

## Economics of Exports of some Egyptian

### Agricultural Crops

#### SUMMARY

Egypt like other developing countries is seeking diversification of export commodity structure. Egypt has potentials to export different crops.

This study investigates the obstacles that face the agricultural export sector especially for : water-melon , Garlic and strawberry during the period 70-1986. These crops have some comparative advantages to the -- other exports in terms of time of export . At the same time these crops can be planted in the new reclaimed lands.

This study consisted of five chapters: chapter one reviewed the literature and previous studies in the agricultural export field . Chapter two dealt with the developments in the foreign agricultural trade. Chapter three presented the factors that determine the average yield, and output for the selected crops .

The value , price , and export costs are analysed in chapter four . Chapter five dealt with the factors that determine the agricultural exports and estimated foreign demand function for water melon and garlic crops.

In chapter one it was found that the rate of growth of Egyptian exports reached 12 percent during the period of study while this rate reached about 16 percent for imports during the same period .

In chapter two it was found that the land area of watermelon increased in the period of study by 70 percent while the yield decreased from 11.3 tons per fedden in 1970 to 8.5 tons per fedden in 1986 . The land area of garlic fluctuated dramatically from one year to another and therefore the prices fluctuated significantly while the yield remained unchanged because of increased productivity . Strawberry land area increased around 600 percent in the last decade . Strawberry yield has increased from 1.6 tons per fedden to 6.5 tons per fedden due to the introduction of new American

an varieties. Production of watermelon is determined by the farm price of watermelon for the preceding year its land area while the production of garlic is determined mainly by the land area of garlic . The production of strawberry is determined by its farm price in the pervions year and its land area .

The volue of output of watermelon increased from LE 9 million in 1970 to LE 204 million in 1986 and this showed its increasing contribution to agricultural income. The value of output of garlic fluctuated from one year to another. As for the strawberry, the value of output has increased from LE 154 thausand in 1975 to LE 800 thausand in 1981 and increased from LE 1.5 million in 1982 to about LE 13 million in 1986. This dramatic change in the value of output is attributed to the increase of productivity and acreage together. An attempt was made to compare the high domestic price and high exporting cost. In chapter five the exports of watermelon repesented a small portion of the total production , the demand function for watermelon was estimated by using double log function. As for garlic the qua-

ntity exported declined from 26 thousands tons in 1977 to 1.4 thousands tons in 1986, this was attributed to many factors, such as competition of Chinese garlic and the increase of domestic prices . By estimating the demand function of garlic it was found that there was a negative relation ship between prices and foreign demand.

These results were statistically significant . The strawberry is a new crop and much attention must be devoted to increase its production and exports .

The increase in domestic prices is one of main reasons responsible for the reduction of exports of these crops. The export margin for watermelon was positive in 1978, 1979, 1980 and negative during the period 1981-1986- while the export margin for strawberry was positive in 1981, 1982 and negative untill 1988 because of higher prices in the local market and high export costs. As for garlic the export margin was positive from 1978 to 1983 and negative during the period 1984-1986.