPO 421: POLITICS OF MULTINATIONAL CORPORATIONS**

**Date: APRIL 2019**

**Duration: 2 Hours**

**INSTRUCTIONS: Answer Question ONE and ANY OTHER TWO Questions**

- Q1. a) Discuss the concept of interdependence showing its relevance to our understanding of MNC's. **(10 marks)**
- b) Identify and discuss the factors that facilitated the growth of MNC's after the 2<sup>nd</sup> world war. **(10 marks)**
- c) Discuss the areas of conflict between MNC's and host governments. **(10 marks)**
- Q2. a) Clearly explain the political risks in regard to multinational corporations. **(10 marks)**
- b) Describe the varying social and economic impacts of multinational corporations on their host countries. **(10 marks)**
- Q3. a) Explain the difference between policy-making in the era of Globalization from policy-making in the pre-globalization era. **(10 marks)**
- b) Is globalization good for developing countries? Discuss. **(10 marks)**
- Q4. a) What is FDI? Clearly describe the forms of FDI. **(10 marks)**
- b) Explain any **Two** theories about FDI that take into account the firm-level incentives to invest overseas. **(10 marks)**

- Q5. Assess the impact of multinational corporations on the economic development of any developing country of your choice. Support your answer with examples. (20 marks)

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