

Farm Business Management: The Fundamentals of Good Practice

Chapter 1: Introduction

Questions

1. What is a numerical procedure for obtaining a solution to a problem?
2. Draw a graph that shows the optimal level of income and leisure to aim for using a production possibility curve and a series of iso-utility curves.
3. Does the line of the relationship $y = 2x - 3 + x$ pass through the origin of a graph?
4. Find the value of y in $6 + y = 28 - 2y + 6$.
5. Draw a graph of the following two equations in order to decide whether the lines cross using the range $x = 0$ to 10 .
 - a. $y = 3x$
 - b. $y = 20 - 2x$
6. If the price of wool (p in cents per kg) is given by $p = 300 + 0.0005x^2 - 0.002y$ where $y = \text{year}$ and $x = \text{last year's price}$, what is this year's price?

Tasks

1. What kinds of models are used in farm management analysis? Give reasons.
2. List the tasks that should be performed in solving problems. Demonstrate with examples.
3. What is a decision variable? Give examples.