

# 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

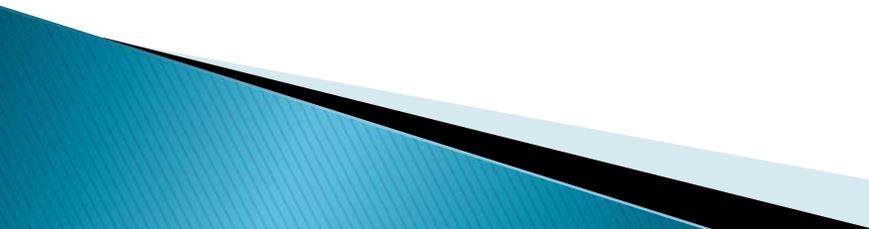
# Focus on Sri Lankan Context

- ▶ 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 there 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 hhd 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