

WARNING

You must return this paper with your answerbook, otherwise marks will be lost.

M.41

Write your Examination Number here 

**AN ROINN OIDEACHAIS
LEAVING CERTIFICATE EXAMINATION, 1997**

**AGRICULTURAL ECONOMICS - ORDINARY LEVEL
(320 marks)**

THURSDAY, 26 JUNE - MORNING, 9.30 - 12.00

Answer fifteen questions from Part I and four questions from Part II. You should not spend more than one hour on Part I.
Part I (120 marks)

Answer fifteen questions.

Write the answers in the spaces provided.

1. What is the annual price of any two of the following called:

Land: _____

Labour: _____

Capital: _____

2. Name any two stages in the food chain:

(i) _____

(ii) _____

3. Rank the three countries, Ireland, France and India, by the percentage of their Gross Domestic Product in Agriculture:

Highest: _____

Median: _____

Lowest: _____

4. Over the past 10 to 15 years the number of dairy cows in Ireland has _____ and the number of sheep has _____.

5. Name any two categories of Cattle Output from the "National Farm":

(i) _____

(ii) _____

6. Name any two of the four Ps in the marketing mix:

(i) _____

(ii) _____

7. ICOS is the national body responsible for:
-
-
8. The total product curve shows the relationship between _____ and _____.
9. Labour mobility out of farming is low because _____
-
10. Name any two economic variables influencing demand for food.
- (i) _____
- (ii) _____
11. Why is the individual farmer a *price taker* in the market place ?
-
12. What is inflation ?
-
13. What is a balance sheet ?
-
14. Give one example of when a farmer would use a partial budget.
-
15. What is an overdraft ?
-
16. Name one form of capital taxes applying to farmers:
-
17. Identify any one contribution of agriculture to economic growth:
-
18. Name any one objective of the Common Agricultural Policy:
-
19. How were minimum import prices achieved under the CAP ?
-
20. What is the food-population race ?
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Part 1 is on a separate sheet which provides spaces for your answers. The completed sheet should be enclosed in your answer-book.

PART II (200 marks)

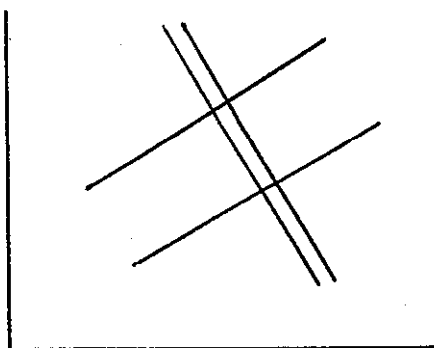
Answer four questions.

Write your answers to this part in the answer book provided.

All questions carry equal marks.

1. Write an essay on beef processing and marketing under each of the following headings:-
 - a. Main markets;
 - b. Seasonality of production;
 - c. Influence of the CAP:

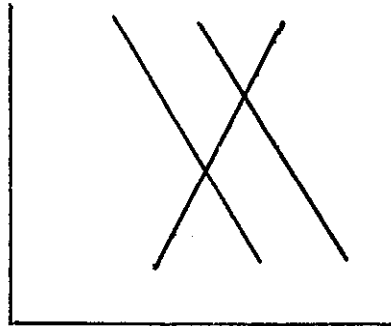
2. Given the following diagram illustrating how demand and supply of cereals in the EU have changed between 1980 and 1995:



- a. Label the axes, the demand in 1980 and in 1995 and the supply in 1980 and 1995;
- b. Draw in the equilibrium price and quantity in 1980 and 1995;
- c. What is the effect of those trends on the income of cereal farmers ?

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3. The price of land has risen between 1990 and 1996. The following diagram illustrates how demand for land has increased over that period.



- a. Label the axes, the demand in 1990 and 1996 and the supply which is assumed to be the same in both years;
 - b. Draw in the equilibrium price of land in each of the two years;
 - c. What has caused the demand to shift between 1990 and 1996 ?
4. What are the main categories of data recorded in farm accounts ?
Identify four distinct purposes for which farm accounts are used.
5. Conflicts between policy objectives are widespread.
Identify any three sets of such conflicts in agricultural policy and explain them.
6. Food aid from the rich to poor countries has many serious economic limitations. Explain three of these limitations.