

**UNIVERSITY OF SWAZILAND
FACULTY OF SOCIAL SCIENCE
DEPARTMENT OF POLITICAL AND ADMINISTRATIVE STUDIES**

SUPPLEMENTARY EXAMINATION PAPER: JULY, 2018

TITLE OF PAPER: ADMINISTRATION OF PUBLIC ENTREPRISES

COURSE CODE: PA 307

TIME ALLOWED: THREE HOURS

INSTRUCTIONS:

- 1. ANSWER FOUR (4) QUESTIONS:**
- 2. ALL QUESTIONS CARRY EQUAL MARKS OF TWENTY FIVE (25) EACH**

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

QUESTION 1:

When we define a public enterprise there is a need to make the delicate balance between the two different and opposing concepts: "public" and "enterprise". Explain why public enterprises have to make that delicate balance.

(25 marks)

QUESTION 2:

Discuss the common organizational types of public enterprises in Africa and their characteristics. What is the justification for the establishment of public enterprises in many developing countries.

(25 marks)

QUESTION 3:

Public enterprises in developing countries have special problems not faced by their counterparts in developed industrialised countries. Discuss these.

(25 marks)

QUESTION 4

Public enterprises are either a creation of the state, or an entity where the state holds the controlling interest, it would go without question that the state would seek to control them. Discuss the different ways through which the government maintains external control on public enterprises.

(25 marks)

QUESTION 5

From the various reasons for privatisation outlined in policy papers, 'reduction of fiscal burden' and 'broadening ownership' are the most prevalent. Define privatisation, the different methods of privatisation and the reasons why many developing countries have privatised public enterprises.

(25 marks)

QUESTION 6

For privatisation to be successful, political leadership at the highest levels must demonstrate commitment to the process, and strong institutions and well-prepared programmes must be established and legal constraints removed. However, there are common challenges inherent to the privatisation of public enterprises in the African context. Discuss these challenges.

(25 marks)

QUESTION 7

Discuss the major challenges faced by developing countries in the privatisation of public enterprises.

(25 marks)