

UNIVERSITY OF SWAZILAND
FACULTY OF SOCIAL SCIENCE
DEPARTMENT OF ECONOMICS
FINAL EXAMINATION PAPER, MAY 2008

TITLE OF PAPER : **AGRICULTURAL ECONOMICS**

COURSE CODE : **ECON 411**

TIME ALLOWED : **THREE (3) HOURS**

INSTRUCTIONS : **1. ANSWER FOUR (4) QUESTIONS: TWO FROM SECTION A AND TWO FROM SECTION B.**

2. ALL QUESTIONS CARRY EQUAL MARKS OF TWENTY FIVE (25) EACH.

DO NOT OPEN THIS PAPER UNTIL THE INVIGILATOR HAS GRANTED PERMISSION.

SECTION A**QUESTION 1**

- (a) What is meant by 'Agricultural Economics'? [7 marks]
- (b) 'The role of the agricultural sector in the development of African economies cannot be ignored'. Discuss. [18 marks]

QUESTION 2

- (a) 'The agricultural sector in Swaziland is characterised by dualism'. Discuss. [7 marks]
- (b) 'The impact of HIV/AIDS on agricultural production is beginning to show in Swaziland'. Discuss. [18 marks]

QUESTION 3

- (a) Define the term 'Risk Aversion' and comment on its importance in agricultural economic theory. [7 marks]
- (b) Explain the policies and traditional views on how to solve 'Risk Aversion' in the agricultural sector. [18 marks]

QUESTION 4

- (a) Using relevant examples distinguish between price and non-price policies. [7 marks]
- (b) Explain the economic reasons for the government's intervention in the agricultural sector. [18 marks]

SECTION B**QUESTION 5**

- (a) Discuss how the existing Customary Land Tenure System affects land use and agricultural production on Swazi Nation Land (SNL). [18 marks]
- (b) What are the economic effects of 'Land Reform'? [7 marks]

QUESTION 6

- (a) What is sharecropping? [5 marks]
- (b) Describe the 'landlord Model of Sharecropping'. [15 marks]
- (c) What is the justification for the persistence of sharecropping? [5 marks]

QUESTION 7

- (b) What are the characteristics of the 'Rural Economy'? [7 marks]
- (c) Explain the problems and prospects of Rural Development Area programmes (RDAPs) in the development of rural agriculture. [18 marks]

QUESTION 8

- (b) What is meant by 'Food insecurity'? [5 marks]
- (c) 'The problem of food production and affordability in Swaziland is largely a result of inadequate public intervention in addressing poverty'. Discuss. [20 marks]