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“Development on the margin”

To Sell or Not to Sell - Maasai Milk Marketing in Ngerengere, Tanzania

TIM K. LOOS, MANFRED ZELLER

University of Hohenheim, Dept. of Agricultural Economics and Social Sciences in the Tropics and Subtropics, Germany

Abstract

In Maasai culture responsibilities and labour are divided between genders. In general, the livestock is owned and managed by men. Thus they control the main income source of the family. Women usually take care of the family and are in charge of milking the cows. They can also decide upon the use of the milk for home consumption or sale. For them, selling milk is the main possibility to earn their own income. Previous studies on Maasai household economy mostly focussed on the general aspects of diversifying income sources to secure family welfare and leave the potential economic contribution of milksales unclear. In this article we first propose an agricultural household model to fit the Maasai setting. Second, we use socio-economic clan- and household-data from the milk catchment area of a collection centre in Ngerengere, Tanzania, to assess the potential effect of selling milk on household income. We address self-selection bias and estimate the income effect by employing bivariate probit models and propensity score matching procedures. Our findings suggest that milk sellers earn significantly higher average incomes per capita compared to non-sellers. The results indicate that this is especially true for households selling milk not to the collection centre but to alternative market participants. These other buyers reach more remote areas, usually offer higher milk prices and are especially active in the dry season. However, they only purchase limited amounts of milk. The collection centre on the other hand is a guaranteed market with large purchasing capacity throughout the whole year.

Keywords: Bivariate probit, household model, Maasai, milk sales, propensity score matching, Tanzania