



**NATIONAL OPEN UNIVERSITY OF NIGERIA  
14-16 AHMADU BELLO WAY, VICTORIA ISLAND LAGOS  
SCHOOL OF AGRICULTURAL SCIENCES  
SEPTEMBER/OCTOBER 2015 EXAMINATION**

**Course Code: AEC 403**

**Course Title: Agricultural Production Economics and Resources Management**

**Time Allowed: 3 Hours**

**INSTRUCTION: Answer any five (5) questions. All questions carry equal marks.**

1. a).If the major goal of microeconomics is the achievement of equilibrium price of goods and services in all markets of the economy. What should be the various concerns of an economic decision making of firms and individuals in a market setting? (14 marks)  
b).State the limitations of price system. (6marks)
2. a).Every Price system seeks to attain efficiency with the limited resources at its disposal. What are the consequences of economic inefficiency of an economic system?(10marks)  
b) Enumerate five basic roles of prices in a perfect market? (10marks)
3. a).Illustrate least-cost combination point as used in determining point of maximum profit with the aid of a well labeled diagram. (14marks)  
b).State the three basic properties can be attributable to isoquants. (6marks)
4. a).Define the concept of revenue?( 4marks)  
b).Describe briefly the various types of Revenue in production system. (12marks)  
c).With the aid of a well labeled diagram illustrate the Revenue Functions of a production system.(8marks)

5. Describe using graphical and algebraic methods of representation of a production function for a particular good or service. (20marks)
6. a). What is production? (2marks)  
b). With the aid of hierarchy diagrams hierarchical showing production components structure.(18marks)
7. Define and explain briefly the term linear programming? ( 8marks)  
Enumerate the assumption of linear programming ( 12marks)