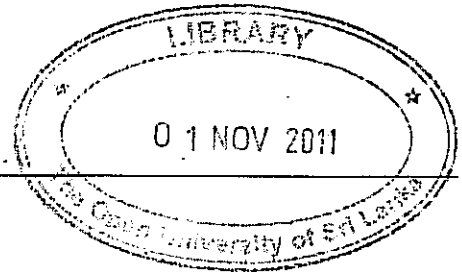




The Open University of Sri Lanka
Faculty of Engineering Technology
Diploma/Degree in Technology & Industrial Studies (Agriculture)
Final Examination - 2010 / 2011
AEM 4234 - Agricultural Economics & Management.

Date : 27 -03 - 11
Time : 14 00 –17 00hours
Duration : Three (3) hours.



SECTION II

1. Briefly explain the following cost components in Agriculture (10 marks)
 - (a). (i) contingency allowances
(ii) sunk costs.
 - (b). Discuss with examples how benefits of agricultural projects can be gained by reducing cost components (15 marks).
2. (a) Describe the reasons for risk and uncertainty involved in agriculture(10 marks).
(b) Explain the three methods of responding to risky investments using graphs (15 marks)
3. Write short notes on any four (4) of the following topics (25 marks).
 - a. Peasant farming.
 - b. Green revolution
 - c. Land grants and distribution
 - d. Assets and liabilities.
 - e. Role of agriculture
4. (a). Explain three types of labour used in agriculture (10 marks).
(b). Discuss the importance of the following steps in preparing a whole farm plan (15 marks).
 - (i) Establishing specific goals
 - (ii) Selection of cropping/ livestock system
 - (iii) Preparing cash flow.
5. Discuss how the following policy changes affected domestic agriculture (25 marks)
 - (i) Colebrook – Cameron reforms of 1833.
 - (ii) Resettlement of landless peasants in 1930s.
6. 'Planning, scheduling and estimating are three vital management functions' comment on this statement with reference to agricultural projects (25 marks).