



MACHAKOS UNIVERSITY

University Examinations for 2019/2020 Academic Year

SCHOOL OF AGRICULTURAL SCIENCES

DEPARTMENT OF AGRIBUSINESS MANAGEMENT AND TRADE

FOURTH YEAR SPECIAL/ SUPPLEMENTARY EXAMINATION FOR

BACHELOR OF SCIENCE IN AGRIBUSINESS MANAGEMENT

AGB 413: AGRICULTURAL POLICY ANALYSIS

DATE: 20/1/2021

TIME: 8.30-10.30 AM

INSTRUCTIONS:

Answer question one and any other two questions

QUESTION ONE (30 MARKS)

- Critically analyze the Conduct component in the Structure-Conduct-Performance approach of analyzing policies (4 marks)
- Using necessary diagram, explain four components of agricultural policy framework (4 marks)
- Explain four policy interventions that government has put into place to address accelerating food insecurity amidst COVID-19 (4 marks)
- Explain four pillars for agricultural transformation in Africa as anchored in the Comprehensive Africa Agriculture Development Programme (CAADP) (8 marks)
- Briefly elaborate five constraints hindering agricultural transformation in Africa and possible policy interventions that address mentioned constraints (10 marks)

QUESTION TWO (20 MARKS)

- Using appropriate examples, explain five non-tariff barriers that weaken international trade (10 marks)
- Explain any five positive outcomes a government may want to achieve by implementing a certain commodity policy such as tea production policy in the country (10 marks)

QUESTION THREE (20 MARKS)

- a) Explain four main dimensions of an input policy that encourage adoption and use of technology (10 marks)
- b) Describe the framework for investment in agricultural sector (10 marks)

QUESTIONS FOUR (20 MARKS)

- a) Explain roles of five key actors in agricultural policy process (10 marks)
- b) The government of Kenya introduced a tariff to improve its balance of trade. As a policy analyst, advice the government on the following
 - i. The possible welfare effects of a tariff on welfare using necessary illustration (6 marks)
 - ii. Two reasons why the government should impose a tariff (2 marks)
 - iii. The winners and losers of a trade tariff (2 marks)

QUESTION FIVE (20 MARKS)

- a) Using relevant diagram and examples in Kenya, describe five phases of agricultural policy process (10 marks)
- b) There is political pressure to calm equilibrium price of maize flour to cushion low-income consumers from ever increasing prices. As a policy analyst advice the government on:
 - i. The appropriate policy instrument to impose and why (2 marks)
 - ii. The welfare effects of the proposed policy instrument in (i) above using appropriate diagram (6 marks)
 - iii. Will the proposed policy instrument hurt producers of maize and why (2 marks)