



MAASAI MARA UNIVERSITY

REGULAR UNIVERSITY EXAMINATIONS

2022/2023 ACADEMIC YEAR

FOURTH YEAR SECOND SEMESTER

**SCHOOL OF BUSINESS AND ECONOMICS
BACHELOR OF SCIENCE IN ECONOMICS
BACHELOR OF SCIENCE IN ECONOMICS AND
STATISTICS**

COURSE CODE: ECO 4204

COURSE TITLE: AGRICULTURAL ECONOMICS

DATE: 20/4/2023

TIME: 1430-1630 HRS

INSTRUCTIONS TO CANDIDATES

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

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

QUESTION ONE

- a) The Main focus of monetary policy in Kenya is to ensure that growth in money supply is consistent with economic growth, employment creation and a viable balance of payments position, without putting undue pressure on inflation. Discuss the implications on agriculture sector in Kenya
(15 Marks)
- b) Discuss the Four factors that make the role of government essential to the small commercial farm fulfilling its promise in the economic transformation.
(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) 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?
(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

- 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 FOUR

- a) The high level of domestic debt and the associated high interest rates have significantly contributed to the low level of growth in the agricultural sector in Kenya. Discuss
(10 Marks)
- b) Explain the objectives of policy on agricultural inputs to farmers (5 Marks)

QUESTION FIVE

The importance of agriculture to the economy has been highlighted in Kenya Vision 2030 and the Medium Term plan III, and most recently in the Presidents' Big Four Agenda for 2017-2022. Discuss
(15 Marks)

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