"Investing in Africa's future"

COLLEGE OF HEALTH, AGRICULTURE & NATURAL SCIENCES

NAEC 111: INTRODUCTION TO AGRICULTURAL ECONOMICS

END OF SECOND SEMESTER SUPPLEMENTARY EXAMINATIONS

JULY 2022

LECTURER: MRS. R. MUCHANYUKA

DURATION: 3 HOURS

INSTRUCTIONS

Answer all questions in Section A and THREE questions in
1 section B

2 . Answer in Essay form

3 . DO NOT Repeat Material

1. If 20 employees produce 200 products each day, the 21st employee brings the total produced to 220.
   a) Calculate the Marginal Product of labor per employee. (5)
   b) Calculate the Average product for the 21 employees. (5)
2. Mr Locks produces 10 000 broilers every week. His costs on the farm are as follows:
   Broiler feed $4 500
   Water $500
   Electricity $1000
   Rent $1000
   His total Revenue is $15 000 per month

   Calculate the following: (15)
   a) Average Fixed cost
   b) Average Total cost
   c) Average Variable cost

SECTION B (Answer 3 Questions)

Question 1

a) Giving a real life scenario in economics explaining the concept of Opportunity Cost.
(10)

b) As an Agribusiness Economist, you secure a farm where you need to practice Crop and Animal husbandry. Explain how you are going to **economically manage** the Scarce Resources at your farm. (15)

Question 2

a) State and explain the supply function. (5)
b) Identify and discuss any 5 factors that influences supply for maize in Harare. (10)
c) Explain the difference between the movement along the demand curve and a shift in the demand curve of a commodity of your choice. (10)

Question 3(25 Marks)

a) Discuss 5 limitations of using national income statistics to compare standards of living in different countries. (15)

b) What is the role of agriculture in the national economies of most African countries? (10)

Question 4 (25 Marks)

a) What is a market (5)

b) Compare and contrast the four market structures in an economy of your country. (20)

End of Examination Paper