



**NATIONAL OPEN UNIVERSITY OF NIGERIA ABUJA
UNIVERSITY VILLAGE, NNAMDI AZIKIWE EXPRESS WAY,
PLOT 91, CADASTRAL ZONE, JABI ABUJA
FACULTY OF AGRICULTURAL SCIENCES,
DEPT. OF AGRICULTURAL ECONOMICS AND EXTENSION.
QUESTION POP EXAMINATION, 2021 (1)**

Programme: Agricultural Economics and Agribusiness

Course Title: Agricultural Production Economics

Course code: AEA 303

Credit Unit: 2

Time Allowed: 2 Hours

INSTRUCTION: Answer any 3 other questions.

1. a. Discuss the following Law of returns. (15 marks)
 - i) Law of Increasing Returns (5marks)
 - ii) Law of Constant Returns (5marks)
 - iii) Law of Decreasing Returns (5marks)
- b. State three (3) special features of linear function. (4 marks)
- c. Explain product-product relationship (**5marks**)
2. a. Explain the following?
 - i) Agricultural cost. (9marks)
 - ii) Cost of production.(4marks)
- b. Itemize three relevance of cost to a farmer. (10 marks)
3. a) State six(6) uses of economics in agriculture. (10 marks)
- b). What is the meaning of the following concepts?
 - i. Isoquant (4 marks)
 - ii. Marginal Rate of Technical Substitution (4 marks)
 - iii. Elasticity of Input Substitution (4 marks)

b). What is the meaning of the following concepts ?

i. Isoquant (4 marks)

ii. Marginal Rate of Technical Substitution (4 marks)

iii. Elasticity of Input Substitution (4 marks)

4. a) State the major goals of production economics (5marks)

b) What is agricultural economics? (6 marks)

c) Explain what you understood by Isocost line (12 marks)

5. a). State the implicit production function of a product- product relationship (8 marks)

b) Define the following:

i) Resources (3 marks)

ii) Fixed Resources (3 marks)

iii) Variable Resources (3 marks)

iv). Flow Resources (3 marks)

v) Stock Resources (3 marks)