

WARNING

This Question Paper **MUST** be returned with your answer book(s) at the end of the Examination, otherwise marks will be lost.

Write your Examination Number here ⇒



Coimisiún na Scrúduithe Stáit
State Examinations Commission

LEAVING CERTIFICATE EXAMINATION, 2004

WEDNESDAY, 23 JUNE 2004, MORNING 9.30 – 12.00

AGRICULTURAL ECONOMICS – ORDINARY LEVEL
(320 Marks)

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.
All questions carry equal marks.

PART II (200 marks)

Answer **four** questions.
Write the answers in your answer book(s).
All questions carry equal marks (50 marks).
Do **not** write answers to Part II on this question paper.

**REMEMBER TO RETURN THIS QUESTION PAPER WITH THE ANSWER BOOK(S)
USED TO ANSWER THE QUESTIONS IN PART II.**

PART I (120 marks)

Answer **fifteen** questions.

Write the answers in the spaces provided.

All questions carry equal marks.

1. Agriculture in official statistics denotes _____

2. Renting of land in Ireland differs in two important respects from practices in most other Western European countries. State **ONE** of these differences.

3. State **TWO** reasons for the low level of farm incomes in Connacht.
(i) _____
(ii) _____
4. State any **THREE** stages in the food chain.
(i) _____
(ii) _____
(iii) _____
5. Why has there been a fall in dairy cow numbers in Ireland in recent years?

6. Which country is the main export market for Irish lamb?

7. State the **factor of production** which earns profit. _____
8. Sugar beet is a highly profitable crop. Why don't Irish farmers produce more of it?

9. Name two farming organisations.
(i) _____
(ii) _____

10. Define price elasticity of supply. _____

11. State any **TWO** reasons for a shift in the demand for beef over time.
- (i) _____
- (ii) _____
12. Explain the term **labour units** as it applies to a farm. _____

13. State the function of COPA in the EU. _____

14. Farmers can get new capital from three sources. State **TWO** of them:
- (i) _____
- (ii) _____
15. Define **economic growth**. _____

16. State **ONE** example of each of the following inputs:
- (i) those supplied from farming and used mainly within farming _____
- (ii) those supplied mainly from outside of farming and used mainly outside of farming _____

17. What is the role of the Council of Agricultural Ministers within the EU?

18. What is the **Disadvantaged Areas Scheme**? _____

19. Name the Budget that finances the Common Agricultural Policy. _____

20. State any **TWO** overseas voluntary aid agencies which assist developing countries.
- (i) _____
- (ii) _____

Remember to return this question paper with the answer book(s) used to answer the questions in Part II.

PART II (200 marks)

Answer **four** questions.

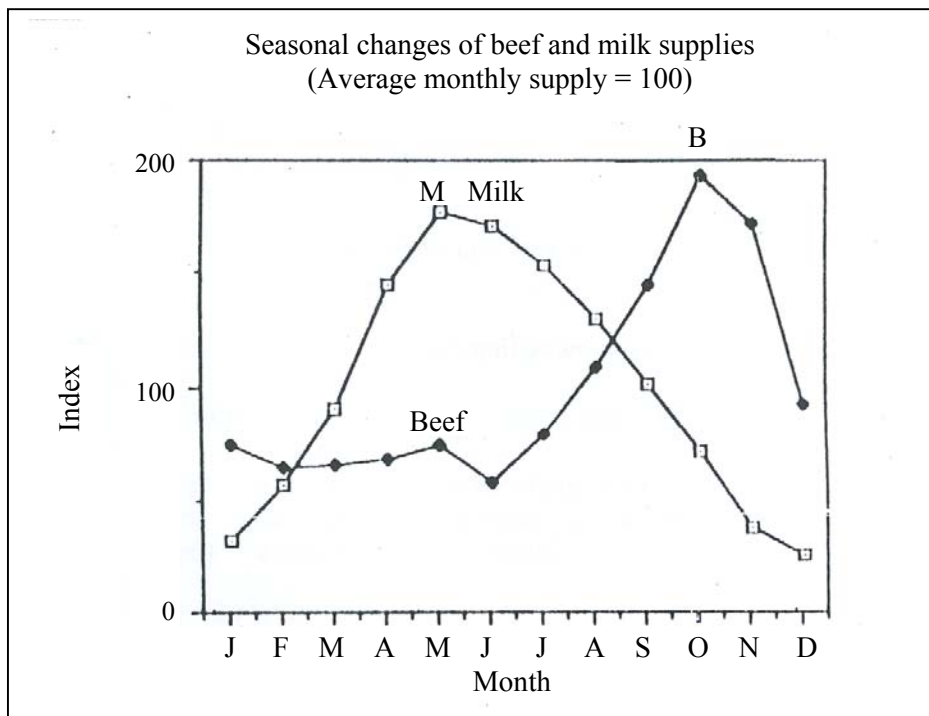
Write the answers in your answer book(s).

All questions carry equal marks (50 marks).

Do **not** write answers to Part II on this question paper.

1. The diagram below shows the monthly supply of beef and of milk in Ireland.

- (a) What is the reason for the seasonal changes in the monthly supply of both?
- (b) State and explain **TWO** marketing problems which arise for farming because of these changes.
- (c) What is the possibility of reducing the peaks in the future in the case of **either** beef **or** milk? Explain your answer briefly.



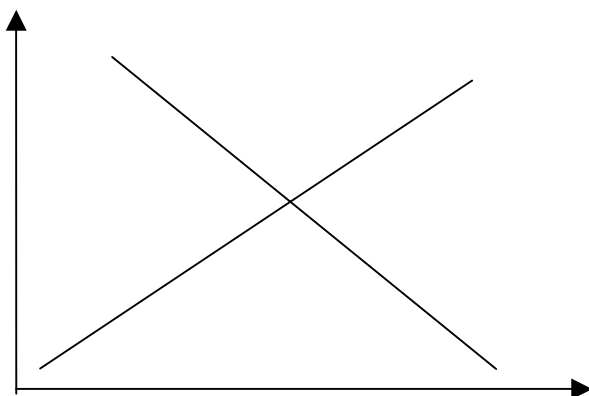
[50 marks]

2. "Irish farmers are owner-occupiers".

Explain this statement **and** outline the advantages and disadvantages of this form of tenure.

[50 marks]

3. Given the demand and supply diagram below representing the market for beef:



- (a) Copy the diagram above into your answer book and label the axes and the demand and supply curves.
- (b) Show on the diagram the equilibrium price and the equilibrium quantity.
- (c) Explain briefly how the following changes would affect the price of beef in a free market:
- (i) a decrease in the price of pigmeat;
 - (ii) an increase in the purchasing power of consumers;
 - (iii) a further epidemic of BSE.

[50 marks]

4. “A farmer’s economic welfare is not determined by his/her farm income alone”.

- (i) Explain this statement.
- (ii) State and explain **TWO** other sources of welfare for the farmer.

[50 marks]

5. Distinguish between any **FOUR** of the following:

- (i) Gross Agricultural Output and Gross Agricultural Product;
- (ii) Deficiency Payments and Headage Payments;
- (iii) An Overdraft and a Term Loan;
- (iv) Fixed Assets and Current Assets in a Balance Sheet;
- (v) Viable and Non-Viable farmers.

[50 marks]

6. While food aid from rich to poor counties has some advantages, it also has some serious economic disadvantages. State and explain **THREE** of these disadvantages.

[50 marks]

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