

AN ANALYSIS OF FOOD CONSUMPTION EXPENDITURES  
OF RURAL HOUSEHOLDS : A CASE STUDY OF THREE REGIONS  
IN SRI LANKA

A Dissertation Submitted in Partial Fulfilment  
of the Requirements for the Degree of  
Master of Economics  
of the  
University of New England

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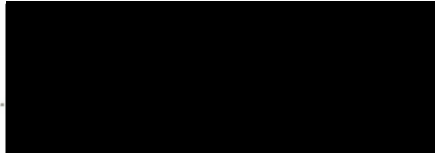
July 1988

DECLARATION

I certify that:

1. the substance of this dissertation has not already been submitted for any degree and is not being currently submitted for any other degree;

2. any help received in preparing this dissertation and all sources used have been acknowledged herein.



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## ABSTRACT

Disaggregated analysis of food consumption expenditures of the poorer sectors of an economy is a useful task and yet one that is not frequently undertaken in LDCs. It is useful due to its many potential contributions inter alia to the development of cost of living indices, standards of living indicators, 'poverty lines' and scales of income distribution crucial to effective policy-making.

In this study, a disaggregated analysis of data from mainly subsistence agricultural households, in three selected rural regions of Sri Lanka, was conducted using descriptive and quantitative methods. Quantitative methods include regression analysis using single and systems of equation demand models.

The results indicate that the three regions are largely similar in terms of socio-demographic characteristics that are likely to influence food consumption, leading to similar patterns of food consumption expenditure. The expenditure pattern for most items of food, is determined significantly by the level of total expenditure only. The variation in food consumption expenditures across the two seasons, corresponding to pre- and post-harvest periods of 1984, was found to be statistically significant. The total expenditure elasticities for the pre-harvest season were higher for most food categories than those for the post-harvest season.

Food plays a patently predominating role in the budget of all income classes. Almost all items of food, including staples, involve increasing expenditures with rising incomes, suggesting that the scope for subsidising any particular type of food, as a means to benefit only the poorer segments of the population, is limited.

## ACKNOWLEDGEMENTS

Numerous organisations and individuals were instrumental in bringing this dissertation to fruition.

First of all, I owe an immense debt of gratitude to my supervisor Dr Kevin Parton, who patiently and diligently guided me at all stages of this dissertation. My sincere thanks are due to Professor Jock Anderson, Head of the Department of Agricultural Economics and Business Management, for the valuable support and splendid working environment that I enjoyed during my stay at the Department.

I thank Professor Bill Griffiths for the help in sorting out some of the more pressing econometric problems, Mrs Vera Fris for giving some handy hints about the computer and about life in general. Fellow graduate student Kailash Sharma took a genuine interest in my work and always obligingly responded to my numerous queries. I also express gratitude to Dr Martin Greelev, for cheerfully agreeing to let me use data from our joint research on Energy in Agriculture.

Editorial assistance and useful comments from Drs Bernard Swan and Mahinda Siriwardana are gratefully acknowledged. Thanks are also due to Sue Lucas for her part in typing this dissertation.

The Agrarian Research and Training Institute granted the study leave and Winrock International Institute provided me with a fellowship to study at the University of New England. I am grateful to all who acted on their behalf.

Last but in no way least, I owe immensely to my wife Ranjula, whose love, understanding and support were a constant source of inspiration.

To My Parents:

Don Solomon Kottege

and

Helena Dinnely Kottege

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