



UNIVERSITY OF SWAZILAND

FINAL EXAMINATION PAPER

PROGRAMME: BACHELOR OF SCIENCE IN
AGRICULTURAL ECONOMICS AND
AGRIBUSINESS MANAGEMENT

COURSE CODE: AEM 407

TITLE OF PAPER: AGRICULTURAL AND FOOD POLICY

TIME ALLOWED: TWO HOURS

INSTRUCTION: ANSWER ALL FOUR (4) QUESTIONS

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GRANTED BY THE CHIEF INVIGILATOR**

QUESTION #1 [25 Marks]

Credit is viewed as a complementary production input enabling farmers to acquire other inputs.

- a) Examine the problems in agricultural credit markets in developing countries. **[15 Marks]**
- b) Why and how should government intervene in agriculture? **[10 Marks]**

QUESTION #2 [25 Marks]

- a) Describe and illustrate criteria for evaluating agricultural and food policy performance. **[15 Marks]**
- b) List and explain at least two models in the policy making process. **[10 Marks]**

QUESTION #3 [25 Marks]

Governments in developing world often adopt food and agricultural pricing policies that are likely to reduce food prices for urban consumers even if farmers are forced to bear costs.

- a) Discuss the short-run effects of price policies in agriculture. **[15 Marks]**
- b) Explain the objectives of land tenure policy. **[10 Marks]**

QUESTION #4 [25 Marks]

All major farm commodities are marketed through national grain marketing boards in Africa.

- a) Analyze this agricultural trade policy with respect to welfare of both producers and consumers. **[15 Marks]**
- b) How does the exchange rate policy affect the agricultural sector through its effect on export and import prices? **[10 Marks]**

END OF PAPER