

Analysis of Technical efficiency of tea farmers in Guilan area

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Tea is an evergreen plant. Its leaves are used in almost every country in the world. In Iran, tea is not only drunk as a daily beverage but it is also consumed with bread as a daily diet, which shows its importance for the people of Iran.

Two states of Guilan and Mazandaran with a total area of 32 thousands hectares under tea bushes are the only two tea growing area in Iran, of which 78 percent of tea farms are located in Guilan. At present taking into account of improved tea, the amount of tea production in Iran can't meet the demand for tea and considerable amount of foreign exchange is spent to improved tea, every year. The reason of this problem is the low production efficiency of tea farmers in the area. Hence, the importance of a study of the subject would be clear. This study was conducted to investigate the factors affecting tea production and also to estimate the elasticity of each factor affecting the technical efficiency of tea farmers.

In this study, cross sectional data were obtained from a sample of local tea farmers in 1993. A production function was fitted to these data and, through the C.O.L.S. method the technical efficiency of tea growing farmers were estimated. The results indicated that several factors affected tea production among which land, number of harvest, amount of employed labor, family labor, and fertilizers applied showed the highest effect. The technical efficiency of tea farmers were low in general.