

Name: Zayzay F. Sillah

Student ID: 201726008

Thesis Title: An Empirical Analysis of Food Consumption: A Case Study of Liberia

Agriculture is the primary livelihood for more than 60 percent of Liberia's population and provides sustenance for many households who engage in farming of rice, other food crops and cash crops. However, low agricultural productivity and increasing demand for the staple food has, necessitated the importation of more than 80 percent of staple food requirements of the population. The primary and staple food crops are Cassava and rice. This degree of dependency on rice imports has significantly increased the vulnerability of the population for food security and effects of global rice price volatility. Moreover, vulnerability remains an international trade disruption such as the outbreak of Ebola which affects the import inflow of rice to the domestic market. As a result, food security of households is severely threatened and household food expenditure behavior is impacted leading to significant malnutrition and occasional episodes of hunger. And yet, the agriculture sector lacks basic infrastructure such as machines, farming equipment/tools, farm-to-market roads, fertilizers and pesticides, and food storage capacity.

The data used in this study is a cross-sectional data of 1,171 households derived from the Liberia 2014 Household Income and Expenditure Survey (LHIES). The average per capita daily calorie intake in this paper is 1,350kcal. Food items consumed by household include cereals, starches, Nuts, seeds and oil, vegetables, Fruits, meat product, fish. The food items were converted to kilocalories (kcal/g) using the FAO standardize table for food energy content calculation for use in Africa

Males headed 90 percent of households in the study while females headed 10 percent, but the calorie intake across male and female-headed households was 51 percent to 49 percent. The age of household head in this study range from 18 to 81 years old and was sub-divided into the category of 18 to 40 years old Young Adult, 41 to 60 Middle Age and above 60 years as Old Age.

In my ordinary least squares (OLS) estimation in equation (1), i regress the log of per capita daily calorie intake on the log of household food consumption expenditure and other control variables and district fixed effect to show that the impact of calorie intake is fixed at district level. The results were positive and statistically significant at 1 percent significance level 0.183***. In equation three, i use the 2SLS approach using household ownership of mobile phone as an IV and my results significantly increase from 0.183*** percent on table 4.1 to 0.432*** percent in column (1) of table 4.3. The results suggest that an increase in household food consumption expenditure by 1 percent will increase per capita calorie intake by 0.432 percent as indicated in column (1) of table 4.3. Therefore, estimated coefficients in columns (1), (2) and (3) of table 4.3 clearly support my hypothesis that per capita daily calorie intake respond positively to household food consumption expenditure.