

MEASURING THE ECONOMIC EFFICIENCY OF THE PRODUCTION COW'S MILKIN ABI- KARAQ DSTRICT

ESKANDER H. ALI¹, ALIYA H. LAFTA² & NAJAH A. ABDALKAREEM³

^{1,3}College of Agriculture, Ibn al-Haytham, University of Baghdad, Iraq

²College of Education, Ibn al-Haytham, University of Baghdad, Iraq

ABSTRACT

Milk and milk products are among the main sources of food since the production suffers from many productivity problems. The study aimed at Measure the effectiveness of the cows' fields performance by estimating the economic efficiency and their components. The sample was distributed at random on 19 fields in Abi karaq district, Babylon governorate; the sample represented 5% of the population. The study relied to achieve its objectives on the quantitative economic analysis, and in particular it relied on the data envelop analysis DEA ,which is based on linear programming to create an envelope containing data. The results indicated that the average capacity efficiency reached 0.76, and average technical efficiency reached 0.95 that mean can provide 5% of the resources without being influenced by the level of production. As the average allocative efficiency and cost efficiency reached (0.76, 0.73) respectively. Seven fields were technically efficient and not allocatively. The technical competency linked directly proportional with years of experience, while cost efficiency is inversely proportional to family size and directly proportional to the distance of grazing, also found that small and medium-sized fields was outperformed the large counterparts. The study recommended revised its production policy to increase production and reduce the cost by 27%, and the need for the establishment of dairy plants in production areas.

KEYWORDS: Economic Efficiency, Allocative Efficiency, Cow's Milk