

2425/203
AGRICULTURAL ECONOMICS II, EXTENSION
AND HOME ECONOMICS
Oct./ Nov. 2011
Time: 3 hours



THE KENYA NATIONAL EXAMINATIONS COUNCIL

DIPLOMA IN AGRICULTURE
MODULE II

AGRICULTURAL ECONOMICS II, EXTENSION AND HOME ECONOMICS

3 hours

INSTRUCTIONS TO CANDIDATES

You should have the following for this examination:

Answer booklet.

This paper consists of **THREE** sections; A, B and C.

Answer a total of **FIVE** questions; taking at least **TWO** questions from section A, at least **ONE** question from section B and at least **ONE** question from section C.

Each question carries equal marks.

Maximum marks for each part of a question are as indicated.

A - at least - 2

B - at least - 1

C - at least - 1

① from any of the sections.

This paper consists of 3 printed pages.

Candidates should check the question paper to ascertain that all the pages are printed as indicated and that no questions are missing.

SECTION A: AGRICULTURAL ECONOMICS II

Answer at least TWO questions from this section.

- 1. (a) (i) Define the term agricultural marketing. (2 marks)
- (ii) Explain the role of agricultural marketing. (10 marks)
- (b) Describe the characteristics of pure competition in agricultural marketing. (8 marks)

- 2. (a) In reference to monopoly market structure:
 - (i) explain five sources; (10 marks)
 - (ii) state two advantages and three disadvantages. (10 marks)

- (b) Explain the following characteristics of agricultural products that affect their marketing:
 - (i) limited elasticity of demand;
 - (ii) changes in market demand;
 - (iii) seasonality;
 - (iv) bulkiness;
 - (v) storage.

- 3. (a) Define the following terms:
 - (i) development;
 - (ii) economic growth;
 - (iii) economic development.

Discuss how the population structure affects the economic development of a country. (14 marks)

- 4. (a) Define the term International trade. (2 marks)
- (b) Outline the importance of International trade. (8 marks)
- (c) Enumerate five limitations of International trade. (5 marks)
- (d) Explain the concept of comparative advantage. (5 marks)

Marketing - activities that attempt to satisfy individual & organizational needs & wants for mutual benefit

-> Process of activities are involved in the flow from production to consumption.

- Buying & assembly
- Manipulation
- Storage
- Selling and trading
- Financing
- Price determination
- Selling
- Processing
- Choice of date
- Packaging

- Perfect knowledge
- Perfect and perfect currency
- Free exit and entry
- No artificial barriers
- Perfectly homogeneous products
- Perfectly elastic supply & demand

es. like
-> No like substitutes of products
-> No like substitutes of services
-> Quality of products
-> Significant damage to consumers

es. like
-> No like substitutes of products
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-> The treatment of time to which equivalent goods are required to elicit the same level of utility

-> Agri products are much during the harvest season. At this point the quantity demanded is low, during the season the prices are higher and demand is higher but supply is low

-> They are only produced at certain times in the year, not regular.

-> Comparatively, agri goods are cheaper per unit weight.

-> The weight of tomatoes may cost more than a sack of dry maize

-> Agri products need different stages to maintain them in good condition.

-> increase in the level of income
-> increase in the level of income
-> increase in the level of income

-> National income
-> National income
-> National income

-> Annular (solid) economy, low level
-> Annular (solid) economy, low level
-> Annular (solid) economy, low level

-> Planning by Govt to make them do it
-> Planning by Govt to make them do it
-> Planning by Govt to make them do it

(banned)

SECTION B: EXTENSION

Answer at least ONE question from this section.

Technical line
- Organized
- Individual/Unit
- Language
- Attitude
- Character

- 5. (a) Explain the elements of communication process. (10 marks)
- (b) Explain the factors that influence the effectiveness of a communicator. (10 marks)
- 6. (a) Explain the advantages and disadvantages of the following extension methodologies:
 - (i) mass;
 - (ii) group;
 - (iii) individual. (10 marks)
- (b) Explain the five stages in adoption process. (10 marks)

Group
- Messages
- Time

SECTION C: HOME ECONOMICS

Answer at least ONE question from this section.

- 7. With reference to school age children, adolescents and geriatrics, give explanation for each of the following cases:
 - (a) causes of inadequate dietary intake; (6 marks)
 - (b) action that should be taken to prevent malnutrition; (11 marks)
 - (c) Relate nutrition to infection. (3 marks)
- 8. (a) Define the term consumer education. (1 mark)
- (b) State the role of a consumer in an economic system. (3 marks)
- (c) Explain the principles of wise shopping. (16 marks)

- quality
- buy what you want - budget
- don't buy on impulse
- availability
- size & quality
- Purpose (age, habit)
- brand name
- model
- check on comparative cost

roles
- know their rights
- Inhibit on right quality
- Bargain for right price

Answer to
- Inhabit
- Inhibit
- Inhibit on right quality
- Bargain for right price