



NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY
FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION
DEPARTMENT OF ECONOMICS, ACCOUNTING AND FINANCE

QUALIFICATION : BACHELOR OF ECONOMICS	
QUALIFICATION CODE: 07BECO	LEVEL: 6
COURSE CODE: ENS612S	COURSE NAME: ECONOMICS OF NAMIBIA AND SACU COUNTRIES
SESSION: DECEMBER 2025	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100

SECOND OPPORTUNITY EXAMINATION PAPER	
EXAMINER(S)	MR. MALLY LIKUKELA
MODERATOR:	MR MAKAISAPI TJIUMBIRUA

INSTRUCTIONS
<ol style="list-style-type: none">1. There are five (5) section in this paper2. Answer ALL the questions.3. Write clearly and neatly4. Number the answers clearly

PERMISSIBLE MATERIALS

1. Examination paper.
2. Examination script.

THIS QUESTION PAPER CONSISTS OF 4 PAGES (Including this front page)

SECTION A: MULTIPLE CHOICE**[10 MARKS]**

1. Namibia's historic policy approach for attracting FDIs into the country is known as:
 - a) SEZ
 - b) HPP
 - c) NDP5
 - d) EPZ

2. The conditions that serve as an indicator of a looming macroeconomic instability is
 - a) Low enrollment rate
 - b) Weaknesses in the financial sector
 - c) None of the above
 - d) All of the above

3. Ministry of Justice falls under..... branch of the state
 - a) Legislature
 - b) Executive
 - c) Judiciary
 - d) None of the above

4. A political system where a democratically elected president is above the law since he is the one that appoints the law makers is known as a
 - a) Democracy
 - b) Dictatorship
 - c) Autocracy
 - d) None of the above

5. Monetary Policy affects economic activities by:
 - a) Impacting money supply in the country
 - b) Impacting the monetary policy of Namibia
 - c) Impacting taxes and subsidies of Government
 - d) Impacting the money paid to the Banking School of Namibia

6. The largest contributor to the GDP of Namibia is:
 - a) Secondary Industry
 - b) Tertiary Industry
 - c) Government sector
 - d) Primary industry

7. Prolonged unemployment increases the chances ofhired/employed
 - a) Being
 - b) None of these
 - c) Not being
 - d) All of the above

8. Banking and Financial sector falls under:
- Primary Industry
 - Secondary Industry
 - All of the above
 - Tertiary Industry
9. The usage of tax and public spending constitutes the:
- Fiscal policy
 - EPZ Policy
 - Monetary policy
 - none of the above
10. The most effective channel in the monetary policy transmission mechanism of Namibia is:
- Asset price channel
 - Bank rate channel
 - Credit channel
 - Exchange rate channel

SECTION B: TRUE OR FALSE

[10 Marks]

- Namibia is maintaining a fixed exchange rate with the Namibia dollar pegged to the South African Rand because of colonialism.
- Monetary policy cannot be used to reduce unemployment in the country.
- Tax decreases increase funds for private and business spending.
- Mercantilism is in support of Government's leading role in trade.
- Privatization is the process of transferring government responsibilities to the private sector.
- Economic integration leads to less specialization especially for a small country that Neighbours a big country like South Africa.
- Things don't work in government due to measurement challenges.
- The CMA is made up of some SADC member countries.
- Achieving macroeconomic stability does not require creating a transparent system of public expenditure.
- Monetarist do not believe that monetary policy can be effective in preventing inflation.

SECTION C:**[45 MARKS]**

Question 1**[10 marks]**

Define the following terms

- 1) Primary Industry
- 2) Monetary policy instrument
- 3) Economic integration
- 4) Free market system
- 5) Financial intermediary

Question 2:**[10 Marks]**

Distinguish between the following terms

1. Absolute and Comparative advantage
2. Legislative and Executive branch of Government
3. Monetary and fiscal policy

Question 3**[10 marks]**

Discuss in detail, the five main channels through which the monetary policy of the Bank of Namibia is transmitted.

Question 4**[15 marks]**

Discuss the three branches of the state, use appropriate examples and scenarios

SECTION D:**[35 MARKS]**

Question 1:**[10 marks]**

Discuss in detail (with appropriate examples) the five levels of economic integration

Question 2:**[10 marks]**

Privatization is seen to be the optimal solution for most government that wants to re-structure their economic sectors for the benefit of the state, yet many remain opposed to it. In your view, discuss the main reasons against Privatization.

Question 3**[15 marks]**

Discuss main provisions of the CMA