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UNIVERSITY EXAMINATIONS

**EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF SCIENCE IN
AGRICULTURAL ECONOMICS**

AGEC 111: INTRODUCTION TO AGRICULTURAL ECONOMICS

STREAMS: AGECE, AGBM, AGRI

TIME: 2 HOURS

DAY/DATE: WEDNESDAY 12/04/2023

11.30 A.M – 1.30 P.M

INSTRUCTIONS:

Answer all questions in section A and any three in section B

Do not write on the question paper

Section A: All questions are compulsory

1. (a) Discuss the following:

- | | | |
|-------|---|-----------|
| (i) | Agricultural economics and agriculture | [2 marks] |
| (ii) | Markets and international trade | [2 marks] |
| (iii) | Partial and complete state trading | [2 marks] |
| (iv) | Comparative advantage and balance of trade. | [2 marks] |
| (v) | Risk, uncertainty and utility | [3 marks] |

(b) Discuss the roles of agricultural economics at micro –economics and macro-economic levels. [6 marks]

(c) Discuss two types and source of economies of scale. [8 marks]

SECTION B: ANSWER ANY THREE QUESTIONS

QUESTION TWO

(a) Discuss four evolutionary stages of agricultural transformation that calls for different policy approaches. [8 marks]

(b) Discuss contribution of education to agricultural development of a country. [7 marks]

QUESTION THREE

(a) A government implements agriculture-related policy objectives through state trading, explain its four objectives. [8 marks]

(b) Discuss contribution of education to agricultural development of a country. [5 marks]

(c) State three objectives of agricultural economics. [2 marks]

QUESTION FOUR

(a) Discuss five difference between foreign trade and domestic trade. [10 marks]

(b) Explain five characteristics of utility. [5 marks]

QUESTION FIVE

(a) Discuss three economic benefits that come from a growing and productive agricultural sector. [9 marks]

(b) Explain the interdependence between industry and agriculture. [6 marks]
