



MAASAI MARA UNIVERSITY

**REGULAR UNIVERSITY EXAMINATIONS
2017/2018 ACADEMIC YEAR
FOURTH YEAR SECOND SEMESTER**

**SCHOOL OF BUSINESS AND ECONOMICS
BACHELOR OF ARTS (ECONOMICS)**

COURSE CODE: ECO 417

COURSE TITLE: AGRICULTURAL ECONOMICS II

DATE: 20TH APRIL, 2018

TIME: 1100 - 1300HRS

INSTRUCTIONS TO CANDIDATES

Answer Question **ONE** and any other **THREE** questions

This paper consists of 2 printed pages. Please turn over.

QUESTION ONE

- a) The objective of Vision 2030 is to transform smallholder agriculture from subsistence to an innovative, commercially oriented and modern agricultural sector. With reference to Maputo and Malabo Declarations, is this achievable? **(15 Marks)**
- b) 'Despite economic growth in Kenya, the rural poverty and income disparities have remained high over the years'. Explain. **(6 Marks)**
- c) Explain the influence of land tenure and agricultural credit policies on the development of the agricultural sector in Kenya. **(4 Marks)**

QUESTION TWO

- a) Agricultural transformation is a key precursor of the broad transformation process, while rural transformation is embedded in all the processes of structural transformation. Discuss **(10 Marks)**
- b) Why should formulation of policies for agricultural development require taking into account broader picture regarding dynamics of agricultural growth? **(5 marks)**

QUESTION THREE

Using suitable examples, Explain why agriculture is a cause of contention in the World Trade Organization (WTO) negotiations. **(15 Marks)**

QUESTION FOUR

- a) With reference to the two sector model, explain how the agriculture sector in Kenya has contributed towards achievement of the annual economic growth rate. **(10 Marks)**
- b) Explain the objectives of policy on agricultural inputs to farmers **(5 Marks)**

QUESTION FIVE

- a) Explain the concept of International Commodity Agreements? **(5 Marks)**
- b) Discuss the relevance of success factors of International Commodity Agreements within the context of liberalized agricultural trade regime **(10 Marks)**

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