



UNIVERSITY OF SWAZILAND

FINAL EXAMINATION PAPER

2nd SEMESTER 2008/2009

PROGRAMME : BSc. AGRICULTURAL ECONOMICS &
AGRIBUSINESS MANAGEMENT

COURSE CODE : AEM 204

TITLE OF PAPER : COOPERATIVES STUDIES

TIME ALLOWED : TWO (2) HOURS

INSTRUCTIONS : ANSWER ALL QUESTIONS. EACH
QUESTION CARRIES A TOTAL OF
25 MARKS

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GRANTED BY THE CHIEF INVIGILATOR.**

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QUESTION 1

Swaziland Water and Agricultural Development Enterprise (SWADE), a parastatal under the Ministry of Agriculture and Cooperatives (MOAC), has been mandated by the Swaziland Government to mobilise farmers within the Lower Usuthu Smallholder Irrigation Project (LUSIP) so that they work under group formations. Having conducted a needs assessment, SWADE has unexpectedly discovered that most of the farmers prefer working in associations to cooperatives. Being an expert in cooperatives, SWADE has engaged you as a consultant to make a presentation to the farmers on why they should consider forming cooperatives as opposed to associations. Discuss, in detail, the contents of your presentation.

[25 marks]**QUESTION 2**

The viability of cooperatives is said to be influenced by various factors. Discuss three of these factors, stating means that cooperative societies could adopt to enhance the viability of the cooperative movement as a whole.

[25 marks]**QUESTION 3**

Discuss, in detail, the phases of forming a cooperative in Swaziland.

[25 marks]**QUESTION 4**

- (i) The formation of cooperatives came as a result of market failure or lack of competitive markets. Do you agree or disagree with this statement? Justify your answer. **[10 marks]**
- (ii) Discuss the main sources of finance for cooperatives in Swaziland. **[15 marks]**