

## **SUMMARY AND CONCLUSION**

The agricultural sector has an important status in the Egyptian national economy. It is the main source for food, generates a sizable portion of the national income, in addition to providing job opportunities for human labor and contributes to augmenting foreign currency.

Studying production costs of field crops is very important for taking decisions by policy makers.

Liberalization policies contributed to an increase of agricultural income together with increasing the production costs of most of agricultural crops, with the probable effect on economic efficiency of producing these crops.

This study aims at investigating the production costs of some field crops, "maize, wheat, cotton", in Kalioubiya Governorate identifying their quantitative relationships and describing the structure of production costs. In addition the study tries to measure the relationships, between costs and production and determining the factors effecting these relations. Moreover, it tries to locate the levels of achieving economic efficiency.

The study was based on published and unpublished data, in addition to data collected through a field study by a special questionnaire. using regression analysis, cost functions for same field crops production in Kalioubiya governorate have been estimated.

This study consists of four main chapters, an introduction, Arabic and English summaries, Arabic and English reference lists.

The relative importance of all economic variables has increased for all crops of the study except cotton. For the latter, the relative importance of area, productivity and total production had declined.

Studying the impact of the economic liberalization policy on some of the economic variables in the agricultural sector, indicated the existence of some side positive effects. There was an increase in the area of maize and wheat at an annual rate of about 1.7%, 4.9% respectively all over the Arabrepublic of Egypt and about 0.78%, 3.5% in Kalioubiya Governorate. However, the Arabarea of cotton had decreased by an annual rate of about 0.44%, For The Arabrepublic, of Egypt, and about 6.8% For Kalioubiya Governorate during the period (1980-1996).

Productivity and total production increased annually for all crops except for cotton. Farm prices in current terms had increased, while measured in real terms had increased for wheat and cotton, but decreased for maize.

In A: R. Egypt, total production costs for all crops had increased in current terms at an annual rate of about 11.9%, 12.2% and 10.4% while decreased in real terms. They decreased at an annual rate of about 0.87%, 0.51% and 2.8% for maize, wheat and cotton respectively.

In Kalioubiya Governorate total production costs for all crops had increased in current terms at an annual rate of about 11.6%, 12.1% and

10.2% as arranged, while decreased in real terms. They decreased at annual rate of about 1.5%, 0.84% and 3.1%.

Net return per feddan during the period of study had increased all over the A.R. Egypt. for all studied crops when measured in current terms annually by about 10.5% all maize and 4.6% for wheat and 18% for cotton, and increase in Kalioubiya Governorate by about 6.6%, 11.5% and 17.6% as arranged.

Estimates of the return on invested capital during the period of economic liberalization indicates that the highest realized value was 0.88 for maize by 0.62 for cotton, followed than 0.7 for wheat.

Studying the relative importance of cost items indicated the following :

- A) For maize cost of agricultural operations amounted to about 58.6% and rent about 41.3% of the total cost which reached about 1515.6 L.E per feddan.
- B) For wheat agricultural operations about 47.4% and rent about 52.6% of the total cost of 1600.7 L.E per feddan.
- C) For cotton, agricultural operations about 54.4% and rent about 45.6% of the total cost per feddan of about . 2278.7.L.E
- D) For estimating the cost functions for the crops under study, the 3<sup>rd</sup> degree equation was selected as it conforms with the economic rational for wheat, maize. For cotton a 2<sup>nd</sup> degree equation was selected and a supply function was derived from the cost of