

## Abstract

This paper assesses the potential impact of commercialization of agriculture on household welfare of farmers in eastern Kenya under the Mwea rice scheme. The study consists of cross-sectional data collected with structured survey questionnaires. Stratified sampling was adopted with each of the four zones in the District forming a stratum. The number of respondents was 368 selected conveniently with the help of the National agriculture advisory services officers. The causal relationship and impact of commercialization on welfare were estimated using Pearson's correlation coefficient and regression analysis. The analysis results revealed significant positive relationship between commercialization and household welfare, with key variables of market access and internal farming activities positively and significantly contributing to improved household incomes and farm outputs. The regression result further predicted a 16.9% improvement in household welfare if farmers actively worked on improving market access and internal farm activities like fertilizers and pesticides. It's therefore recommended that farmers work on all aspects that can improve on their farm outputs and also get links to both nearby and far markets. Formation of saving schemes will help them pool resources to buy inputs like tractors, lobbying central and local governments for infrastructure in the districts and negotiating better output prices. All this will help improve farmers' household welfare and standards of living in this area.