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**Thesis Title:** Impact of Contract Farming on Land Productivity and Income of Maize and Potato Growers in Pakistan

**Abstract**

This study utilizes primary data about potato and maize contract farming schemes in Pakistan to estimate the impact of contract farming on land productivity and income of participating farmers. The study is conducted in district Okara which is a hub of contract farming schemes in the country. Using propensity score matching for estimation of treatment effects, we find that potato contract significantly improves income of participating farmers. The channel for improvement in income is price rather than gains in yield or cost reduction. Potato contract farming also has impact on employment of salaried farm workers. On the other hand, contract farming of maize crop is found to be having no impact on productivity or income. However, despite having no impact on economic welfare, farmers want to join the maize contract because of the efficient payment system of the contracting company. Our results suggest that age, size of land holding, quality of land as well as value of non-farm assets are significant determinants of selection into contract. We also take subjective opinions of farmers about their contract farming and include them in our study.