



MACHAKOS UNIVERSITY

University Examinations 2018/2019

SCHOOL OF AGRICULTURAL SCIENCES

DEPARTMENT OF AGRIBUSINESS MANAGEMENT AND TRADE

FOURTH YEAR FIRST SEMESTER EXAMINATION FOR BACHELOR OF
SCIENCE (AGRICULTURAL EDUCATION AND EXTENSION)

KST 413: AGRICULTURAL POLICY AND LAW

DATE: 9/5/2019

TIME: 2:00 – 4:00 PM

INSTRUCTIONS: Answer question ONE and any other TWO questions

QUESTION ONE (COMPULSORY) (30 MARKS)

- a) Distinguish the following terms
- i) Freehold and trust land types of land tenure (2 marks)
 - ii) Lease and licence (2 marks)
- b) What is an externality? Provide an example each, for a positive and negative externality (3 marks)
- c) Discuss two rationales for agricultural policies (4 marks)
- d) Using examples, explain two characteristics of public goods (4 marks)
- e) Discuss two effects of food safety standards on smallholder producers in Kenya (4 marks)
- f) Discuss three categories of agricultural policies (3 marks)
- g) Highlight three benefits of economic integration (3 marks)
- h) Explain five guidelines for changing or choosing policies (5 marks)

QUESTION TWO (20 MARKS)

- a) Using examples, discuss five impediments to land reforms in Kenya (10 marks)
- b) Highlight six causes of agricultural markets failure. (6 marks)
- c) Discuss four assumptions of perfect competition. (4 marks)

QUESTION THREE (20 MARKS)

- a) i) Elaborate five challenges facing agricultural production in Kenya that warrant policy intervention. (5 marks)
- ii) What policy interventions are appropriate for the challenges discussed in (a.i) above? (5 marks)
- b) Using a diagram, discuss the components of agricultural policy framework (6 marks)
- c) Discuss the two conditions for the maximization of social welfare (4 marks)

QUESTION FOUR (20 MARKS)

- a) Using a clearly labelled diagram and illuminating example (example of agricultural commodity), discuss the effects of:
 - i) Minimum price control (4 marks)
 - ii) Discuss the mechanisms which governments use to achieve minimum price control? (4 marks)
- b)
 - i) With the aid of a well labelled diagram elaborate the effects of farm input policy (example is the Kenyan National Accelerated Agricultural Inputs Access Programme-NAAIAP) (6 marks)
 - ii) Explain three challenges that the programme has faced so far (3 marks)
 - iii) How can the challenges mentioned in (b.ii) above be eliminated or reduced? (3 marks)

QUESTION FIVE (20 MARKS)

- a) Discuss the stages of agricultural policy process (10 marks)
- b) Elaborate any five models of agricultural policy (10 marks)