



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY
FACULTY OF MANAGEMENT SCIENCES**

DEPARTMENT OF ACCOUNTING, ECONOMICS AND FINANCE

QUALIFICATION: BACHELOR OF ECONOMICS	
QUALIFICATION CODE: 07BECO	LEVEL: 7
COURSE CODE: EOA611S	COURSE NAME: ECONOMICS OF AGRICULTURE
SESSION: NOV 2019	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100

SPECIAL EXAMINATION PAPER	
EXAMINER(S)	MR. MALLY LIKUKELA
MODERATOR:	MR. PINEHAS NANGULA

INSTRUCTIONS	
<ol style="list-style-type: none">1. This paper consist of section A,B and C2. Answer ALL questions3. Number your answers in accordance with the question paper.4. Start each section answer on a new page5. Write clearly and legibly	

PERMISSIBLE MATERIALS

1. Pen/pencil/Eraser
2. Ruler

THIS EXAMINATION PAPER CONSISTS OF 3 PAGES (Including this front page)

SECTION A**35 MARKS****QUESTION 1****[5 MARKS]**

The terms microeconomics and macroeconomics are frequently used in the study of economics, briefly illustrate the difference by using clear examples.

QUESTION 2**[10 MARKS]**

Define the following terms;

- 1) Price elasticity of demand [2 Marks]
- 2) Indifference curve [2 Marks]
- 3) Market equilibrium [2 Marks]
- 4) Utility function: [2 Marks]
- 5) Marginal Rate of Substitution [2 Marks]

QUESTION 3**[10 MARKS]**

Distinguish the five category of price elasticity of demand.

QUESTION 4**[10 MARKS]**

Explain what is meant by the term budget constraint, name and discuss the elements on which the budget constraints are depend on.

SECTION B**45 MARKS****QUESTION 1****[20 MARKS]**

Define the term land reform

[2 Marks]

List the three (3) goals of land reform as well as the 6 (six) challenges facing this policy.

[18 Marks]**QUESTION 2****[10 MARKS]**

Discuss five (5) main challenges facing the Namibian agricultural sector.

QUESTION 3**[15 MARKS]**

The success of the agriculture sector depends on the critical roles played by various stakeholders in the economy. Select one stakeholder of your choice and discuss the role which that particular stakeholder plays in the agriculture sector.

SECTION C**15 MARKS****QUESTION 1**

Scenario 1: Consider a consumer who can spend his income of 300 on good A or on good B or on any combination of A and B. One unit of A costs 3 and one unit of B costs 5. Draw a budget line. **[5 Marks]**

Scenario 2: Imagine the same consumer, his income rises from 300 to 360, other things remaining equal. Draw an additional new budget line to illustrate the change. **[5 Marks]**

Imagine the consumer in Scenario 2, the price of 1 unit of B falls from 5 to 4, other things remaining equal. Draw an additional new budget line to illustrate the change. **[5 Marks]**