Does Market Accessibility Affect Household Food Security? Evidence from Malawi

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Abstract

There is consensus that the scourge of global-food insecurity is morally unacceptable and that it has to be defeated. The Food and Agriculture organisation (FAO) of the United Nations reports that for the past 5 years (2002–2007) about 850 million people around the globe have been going hungry each year. The United Nations (2008) further indicates that in 2009, and for the first time in history, one billion people will go hungry as the international financial crisis deepens.

A key issue for the development and enhancement of food security in developing countries is to make product and input markets work better. A reduction in transaction costs through, for example, investments in infrastructure and market information systems are crucial in improving access to input and output markets for farmers and hence improving access to food. While the link between market access and agricultural development appears to be common knowledge, empirical studies examining the impact of differential access to markets on household food security in the developing world are uncommon. Using data from Malawi, collected through the national integrated household Survey (IHS-2) in 2004, we investigate the effect of market accessibility on household food security. Using the recommended daily per capita consumption of 2000 kcal, the results of the analysis indicate that 1 out of every 5 households were food insecure and that the rate of food insecurity is higher among rural households than urban households. Results further indicate that the extent of food insecurity increases with distance to the market. An interesting finding is that, households in rural areas, but with access to markets derive most of their food from purchases while those without market access obtain most of the food from own production. The over reliance on own production can potentially undermine household food security, and increase household vulnerability to food insecurity in the presence of crop failure. The findings provide justification for public support in improving market access for farmers. The findings also suggest that there is scope for improving food security of households through improvements in market integration.

Keywords: Food security, Malawi, market access