



SUPP. 2018/2019

UNIVERSITY OF ESWATINI

SUPPLEMENTARY EXAMINATION PAPER

PROGRAMME: B.Sc. in Agricultural Economics and Agribusiness Management
B.Sc. in Textiles, Apparel Design and Management

COURSE CODE: AEM 406

TITLE OF PAPER: INTERNATIONAL AGRICULTURAL TRADE

TIME ALLOWED: TWO (2) HOURS

INSTRUCTION: 1. ANSWER ALL QUESTIONS
2. EACH QUESTION CARRIES TWENTY FIVE (25) MARKS

DO NOT OPEN THIS PAPER UNTIL PERMISSION HAS BEEN GRANTED BY THE CHIEF INVIGILATOR

QUESTION 1

What are the key principles underlying the operation of the WTO? To what extent do these principles make economic sense? [25 MARKS]

QUESTION 2

Write short notes on:

- i. Input subsidies and tax exemptions [7 MARKS]
- ii. Commodity programmes [6 MARKS]
- iii. Stolper-Samuelson Theorem [12 MARKS]

QUESTION 3

Explain how government intervenes in agricultural trade by the direct protection instrument [25 MARKS]

QUESTION 4

If several developing countries stand to benefit from freer trade, why are so many developing countries reluctant to move forward with the Doha Round of trade negotiations under the WTO? [25 MARKS]