ABSTRACT

This thesis is an empirical research project assessing the household nutritional impact of the DICONSA food subsidy program in Mexico. By employing a combination of propensity score matching and OLS econometric approaches, I conduct an analysis of household survey data contained in La Encuesta Nacional de Ingresos y Gastos de los Hogares (ENIGH) from Mexico. I find strong evidence of a significant increase in household caloric intake in rural areas targeted by the program, driven primarily by increased consumption of DICONSA subsidised cereal products and corn grain in particular. I find no evidence of decreased caloric intake resulting from overriding income effects of subsidisation. However, my investigation into the specifics of participant household food expenditure data suggests that reselling of subsidised commodities may occur amongst poorer households.