I. Summary of Dissertation

This thesis is motivated by the lack of studies on household consumption, intra-household resource allocation and shortcomings of the official poverty and inequality measurements in Uzbekistan. Four core chapters (Chapters 2, 3, 4, and 5) investigate the relationship between economies of scale in consumption, poverty, and inequality.

Chapter 2 investigates patterns of household consumption with a special emphasis on food consumption. It is shown, in particular, that there are marked differences within quintiles of population, as well as rural-urban and regional dimensions of household consumption in terms of caloric and nutritional composition of food consumption. Implications of the government’s current import-substitution policy for the diet of the vulnerable population are discussed and recommendations are proposed.

Using the household survey dataset made available recently, Chapter 3 tests for presence (or lack) of household economies of scale in seven different consumption categories (food, meals out, clothing, education, health, transportation and shelter). Particular attention is paid to the so-called zero consumption problem and the Tobit estimator is utilized to deal with the problem. Evidence was uncovered of strong and positive household economies of scale in consumption of meals out, clothing, education, health, transportation and shelter, while consumption of food fails to indicate this pattern. An Engel curve for food is estimated using non-parametric kernel estimates. Food consumption data fails to find evidence for household economies of scale.

Chapter 4 makes use of a previous chapter’s estimates of household economies of
scale for food and non-food consumption and adjusts food and non-food poverty measures. A measure of inequality - Gini coefficient - is adjusted for economies of scale. Implications of economies of scale for poverty and inequality measures and for social protection policies are discussed.

Chapter 5 examines the distribution of intra-household resources and measures the amount of gender bias in the distribution of these resources. Methodology developed by Angus Deaton and others is employed which allows use of household expenditure data to examine individual resource allocation. Limited evidence is found of discrimination against girls across all age groups and adult goods. Out of six groups of adult goods, alcohol consumption and meals out show some incidence of discrimination against girls, but the author fails to detect more broad-based evidence of discrimination.

The poverty analysis in this thesis suggests relevant policies for reducing the emerging urban poverty and income inequalities between races. The thesis findings are important inputs into public resource allocation decisions regarding efforts to improve the living conditions in the rural areas, especially the livelihood of the elderly. This is particularly crucial to reduce the pressure in the urban areas while maintaining racial harmony and encouraging cooperation among all nationalities in the country. With poverty eradication as the main priority, policy makers might draw lessons from this thesis on how to systematically identify the poor in order to reduce the incidence of poverty in the country and to minimize the leakage of welfare payments to the non-poor.

II. Reviewer Comments

The thesis deals with an important topic: household consumption and intra-household resource allocation in a low income country. It does so in an imaginative and courageous manner since the results and inferences depart substantially from the official government view. The author applies conventional methodology to a new set of data and a new set of circumstances. In both his thesis and presentation, the author demonstrated sophisticated knowledge of the subject matter and the relevant tools of investigation. A number of technical issues were raised by committee members, but the candidate’s responses were judged to be satisfactory given the data limitations. There was unanimous agreement of the thesis committee that the candidate made a significant contribution and was deserving of a doctoral degree. It was left to the main advisor to supervise revision of the thesis and to grant approval upon satisfactory completion.

The original thesis was written in the form of four essays dealing with separate, but
related, issues of household consumption. The original thesis was titled: “Essays on household consumption in Uzbekistan.” The four essays were in stand-alone form ready for journal submission. One of the essays has already been published and another is under review (see Appendix for full list of published and unpublished papers). The committee debated whether this modern format should be accepted with minor revisions or whether the entire thesis should be reworked into a more traditional integrated structure. To some reviewers, the traditional structure seemed more appropriate since the four essays were closely related and could be grouped under a common theme. The main advisor in consultation with the candidate ultimately decided that the thesis should be revised along traditional lines. The accepted thesis is in traditional form with a new title.

Respectfully Submitted,
James R. Rhodes, Ph.D.
Vice President and Senior Professor
APPENDIX
Papers of Mr. Ziyodullo PARPIEV

PUBLISHED PAPERS
(http://www.adbi.org/discussion-paper/2008/04/18/2526.microfinance.millennium.dev.go als.pakistan/)
(http://hermes-ir.lib.hit-u.ac.jp/rs/bitstream/10086/7702/1/HJeco0420100170.pdf)
(http://hermes-ir.lib.hit-u.ac.jp/rs/bitstream/10086/7717/1/HJeco0410100270.pdf)

UNPUBLISHED PAPERS