



*“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**

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**INSTRUCTIONS**

1. Answer all questions in Section A and THREE questions in section B
2. Answer in Essay form
3. DO NOT Repeat Material

## SECTION A

Answer all questions in section A (25 Marks)

1. If 20 employees produce 200 products each day, the 21<sup>st</sup> 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**