

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

THIRD YEAR EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF AGRIBUSINESS

AGBM 451: AGRICULTURAL POLICY

STREAMS: AGEY Y4S1, ANSC Y4S1

TIME: 2 HOURS

DAY/DATE: WEDNESDAY 5/12/2018

2.30 P.M - 4.30 P.M.

INSTRUCTIONS:

- Answer Question ONE (COMPULSORY) I in Section A and any THREE Questions in Section B

SECTION A: [25 MARKS]

QUESTION ONE

(a) Define the following terms:

- (i) Agriculture policy [2 Marks]
- (ii) Tariffs [1 Mark]
- (iii) Social sustainability [3 Marks]

(b) Explain the effects of the following on agriculture policy;

- (i) Changing demography [2 Marks]
- (ii) Urbanization [2 Marks]
- (iii) Increasing income of middle class [2 Marks]

(c) Explain three ways on how agriculture policy can be used to distribute national income of a country. [5 Marks]

(d) Explain four ways in which Agriculture policy can be used to improve research in Kenya. [8 Marks]

QUESTION TWO

(a) Define 'market failure'. [1 Mark]

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(b) Markets are said to have failed when they do not exist at all or when they are unable to allocate resources efficiently. Explain any **five** circumstances under which the Kenya agriculture markets may fail in relation to the existing agricultural policy. [10 Marks]

(c) Discuss two criteria under which policy may be evaluated and ranked. [4 Marks]

QUESTION THREE

(a) Define 'land policy'. [1 Mark]

(b) Discuss **four** essential attributes of land. [8 Marks]

(c) Describe **six** stages of conventional policy making process. [6 Marks]

QUESTION FOUR

(a) Define agricultural trade and give two examples. [3 Marks]

(b) Discuss three trade policy instruments applied in an economy to regulate trade. [6 Marks]

(c) Discuss three main objectives of trade policy. [6 Marks]

QUESTION FIVE

Discuss the reason why land is an emotive issue in Kenya and explain five ways in which the policy in land can be tailored toward achieving the food security. [15 Marks]

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