



**NATIONAL OPEN UNIVERSITY OF NIGERIA
14/16 AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS
SCHOOL OF SCIENCE AND TECHNOLOGY
MARCH/APRIL 2014 EXAMINATION**

COURSE CODE: AEC403

COURSE TITLE: AGRICULTURAL PRODUCTION ECONOMICS AND RESOURCE MANAGEMENT

TIME ALLOWED: 2 HOURS 30 MIN.

INSTRUCTION: ANSWER ANY FIVE QUESTIONS. ALL QUESTIONS CARRY EQUAL MARKS

1. (a) Define the term Agricultural Economics. (3marks)
(b) Mention ten special disciplines which agricultural economics is concerned with. (5marks)
(c) Differentiate between the terms microeconomics and macroeconomics. (12marks)
2. (a) What do you understand by the term price mechanism? (5marks)
(b) List five roles of the price mechanism in a competitive economy. (5marks)
(c) What is farm management? (5marks)
(d) Mention five major attributes of peasant agriculture in Nigeria. (5marks)
3. (a) Briefly explain the term a factor of production. (3marks)
(b) State four factors of production (2marks)
(c) Briefly explain three of them. (15marks)
4. (a) State the law of diminishing margin returns and principles of maximum profit. (10marks)
(b) Differentiate between renewable and non-renewable resources. (6marks)
(c) Explain the concept of resources in agricultural production economics (4marks)
5. (a) List five types of farm assets. (2.5marks)
(b) Identify five major methods for valuing farm capital resources and mention their uses. (10marks)
(c) What do you understand by production function? (7.5marks)
6. (a) Mention three (3) analytical tools of production economics and explain them. (17marks)

(b) Mention three uses of linear programming in Agriculture in analyzing farm problems. (3mrks)

7. Explain briefly any four of the following terms:

- (a) Opportunity cost;
- (b) Choice;
- (c) Specialization;
- (d) Monopoly;
- (e) Supply. (5marks each $\times 4 = 20m$)