

UGANDA MARTYS UNIVERSITY
FACULTY OF EDUCATION
DIPLOMA IN EDUCATION (PRIMARY) YEAR TWO
AGRICULTURE EDUCATION



SEMESTER TWO EXAMINATION 2023/2024

AE2202: AGRICULTURAL ECONOMICS, FARM MANAGEMENT AND MARKETING

Date: 22.5.2024

Time: 2:00PM-5:00PM

SECTIONS A: AGRICULTURAL ECONOMICS.

- 1a) Define the term agricultural economics (3 marks)
- b) How does agricultural economics help a farmer? (10 marks)
- c) Explain six (6) reasons as to why some farmers do not practice diversification (12 marks)
- 2a) State the law of diminishing returns (3 marks)
- b) Give four (4) applications of that law in agricultural production. (8 marks)
- c) Explain the factors that affect demand of agricultural products. (14 marks)

SECTIONS B: FARM MANAGEMENT

- 3a) How can a farmer improve the efficiency of his/ her farm labour? (10 marks)
- b) Explain the measures that you would take as a farm manager to ensure effective use of agricultural credit. (15 marks)
- 4a) Give the importance of keeping farm records (10 marks)
- b) Explain five (5) reasons why it is important for a farmer to make budgets. (10 marks)
- c) Differentiate between assets and liabilities. (15 marks)
- 5a) Explain the term risk in farming. (3 marks)
- b) Using examples describe at least five (5) risks farmer may encounter (10 marks)
- c) Explain ways through which a farmer can guard against risks (12 marks)

SECTION C: FARM MARKETING

- 6a) Explain the importance of price in agriculture. (10 marks)
- b) Explain the causes of price fluctuation in agriculture. (15 marks)
- 7a) Explain the basic aims of forming a cooperative society. (10 marks)
- b) Explain the challenges most cooperative societies face that lead to their downfall (15 marks)