

### **Question 1**

Describe fully the justification for and the role of Public Enterprises especially in LDCs.  
(25 marks)

### **Question 2**

- a) What do you understand by Public Enterprises without national justification? Use suitable examples, in your answer. (7 marks)
- b) Using relevant examples, outline the various classifications of Public Enterprises by activity and ownership. (18 marks)

### **Question 3**

- a) Distinguish carefully between a principal of debt and debt servicing. (7 marks)
- b) How does a rising national debt affect the economy as a whole? (18 marks)

### **Question 4**

Explain how the Swazi government maintained a prudent fiscal policy in the past, from 1987 to 1991.  
(25 marks)

### **Question 5**

Describe how Swaziland uses the IMF monitoring programme to fight fiscal crisis caused mainly by the drop in customs revenue and large wage bill. (25 marks)

### **Question 6**

Describe briefly the major features and themes of the Swaziland national budget 2014.  
(25 marks)

**University of Swaziland**  
**Faculty of Social Science**  
**Department of Economics**  
**Final Examination Paper, May 2014**

**Title of paper** : **Public Finance II**

**Course Code** : **Econ 409**

**Time allowed** : **Three (3) hours**

**Instructions** : **1. Answer four (4) questions.**

**2. All questions carry equal marks of twenty five (25) each.**

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