

**B.A. DEGREE EXAMINATION, APRIL 2009**

**BRANCH IV – ECONOMICS**

**FOURTH SEMESTER**

**COURSE :** MAJOR – OPTIONAL  
**PAPER :** AGRICULTURAL ECONOMICS **SUBJECT**  
**CODE: EC/MO/AG44**  
**MAX. MARKS : 100**

**SCHEME OF VALUATION**

**SECTION – A (10 X 3 = 30)**

1. Product contribution – Market contribution – Factor contribution – Foreign exchange contribution.
2.  $Q = AK^a L^b$
3. Market risks occur because of the change in value of product as it is marketed.
4. Small holdings (between 1 hect. and 2 hect.) Marginal holdings ( upto 1 hect.)
5. Double cropping is undertaken where irrigation facilities are available or where rain is heavy enough  
for adequate soil moisture to be retained.
6. Green Revolution – Well-marked improvement in agricultural production in a short period – sustenance of a higher level of agricultural production over a fairly long period of time.
7. Agricultural credit needs – Short-term crop loans – Medium or Long-term investment loans.
8. Minimum Support Price gives an assurance to the farmer that his effort to augment production through adoption of improved technology will not become unremunerative because of the price factor.
9. Rural poor consists largely of landless agricultural labourers or those who own or have access to so little land that they are forced into wage labour to earn subsistence.
10. One dollar one person per day.

**SECTION – B (5 X 6 = 30)**

11. Statement of the law – Explanation – Diagrammatic illustration of the Total, Average and Marginal products.
12. Arguments for ceiling on land holdings – hunger for land – increase in employment – shortage of land – Arguments against – adverse effects on marketable surplus.
13. Arguments in favour of mechanization – productivity increase – reduction of costs – multi-cropping – increase in employment – arguments against – unemployment argument – small size of

holding – pressure on fuel situation – lack of adequate finance.

14. Problems of irrigation – problems relating to creation of new capacity – problems relating to the existing capacity.

15. Functions of NABARD – refinance assistance – inspection – loans to State Governments – R&D Fund – National Rural Credit (Long-term Operations) Fund – National Rural Credit (Stabilization) Fund.

16. Major thrust areas – Output and area under coarse cereals has shown negligible improvement – stagnation in the output of pulses – low productivity in the matter of edible oils – new strategies of irrigation and water management – use of bio-fertilizers has to be expanded – emphasis should shift to dry farming.

17. Low social status – unorganized – seasonal employment – paucity of non-agricultural jobs – rural indebtedness.

SECTION – C (2 X 20 = 40)

18. Agricultural Renewal Action Plan as suggested by the National Commission on Farmers – Five

components - Soil health enhancement – Irrigation water supply augmentation and demand management – Credit and Insurance – Technology – Market.

19. Kinds of warehouses – Private warehouses – Duty-paid public warehouses – Bonded warehouses – licensed warehouses. Benefits – gives withholding power – gives purchasing power – cushions price fluctuations – minimization of wastages.

20. Economic Impact – Increase in agricultural production – Increase in productivity – Sociological impact – Personal inequalities – Regional inequalities.

21. Amartya. K. Sen's views on farm size, productivity and profitability - much of Indian agriculture is unprofitable – profitability of agriculture increases with the size of holdings and therefore large-sized farms are preferable – on the basis of productivity per acre, small farms are preferable.

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