

ECONOMIC ANALYSIS OF RICE CULTIVATION THROUGH CONTRACT FARMING IN THE MEKONG DELTA

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Summary

This study attempts to measure rice farmers' economic performance under contract farming in the Mekong delta. Data used for this study was collected from 128 rice contract farmers and 148 independent farmers located in Can Tho city and An Giang province. A simple cost-return analysis was employed to analyze economic performance of rice cultivation. The Student's t-test for mean value comparison and ordinary least square regression for estimating effects of a contract scheme on rice farmers' return were used for data analysis. The results indicate that socioeconomic characteristics for both contract and noncontract rice farmers are relatively similar but contract farmers are more likely to participate in farmers' organizations. The findings also reveal that contract farming has a positive significant impact on return of rice cultivation.

Keywords: *Contract farming, economic performance, rice.*