

**CHUKA**



**UNIVERSITY**

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**UNIVERSITY EXAMINATIONS**

**EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF SCIENCE IN  
ANIMAL SCIENCE**

**AGEC 451: AGRICULTURAL ECONOMICS**

**STREAMS: Y4S1**

**TIME: 2 HOURS**

**DAY/DATE: WEDNESDAY 4/12/2019**

**11.30 A.M – 1.30 P.M**

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**INSTRUCTIONS**

**Answer question one and any other three questions**

**QUESTION ONE**

1. (i) Government around the world put in place different policies from time to time, in light of this explain the rationale of development of agricultural policies. [10 marks]
- (ii) Explain eight instruments of trade policy used by various governments to achieve the objectives they want to achieve. [8 marks]
- (iii) Explain seven principles of agricultural policy. [7 marks]

**QUESTION TWO**

- (a) Explain five 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**

- (a) Explain the policy formulation process and illustrate through a practical example. [8 marks]
- (b) Explain seven objectives of agricultural output price policy. [7 marks]

**QUESTION FOUR**

- (i) Explain the seven objectives of marketing policies used by the Kenyan government in agricultural sector. [7 marks]
- (ii) Explain four policy 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. Explain the research policy issues to be considered in this case.

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