



Research project of counterparts funded at IPB

Name	Counterpart	Title
Nunung Nuryartono	C04	Consumption pattern of the poor households in Jambi Province

Food is a necessity because it is a basic need. To meet the food needs for all at all times the area of food policy became a key area for the central and local government interventions. The present study used the data of National Socio-Economic Survey (SUSENAS) 2008–2010 in Jambi to estimate a Linear Approximation of the Almost Ideal Demand System (LA-AIDS) to analyse food demand pattern with a focus on staple food consumption to detect substitution and complementarity patterns. The objectives of this study were to describe the pattern of food consumption of poor households, identify factors that influence food consumption patterns of poor households, and analyse changes in food consumption of poor households due to changes in prices, income, and socio-demographic characteristics. The analysis showed that in rural areas, the share of food expenditure is higher compared to urban areas: About 80% in rural areas while in urban area about 75% (in 2008). Poor households spend most of their income for food consumption (ranging from 62–77%, (between 2008 and 2010). The share of food expenditure by poor households in Batang Hari district is highest compared to other districts. Among staples, the highest share of food expenditure is on rice with 20–45%. Rice is the main source of staple food (and source of carbohydrate). Because the share of food consumption of poor households is still high, they are likely to be exposed to and suffer from food price volatility. In case that the government will reduce fuel subsidies (which has happened), food prices are likely to increase, and appropriate measures for protecting the vulnerable should be taken (“food social safety net for the poor”). In addition, the phenomenon of volatility in food prices should also be a concern.