

BINDURA UNIVERSITY OF SCIENCE EDUCATION
FACULTY OF AGRICULTURE AND ENVIRONMENTAL SCIENCE

AGM 106

Department of Agricultural Economics, Education and Extension
BSc Agricultural Economics and Management Part I Examination
Macroeconomics for Agriculture

3 HOURS (100 Marks)

INSTRUCTIONS

Answer any **FOUR** questions. Each question carries **25 marks**.

1. National income measures are inadequate when comparing the standard of living between developed and developing countries. Discuss [25 marks]
2. Discuss the factors that may cause higher interest rates in an agro-based economy. [25 marks]
3. Discuss the supply side policies that can be used to reduce inflation [25 marks]
4. Describe the policy measures that can be used to tackle the problem of unemployment in Zimbabwe. [25 marks]
5. Using hypothetical examples describe the money creation process. [25 marks]
6. Economists have been arguing that the country has been going through a prosperity stage. As an economist can you explain signs that economists are seeing to make such a conclusion. [25 marks]

End of Paper