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

10 **ABSTRACT**

Aims: This study examined 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 was 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 was 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 highlighted that the probability of being non-poor of the households with agriculture land is was 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 indicated 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 secured of thefor households with agricultural lands is was higher by 0.9% compared to the households without agricultural lands.

Conclusion: Therefore, the study emphasized 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.

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

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17 1. INTRODUCTION

18 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 indicatesing ownership of agricultural land at national level 25 along sectoral disparities. As Table 01 indicated, the higher agriculture land ownership at 26 national level which is mainly explained by the agriculture land ownership at rural sector 27 where 92.84% of households own agriculture lands. In contrast, estate sector reported the lowest ownership of agriculture land, reporting only 38.05% which is was remarkably lower 28 29 than the national average.

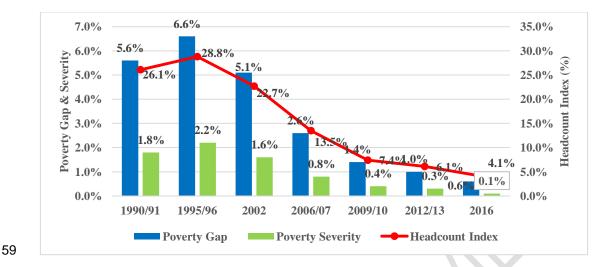
30 Table 01: Sectorial Ownership of Agriculture Land

Ownership of Agriculture Land				
88.15 %				
77.98 %				
92.84 %				
38.05 %				
-				

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

33 According to International Food Policy Research Institute (2016), each and every country is encountered with a number of issues related to food insecurity which costs 11% of GDP 34 35 annually, especially in Africa and Asia. Conversely, a dollar which is invested on any malnutrition prevention program, adds extra 16\$ to the economy in return on the investment 36 37 (International Food Policy Research Institute, 2016). Therefore, addressing the issue of food insecurity and ensuring food security are vital at both national and global levels. Thus, 38 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 across the countries, time periods and also gender. 47

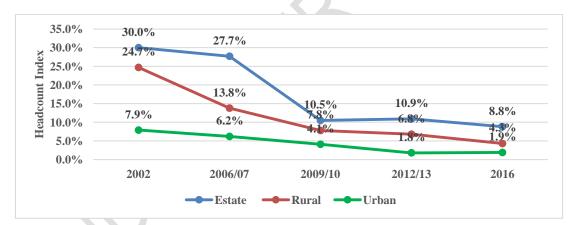
In terms of poverty, Sri Lanka has experienced declining poverty rates during last two 48 decades. Figure 01 illustrated trends in poverty incidence, depth and severity for Sri Lanka 49 during the period of 1990-2016. It is was evident that the headcount index reached a peak 50 51 (28.8%) in 1995/96 up from 26.1% in 1990/91. However, poverty then declined to 4.1% by 2016. Similarly, other poverty measures such as the poverty gap and squared poverty gap 52 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.





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 demonstrated 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 had reduced by 17.2% within a three-year period (2006/07 - 2009/10). The sharp decline in 73 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

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

81 01.2. Objectives and the Structure of the Study

The study attempts to recognized how agriculture land ownership affects poverty and food (in) security in Sri Lanka. More specifically, following two objectives were are expected to be 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
 88
 89
 02.Examining the impacts of land ownership on different types of food insecurity such as Extremely Food Insecure, Moderately Food Insecure, Vulnerable to Food 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, stability and sustainability. Webb et al. (2006) highlighted that it is difficult to find a precise 100 measure for food insecurity due to this multifaceted nature of food (in) security. However, 101 Maxwell et al. (2008) summarized the commonly used measure such as households' 102 103 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 analyses which used these measurements have ended up with mixed findings. An analysis 105 106 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. Ramakrisha & Demeke (2002) and Amaza (2006) observed that family size and dependency 115 ratio increase food insecurity in Ethiopia and Nigeria respectively. Social Safety Net 116 117 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 al. (1997) found that these kinds of SSNPs reduce not only poverty, but food insecurity as 119 120 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 capital 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 sharing staples and better nutritious habits among households. Apart from these 128 129 international studies, empirical analyses focus on food insecurity in Sri Lanka is relatively low. Studies by Wickramasinghe (2008), De Silva (2007), Nanayakkara & Premaratne 130 131 (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 have examined the determinants of food (in) security in Sri Lanka. Similarly, the link between 133 134 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 extremely food insecure households and the households who are vulnerable to food 136 137 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 head of the household, age of the head of the household, education, receiving remittances 140 141 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 are 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.

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149 3. METHODOLOGY

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151 03.1. Data

The current study is was entirely based on the data from Household Income and 152 153 Expenditure Survey (HIES) was conducted by the Department of Census and Statistics of 154 Sri Lanka in 2012/2013. This is the most updated and accurate household data series available in Sri Lanka. HIES (2012/2013) covered the whole of Sri Lanka for the first time in 155 Sri Lanka and surveyed 20,536 households across 24 Districts located in nine provinces. 156 157 HIES data set is the key data source for calculating poverty estimates in Sri Lanka and 158 widely used for empirical analysis due to its wide coverage. Hence, data requirements of the 159 econometric model and descriptive analysis were collected from HIES (2012/2013).

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162 03.2. Analytical Tool and Calculation of Dependent Variables 163

164 The study applies Ordered Probit Model which was introduced by Aitchison and Silvey 165 (1957) as the main analytical tool in order to accomplish the objectives of the study. The 166 generalized nature of the Ordered Probit Model used to estimate the relationship between 167 poverty agriculture landownership can be expressed as follows.

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- 169 170

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

171 Where y^* is a discrete variable which can take any value from 1- 4 which indicate the 172 different poverty levels as follows:

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174 175 176	Extreme Poor $(y_i^* = 1)$: if the household's monthly expenditure is less than or equal to half of official poverty line ¹ . (HH expenditure $\leq Rs.7067$)
177 178 179 180	Poor $(y_i^* = 2)$: if the household's monthly expenditure lies between half of official poverty line and official poverty line. (<i>Rs</i> . 7067 <hh <math="" expenditure="">\leq Rs. 14134)</hh>
180 181 182 183 184	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. (<i>Rs</i> . 7067 <hh <math="" expenditure="">\leq Rs. 21201)</hh>
185 186 187	Non-Poor $(y_i^* = 4)$: if the household's monthly expenditure is higher than 1.5 times the official poverty line. (HH expenditure> <i>Rs</i> . 21201)
188 189 190 191 192	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'.
193	$y_i^* = x_i \beta + u_i$ (02)
194 195 196 197	Where y^* is a discrete variable which can take any value 1- 4 which indicates the different levels of food insecurity as follows.
198 199 200 201 202	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 $CC \le 0.5(RCC)$)
203 204 205 206	Moderately Food Insecure : The households' whose daily CC lies between half of the RCC and the RCC. $(0.5(RCC) < HH's CC \le RCC))$
200 207 208 209 210	Vulnerable to Food Insecure: The households' whose daily CC lies between the RCC and 1.5 times the RCC. (RCC <hh's 1.5(rcc))<="" cc≤="" td=""></hh's>
210 211 212 213	Food Secure : The households' whose daily CC is higher than 1.5 times the RCC. (HH's CC > $1.5(RCC)$)
214 215 216 217 218	Both Ordered Probit models were estimated with marginal effects to provide more realistic interpretation.
218 219 220	3. RESULTS AND DISCUSSION
220 221	04.1. Impact of Agricultural Land Ownership on Poverty

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).

222 Ordered Probit Model was applied to examine the impact of having agricultural lands on 223 poverty in Sri Lanka. Four aspects of poverty - "Extremely Poor", "Poor", "Vulnerable Non-224 Poor" and "Non-Poor" as explained in the methodology were incorporated into the Ordered 225 Probit Model. In addition to the key variable - having agriculture land, series of other 226 variables which affect poverty are also included into the model. The estimated results are 227 summarized in Table 2 below. The most focused and objective oriented variable of the 228 Ordered Probit Model is, 'Agri Land' and the estimated coefficients indicated that the 229 probability of being extremely poor, poor and vulnerable non-poor for the household who 230 have agricultural lands is was significantly lower than both the households who don't have 231 agricultural lands. Particularly, the probabilities of being extreme poor, poor and vulnerable 232 non-poor for the household who have agricultural lands are lower by 0.1%, 2.2% and 4.1% 233 respectively, compared to those who don't have agricultural lands. Interestingly, the 234 probabilities of being non-poor for the households who have agricultural land are higher by 235 6.42% compared to the households who don't own agricultural lands. In fact, all of the 236 estimated coefficients for the considered variable are were statistically significant at 1% 237 level. Agriculture sector has been a crucial sector of the economy, despite its relative 238 importance has been declining over time. In terms of the employed population by major 239 economic sectors, agriculture sector accounts for approximately 27% of employed people, 240 accommodating the second highest proportion of employed people. (Department of Census 241 & Statistics, 2016). Apart from that, large proportion of people engages with informal-242 agriculture sector and also as self-employees. Under this scenario, ownership of agricultural 243 land is was extremely important for them to sustain livelihood in a smooth manner. As the 244 results highlight, the households having agricultural lands have lower probability of being 245 poor compared to the households who don't own agriculture lands. In fact, agricultural 246 workers who don't own agricultural land have to pay off the rental for rented lands in cash or 247 in-kind. Consequently, a larger share of agricultural income is transferred to the land owners 248 while the agricultural workers end up with remaining which is even not sufficient for their 249 living till the next season. As this process continuous as a cycle, majority of landless 250 households are suffering from poverty or are vulnerable to poverty. This is also consistent 251 with Daniel (2017) who examined the link between rice farming and poverty in Asian 252 countries including Sri Lanka.

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254	Table 02: Results of Ordered Probit Estimation on Poverty

Variables	Coefficien	Robust	Marginal Effects (%)					
	ts	Standar d Error	Extreme Poor	Poor	Vulnerabl e 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	e)							
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 (Fema	ıle)							
Male	0.126***	0.036	-0.10***	-1.21***	-2.37***	3.63***		
Ethnicity (Sin	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)							
Governmen	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									
Have Agri	0.215***	0.032	-0.10***	-2.21***	-4.10***	6.42***			
L.									
Disability (He		· · · · · ·							
No	0.102***	0.024	-0.10***	-0.91***	-1.89***	2.85***			
Disabilit.									
Remittances (
Have	0.449***	0.045	-0.10***	-2.98***	-7.48***	10.56***			
Remitt.									
Expen/Inco	0.061***	0.012	-0.10***	-0.55***	-1.14***	1.72***			
me									
Ancillary para			Marginal Effects after						
Ordered Prob		0.4500	0.0040		0.4504				
/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	20,536								
S									

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

256 In addition to the key factor focused in the study, age of the head of household non-linearly (U Shaped) associates with each type of poverty. In fact, the more realistic story behind the 257 U shaped relationship is, younger or middle-aged households' heads reduce the poverty 258 level while relatively elder heads of household may account for higher poverty rates. 259 Similarly, size of the household indicated that one extra household member increases the 260 probability of being extreme poor, poor and vulnerable non-poor by 0.2%, 3.6% and 7.4% 261 respectively, and reduces the probability of being non-poor by 11.27%. Male headed 262 households have had less probability of being poor compared to female headed households; 263 specifically, being a male headed household increases the probability of being non-poor by 264 265 3.6% compared to female headed household counterparts. According to the civil status

266 variable, being a married household head rather than being a single, reducesd the 267 probability of being extreme poor, poor and vulnerable non-poor by 0.3%, 4.7% and 8.1% 268 respectively. Apart from that, education has become one of the key factors of getting 269 households out of poverty, and the heads of household with primary, secondary, tertiary, and 270 degree or higher educational qualifications increase the probability of being non-poor by 271 10.3%, 26.8%, 25.7% and 21.5% respectively, compared to the heads of the household with 272 no schooling. Moreover, employment in any sector (except in the private sector and family 273 work) compared unemployment, receiving remittances and household heads with no 274 disability, reduce the probability of being poor in each aspect, and increase the probability of 275 being non-poor.

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280 04.2. Impact of Agricultural Land Ownership on Food Security

281 The table 03 indicates the determinants of food (in) security of Sri Lanka along with 282 estimated coefficient using Ordered Probit Regression. As elaborated in the methodology, 283 the food (in) security has categorised into four categories in order to conduct a detailed 284 analysis. As the results indicate, having agricultural lands also significantly affects reducing 285 food insecurity. The rural economy of Sri Lanka mainly dependsed on agriculture and hence 286 owning agricultural lands ensure availability of staple foods, particularly such as rice for 287 households' consumption. Consequently, the probabilities of being extremely and 288 moderately food insecure of the households having agriculture lands are lower by 0.18% and 289 1.45%, compared to the households have no agriculture lands. Similarly, the probabilities of 290 being vulnerable for food insecurity and being food secure of the households having agricultural lands is was lower by 0.69% and higher by 0.94% respectively compared to the 291 292 households who don't have agricultural lands. In fact, studies such as Gebre-Selassie (2005) and Madeley (2000) have also confirmed that holding agricultural lands and livestock 293 294 essentially reduce food insecurity.

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297 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 (Femal	le)						
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 Semi Gov. Private Employer Self-Employ Fam. Work	0.0994** 0.1109** -0.0060 0.0544 0.0633* -0.0750	0.0346 0.0469 0.0219 0.0567 0.0226 0.1581	-0.3832** -0.4190** 0.0252 -0.2171 -0.2584** 0.3423	-3.4812** -3.8811** 0.2091 -1.9067 -2.2166** 2.6178	1.4758** 1.6115** -0.0972 0.8379 0.9962** -1.3025	2.3885** 2.6890** -0.1372 1.2859 1.4788** -1.6576
Agri Land (No						
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					

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

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In addition to the key variable, several other factors also affect food (in) security as 300 discussed below. Despite size of household is was not a significant factor of food insecurity 301 302 in Sri Lanka, the impact of level of assets on food insecurity is significant at 1% level. More 303 specifically, 1% increase in asset index would reduces the probability of being extremely food insecure, moderately food insecure by 0.025% and 0.201% respectively. Asset index is 304 305 a composite index which accounts for all household level assets including domestic 306 equipment, electronic appliance and agricultural equipment as well. Further, similar result 307 has been found by Abafita & Kim (2014) in the context of Ethiopia. Apart from that, male-308 headed households arewere more food secure than that of female-headed. According to 309 Table 03, male-headed households have 0.69% of higher probability of falling into food 310 secure category compared to female-headed households. Similarly, the probabilities of falling into extremely food insecure and moderately food insecure of male-headed 311 312 households are also lower by 0.13% and 1.05% compared to female-headed households. In fact, male-headed households have better access to nutritious food as their income levels 313 are higher than that of female-headed. It is apparent that higher educational attainments 314 seem to be the most crucial household factor of ensuring food security. In general, all 315 316 education levels reduce the probability of being extremely and moderately food insecure 317 while increasing the probability of being food secure compared to no schooling category. 318 However, only the education levels such as secondary, tertiary and degree and above show 319 statistically significant relationship with each type of food insecurity. Empirical works by 320 Sultana & Kiani (2011), Kidane (2004) and Rose et al. (1998) have also found similar impact 321 of education on food (in) security in the context of Pakistan, Ethiopia and USA respectively.

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324 **05. Conclusions and Recommendation**

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 empirical studies as the current study recognized four-way poverty and food (in) security classifications based on national poverty line and daily dietary requirement proposed by MRI of Sri Lanka respectively. The analyses elaborates that having agricultural lands considerably reduceds the probability of being extreme poor, poor and vulnerable non-poor while increasing the probability of being non-poor. Similarly, owning agricultural lands also

332 reduceds the probability of being extremely food insecure, food insecure and vulnerable to 333 food insecure while increasing the probability of falling into food secure category. In addition 334 to the key variable - ownership of agricultural land, other factors such as educational 335 qualification of the head of household, gender, employment status, living sector, civil status 336 and receiving remittances also significantly affected both poverty and food insecurity in Sri 337 Lanka. However, land-right related issues are common among the rural and estate sector and also among the lower income groups. Therefore, it is has been strongly recommended 338 that to imposing necessary polices to secure the land-rights of the public while providing 339 340 agricultural lands for the respective groups should be put in place.

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