



# **MAASAI MARA UNIVERSITY**

**REGULAR UNIVERSITY EXAMINATIONS**

**2023/2024 ACADEMIC YEAR**

**THIRD YEAR FIRST SEMESTER**

**SCHOOL OF BUSINESS AND ECONOMICS**

**BACHELOR OF SCIENCE IN ECONOMICS**

**BACHELOR OF SCIENCE IN FINANCIAL  
ECONOMICS**

**BACHELOR OF SCIENCE IN ECONOMICS AND  
STATISTICS**

**COURSE CODE: ECO 3108-1**

**COURSE TITLE: AGRICULTURAL ECONOMICS**

**DATE: 15/12/2023**

**TIME: 0830-1030 HRS**

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**INSTRUCTIONS TO CANDIDATES**

1. Answer Question **ONE** and any other **TWO** questions

*This paper consists of 3 printed pages. Please turn over.*

### **QUESTION ONE**

- a) The Kenyan economy remains highly dependent on the agriculture sector; however, the productivity of the sector has been declining, investing in the sector is therefore expected to lead to economic recovery depending on seven factors as outlined in the Budget Policy Statement of 2023 in Kenya. Discuss (15 Marks)
- b) Explain the influence of land tenure and agricultural credit policies on the development of the agricultural sector in Kenya. (5 Marks)

### **QUESTION TWO**

- a) Foreign Aid has had a mixed record in increasing growth and productivity of agriculture in sub-sahara Africa. Discuss? (8 Marks)
- b) Discuss the major challenges that impede agricultural sector growth and development in Kenya (7 Marks)

### **QUESTION THREE**

- a) Explain why the focus of Macroeconomic Policies in developed and developing countries are different with regard to agricultural sector. (10 Marks)
- b) Explain the objectives of policy on agricultural inputs to farmers (5 Marks)

### **QUESTION FOUR**

Discuss how the following monetary and financial policies impact on agricultural sector of a country such as Kenya.

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|-------------------------------|----------|
| a) Money supply               | (3marks) |
| b) Interest rate              | (3marks) |
| c) Credit management          | (3marks) |
| d) Central Bank Management    | (3marks) |
| e) Commercial Bank Operations | (3marks) |

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