Comparative Advantage of Horticultural Products in Fars Province

Shajari, Shahrokh¹, Dorostkar, Moslem²

- 1- Fars Agricultural Research Center, Department of Agricultural Economics.
- 2- Fars Agricultural Research Center, Department of Plant and Seed Improvement.

The world of today is a world of economic competition and every country has to act punctually and comprehensively in planning economic programs, in order to maintain political and economic independence.

Determination of comparative advantages of different economic zones in various regions and provinces of our country is very necessary and useful for economic planning, especially today, when the matter of globalization of trade and the discussion of Iran's membership in WTO is posed.

The scarcity of domestic resources on one side and the competitive conditions in foreign markets on the other side determine the necessity for optimum economic behavior in commercial decisions. The role of comparative advantage is important in that it determines which products to be produced inside the country and which goods to be imported or exported.

The results of this research using Domestic Resource Cost (DRC) and Social Cost Benefit (SCB) criteria, show that all horticultural products under study in Fars province (irrigated grape, rainfed grape, walnut, irrigated almond, rainfed almond, rainfed fig, pistachio, date and citrus) have comparative advantages. The results also show that according to SCB criterion the heierachy of horticultural products in order of comparative advantage is as follows: irrigated grape, rainfed grape, walnut, rainfed fig, irrigated almond, citrus, date, pistachio and rainfed almond.