



“Investing in Africa’s Future”

COLLEGE OF BUSINESS, PEACE, LEADERSHIP & GOVERNANCE

NMAC 206: PRINCIPLES OF PUBLIC FINANCE

END OF SECOND SEMESTER EXAMINATION

MAY 2021

LECTURER: Mr. S. KAZOMBA

TIME: 7HOURS

INSTRUCTIONS

Answer any **ONE** question.

Total possible mark is 100

Credit will be awarded for logical, systematic and neat presentation

Question One

- a) Discuss the expenditure management tools highlighted in the Zimbabwe 2020 National Budget. **[50 Marks]**
- b) Citing examples, analyse the major drivers of public expenditure in Zimbabwe as indicated in the 2020 National Budget. **[50 Marks]**

Question Two

Critically discuss the economic consequences of a situation where a country relies so much on external borrowing, bilateral and multilateral aid. Support your answers up with relevant aid models. **[100 marks]**

Question Three

Governments have to raise revenue to finance public goods. Analyse the challenges that Zimbabwe, like most developing countries, faces in attempting to collect taxes from its informal sector and suggest strategies to ease the challenges. **[100 Marks]**

END OF EXAMINATION