

Original Research Article

Analyzing the Impact of Agricultural Landownership on Poverty and Food Security in Sri Lanka A Household Level Econometric Analysis

ABSTRACT

Aims: This study examines the impact of agricultural landownership on poverty and food security in Sri Lanka. The current study enriches the literature by extending traditional two way poverty classification into four groups: Extremely Poor, Poor, Vulnerable Non-Poor and Non-Poor and quantifies the impact of agricultural landownership on each type of poverty. Similarly, the impact of agricultural landownership on food security is also estimated considering the four types of food security such as, Extremely Food Insecure, Food Insecure, Vulnerable to Food Insecure and Food Secure, based on Minimum Dietary Energy Requirements.

Methodology: The analysis is based on the secondary data from the Household Income and Expenditure Survey (HIES) of Sri Lanka. Ordered Probit Models were estimated to examine the impacts of agricultural landownership on poverty and food security to accomplish the objectives of the study.

Results: The results highlight that the probability of being non-poor of the households with agriculture land is higher by 6.42% compared to the households without agricultural lands. Similarly, having agriculture land also reduces the probability of being extremely poor, poor and vulnerable to poverty by 0.1%, 2.2% and 4.1% respectively. In addition, the empirical findings indicate that ownership of agricultural land lessens the probability of being extremely food insecure (0.8%), food insecure (1.4%) and vulnerable to food insecure (0.7%). Moreover, the probability of being food secure of the households with agricultural lands is higher by 0.9% compared to the households without agricultural lands.

Conclusion: Therefore, the study emphasizes the significance of agricultural landownership to mitigate the poverty and food insecurity which ultimately enhances the household wellbeing. Hence, the current study strongly recommends implementing appropriate policies to address land-right related issues faced by developing countries ensuring long term wellbeing of the households.

Keywords: Landownership, Poverty, Food Security, Minimum Dietary Energy Requirement, Ordered Probit Model

1. INTRODUCTION

01.1. Agriculture Land Ownership, Food (In) security and Poverty

Sri Lanka has been an agricultural country albeit the current economy is led by the service sector. However, agriculture sector is still crucial to the economy as it provides wide-range of employment opportunities while also securing the country's food requirements.

22 Nevertheless, uneven distribution of agriculture lands has also been hampering the
 23 productivity of the agriculture sector and has created adverse impacts particularly on low
 24 income households. Table 01 indicates ownership of agriculture land at national level along
 25 sectoral disparities. As table 01 indicates, the higher agriculture land ownership at national
 26 level which is mainly explained by the agriculture land ownership at rural sector where
 27 92.84% of households own agriculture lands. In contrast, estate sector reports the lowest
 28 ownership of agriculture land, reporting only 38.05% which is remarkably lower than the
 29 national average.

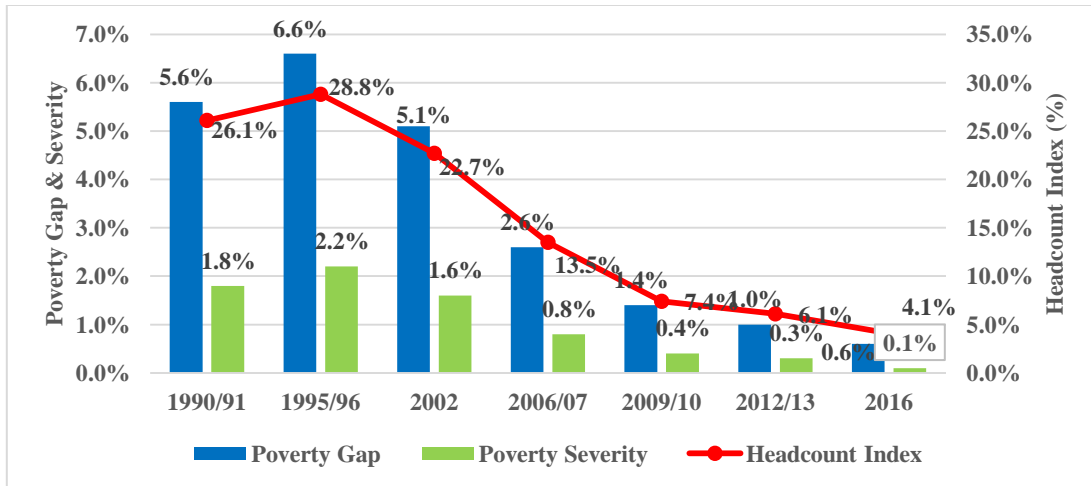
30 **Table 01: Sectorial Ownership of Agriculture Land**

Sector	Ownership of Agriculture Land
National	88.15 %
Urban	77.98 %
Rural	92.84 %
Estate	38.05 %

31 Source: Calculated by authors based on HIES of Department of Census & Statistics of Sri
 32 Lanka

33 According to International Food Policy Research Institute (2016), each and every country is
 34 encountered with a number of issues related to food insecurity which costs 11% of GDP
 35 annually, especially in Africa and Asia. Conversely, a dollar which is invested on any
 36 malnutrition prevention program, adds extra 16\$ to the economy in return on the investment
 37 (International Food Policy Research Institute, 2016). Therefore, addressing the issue of food
 38 insecurity and ensuring food security are vital at both national and global levels. Thus,
 39 Sustainable Development Goals (SDGs) also incorporated this issue and the second goal of
 40 SDGs aims to end hunger by 2030 by ensuring food security and required nutrition levels.
 41 Food security is a broad concept which was defined as “food security exists when all people,
 42 at all times have physical, social and economic access to sufficient, safe and nutritious foods
 43 which satisfy their dietary needs and food preferences for an active and healthy life.” (Food
 44 and Agriculture Organization - FAO, 1996). According to the Medical Research Institute
 45 (MRI) of Sri Lanka, a person who is unable to take 2030 Kcal per day is considered as food
 46 insecure in the context of Sri Lanka. However, the threshold proposed by the MRI may vary
 47 across the countries, time periods and also gender.

48 In terms of poverty, Sri Lanka has experienced declining poverty rates during last two
 49 decades. Figure 01 illustrates trends in poverty incidence, depth and severity for Sri Lanka
 50 during the period of 1990-2016. It is evident that the headcount index reached a peak
 51 (28.8%) in 1995/96 up from 26.1% in 1990/91. However, poverty then is declined to 4.1% by
 52 2016. Similarly, other poverty measures such as the poverty gap and squared poverty gap
 53 indices also dropped significantly over the time. Specifically, the Poverty Gap Index (PGI)
 54 which measures the depth of poverty and the Squared Poverty Gap Index (SPGI) reflects
 55 severity of poverty declined by 6% and 2.1% respectively during this period. In 2002,
 56 approximately 3,841,000 people were in poverty. In 2016, this had decreased 843,913.
 57 Similarly, in 2016, 3.1% of total households which accounted for approximately 169,392
 58 households in Sri Lanka were estimated as poor households.

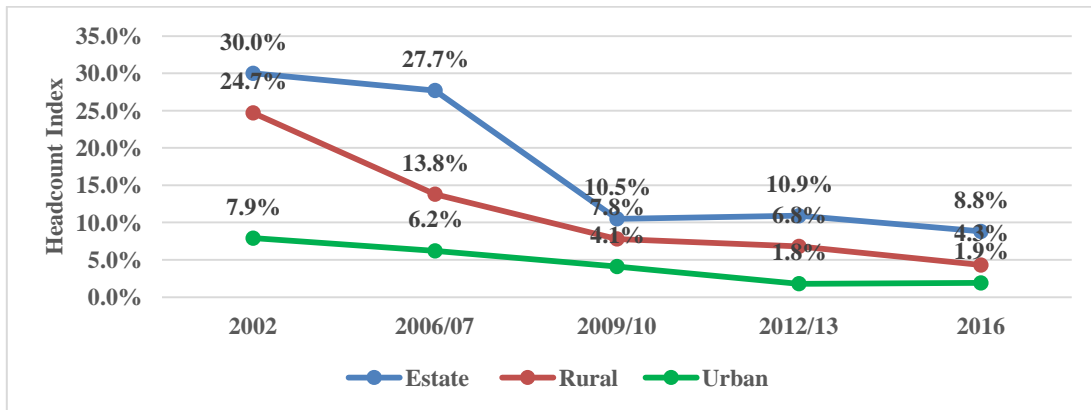


59

60 **Figure 01: Poverty trends at national level of Sri Lanka during the period of 1990-2016**

61 Source: Created by authors based on HIES reports (Various years)

62 Though the poverty incidence at a national level has been significantly decreasing over the
 63 time, the declining across sectors has been uneven. Poverty disparities which exist across
 64 the sectors of urban, rural and estate are illustrated in Figure 02.



65

66 **Figure 02: Sectoral poverty trends in Sri Lanka during the period of 2002-2016**

67 Source: Created by authors based on HIES reports (Various years)

68 Poverty levels in both estate and rural sectors have been significantly higher compared to
 69 poverty levels of national and urban sectors. The Figure 02 demonstrates that 30% and
 70 24.7% of people in estate and rural sectors respectively were below the poverty line in 2002
 71 while only 7.9% of urban people were poor. A more dramatic trend in poverty reduction in
 72 the estate sector can be seen after 2006/07. In fact, in the estate sector, poverty incidence
 73 had reduced by 17.2% within a three-year period (2006/07 – 2009/10). The sharp decline in
 74 income poverty in the estate sector was mainly driven by the increase of tea prices and
 75 higher real wages of estate workers. Tea production is the key output in the estate sector
 76 and the price of tea increased by 82% during the period of 2006-2009, resulting in high
 77 returns for the industry. Some of these profits were shared with the estate workers leading to

78 the evident dramatic drop of poverty. In addition, wage increases for estate workers in 2010
79 also helped the sharp decline in poverty in the estate sector, as the increased real wages
80 essentially ensured a better living standard for the workers.

81 **01.2. Objectives and the Structure of the Study**

82 The study attempts to recognize how agriculture land ownership affects poverty and food (in)
83 security in Sri Lanka. More specifically, following two objectives are expected to be
84 accomplished through the current study.

85 01. Analyzing the impact of land ownership on different types of poverty such as
86 Extreme Poor, Poor, Vulnerable Non-poor and Non poor.

87 02. Examining the impacts of land ownership on different types of food insecurity
88 such as Extremely Food Insecure, Moderately Food Insecure, Vulnerable to Food
89 Insecure and Food Secure.

90 The next sections of the paper include literature review, methodology, results and discussion
91 followed by the conclusions and recommendations.

92

93 **2. LITERATURE REVIEW**

94
95 Food insecurity is multifaceted itself and its consequences are also multidimensional (Abafita
96 & Kim, 2014). In 1974, the World Food Conference held in Rome highlighted the issues of
97 global food insecurity for the first time and thereafter, a growing discussion on food insecurity
98 at global, regional and national levels has been arisen. (Maxwel, 1996, Napoli et al. 2011).
99 According to FAO (1996), food (in) security has four main dimensions: availability, utilization,
100 stability and sustainability. Webb et al. (2006) highlighted that it is difficult to find a precise
101 measure for food insecurity due to this multifaceted nature of food (in) security. However,
102 Maxwell et al. (2008) summarized the commonly used measure such as households'
103 expenditure on foods, nutritional status, actual household food consumption level, dietary
104 requirement and diversity and household food insecurity access scale. Most of the empirical
105 analyses which used these measurements have ended up with mixed findings. An analysis
106 of food insecurity in Pakistan by Sultana & Kiani (2011) concluded that educational
107 attainments beyond intermediate level reduce food insecurity while dependency ratio
108 increases level of food insecurity at household level. Moreover, they confirmed that both
109 social capital and status of employment have no significant impact on food insecurity in
110 Pakistan. Kidane (2004) and Rose et al. (1998) have also stressed the importance of
111 education on food security in Ethiopia and USA respectively. More specifically, Kidane
112 (2004) has highlighted that even the primary level education significantly improves food
113 insecurity while ensuring higher income for households. Apart from that, size of households
114 and dependency ratio are also found to be positively related with food insecurity.
115 Ramakrishna & Demeke (2002) and Amaza (2006) observed that family size and dependency
116 ratio increase food insecurity in Ethiopia and Nigeria respectively. Social Safety Net
117 Programs (SSNP) such as food stamps, elderly and disability allowances are much common
118 in most of developing countries especially in order to reduce poverty. However, Subbarao et
119 al. (1997) found that these kinds of SSNPs reduce not only poverty, but food insecurity as
120 well. In addition to SSNPs, accumulated assets of households also play a crucial role in
121 reducing food insecurity. According to Demeke et al. (2011), assets and resource
122 endowment of households depend on human capital, physical capital, financial capital,
123 natural capita and social capital as well. Therefore, accumulated assets or recourse

124 endowment apparently reduces the level of food insecurity (Demeke et al.2011).
125 Particularly, Putnam (1995) elaborated the linkages between social capital and food
126 insecurity by considering social connections. As Putnam (1995) highlighted social
127 connections reduce the probability of being food insecure, since social connections allow
128 sharing staples and better nutritious habits among households. Apart from these
129 international studies, empirical analyses focus on food insecurity in Sri Lanka is relatively
130 low. Studies by Wickramasinghe (2008), De Silva (2007), Nanayakkara & Premaratne
131 (1987), Nanayakkara (1994) and Mayadunne & Romeshun (2013) have computed incidence
132 of food insecurity of Sri Lanka at national and district levels. However, none of these studies
133 have examined the determinants of food (in) security in Sri Lanka. Similarly, the link between
134 agriculture land ownership and food security has not been observed especially in the context
135 of Sri Lanka. Apart from that, these empirical works have not attempted to recognize
136 extremely food insecure households and the households who are vulnerable to food
137 insecure. Similarly, various studies by scholars such as Datt & Gunewardena (1997),
138 Gunewardena (2000) and World Bank (2002) have identified series of determinants of
139 poverty such as household size, number of dependents, living sector, employment of the
140 head of the household, age of the head of the household, education, receiving remittances
141 and disability. However, the impact of agriculture land ownership on poverty has not been
142 addressed sufficiently in the context of Sri Lanka. In addition to that, all the existing studies
143 on poverty is based on conventional two-way poverty classification which ignore the
144 disparities within poor and non-poor groups. Consequently, examining the link between
145 agriculture land ownership, poverty and food insecurity is timely important. Give adequate
146 information to allow the experiment to be reproduced. Already published methods should be
147 mentioned with references. Significant modifications of published methods and new methods
148 should be described in detail. This section will include sub-sections. Tables & figures should
149 be placed inside the text. Tables and figures should be presented as per their appearance in
150 the text. It is suggested that the discussion about the tables and figures should appear in the
151 text before the appearance of the respective tables and figures. No tables or figures should
152 be given without discussion or reference inside the text.

153
154

155 **3. METHODOLOGY**

156
157

157 **03.1. Data**

158 The current study is entirely based on the data from Household Income and Expenditure
159 Survey (HIES) was conducted by the Department of Census and Statistics of Sri Lanka in
160 2012/2013. This is the most updated and accurate household data series available in Sri
161 Lanka. HIES (2012/2013) covered the whole of Sri Lanka for the first time in Sri Lanka and
162 surveyed 20,536 households across 24 Districts located in nine provinces. HIES data set is
163 the key data source for calculating poverty estimates in Sri Lanka and widely used for
164 empirical analysis due to its wide coverage. Hence, data requirements of the econometric
165 model and descriptive analysis were collected from HIES (2012/2013).

166
167

168 **03.2. Analytical Tool and Calculation of Dependent Variables**

169

170 The study applies Ordered Probit Model which was introduced by Aitchison and Silvey
171 (1957) as the main analytical tool in order to accomplish the objectives of the study. The
172 generalized nature of the Ordered Probit Model used to estimate the relationship between
173 poverty agriculture landownership can be expressed as follows.

174
175

$$y_i^* = x_i\beta + u_i \dots \dots \dots (01)$$

176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200
201
202
203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222
223

Where y^* is a discrete variable which can take any value from 1- 4 which indicate the different poverty levels as follows:

Extreme Poor ($y^*_i = 1$): if the household's monthly expenditure is less than or equal to half of official poverty line¹. (HH expenditure \leq Rs. 7067)

Poor ($y^*_i = 2$): if the household's monthly expenditure lies between half of official poverty line and official poverty line. (Rs. 7067 < HH expenditure \leq Rs. 14134)

Vulnerable Non-Poor ($y^*_i = 3$): if the household's monthly expenditure lies between the official poverty line and 1.5 times the official poverty line. (Rs. 7067 < HH expenditure \leq Rs. 21201)

Non-Poor ($y^*_i = 4$): if the household's monthly expenditure is higher than 1.5 times the official poverty line. (HH expenditure > Rs. 21201)

Similarly, to achieve the second objective of the study, the second model was estimated assigning food security variable as the dependent variable. In fact, food security variable is also classified into four categories in order to avoid wide disparities within the traditional two-way categories such as 'food security' and 'food insecurity'.

$$y^*_i = x_i\beta + u_i \dots \dots \dots (02)$$

Where y^* is a discrete variable which can take any value 1- 4 which indicates the different levels of food insecurity as follows.

Extreme Food Insecure: The households' whose daily Calorie Consumption (CC) is less than or equal to half of the Recommended Calorie Consumption (RCC). (HH's CC \leq 0.5(RCC))

Moderately Food Insecure: The households' whose daily CC lies between half of the RCC and the RCC. (0.5(RCC) < HH's CC \leq RCC)

Vulnerable to Food Insecure: The households' whose daily CC lies between the RCC and 1.5 times the RCC. (RCC < HH's CC \leq 1.5(RCC))

Food Secure: The households' whose daily CC is higher than 1.5 times the RCC. (HH's CC > 1.5(RCC))

Both Ordered Probit models were estimated with marginal effects to provide more realistic interpretation.

¹ The used official poverty line is Rs. 3624 (HIES, 2012/13). However, the official poverty line for household was calculated by multiplying the official poverty line by average household size of 3.9 (HIES, 2012/13).

224
225
226
227

3. RESULTS AND DISCUSSION

04.1. Impact of Agricultural Land Ownership on Poverty

228 Ordered Probit Model was applied to examine the impact of having agricultural lands on
229 poverty in Sri Lanka. Four aspects of poverty – “Extremely Poor”, “Poor”, “Vulnerable Non-
230 Poor” and “Non-Poor” as explained in the methodology were incorporated into the Ordered
231 Probit Model. In addition to the key variable – having agriculture land, series of other
232 variables which affect poverty are also included into the model. The estimated results are
233 summarized in Table 2 below. The most focused and objective oriented variable of the
234 Ordered Probit Model is, ‘Agri Land’ and the estimated coefficients indicate that the
235 probability of being extremely poor, poor and vulnerable non-poor for the household who
236 have agricultural lands is significantly lower than both the households who don’t have
237 agricultural lands. Particularly, the probabilities of being extreme poor, poor and vulnerable
238 non-poor for the household who have agricultural lands are lower by 0.1%, 2.2% and 4.1%
239 respectively, compared to those who don’t have agricultural lands. Interestingly, the
240 probabilities of being non-poor for the households who have agricultural land are higher by
241 6.42% compared to the households who don’t own agricultural lands. In fact, all of the
242 estimated coefficients for the considered variable are statistically significant at 1% level.
243 Agriculture sector has been a crucial sector of the economy, despite its relative importance
244 has been declining over time. In terms of the employed population by major economic
245 sectors, agriculture sector accounts for approximately 27% of employed people,
246 accommodating the second highest proportion of employed people. (Department of Census
247 & Statistics, 2016). Apart from that, large proportion of people engages with informal-
248 agriculture sector and also as self-employees. Under this scenario, ownership of agricultural
249 land is extremely important for them to sustain livelihood in a smooth manner. As the results
250 highlight, the households having agricultural lands have lower probability of being poor
251 compared to the households who don’t own agriculture lands. In fact, agricultural workers
252 who don’t own agricultural land have to pay off the rental for rented lands in cash or in-kind.
253 Consequently, a larger share of agricultural income is transferred to the land owners while
254 the agricultural workers end up with remaining which is even not sufficient for their living till
255 the next season. As this process continuous as a cycle, majority of landless households are
256 suffering from poverty or are vulnerable to poverty. This is also consistent with Daniel (2017)
257 who examined the link between rice farming and poverty in Asian countries including Sri
258 Lanka.

259
260

Table 02: Results of Ordered Probit Estimation on Poverty

Variables	Coefficients	Robust Standard Error	Marginal Effects (%)			
			Extreme Poor	Poor	Vulnerable Poor	Non-Poor
Age	0.012***	0.005	-0.01**	-0.11***	-0.23***	0.35***
Age Squared	0.000***	0.000	0.00***	1.34E-03***	2.7E-03***	-4.E-03***
HH Size	0.401***	0.010	0.20***	3.64***	7.48***	-11.27***
Sector (Estate)						
Urban	0.478***	0.060	-0.20***	-3.37***	-8.13***	11.63***
Rural	0.18***	0.056	-0.06***	-1.51***	-3.28***	4.85***
Gender (Female)						
Male	0.126***	0.036	-0.10***	-1.21***	-2.37***	3.63***
Ethnicity (Sinhala)						

SL Tamil	-0.26***	0.031	0.14***	2.80***	5.01***	-7.96***
IND Tamil	-0.006	0.062	0.01	0.05	0.10	-0.16
SL Moors	0.020	0.043	-0.01	-0.17	-0.36	0.55
Burgher	-0.144	0.264	0.07	1.46	2.75	-4.29
Civil Status						
Married	0.424***	0.067	-0.30***	-4.70***	-8.11***	1.31***
Widowed	0.434***	0.071	-0.10***	-3.10***	-7.43***	10.65***
Divorced	0.205	0.139	-0.06**	-1.57**	-3.62	5.25
Separated	0.248***	0.089	-0.10***	-1.85***	-4.35***	6.27***
Education (No Schooling)						
Primary	0.406***	0.046	-0.10***	-3.09***	-7.11***	10.31***
Secondary	0.923***	0.046	-0.6***	-9.69***	-16.64***	26.91***
Tertiary	1.628***	0.062	-0.2***	-6.72***	-18.80***	25.76***
Degree or <	2.178***	0.178	-0.1***	-4.89***	-16.52***	21.56***
Employment (Unemployed)						
Government	0.400***	0.068	-0.1***	-2.73***	-6.76***	9.59***
t	0.307***	0.087	-0.08	-2.19***	-5.28***	7.55***
Semi Gov.	-0.15***	0.035	0.06***	1.41***	2.80***	-4.26***
Private	0.682***	0.119	-0.10***	-3.61***	-10.19***	13.91***
Employer	0.028	0.035	-0.01	-0.25	-0.52	0.78
Self	-0.045	0.225	0.02	0.43	0.85	-1.30
Employ Fam. Work						
Agri Land (No Agri Land)						
Have Agri L.	0.215***	0.032	-0.10***	-2.21***	-4.10***	6.42***
Disability (Head of HH is a Disable)						
No Disabilit.	0.102***	0.024	-0.10***	-0.91***	-1.89***	2.85***
Remittances (No Remittances)						
Have Remitt.	0.449***	0.045	-0.10***	-2.98***	-7.48***	10.56***
Expen/Inco me	0.061***	0.012	-0.10***	-0.55***	-1.14***	1.72***
Ancillary parameters			Marginal Effects after			
Ordered Probit						
/cut1	0.4159	0.1562	0.0012`	0.0436	0.1561	0.7989
/cut2	1.7578	0.1557				
/cut3	2.6168	0.1567				
Prob > chi ²	0.0000					
Pseudo R ²	0.2078					
Observation s	20,536					

261 Source: Author's calculation based on HIES (2012/13) data from DCS, Sri Lanka.

262 In addition to the key factor focused in the study, age of the head of household non-linearly
263 (U Shaped) associates with each type of poverty. In fact, the more realistic story behind the
264 U shaped relationship is, younger or middle-aged households' heads reduce the poverty
265 level while relatively elder heads of household may account for higher poverty rates.
266 Similarly, size of the household indicates that one extra household member increases the

267 probability of being extreme poor, poor and vulnerable non-poor by 0.2%, 3.6% and 7.4%
 268 respectively, and reduces the probability of being non-poor by 11.27%. Male headed
 269 households have less probability of being poor compared to female headed households;
 270 specifically, being a male headed household increases the probability of being non-poor by
 271 3.6% compared to female headed household counterparts. According to the civil status
 272 variable, being a married household head rather than being a single, reduces the probability
 273 of being extreme poor, poor and vulnerable non-poor by 0.3%, 4.7% and 8.1% respectively.
 274 Apart from that, education has become one of the key factors of getting households out of
 275 poverty, and the heads of household with primary, secondary, tertiary, and degree or higher
 276 educational qualifications increase the probability of being non-poor by 10.3%, 26.8%,
 277 25.7% and 21.5% respectively, compared to the heads of the household with no schooling.
 278 Moreover, employment in any sector (except in the private sector and family work) compared
 279 unemployment, receiving remittances and household heads with no disability, reduce the
 280 probability of being poor in each aspect, and increase the probability of being non-poor.

281
282
283
284
285

04.2. Impact of Agricultural Land Ownership on Food Security

286 The table 03 indicates the determinants of food (in) security of Sri Lanka along with
 287 estimated coefficient using Ordered Probit Regression. As elaborated in the methodology,
 288 the food (in) security has categorised into four categories in order to conduct a detailed
 289 analysis. As the results indicate, having agricultural lands also significantly affects reducing
 290 food insecurity. The rural economy of Sri Lanka mainly depends on agriculture and hence
 291 owning agricultural lands ensure availability of staple foods, particularly such as rice for
 292 households' consumption. Consequently, the probabilities of being extremely and
 293 moderately food insecure of the households having agriculture lands are lower by 0.18% and
 294 1.45%, compared to the households have no agriculture lands. Similarly, the probabilities of
 295 being vulnerable for food insecurity and being food secure of the households having
 296 agricultural lands is lower by 0.69% and higher by 0.94% respectively compared to the
 297 households who don't have agricultural lands. In fact, studies such as Gebre-Selassie (2005)
 298 and Madeley (2000) have also confirmed that holding agricultural lands and livestock
 299 essentially reduce food insecurity.

300
301
302

Table 03: Results of Ordered Probit model Estimation on Food (in)security

Variables	Coefficients	Robust Standard Error	Marginal Effects (%)			
			Extremely Food Insecure	Moderately Food Insecure	Vulnerable to Food Insecure	Food Secure
HH Size	0.0008	0.0049	-0.0033	-0.0271	0.0126	0.0178
Assets Index	0.0057***	0.0015	-0.025***	-0.201***	0.0931***	0.1318***
Sector (Estate)						
Estate	0.0208	0.0334	-0.0860	-0.7278	0.3317	0.4821
Rural	0.0101	0.0189	-0.0429	-0.3557	0.1654	0.2332
Gender (Female)						
Male	0.0346**	0.0153	-0.1261**	-1.0470**	0.4854**	0.6877**
Education (No Schooling)						

Primary	0.0135	0.0401	-0.0564	-0.4723	0.2174	0.3113
Secondary	-0.0721*	0.0393	-0.3015*	-2.5237*	1.1603*	1.6649*
Tertiary	-0.1007**	0.0454	-0.4594**	-3.5146**	1.7465**	2.2275**
Degree or <	-0.1077*	0.0650	-0.5058	-3.7493*	1.9115	2.3437*
Employment (Unemployed)						
Government	0.0994**	0.0346	-0.3832**	-3.4812**	1.4758**	2.3885**
Semi Gov.	0.1109**	0.0469	-0.4190**	-3.8811**	1.6115**	2.6890**
Private	-0.0060	0.0219	0.0252	0.2091	-0.0972	-0.1372
Employer	0.0544	0.0567	-0.2171	-1.9067	0.8379	1.2859
Self-Employ	0.0633*	0.0226	-0.2584**	-2.2166**	0.9962**	1.4788**
Fam. Work	-0.0750	0.1581	0.3423	2.6178	-1.3025	-1.6576
Agri Land (No Agri Land)						
Have Agri L.	0.0415*	0.0222	-0.1797**	-1.4499**	-0.6896**	0.9401*
Ancillary parameters			Marginal Effects after Ordered			
Probit						
/cut1	-1.6159	0.1379	0.0012`	0.0436	0.1561	0.7989
/cut2	0.3207	0.1367				
/cut3	1.5539	0.1371				
Prob > chi ²	0.0000					
Pseudo R ²	0.0019					
Observations	20539					

303 Source: Author based on HIES (2012/13)

304

305 In addition to the key variable, several other factors also affect food (in) security as
306 discussed below. Despite size of household is not a significant factor of food insecurity in Sri
307 Lanka, the impact of level of assets on food insecurity is significant at 1% level. More
308 specifically, 1% increase in asset index reduces the probability of being extremely food
309 insecure, moderately food insecure by 0.025% and 0.201% respectively. Asset index is a
310 composite index which accounts for all household level assets including domestic
311 equipment, electronic appliance and agricultural equipment as well. Further, similar result
312 has been found by Abafita & Kim (2014) in the context of Ethiopia. Apart from that, male-
313 headed households are more food secure than that of female-headed. According to table 03,
314 male-headed households have 0.69% of higher probability of falling into food secure
315 category compared to female-headed households. Similarly, the probabilities of falling into
316 extremely food insecure and moderately food insecure of male-headed households are also
317 lower by 0.13% and 1.05% compared to female-headed households. In fact, male-headed
318 households have better access to nutritious food as their income levels are higher than that
319 of female-headed. It is apparent that higher educational attainments seem to be the most
320 crucial household factor of ensuring food security. In general, all education levels reduce the
321 probability of being extremely and moderately food insecure while increasing the probability
322 of being food secure compared to no schooling category. However, only the education levels
323 such as secondary, tertiary and degree and above show statistically significant relationship
324 with each type of food insecurity. Empirical works by Sultana & Kiani (2011), Kidane (2004)
325 and Rose et al. (1998) have also found similar impact of education on food (in) security in
326 the context of Pakistan, Ethiopia and USA respectively.

327

328

329

05. Conclusions and Recommendation

330

331

The current study used the HIES data to examine the impact of agriculture land ownership on both poverty and food security in Sri Lanka. The study goes beyond the conventional

332 empirical studies as the current study recognizes four-way poverty and food (in) security
333 classifications based on national poverty line and daily dietary requirement proposed by MRI
334 of Sri Lanka respectively. The analyses elaborates that having agricultural lands
335 considerably reduces the probability of being extreme poor, poor and vulnerable non-poor
336 while increasing the probability of being non-poor. Similarly, owning agricultural lands also
337 reduces the probability of being extremely food insecure, food insecure and vulnerable to
338 food insecure while increasing the probability of falling into food secure category. In addition
339 to the key variable - ownership of agricultural land, other factors such as educational
340 qualification of the head of household, gender, employment status, living sector, civil status
341 and receiving remittances also significantly affect both poverty and food insecurity in Sri
342 Lanka. However, land-right related issues are common among the rural and estate sector
343 and also among the lower income groups. Therefore, it is strongly recommend to impose
344 necessary polices to secure the land-rights of the public while providing agricultural lands for
345 the respective groups.

346

347

348 **References**

349 Abafita J, Kim KR. Determinants of household food security in rural Ethiopia: An empirical
350 analysis. *Journal of Rural Development*. 2014; 37(2): 129-157

351 Aitchison J, Silvey SD. The generalization of probit analysis to the case of multiple
352 responses. *Biometrika*, 44. 1957; (1/2), 131-140.

353 Amaza SP. Determinants and Measurements of Food Insecurity in Nigeria: Some Empirical
354 Policy Guide. International Association of Agricultural Economists Conference, Gold Coast,
355 Australia Daniel. 2006.

356 Datt G, Gunewardena D. Some Aspects of Poverty in Sri Lanka, 1985-90. World Bank
357 Publications. 1997

358 Demeke AB, Keil A, Zeller M. (2011). Using panel data to estimate the effect of rainfall
359 shocks on smallholders' food security and vulnerability in rural Ethiopia. *Climate Change*.
360 2011;108(1-2). 185-206

361 Department of Census & Statistics. Poverty Indicators 2016. Department of Census &
362 Statistics, Sri Lanka. 2016.

363 De Silva RP. Food Insecurity and Vulnerability Assessment for Sri Lanka. FIVIMS
364 Secretariat, Colombo. 2007.

365 Food and Agriculture Organization. Rome Declaration on World Food Security and World
366 Food Summit Plan of Action, FAO, Rome. 1996.

367 Gebre-Selassie S.amuel. Poverty and food security in Ethiopia: Some evidences from Wollo.
368 2nd International Conference on the Ethiopian Economy. EEA, Addis Ababa. 2005.

369 Gunewardena D. Consumption poverty in Sri Lankan, 1985-1996: A profile of poverty based
370 on household survey data. 2000.

- 371 HIES. Household Income and Expenditure Survey. Department of Census & Statistics, Sri
372 Lanka. 2012/13
- 373 International Food Policy Research Institute. 2016 Global Food Policy Report. Washington,
374 DC: International Food Policy Research Institute. 2016.
- 375 Kidane H. Causes of Food Insecurity in Koredegaga Peasant Association, Oromiya Zone,
376 Ethiopia. Shaping the Future of African Agriculture for Development: Proceedings of
377 Inaugural Symposium, Kenya. 2004.
- 378 Madeley J. Hungary for trade: How the poor pay for free trade, Cox and Wyman. Cumbria,
379 UK.2000.
- 380 Mayadunne G, Romeshun K. Estimation of Prevalence of Food Insecurity in Sri Lanka. Sri
381 Lankan Journal of Applied Statistics. 2013; (14)1
- 382 Maxwell DG Measuring food insecurity: the frequency and severity of "coping strategies".
383 Food Policy. 1996. 21(3). 291-303.
- 384 Maxwell DG, Caldwell R. Langworthy, M. Measuring food insecurity: Can an indicator based
385 on localized coping behaviors be used to compare across context? Food Policy. 2008; 33(6).
386 533-540.
- 387 Nanayakkara AGW. An analysis of poverty in Sri Lanka. Sri Lanka Journal of Social
388 Sciences. 1994; 17.49-78.
- 389 Nanayakkara AGW, Premaratne HAG. Food Consumption and Nutritional Levels. In Korale
390 R.M.B. (Ed) Income Distribution and Poverty in Sri Lanka, Department of Census and
391 Statistics, Colombo. 1987.
- 392 Napoli M, De Muro P, Mazziotta M. Towards a food insecurity multidimensional index. 2011.
- 393 Putnam R. Bowling Alone: America's Declining Social Capital. Journal of Economic Plan.
394 1995; 22: 256-267.
- 395 Ramakrishna G, Demeke A. An empirical analysis of food insecurity in Ethiopia: The case of
396 North Wollo. Africa Development. 2002; 27(1-2)
- 397 Rose D, Gunderson C, Oliveria V. Socio-Economic Determinants of Food Insecurity in
398 United States: Evidence from SIPP and CSFII Datasets, Food and Rural Economic Division,
399 United States. 1998.
- 400 Sibrian R. Indicators on Food Deprivation and Income Deprivation at National and Sub-
401 national levels: Methodological Issues. 4th International Conference on Agriculture Statistics.
402 China. 2007.
- 403 Subbarao K, Bonnerjee A, Braithwaite J, Carvalho S, Ezemenari D, Graham C, Thompson
404 A. Safety Net Programs and Poverty Reduction: Lessons from Cross-Country Experience.
405 Directions in Development. The World Bank, Washington, D.C. 1997.
- 406 Sultana A, Kiani A. Determinants of food security at household level in Pakistan. African
407 Journal of Business Management. 2011; 5(34): 12972-12979

- 408 Webb P, Coates J, Frongillo EA, Rogers BL, Swindale A, Bilinsky P. Measuring household
409 food insecurity: why it's so important and yet so difficult to do? *The Journal of Nutrition*.
410 2006; 126(5). 1404S-1408S.
- 411 Wickramasinghe W. Sub-National Food Insecurity and Vulnerability Assessment for Policy
412 Interventions in Sri Lanka: Vulnerability Matrix Approach, Hector Kobbekaduwa Agrarian
413 Research and Training Institute, Colombo (Unpublished). 2008.
- 414 World Bank. Sri Lanka: Poverty Assessment. Report 22535-CE. Washington, DC: Poverty
415 Reduction and Economic Management Sector Unit, South Asia Region, World Bank. 2002.