

NATIONAL OPEN UNIVERSITY OF NIGERIA FACULTY OF AGRICULTURAL SCIENCES DEPARTMENT OF AGRICULTURAL ECONOMICS AND EXTENSION 2021 POP EXAMINATION 554

Programme: Agricultural Extension and Management

Course Title: Agricultural Production Economics and Resources Management

Course code: AEM403

Credit Unit: 3

Time Allowed: 2¹/₂ 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