



(University of Choice)

**MASINDE MULIRO UNIVERSITY OF
SCIENCE AND TECHNOLOGY
(MMUST)**

MAIN CAMPUS

UNIVERSITY EXAMINATIONS

2021/2022 ACADEMIC YEAR

FIRST YEAR SECOND SEMESTER EXAMINATIONS

(MAIN EXAMINATION)

FOR THE DEGREE IN:

SAE/SAM/SAR/SAP/SAB

COURSE CODE: AEC 101

COURSE TITLE: INTRODUCTION TION TO AGRICULURAL ECONOMICS

DATE: 27/04/2022

TIME: 8-10 AM

INSTRUCTIONS *Answer ALL questions in section A and any TWO in section B;*

TIME: 2 hours

MMUST observes ZERO tolerance to examination cheating

This paper consists of TWO printed pages. Please Turn Over

SECTION A 30 MARKS ANSWER ALL questions.

Q1.Explain five determinants of demand by giving examples. (10 mks)

Q2.Discuss five factors influencing the price elasticities of supply (10 mks)

Q 3. Discuss five characteristics of a free market system (10 mks)

SECTION B (40MKS) Attempt any two questions

Q 4.with the aid of an illustration discuss the following types of costs (20mks)

- a. variable cost
- b. fixed cost
- c. Average cost
- d. Avarage variable cost

Q5. Discuss five factors that influence price equilibrium in a market situation (20 mks)

Q6.Describe the following factors of production in agriculture (20mks)

- a. land
- b. capital
- c. labour
- d. management

END