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Household Incomes Spending patterns, Evidence and Its implication to Household Economy (Tanzania Case)
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This paper analyses the intra-household distribution of income spending patterns and identify factors that affect household welfare within the family members. The objective of this paper is to examines the evidence on the disparities in intra-household spending patterns and the methodology employs a collective model estimation framework that enables the allocation spending patterns across household members, assuming that household members pool their income together and as per household defined a group of people collectively taking responsibility to feed and house themselves and can consist of a single person or of two or more people living under the same roof, these people generally being linked by family ties. The household members may have different preferences and different command over resources. In African context, the increase in the relative income of one of the family members have the same impact on the spending pattern. Family members within the household may be poor, because the intra household distribution of incomes may be unequal, to show this fact it needs the analysis of individual spending as opposed to the spending of household members., The data that will be used in this study is based on Household Budget Survey 2017/18 conducted by National Bureau of Statistics in every five years and reports income expenditure and consumption in the household. The research paper will compare income spending and identify which items that costs more within and outside at the household level, will also look at other factors which may influence intra-household spending such as gender, education, household size and location. Most empirical studies of poverty assume unequal sharing of resources among all household members, and majority of researchers have shown have shown the importance of taking into consideration the intra household distribution of resources in the analysis of poverty.