

UNIVERSITY OF SWAZILAND
DEPARTMENT OF ECONOMICS
FINAL EXAMINATION MAY 2013

PAPER TITLE : STRUCTURE OF THE SWAZI ECONOMY
COURSE CODE : ECON 428

INSTRUCTIONS:

1. ANSWER ONE QUESTION FROM EACH SECTION
2. ALL QUESTIONS CARRY 50 MARKS EACH

TIME ALLOWED: THREE (3) HOURS

THIS PAPER IS NOT TO BE OPENED UNTIL PERMISSION HAS BEEN GRANTED BY
THE INVIGILATOR

SECTION A

QUESTION 1

- a. Explain why Swaziland has pursued a liberal trade policy regime since independence?
Characterize Swaziland trade policy. (10)
- b. Discuss why most trade in agricultural products lacks behind trade in sugar. (20)
- c. Characterise Swaziland's trade policy by explaining why it is geared towards increasing trade through the expansion of the manufacturing sector? (20)

QUESTION 2

- a. Explain fully four (4) key advantages of forming public enterprises in Swaziland. (16)
- b. Describe three (3) types of public enterprises in Swaziland. (9)
- c. Explain fully four (4) special problems faced by public enterprises in Swaziland. (16)

SECTION B

QUESTION 3

- a. Describe three (3) advantages of Value Added Tax (VAT) (12)
- b. "While VAT has been adopted in Swaziland, it frequently suffers from being incomplete in one aspect or another" Discuss (18)
- c. Discuss four (4) means adopted by the Swaziland Revenue Authority (SRA) of dealing with tax invasion in Swaziland. (20)

QUESTION 4

- a. Briefly describe the role of external trade in Swaziland's economy. (15)
- b. How do you position Swaziland's development in the region? (15)
- c. Discuss the importance of pegging the Swazi currency with SA rand. (20)