

RICE SUPPLY RESPONSE
IN
CAMBODIA



A dissertation submitted in partial fulfilment
of the requirements of the degree of
Master of Economics

by

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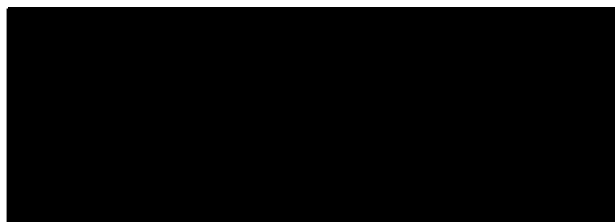
DEDICATION

To my parents

DECLARATION

I certify that the substance of this dissertation has not already been submitted for any degree and is not currently being submitted for any other degree.

I certify that, to the best of my knowledge, any help received in preparing this dissertation, and all sources used, have been acknowledged.



Signature

ABSTRACT

This study is probably the first empirical analysis of the supply response of rice, the single most important food crop in Cambodia. Rice is the single most important food crop in the country. The main objectives of the study are to identify the determinants influencing the supply of rice. The study also attempts to evaluate the impacts of two policy regimes on the degree of supply response: the central planning and collectivisation regime during the period 1980-1989 and market regime which followed.

Alternative specifications of models of the supply response of Cambodian rice growers are considered in terms of the existence and nature of production lags and the choice of explanatory prices, especially expected prices. The supply response of wet-season and dry-season rice is estimated separately because of differences in the production systems and crop biology.

The results indicate that there are lags that are due to the difficulties and costs of rapid adjustment. The results also provide evidence to suggest that price variables have no significant effect on the area and yield of rice, except for area in the case of dry-season rice allocation. Rainfall is one of the most important factors affecting the area allocated to wet-season rice production, while a time trend representing technological improvements in rice production is the most important determinant of yield.

These results are, of course, conditional on the data used. There were several deficiencies in the data and an improved data set may have resulted in somewhat different conclusions.

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LIST OF ABBREVIATIONS

ADB	-	Asian Development Bank
CCTA	-	Cross-sectionally Correlated and Timewise Autoregressive
CHTA	-	Cross-sectionally Heteroskedastic and Timewise Autoregressive
COCMA	-	Central Company of Agricultural Materials
FAO	-	Food and Agricultural Organisation of the United Nations
GDP	-	Gross Domestic Product
GLS	-	Generalised Least Squares
IRRI	-	International Rice Research Institute
LDC	-	Less Developed Country
NGO	-	Non-Governmental Organisation
OLS	-	Ordinary Least Squares
SUR	-	Seemingly Unrelated Regression
UN	-	United Nations
USAID	-	United States Agency for International Development
USSR	-	Union of Soviet Socialist Republics
WFP	-	World Food Programme

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