

DATE: 23/7/2019

TIME: 8.30-10.30 AM

<u>INSTRUCTIONS;</u> Answer question ONE and any other TWO questions

QUESTIONS ONE (30 MARKS)

a)	Using examples, explain three categories of policies	(9 marks)		
b)	Using examples, explain two characteristics of public goods	(4 marks)		
c)	Distinguish the following terms			
	i. Freehold and leasehold types of land tenure	(2 marks)		
	ii. Lease and licence	(2 marks)		
d)	Using examples, discuss five impediments to land reforms in Kenya	(10 marks)		
e)	Discuss three effects of food safety standards on smallholder producers in Kenya			
		(3 marks)		
QUESTION TWO (20 MARKS)				
a)	Discuss the stages of agricultural policy process	(10 marks)		
b)	Elaborate any five models of agricultural policy	(10 marks)		
QUESTION THREE (20 MARKS)				
a)	Discuss the stages of economic integration, providing examples of each sta	ge (12 marks)		
b)	Highlight two benefits of economic integration	(4 marks)		

c) Highlight two demerits of economic integration (4 marks)

QUESTION FOUR (20 MARKS)

a)	Briefly elaborate five challenges facing agricultural production in Kenya that warrant			
	policy intervention	(5 marks)		
b)	What policy interventions are appropriate for the challenges discussed in (b) a	in (b) above?		
		(5 marks)		
c)	Using a diagram, discuss the components of agricultural policy framework	(6 marks)		
d)	Discuss the two conditions for the maximization of social welfare	(4 marks)		
QUESTION FIVE (20 MARKS)				
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a)	Using clearly labelled diagrams and illuminating examples (examples of agricultural			

- a) Using clearly labelled diagrams and illuminating examples (examples of agricultural commodities), discuss the effects of:
 - i. Maximum price control (4 marks)
 - ii. Minimum price control (4 marks)
 - iii. What mechanisms do governments use to achieve minimum price control?

(2 marks)

- b) With the aid of a well labelled diagram, elaborate the effects of farm input supply (example is the Kenyan National Accelerated Agricultural Inputs Access Programme-NAAIAP) (6 marks)
 - i. Explain two challenges that the programme has faced so far (2 marks)
 - ii. How can the challenges mentioned in (b.i) above be eliminated or reduced?

(2 marks)