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Title of thesis: Nutrient consumption and poverty in Mongolia

Abstract

Using data from the Household Socio-Economic Survey 2007-08, this study investigates the relationship between nutrient consumption and poverty in Mongolia. The nutrient consumption, I use here, is defined in terms of energy(calorie) and other macro nutrients such as fat, protein and carbohydrates. The findings suggest that exists significant difference in nutrient consumption between the poor and the non-poor.

Also, I examine how nutrient intake responds to changes in household welfare using an instrumental variable (IV) approach. My preferred estimates (consumption demand elasticity using an unemployment rate as an IV for per capita consumption) gave statistically significant elasticities of 0.33 for total energy, 0.32 for protein and 0.58 for fat. I explored nonlinearities in the relationship between the per capita consumption and nutrients and found that a significant and positive elasticity for total energy (0.26-0.49) across the all households. The results are consistent with the idea that poorly nourished persons make larger nutritional responses to changes on income than do well nourished persons. The relationship between per capita calorie and some macro nutrient consumption (except carbohydrates) and household welfare in Mongolia is not consistent with the view that income changes have negligible effects on nutrient intakes.

The contribution of this study is based on both --household income and consumption data adjusted for cost-of-living differences over time and space-- thus gives us a rare opportunity to examine the nature of the relationship. This paper hopes to provide some of the first estimates of the demand elasticity for nutrients in Mongolia.