



**JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND  
TECHNOLOGY**

**SCHOOL OF AGRICULTURAL AND FOOD SCIENCES**

**UNIVERSITY EXAMINATION FOR THE DEGREE OF BACHELOR OF  
SCIENCE IN AGRIBUSINESS MANAGEMENT & BACHELOR  
AGRICULTURAL EDUCATION AND EXTENSION**

**2024/2025 ACADEMIC YEAR**

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**COURSE CODE:** AEB 1404

**COURSE TITLE:** Agricultural Policy Analysis

**EXAM VENUE:** Siaya campus

**STREAM:** B Sc. Agribusiness Management & B Sc. Agricultural Education and  
Extension

**DATE:** April 2025

**TIME:** 2 Hours

**EXAM SESSION:**

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**Instructions:**

- 1. Answer ALL questions in section A and ANY other TWO Questions in section B.**
- 2. Candidates are advised not to write on question paper.**
- 3. Candidates must hand in their answer booklets to the invigilator while in the examination room.**
- 4. Clearly indicate your answers in the answer booklet provided.**
- 5. Ensure your work is neat and legible**

## **PART A: SHORT ANSWER QUESTIONS [30 Marks]**

**Answer ALL questions in this section. Each question carries 5 marks.**

1. Explain the four components of an agricultural policy framework and explain their interlinkages. [5 Marks]
2. Discuss the three fundamental objectives of agricultural policy analysis and provide an example of a trade-off between two of these objectives. [5 Marks]
3. Outline the role of agricultural price policies in influencing both producers and consumers, citing two examples of price policy instruments. [5 Marks]
4. Describe the key factors that limit the effectiveness of agricultural policy implementation. [5 Marks]
5. Differentiate between private and social profitability in the Policy Analysis Matrix [PAM] and highlight their significance in policy evaluation. [5 Marks]
6. How do international trade restrictions such as tariffs and quotas affect domestic agricultural markets? [5 Marks]

## **PART B: ESSAY QUESTIONS [40 Marks]**

**Answer ANY TWO questions in this section. Each question carries 20 marks.**

7.

**[a]** Analyze the impact of macroeconomic policies such as monetary and fiscal policies on agricultural production. [10 marks]

**[b]** How can foreign exchange rate policies influence agricultural input costs and profitability. [10 marks]

8.

**[a]** Articulate the concept of divergences in the Policy Analysis Matrix [PAM] and their causes. 10 marks]

**[b]** Using a practical example, demonstrate how market failures and government policy distortions can lead to divergences in agricultural prices. [10 marks]

9.

**[a]** Assess the impact of public investment in research and technology on agricultural efficiency and productivity. [10 marks]

**[b]** Argue the challenges faced by governments in implementing public investment policies in agriculture. [10 marks]