



Food Prices Shocks and Household Nutrition in Ethiopia: A Gender Lens for Policy Response

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FOOD PRICE SHOCKS AND HOUSEHOLD NUTRITION IN ETHIOPIA

A Gender Lens for Policy Response

Rising food prices threaten diet quality and household resilience—especially for women and low-income families



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Key Messages

- Rising food prices between 2018/19 and 2021/22 increased the share of household budgets spent on food while sharply reducing dietary diversity, a combination that raises short- and long-term malnutrition risk across Ethiopia.
- The burden of price shocks is gendered. Female-headed and low-income households absorb shocks differently: women often reallocate limited resources to protect household diets, but this coping strategy reduces household resilience and can deepen poverty and nutrition vulnerabilities.
- Rural households, the urban poor, children under five, pregnant and lactating women, and persons with disabilities are especially vulnerable and require targeted, shock-responsive measures.
- Ethiopia needs gender-sensitive, shock-responsive food and social protection policies that assign clear implementation roles (national ministries, regional bureaus, statistical agencies, and civil society) and monitor outcomes with gender-disaggregated indicators.
- Immediate action is urgent given concurrent inflationary pressure and worsening climate shocks that amplify food-price volatility and nutrition risks.

Context

Food prices matter because they directly shape what households can buy and eat. Between the LSMS rounds (2018/19 - 2021/22), Ethiopian households faced higher food price pressure that translated into larger food budget shares and lower dietary diversity. These trends matter for policymakers because diet quality, not just calorie intake, drives child growth, cognitive development, and long-term productivity.

Gender matters because women typically manage household food procurement, preparation, and caregiving. When prices rise, female household heads and women caregivers make different trade-offs (for example, prioritizing staple purchases or sacrificing non-food spending) that can protect short-term diets but increase longer-term economic and health risks.

Current food security and nutrition strategies are often gender-neutral or insufficiently shock-responsive: this policy gap reduces effectiveness at protecting the most vulnerable during price spikes. Currently, Ethiopia is facing sustained inflation and more frequent climate shocks (droughts and floods). Without targeted, gender-sensitive measures, gains in nutrition and poverty reduction risk reversal.

Problem Statement

Food price shocks are undermining household food security and dietary diversity in Ethiopia. Female-headed households and lower-income families are disproportionately affected because they have smaller buffers (assets, savings, access to credit), constrained access to productive inputs, and limited social protection coverage. Women who manage household nutrition often preserve meal quality by reallocating scarce income, but this coping strategy can reduce investments in health, education, and productive assets, increasing long-term vulnerability. Current national responses do not consistently prioritize shock-responsive or gender-sensitive measures targeted at these groups.

Data & Methods

We analyzed Ethiopian Living Standards Measurement Survey (LSMS) waves 4 (2018/19) and 5 (2021/22), computing Household Dietary Diversity Score (HDDS), Food Insecurity Experience Scale (FIES), and food expenditure shares. Region-level food price data from the Ethiopian Statistical Service were used to measure price shocks. Oaxaca–Blinder decomposition unpacked gender gaps in food-share outcomes across the two waves.

Key Findings

- **Price shocks reduce diet quality:** A 1% rise in food prices corresponded with a ~0.32% increase in the household food expenditure share and a substantial decline in HDDS, indicating households shifted toward cheaper, less diverse staples. The implication is that price volatility directly threatens diet quality and nutrition; stabilization and targeted subsidies for nutrient-rich foods are required.

- **Women protect household diets but remain vulnerable:** Female-headed households allocate a larger share of their budget to food and, in many cases, maintain dietary diversity by prioritizing food purchases. This reflects women's role in household nutrition but also shows they absorb economic pain to protect their diets, which undermines other welfare dimensions. This implies that supporting female household heads with cash transfers, credit, and inputs preserves both diets and household resilience.
- **The poor and rural households fare worse:** Rural households and low-income urban residents have lower diet diversity and less capacity to smooth shocks due to limited market access and lower incomes. Meaning that, investments in rural infrastructure, storage, and market linkages will reduce exposure to price shocks.
- **Employment and education protect diets:** Households with employed members and higher educational attainment show greater dietary diversity. The policy implication of this finding is that job creation and nutrition education (especially for women and youth) strengthen resilience.
- **Household composition matters:** Larger and married-headed households in the data often show higher diet diversity, suggesting that pooled resources matter. Single-headed households and small families with young children are priority targets for assistance.
- **The gender gap is structural:** Decomposition shows most of the gender gap arises from differences in how household characteristics translate into outcomes (coefficients), not only from observable endowments, pointing to structural and behavioral barriers (e.g., limited asset ownership, restricted access to markets/credit, social norms). Laws, services, and norms that limit women's economic agency must be addressed to close the gap.

Policy recommendations

The findings of this study carry important implications for policymakers aiming to improve food security and nutrition outcomes in Ethiopia. Addressing the multifaceted nature of food security requires targeted, evidence-based policies that consider gender, location, socioeconomic status, and the broader economic environment. Below are key policy recommendations and practical actions drawn from the study:

1. **Empower female household heads with targeted transfers and services:** This recommendation calls for scaling up shock-responsive cash transfers and food vouchers specifically aimed at female-headed and low-income households. These transfers should be paired with access to microcredit, agricultural inputs, and community nutrition counseling to enhance impact. The Ministry of Women and Social Affairs (MoWSA) will lead the effort, with co-implementation by the Ministry of Agriculture, regional Bureaus of Women and Social Affairs, local governments, and NGOs. Target groups include female-headed households in both urban and rural areas, households with young children, and pregnant and lactating women. Direct provision of cash and inputs increases household purchasing power and productive capacity, helping women safeguard diet quality without depleting other essential welfare investments.

2. **Invest in rural-urban market linkages and storage to reduce price volatility:** This measure emphasizes the need to prioritize rural road development, market infrastructure, affordable storage and warehouse facilities, and value-chain support for nutrient-rich crops. The Ministry of Agriculture and the Ministry of Trade and Regional Integration will co-lead, supported by regional Bureaus of Agriculture, the Ethiopian Roads Authority, and private sector partners. The primary beneficiaries include smallholder producers, especially women farmers, rural households, and urban low-income consumers. Improved market linkages reduce post-harvest losses, stabilize local supply, and lower food price spikes that undermine dietary quality.
3. **Mitigate price shocks through targeted, nutrition-sensitive measures:** This recommendation involves designing targeted subsidies or vouchers for nutrient-dense foods during price shocks, expanding early-warning systems, and making social protection programs such as the PSNP more shock-responsive and gender-sensitive. The Ministry of Trade and Regional Integration and the National Disaster Risk Management Commission will co-lead this effort, coordinating with the Ministry of Finance, MoWSA, and regional authorities. The main targets are low-income and female-headed households, along with children under five. Such targeted interventions protect diet quality when market prices rise while ensuring fiscal efficiency.
4. **Create jobs and expand nutrition education to strengthen household resilience:** This action focuses on implementing labor programs and vocational training that prioritize women and youth, while also integrating nutrition and healthy diet education into both formal and community education systems. The Ministry of Labor and Skills Development, the Ministry of Education, and MoWSA will co-lead, with implementation by regional bureaus, TVET centers, and NGOs. The beneficiaries include women of working age, youth, and unemployed households. Generating stable income sources and improving nutrition awareness together enhance resilience against food price shocks.
5. **Tailor social assistance to household composition:** This can be achieved through calibrating transfer levels and in-kind support based on household size and composition, including the presence of children, elderly persons, or individuals with disabilities. MoWSA and the Ministry of Finance will jointly lead this process, supported by regional social affairs bureaus and local administrations. Targeted groups include large households, those with high dependency ratios, and single-headed households. This approach ensures equitable and needs-based social assistance that reflects varying household structures.
6. **Address structural gender barriers through laws, services, and social norms interventions:** To strengthen women's economic position, this recommendation calls for reforming land, inheritance, and employment laws where necessary to enhance women's rights and asset ownership. It also proposes funding community campaigns that engage local leaders to challenge restrictive gender norms. MoWSA will lead advocacy efforts, while the Ministry of Justice and Parliament will take the lead on legal reform, with implementation by regional administrations, religious and community leaders, and civil society organizations. The target groups include women farmers, entrepreneurs, and

female household heads. Legal and normative reforms will increase women's bargaining power and build long-term resilience to shocks.

- 7. Strengthen gender-disaggregated data, monitoring, and evidence-based policy:** This recommendation highlights the need for regular collection and publication of gender-disaggregated indicators for dietary diversity (HDDS), food insecurity (FIES), child nutrition (stunting and wasting), food prices, and program coverage. It also calls for commissioning rapid surveys following shocks and evaluating programs for gendered impacts. The Ethiopian Statistical Service (ESS) will lead, working with the National Planning Commission, universities, and partners such as WB, UNICEF, and WFP. The main users of this data are national and regional policymakers and program managers. Reliable gender-disaggregated data enables policymakers to identify vulnerable groups during crises and design effective, targeted responses.

Implementation & monitoring (practical next steps)

- 1. Assign a national coordination mechanism.** The National Planning Commission, together with MoWSA and the Ministry of Agriculture, should convene a short-term task force to operationalize the recommendations, define budget needs, and set monitoring indicators.
- 2. Adopt clear indicators.** Track: % households receiving shock-responsive transfers (by gender of head), HDDS, FIES, child stunting/wasting rates, price indices for key nutrient-rich foods, women's asset ownership.
- 3. Phase actions.** Short term (0–12 months): scale targeted transfers, expand early warning, pilot nutrition vouchers. Medium term (1–3 years): invest in market linkages and legal reforms. Long term: embed gender-sensitive shock response in the national food security strategy.

Conclusion

Rising food prices in Ethiopia are reducing dietary diversity and increasing the food cost burden. Women frequently buffer household diets but do so at the cost of other welfare aspects, a pattern that exposes structural gender gaps. Policymakers must act now with targeted, gender-sensitive, and shock-responsive measures that assign clear responsibilities to national ministries, regional bureaus, and civil society, and that monitor progress with gender-disaggregated indicators. Doing so will protect diets today and strengthen resilience tomorrow.

Acknowledgements

This brief is based on analyses of LSMS waves 4 (2018/19) and 5 (2021/22) and region-level food price data from the Ethiopian Statistical Service. We acknowledge the administrative and technical support of the African Economic Research Consortium (AERC) with generous funding from the Gates Foundation. The guidance of Professors Tomoé Bourdier and Bereket Kebede, and project leads Dr. Lanoi Maloiy and Dr. Maureen Jepkorir has proven to be very valuable.

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