

**UNIVERSITY OF KABIANGA**

**UNIVERSITY EXAMINATIONS**

**2015/2016 ACADEMIC YEAR**

**FOURTH YEAR SECOND SEMESTER EXAMINATION**

**FOR THE DEGREE OF BACHELOR OF ARTS (ECONOMICS)**

**COURSE CODE: ECO 417**

**COURSE TITLE: AGRICULTURAL ECONOMICS II**

**DATE: 12TH APRIL, 2016**

**TIME: 2.00 P.M- 5.00 P.M**

**INSTRUCTIONS TO CANDIDATES:**

Answer question **ONE** and any other **THREE** questions.

**QUESTION ONE**

1. Many developing countries in recent years have adopted liberalization policy in their economies. Asses the possible effects on the following:
2. Consumers. (3 marks)
3. Producers. (3 marks)
4. Importers. (3 marks)
5. Explain the major problems faced by agriculture in developing countries and policy recommendations to alleviate the problems. (10 marks)
6. Asses the view sometimes expressed that peasants’ farmers are generally irrational, inefficient and unresponsive to change. (6 marks)

**QUESTION TWO**

1. East Africa is agricultural region. Explain why there are wage differential between agricultural sector and industrial sector. (8 marks)
2. Discuss the most common problems associated with cooperative enterprise in marketing their products. (7 marks)

**QUESTION THREE**

1. Explain the roles on International Commodity Agreement. (7 marks)
2. Discuss the steps the government should take in order to boost agricultural productivity. (8 marks)

**QUESTION FOUR**

1. Assess the incidence of a sale tax on a commodity as between buyers and sellers
2. When demand is perfectly inelastic. (2 marks)
3. When supply is perfectly inelastic. (2 marks)
4. When supply is perfectly elastic. (2 marks)
5. Compare the advantages of communal and individualized system of land tenure. (9 marks)

**QUESTION FIVE**

1. Argue the case that cash copping expansion in Africa has produced regional inequalities in development. (7 marks)
2. Discuss the policy instruments used to influence agricultural activities in the economy. (8 marks)