



MASENO UNIVERSITY
UNIVERSITY EXAMINATIONS 2015/2016

**FIRST YEAR FIRST SEMESTER EXAMINATIONS FOR THE
DEGREE OF MASTERS OF ARTS IN ECONOMICS**

(CITY CAMPUS)

AEC 809: AGRICULTURAL ECONOMICS

Date: 5th December, 2015

Time: 2.00 - 5.00 pm

INSTRUCTIONS:

- This paper consists of SIX questions. Answer any other FOUR questions.

QUESTION ONE

Using the cobweb theorem discuss the causes, consequences and suggest possible solutions to convergent and divergent market conditions. (15 marks)

QUESTION TWO

- a) Discuss possible strategies and consequences to implement land reforms for agricultural development in Kenya. (10 marks)
- b) Discuss the strategies and possible problems of marketing agricultural produce in Kenya. (5 marks)

QUESTION THREE

Examine the formal and informal mechanisms of controlling agricultural production, agricultural prices and agricultural incomes for promotion of agricultural investment and food security. (15 marks)

QUESTION FOUR

The agricultural sector is important for economic development in Kenya. The sector however faces challenges in production, pricing and income stability which require formal intervention programmes. Using appropriate illustrations, explain how the challenges are addressed through Buffer stock and stabilizations fund operations. (15 marks)

QUESTION FIVE

Discuss the key land and agricultural policy framework with reference to Kenya (15 marks)

QUESTION SIX

Discuss the cause and possible solutions to food insecurity in Kenya (15 marks)