

Sirijunya Aokram 2010: Maize Farmers' Behavior in Buying Drought Insurance in Petchabun Province. Master of Science (Agricultural Economics), Major Field: Agricultural Economics, Department of Agricultural and Resource Economics. Thesis Advisor: Mrs. Isriya Bunyasiri, Ph.D. 112 pages.

The main objectives of this research are to examine factors affecting a decision to buy the drought insurance for maize and to estimate the willingness to pay for insurance premium. The interview data of 232 maize growers who have the cultivated area within 25 km of the crop insurance program by weather index in AmpurVichienburi, Petchabun Province were used in the analysis.

The empirical results from the probit model have shown that increasing the ratio of damaged area to the total planted will increase the probability to buy the drought insurance by 16.49 percent, the male head of the household will increase the probability to buy the drought insurance by 16.83 percent and receiving assistances from government will decrease the probability to buy the drought insurance by 16.24 percent are the major factors influencing farmers' decision to buy the drought insurance. The farm size, the ratio of income from maize to total cultivated area, the experience in growing maize and the attitude of the farmer towards the probability that drought will occur during flowering are the minor factors affecting a decision to buy the drought insurance. The changes in those factors will change the probability to buy the drought insurance by less than one percent.

The estimated results of the willingness to pay for insurance premium using the contingent valuation method (CVM) have shown that the amount of the sum insured that most farmers demand are 901 – 1,000 Baht/Rai, 1,101 – 1,200 Baht/Rai, 1,401 – 1,500 Baht/Rai and 1,901 – 2,000 with the corresponding willingness to pay for insurance premium of 89.57 Baht/Rai , 85.51 Baht/Rai 106.81 Baht/Rai and 98.71 Baht/Rai respectively.

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Student's signature

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Thesis Advisor's signature