

**BINDURA UNIVERSITY OF SCIENCE EDUCATION**

**DEPARTMENT OF CURRICULUM AND EDUCATIONAL MANAGEMENT STUDIES**

**PROGRAMME: BACHELOR OF SCIENCE EDUCATION HONOURS DEGREE IN  
AGRICULTURE (HBScEdAg)**

**COURSE CODE: EAG101**

**COURSE NARRATION: BASICS OF AGRICULTURAL  
ECONOMICS (EAG101-2)**

**DURATION: 3 HOURS**

**TOTAL MARKS: 300**

**INSTRUCTIONS**

**JAN 2025**

- Answer any three questions
  - Use examples, illustrations and diagrams where relevant
  - Marks for each question are indicated in brackets
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1. a. Explain the concept of scarcity in the context of agricultural resources and its implications for decision-making. [40]  
b. Discuss the role of markets in allocating resources efficiently in the agricultural sector. [60]
2. a. Explain how changes in consumer income impact the demand for agricultural products. [40]  
b. Describe the factors that influence the supply of agricultural products in the market. [60]
3. a. Compare and contrast the different types of inflation. [50]  
b. Explain how inflation affects interest rates and the purchasing power of money. [50]
4. a. Illustrate the concept of indifference curves and how they are used to analyse consumer preferences in agricultural economics. [40]  
b. Explain the concept of budget constraint and its role in consumer decision-making. [60]
5. a. Analyse the social and economic consequences of high unemployment rates in a country. [50]  
b. Discuss the role of government policies in reducing unemployment and promoting job creation. [50]

**END OF PAPER**