ABSTRACT

The aim of the vision 2030 is to create a globally competitive and prosperous country. It aims to transform Kenya into a newly industrialized middle-income country by providing a high quality of life to all its citizens in a clean and secure environment. Agricultural development policy is emphasized among the very many ways to implement the vision 2030.it has pinpointed the use of incentives towards increasing production and therefore self-sufficiency in maize which is a basic staple for most households in the state. Despite incentivization of maize production, its total output has remained low and below the domestic requirement in most years, forcing the country to rely on imports to meet the deficits.

Studies have assessed the responsiveness of maize to output price and reported inelastic responses and have recommended policies targeting non price incentives to complement prices for the required increased production of maize. They however did not analyze the influence of the said incentives on the production of the crop making them deficient in explain the relative importance of non-price incentives and how they complement prices in influencing maize production. This study investigates the response of the crop to both price and non-price incentives also focusing on the effects of these on the economy of Kenya.