

Diversify more or less? Household resilience and food security in rural Nigeria

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Abstract

We provide new findings of rural livelihood diversification in Nigeria, using panel data from the Living Standards Measurement Study - Integrated Surveys on Agriculture (LSMS-ISA). The causes and consequences of livelihood diversification on rural smallholders adopting this strategy have been analysed largely in previous studies using cross sectional data and a narrow definition of food security. In some cases, analysis has been conducted in the absence of shock experiences. We find that some results about the determinants of income diversification in cross sectional analysis also hold in the panel data setting, while others are only revealed due to the panel nature of the data set. We find the relationship between wealth and income diversification in rural Nigeria is best categorized as upward sloping with diminishing marginal effect rather than an inverted U shape or U shape found in previous studies. We also find that income diversification favours food accessibility, food availability, and food utilisation, as therefore resilience capacities overall. We do not find any evidence of income diversification in mitigating or aggravating the impact of shocks, as shock experiences appear to negatively affect food security in spite of income diversification.

Keywords: Rural household, Livelihood diversification, Food security, Shocks, Nigeria.