

NATIONAL UNIVERSITY OF LESOTHO

FACULTY OF AGRICULTURE

DEPARTMENT OF AGRICULTURAL ECONOMICS & EXTENSION

MSc EXAMINATIONS

SEMESTER 2

**AEC 638: AGRICULTURAL MARKETING: DOMESTIC AND
INTERNATIONAL**

MAY/JUNE 2023: EXAMINATION

TIME: 3: HOURS

MARKS: 100

INSTRUCTIONS:

1. Answer any **FOUR** questions.
2. Start each question on a new page.
3. Each question carries **25 Marks**.
4. Marks allocated for each question or parts are indicated in brackets.

ANSWER **ANY FOUR** QUESTIONS IN THIS QUESTION PAPER

Question 1

- a) Why is government intervention in agricultural markets justifiable? [10]
- b) Discuss how conducive is the policy environment in Lesotho for agricultural markets to perform well? [15]
- [25]

Question 2

- a) Citing specific examples in Lesotho, explain why do monopolies arise in agricultural markets? [15]
- b) Examine the concept of monopsony and oligopsony in Lesotho's agricultural markets. [10]
- [25]

Question 3

- a) Explain the importance of spatial market integration analysis in agriculture. [10]

- b) Explain, information, negotiation and monitoring costs when a middlemen buys wool and mohair from a village market in Lesotho? [15]

[25]

Question 4

Explain how changes in international agricultural food systems are likely to affect marketing of agricultural produce in Lesotho. [25]

Question 5

- a) Highlight major constraints for smallholder farmers to access agricultural markets in Lesotho. [10]
- b) Suggest ways of strengthening smallholder farmers' access to agricultural markets in Lesotho. [15]

[25]

Question 6

Outline **any five** important priorities for the public sector in Lesotho that can assist farmers' inclusion in international markets. [25]

END OF QUESTION PAPER