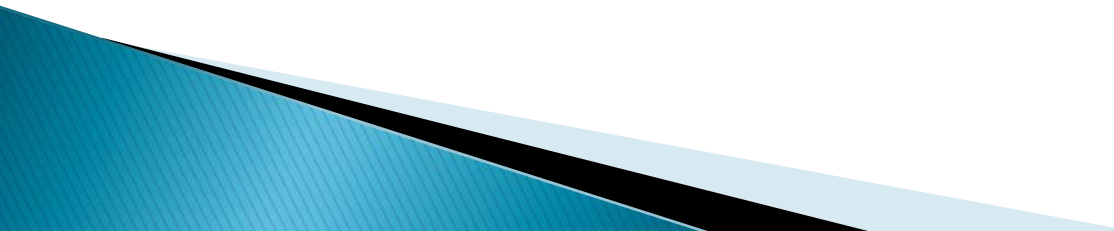


Gender, Consumption and Poverty in Post-War Sri Lanka

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Overview of Paper (1)

- ▶ Compares male headed households (MHH) and female headed households (FHH) in terms of poverty
 - ▶ FHH generally experience higher level of poverty than MHH
 - ▶ How do food consumption scale economies (FCSE) impact on this poverty status incidence
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Overview of Paper (2)

- ▶ Engel equivalence scale approach used to measure FCSE and to re-estimate poverty rates incorporating FCSE
- ▶ Key Finding:
 - FHH enjoy greater FCSE
 - BUT poverty among FHH is higher even after FCSE are allowed for
 - AND this has persisted over time even as FCSE have increased over time

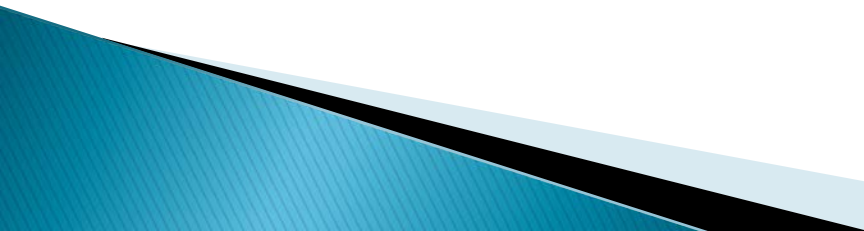
Focus on Sri Lankan Context

- ▶ High percentage of FHH internationally, and this has increased by 44% since 1974
 - Increase due to gender selective outmigration, gender differences in life expectancy & widowhood due to 30 year civil war
 - In 2012/13, 23% of households are FHH & of these approx. 50% are war widows
- ▶ Analysis for Rural, Urban & Estate Sectors
 - FHH are highest in urban sector, lowest in rural sector
- ▶ Data derived from Hld Income & Expenditure Survey Data for 2009/10 and 2012/13

Differences in Hld Composition and Size between MHH and FHH

- ▶ FHH are smaller
- ▶ FHH have higher dependency ratio
 - both young and old
 - higher ratio of non-workers to workers
- ▶ Cannot validly compare poverty rates based on hld incomes if their size and composition differ
- ▶ Engel equivalence scale analysis allows us to adjust poverty measures based on these hld differences
 - Thereby allowing for better targeting of policies aimed at poverty reduction

What are Consumption Scale Economies

- ▶ CSE are the reduction in cost per person to maintain the same material welfare as hhd size increase
 - ▶ CSE derive from sharing of hhd goods, bulk purchases and increasing returns to scale in home production of food
 - ▶ Larger hlds tend to be better off than smaller hlds when CSE and in particular FCSE are taken into account
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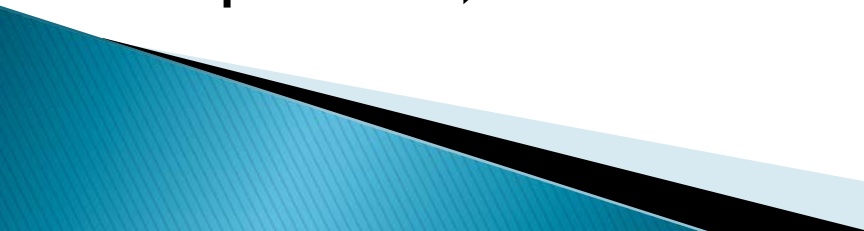
What are Equivalence Scales?

- ▶ Marginal equivalence scales (MES) refers to change in cost of maintaining same standard of living (measured in terms of food consumption) when hld size increases by one adult

FCSE and Gender of HH

- ▶ Female headship more likely to be associated with increased CSE
- ▶ Direct link between FCSE and hld income
 - Low income hlds have higher FCSE as more inclined to become involved in economising on consumption expenditure & FHH have lower incomes
- ▶ Gender roles in performing hld tasks also suggest greater FCSE in FHH
 - Women traditionally more involved in food preparation & management of food supply (preservation/storage) & this knowledge passed from mothers primarily to daughters

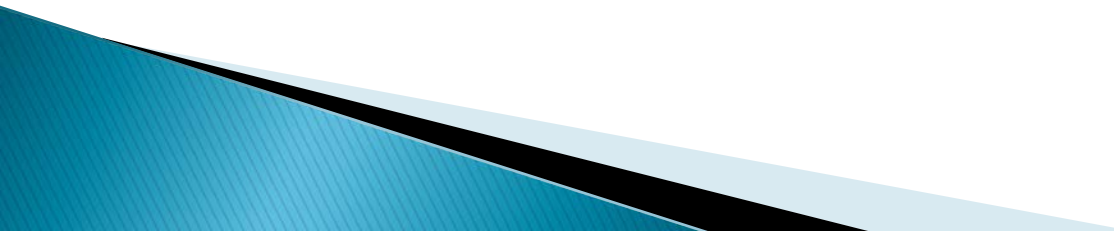
Methodology of Paper (1)

- ▶ Estimate Engel curve equations using econometrics
 - ▶ Use coefficients these equations to construct income-dependent equivalence scales
 - ▶ Estimate these scales separately for MHH and FHH, for each sector (rural, urban & estate), for different income levels (mean, and by quartile) and for each survey period
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Methodology of Paper (2)

- ▶ Use these results to recalculate poverty rates (% hld under official poverty line) based on per capita expenditure (PCE) to those based on expenditure per adult equivalent (EPEA)

FCSE increasing over time

- ▶ Due to enhanced availability of domestic technological appliances (refrigerators, electric stoves, microwaves, blenders, etc.) that can be used more effectively when access to electricity exists
 - ▶ Earlier paper traces this given electrification first in urban areas and later in rural areas in Sri Lankan context
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Results for MES and FCSE (1)

- ▶ (1) MES for both MHH and FHH declined over time due to increase in FCSE
- ▶ (2) MES for FHH consistently higher than MHH due to FHH achieving greater FCSE
- ▶ (3) MES increases with income for both MHH and FHH as better able to afford domestic appliances leading to greater FCSE
 - But FHH disproportionately low income
 - So it is the net effect of (2) and (3) that is important

Results for MES and FCSE (2)

- ▶ Smallest MES in rural sector (higher FCSE) and lowest in urban sector (lower FCSE) and FHH disproportionately higher in urban sector

Results from Poverty Analysis

- ▶ PCE versus EPEA
- ▶ PCE -- % FHH below poverty line generally greater than that of MHH
- ▶ EPEA
 - Poverty levels decline for both FHH and MHH and this decline is generally greater for FHH
 - Poverty levels still significantly higher among FHH even though gap closed somewhat
 - Poverty levels higher among FHH in north and east due to effects of war
 - Poverty levels higher among urban FHH perhaps due to lack of traditional family networks and less capacity to take advantage of FCSE