

UNIVERSITY OF SWAZILAND

DEPARTMENT OF LAW

FINAL EXAMINATION PAPER, 2008 (MAIN)

TITLE OF PAPER : INTERNATIONAL TRADE AND INVESTMENT

COURSE CODE : L508

TIME ALLOWED : THREE (3) HOURS

INSTRUCTIONS : ANSWER FOUR (4) QUESTIONS
ALL QUESTIONS CARRY EQUAL MARKS

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

QUESTION 1

Trade and investment are seen as crucial factors for attaining development by most countries including Swaziland. To obtain its developmental goals through trade and investment, the Government of Swaziland has set up institutions to aid its efforts to attract and facilitate investment in the Kingdom. Critically discuss two of these institutions and their role in this regard.

(25 marks)

QUESTION 2

“Traditional trade theory assumesthat trade gains accrue to nationals in the trading countries”. Discuss.

(25 marks)

QUESTION 3

Critically analyse the justifications of trade and development derived from the neoclassical free trade model.

(25 marks)

QUESTION 4

The manufacturers of widgets in Trimex have complained their government that they are unable to compete with widgets imported from Numex as these are sold in the local market at extremely low prices. They also alleged that they have made some enquiries and the imported widgets are sold at a lower prices in Trimex that the price at which they are sold in Numex. Under WTO law, under what circumstances would this be actionable and what procedures would the government of Trimex have to follow to address the concerns of its widgets manufacturers?

(25 marks)

QUESTION 5

The trading system under the World Trade Organisation is based on principles of non-discrimination. Critically discuss the two main principles of non-discrimination.

(25 Marks)