

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

FIRST YEAR EXAMINATION FOR THE AWARD OF DEGREE OF MASTER OF AGRIBUSINESS MANAGEMENT

AGBM 812: THE AGRO INDUSTRY

STREAMS: MSC AGBM Y1S2

TIME: 3 HOURS

DAY/DATE: MONDAY 6/08/2018

2.30 P.M - 5.30 P.M.

INSTRUCTIONS:

- Answers ALL questions in Section A and any THREE in Section B
- Answer each question on a separate pages
- Do not write anything on the question paper

SECTION A: ANSWER ALL QUESTIONS [25 MARKS]

1. (a) Discuss the nature of the agro-industrial sector. [5 Marks]  
(b) Discuss the evolution of the agro industry. [5 Marks]  
(c) Through the 1980s and 1990s, the political economy in which agro industries operated changed radically, both nationally in developing countries and internationally. Discuss the underlying meta trends that are shaping the agro industry. [10 Marks]  
(d) Developing countries have a major problem of access to credit. Discuss the implication of access to credit on the development of agro industries in these countries. [5 Marks]

SECTION B: ANSWER ANY THREE QUESTIONS: [45 MARKS]

2. (a) Kenya is a major exporter of coffee. Discuss the five major drivers of competitiveness of the Kenyan Coffee. [5 Marks]  
(b) Discuss the five technologies that are likely to be the future game changers in the Kenyan agro industry. [10 Marks]
3. (a) Discuss three models that have emerged for linking small-scale farmers to Agribusiness and changing markets. [9 Marks]

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(b) Discuss why Agricultural market exchanges in Africa are much costly, cumbersome, time consuming and unpredictable than elsewhere in the world Agro industry. [6 Marks]

4. (a) Discuss the challenges faced with the ongoing process of industrialization from the context of developing nations in Africa. 10 Marks]

(b) The key point that emerges from an examination of institutional and economic development is that low income economies are characterized by situation with high transaction costs and risks, weak information flows and a weak institutional environment. Actors in agro industries, particularly those with little financial and social resources or political leverage then face high (all too often prohibitive) costs in accessing information and in enforcing property rights. These costs inhibit both market development and access to existing markets. Discuss the most probable situation that may arise from these conditions. [5 Marks]

5. (a) Discuss the role of business networks as innovative institutions to support the development of agro-industries. [10 Marks]

(b) Discuss the role of government regulations in the development of agribusiness in Kenya. [5 Marks]

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