**AGRICULTURAL ECONOMICS**

**Topic: Agricultural Policy**

1. What is the approximate share of agriculture, forestry and fishing in distribution of employed population in Azerbaijan? Try to explain the reason, advantages and disadvantages of this indicator.
2. What are the main features of establishing a minimum price level for agricultural products? Try to explain the impact of this policy on producers.
3. What are the main features of establishing a market quota programs? Try to explain the impact of this policy on production
4. What are the main features of Restrict Inputs Programs? Try to explain the impact of this policy on production
5. What are the main features of direct cash payments? Try to explain the impact of this policy on producers
6. Show the differences and similarities between soviet type economic activities and economic activities in perfectly competitive market.

**Topic: Strategic Road Map for the manufacture and processing of agricultural products in the Republic of Azerbaijan**

1. Explain the features of agrarian reforms of Azerbaijan.
2. Explain the features of subsidy system in Azerbaijan.
3. What is the strategic vision for agriculture of Azerbaijan for 2020?
4. How many targets are there in the Strategic Roadmap on Agriculture?
5. What do you think about new strategy of food security in Azerbaijan?
6. Try to explain the relations between *agriculture-environment* and *agriculture-rural areas* according to the strategic roadmap

 **Topic: Oligopolistic competition: Game theory**

1. What is the dominant strategy and what are the differences between dominant strategy equilibrium and Nash equilibrium?
2. Describe the logic of prisoners’ dilemma game?
3. What is the difference between simultaneous and sequential games?
4. What is the difference between cooperative and non-cooperative games?
5. What is the dominant strategy? Give an example?
6. What is the payoff matrix? Give an example?

 **Topic: Special pricing in food industry**

1. What are the types of price leaderships? Briefly explain each.
2. What is the price discrimination and state their types? Give an example
3. Extensively discuss the first degree of price decimation.
4. Extensively discuss the second degree of price decimation.
5. Extensively discuss the third degree of price decimation.
6. Farm operates in two separate markets (A and B). Assume that no trade is possible between these markets. The farm`s demand function for each market is:

Market A p = 30 - 2Q

Market B p = 22 - 2Q

Farms estimates its total cost function like TC = 8Q. Answer the following questions:

a. total profit when farmer maximizes its profit and charges the same price in both markets

b. total profit when the farmer charges different prices in each market and maximizes its total profit

1. Demand for farmer A in two different markets are given:

QA = 40 - PA

QB = 40 – PB

Total cost function is: TC = 6+20Q

Solve these equations for the maximum profit that the farm A will attain when it charges different prices in the two markets and when it charges a single price for the combined market