NATIONAL OPEN UNIVERSITY OF NIGERIA

FACULTY OF AGRICULTURAL SCIENCES

DEPARTMENT OF AGRICULTURAL ECONOMICS AND EXTENSION

2021 POP EXAMINATION 1234

Programme: Agricultural Extension and Management

Course Title: Agricultural Production Economics and Resources Management

Course code: AEM403

Credit Unit: 3

Time Allowed: 2 ½ Hours

Instruction: Answer any 4 questions

Question 1.

(a) Briefly explain Agricultural Economics?   **3.5marks**

(b) Explain briefly the following laws:

(i) Law of diminishing marginal returns   3marks

   ii. Principles of Maximum Profit   3marks

(c) Discuss the following factors in a production process

  (i) Variable factor   4marks

  ii Fixed factor   4marks

Question 2.

   (a) Explain depreciation?   **2marks**
   (b) Discuss three relationships in production function   7.5marks
   (c) Discuss 4 limitations of a price system in a competitive market. 8marks.

Question 3.

   (a) Define a production function?   2.5marks
   (b) Distinguish between technical efficiency and economic efficiency   4marks
   (c) Explain the short – run period and the long run period in production   4marks
   (d) Explain Average revenue and Marginal revenue   4marks

(e) Give three objectives of resource management   3marks

Question 4.

  (a) Mention three importance of depreciation   3marks

  (b) Discuss four importance of linear programming   4marks

  (c) Explain an Isoquant   4.5marks

  (d) Explain in details three methods of valuing farm resources   6marks

Question 5.

  (a) How will you determine the point of maximum profit in a factor – factor relationship?
     5marks

  (b) Using three variable inputs and one fixed input formulate a production function   5marks

  (c) Explain four importance of price in a perfect market   4marks

  (d) Discuss the efficiency of a price system   3.5marks