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Thesis Title: The Effect of the Maize Export Ban on Maize Consumption: The Case of Tanzania

### **Abstract**

This study uses panel data with random effect model to assess the effect of the maize export ban on household maize consumption in Tanzania. The country is the largest maize producer in East Africa. In 2015, maize production reached over 6.1 million tons with domestic demand of 5.2 million providing a surplus for export to neighbour countries. However, internally the country is regularly hampered by food insecurity due to several factors including; weather shocks and poor road infrastructure to link domestic markets. To mitigate this situation, Tanzania government banned export of cereals especially maize. I employ data from the National Wave Panel Surveys of 2010/2011 during export ban and 2012/2013 when the ban was lifted.

Acknowledging that export ban follows maize harvest and or price fluctuation hence disrupt market forces; I use exogenous variation in household distance from national border during export restriction period to ascertain its effect on maize consumption while controlling for household characteristics. The policy had a negative, significant 18 percent change in maize consumer price in deficit area. However, no significant change in maize consumption observed which may indicate consumers maintain their level of consumption despite price incentives. Therefore, I find no empirical evidence to support export ban policy as a measure to improve food security. The government should consider a different approach to enhance food security especially in deficit area. Such measures should aim to device mechanism identifying and support food insecure households rather than restrict maize export trade.