



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 AGRICULTURAL EDUCATION & EXTENSION

BACHELOR OF EDUCATION (SCIENCE)

AGB 416: AGRICULTURAL POLICY AND LAW

DATE: 27/10/2020

TIME:8.30-10.30 AM

INSTRUCTIONS:

Answer question ONE and any other TWO questions

QUESTION ONE (30 MARKS)

- a) Define the following terms as used in agricultural policy and law.
- i. Policy cycle (1 mark)
 - ii. Agricultural law (1 mark)
 - iii. Food safety (1 mark)
 - iv. Policy failure (1 mark)
- b) Giving relevant examples in each, differentiate between the following terms;
- i. Overriding interests and overlapping interests (2 marks)
 - ii. Complementary interests and competing interests (2 marks)
 - iii. Property rights and contractual rights (2 marks)
- c) Outline five benefits of agricultural policy to an economy (5 marks)
- d) Explain five key principles of food hygiene as set out by World Health Organization (5 marks)
- e) Describe five emerging issues in agricultural and agribusiness policy at national and International arena (5 marks)

- f) Critically analyze the conduct component in the structure, conduct and performance approach of analyzing policies (5 marks)

QUESTION TWO (20 MARKS)

- a) Describe the five stages in policy making process (10 marks)
 b) Explain the five ‘E’ approach model in policy analysis (10 marks)

QUESTION THREE (20 MARKS)

- a) With the aid of a well labeled diagram, explain the effect of an import tariff in an economy (10 marks)
 b) Describe five commonly used models in public policy making (10 marks)

QUESTION FOUR (20 MARKS)

- a) Assume that you are given a policy analyst job by a certain organization to evaluate the worthiness of a new product development policy to the organization. Outline step by step how you would go about to accomplish this noble task (10 marks)
 b) Describe any five mechanisms used to determine policy failure or success (10 marks)

QUESTION FIVE (20 MARKS)

Assume that an organization engaged in production of horticultural products is faced by the following accounting matrix of revenues, costs and profits the year ending 2019.

	Revenues	Costs	
		Tradable inputs	Domestic factors
Private prices	200,000	150,000	100,000
Social prices	300,000	100,000	150,000

Assume that you are a policy analyst contracted by the organization for policy advice on its production activity.

- a) What is the value of private profits and what advice can you give to the organization based on it? (2 marks)
 b) What is the value of social profits and what does it indicate (2 marks)
 c) Compute the divergencies between revenues, costs, and profits. (4 marks)

- d) Compute the following ratios and indicate what each implies;
- i. Subsidy ratio to producers (2 marks)
 - ii. Nominal protection coefficient on tradable inputs (2 marks)
 - iii. Private cost ratio (2 marks)
 - iv. Effective protection coefficient (2 marks)
 - v. Domestic resource cost ratio (2 marks)
 - vi. Nominal protection coefficient on tradable outputs (2 marks)