

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.

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

(2) Process that involves

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.

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

- (b) Explain the following characteristics of agricultural products that affect their marketing:
- (i) limited elasticity of demand; - The treatment of time to which equivalent goods are required to shorter this stability their availability
- (ii) changes in market demand; - Agri products are much during the harvest season. At this point the demand is high, during the season the prices are higher and demand is higher but supply is low
- (iii) seasonality; - They are only produced at certain time in the year, not regular.
- (iv) bulkiness; - Comparatively, agri goods are cheaper per unit weight.
- (v) storage. - The sale of grains may cost more than a sack of dry milk

- Perfect knowledge
- Perfect and perfect entry
- Free exit and entry
- No artificial barriers
- Perfect substitutes of products
- Perfect competition
- Identical products

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)

- (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)

(banned)

SECTION B: EXTENSION

Answer at least ONE question from this section.

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)

Technical line
- Organized
- Individual/Target
- Language
- Other

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
- insist on right quality
- bargain for right prices

Answer to
- evaluate
- trial or
- Adoption