

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

**EXAMINATION FOR THE AWARD OF DEGREE OD BACHELOR ECONOMICS
AND STATISTICS**

ECON 304: AGRICULTURAL ECONOMICS

STREAMS: ECON STAT Y3S1

TIME: 2 HOURS

DAY/DATE: WEDNESDAY 11/12/2019

8.30 A.M – 10.30 A.M

INSTRUCTIONS

Answer all questions in section A and any three in section B

Answer each question on separate pages

SECTION A : ANSWER ALL QUESTIONS (25 MARKS)

1. (a) Explain 5 roles of agricultural technology in poverty reduction [5 marks]
- (b) Discuss five characteristics of appropriate technology. [10 marks]
- (c) Discuss the implications of high population on agricultural production systems in Africa. [5 marks]
- (d) Discuss five aspects that makes a farming system dynamic. [5 marks]

SECTION B: ANSWER ANY THREE QUESTIONS (45 MARKS)

2. (a) Describe five roles of the household in agricultural development. [5 marks]
- (b) Describe four measures that a typical farming household can embark in order to reduce risks and uncertainty associated with the agricultural production. [4 marks]
- (c) Describe the role of the following factors in lowering transaction costs in agricultural production and exchanges in Africa.
 - (i) Contractual arrangements [2 marks]
 - (ii) Regulations [2 marks]
 - (iii) Social capital [2 marks]

3. (a) Discuss the following five mega factors influencing agricultural policy in general and financial decisions in agriculture.
- (i) Environmental issues [3 marks]
 - (ii) Monetary policy [3 marks]
 - (iii) Fiscal policy [3 marks]
 - (iv) International trade agreements [3 marks]
 - (v) Resource scarcity [3 marks]
4. (a) Describe three ways in which farmer's attitude and behaviors influence economic decisions. [6 marks]
- (b) Describe nine limitations of agricultural research as opposed to researchers in other disciplines. [9 marks]
5. (a) Describe a credit scoring system for a financial institution that will be used to appraise farmers. [6 marks]
- (b) Describe three factors of the green revolution? [9 marks]
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