

2425/203
AGRICULTURAL ECONOMICS II
EXTENSION AND HOME ECONOMICS
June/July 2008
Time: 3 hours

THE KENYA NATIONAL EXAMINATIONS COUNCIL

**DIPLOMA IN AGRICULTURE
MODULE II**

AGRICULTURAL ECONOMICS II, EXTENSION
AND HOME ECONOMICS

3 hours

INSTRUCTIONS TO CANDIDATES

You should have the following for this examination:

*Answer booklet
Scientific calculator*

*The paper consists of **THREE** sections A, B and C.
Answer **FIVE** questions in all, taking at least **TWO** questions from section A, at least **ONE** question from section B and at least **ONE** question from section C.
All questions carry equal marks.
Maximum marks for each part of a question are as shown.*

This paper consists of 3 printed pages.

Candidates should check the question paper to ascertain that all the pages are printed as indicated and no questions are missing.

SECTION A

Answer at least TWO questions from this section.

1. (a) Explain the components of the balance of payments. (7 marks)
- (b) Describe the causes of disequilibrium in the balance of payments. (8 marks)
- (c) A farm is trying to decide whether to buy a machine for Ksh. 5000 which will save cost of Ksh 1,000 at the end of six years. Calculate the internal rate of return for the investment. (5 marks)
2. (a) Describe the agricultural specific contribution to economic development. (6 marks)
- (b) Describe the goals of economic development. (9 marks)
- (c) Explain the development strategies adopted by Kenya. (5 marks)
3. (a) Outline the functions of a marketing board. (10 marks)
- (b) Explain the co-operative principles adhered to by any co-operative movement. (10 marks)
4. (a) Describe the constraints of marketing agricultural produce. (14 marks)
- (b) Describe the process of pricing in a competitive market structure. (6 marks)

SECTION B

Answer at least ONE question from this section.

5. (a) Describe the various classes of adopters in the adoption process. (10 marks)
- (b) Explain the elements of a good communication process. (10 marks)
6. (a) Explain the advantages and disadvantages of mass contact. (10 marks)
- (b) Giving examples, describe individual contacts and group contacts as applied in extension services. (10 marks)

SECTION C

Answer at least ONE question from this section.

7. (a) Describe the following types of diseases
- (i) Deficiency diseases
 - (ii) Self-inflicted diseases
- (4 marks)
- (b) Explain four ways in which diseases are transmitted to human beings.
- (8 marks)
- (c) Explain methods used in prevention of infection.
- (8 marks)
8. (a) Describe the composition of a well balanced diet for a human being.
- (10 marks)
- (b) Explain the role played by consumer education firms in Kenya.
- (10 marks)