



# MACHAKOS UNIVERSITY

University Examinations for 2019/2020 Academic Year

SCHOOL OF AGRICULTURAL SCIENCES

DEPARTMENT OF AGRIBUSINESS MANAGEMENT AND TRADE

FOURTH YEAR SECOND SEMESTER EXAMINATION FOR

BACHELOR OF SCIENCE IN AGRIBUSINESS MANAGEMENT

AGB 406: ANALYSIS OF AGRICULTURAL INSTITUTIONS

DATE: 27/10/2020

TIME: 8.30-10.30 AM

---

## INSTRUCTIONS:

- Answer question ONE and any other TWO questions.

### QUESTION ONE (30 MARKS)

- a) Behavior is never determined by institutions alone. Critically discuss. (4 marks)
- b) i Define 'collective action'. (3 marks)
- ii Differentiate between institutionalized forms of collective action and the everyday usage of the term collective action. (3 marks)
- c) i Describe 3 performance indicators considered in Institutional analysis. (3 marks)
- ii Describe 2 key performance indicators of ethical behaviour of students, and staff, in Machakos University. (3 marks)
- d) Explain the difference between Institutional power, Political institutions and political power? (3 marks)
- e) i Describe the two main objectives of formal institutional analysis. (3 marks)
- ii Discuss the contributions of Institutional Theory in institutional analysis. (3 marks)
- f) i Describe a market as an institution. (3 marks)
- ii Describe 2 organisations which are part of the network that defines the institution of a market economy. (2 marks)

## **QUESTION TWO (20 MARKS)**

- a) Describe Institutional analysis. (5 marks)
- b) Describe the focus of New institutionalism. (4 marks)
- c) Describe the focus of Old institutionalism. (4 marks)
- d) When a person opposes an existing institution, are they necessarily wrong? Critically discuss. (7 marks)

## **QUESTION THREE (20 MARKS)**

- a) Discuss the importance of transaction costs in economic decision making. (5 marks)
- b) Describe Coase's Theory of the firm. (4 marks)
- c) Explain the cost theory of the Theory of the firm. (4 marks)
- d) Discuss how, and why, modern information technology might affect the size of firms. (7 marks)

## **QUESTION FOUR (20 MARKS)**

A quote - ..... “Somebody in my village, who probably makes less than a dollar a day, can have three organic meals a day, can send their children to school, and they have the healthiest lungs ...Why can we not call that development? Why do we have to call it something else? Why does he have to have a car, garage, electricity and all of that, and credit cards, in order for it to be considered development?”

- a) Discuss the main view-point being expressed in this quote. (8 marks)
- b) Describe the School of Institutional Thought which would support your answer in (a). (6 marks)
- c) Discuss how this quote could (hypothetically) influence policies in developing countries. (6 marks)

## **QUESTION FIVE (20 MARKS)**

“In an untidy process called politics, people who want authority struggle to get it while others try to control those who hold it.”

- a) Define and describe the specific School of Thought pertaining to this quote. (6 marks)
- b) Discuss the importance of institutions and incentives in shaping productive entrepreneurship for economic growth and development. (8 marks)
- c) Differentiate between non-productive entrepreneurship and destructive entrepreneurship. (6 marks)