

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

FOURTH YEAR EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR
OF SCIENCE IN ANIMAL HEALTH AND PRODUCTION

AGEC 451: AGRICULTURAL ECONOMICS

STREAMS: BSC (ANHE)

TIME: 2 HOURS

DAY/DATE: TUESDAY 05/12/2017

8.30 A.M. – 10.30 A.M.

INSTRUCTIONS:

- Answer question ONE and any other three questions
- Do not write on the question paper

QUESTION ONE

- (i) Governments around the world put in place different policies from time to time, in light of this explain the rationale and objectives of development of agricultural policies. [10 marks]
- (ii) Explain the various instruments of trade policy used by various governments to achieve the objectives they want to achieve. [8 marks]
- (iii) Discuss citing appropriate example the principle of agricultural policy. [7 marks]

QUESTION TWO

Discuss the key issues in land policies showing how they affect agricultural production especially in relation to food security matters and give practical examples in developing countries.

[15 marks]

QUESTION THREE

- (i) Explain how foreign exchange rate and domestic price policies affect the agricultural resource allocation and moreover how they will affect international trade. [7 marks]
- (ii) Discuss the policy formulation process and illustrate through a practical example. [8 marks]

QUESTION FOUR

- (i) Discuss the various objectives of marketing policies used by the Kenyan government in agricultural sector. [7 marks]
- (ii) Explain your understanding of land reform policy and discuss the various instruments used in land reform policy. [8 marks]

QUESTION FIVE

Production land cannot be expanded and the better way to increase output through improved yields on cultivated land is by application of modern agricultural technology and more research and development. In your view show the connection of policy issues in these areas.[15 marks]
