



Rural Household Decision to Participate in Off farm Work: Using a Double Hurdle Model.

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Abstract:

Rural Household decision to engage in off farm work passes through two hurdles firstly, decision to participate and then extent or intensity of participation. Using the Tanzania national panel survey data, this study investigated factors determining household labour decision on whether to participate or not and intensity of participation using a double hurdle model. A likelihood ratio test confirmed that indeed participation is a two stage decision. Analytical results have shown that, marital status, land quality, farm size, level of farm output and household size are important variables that influence the decision to participate in off farm work. In addition, age, the dummy variable of male gender, marital status and land quality were the main determinants of the intensity of participation in off farm work. These factors should be considered in designing a rural development policy that focuses on promotion of off farm activities.

Keywords: Double hurdle model, off farm work, logit, Tanzania

Biography:

Hussein Nzao Nassoro is PhD holder in Economics from the University of Dar es salaam. Currently he is lecturer at the Institute of Finance Management. His areas of specialization include development, environmental and agricultural economics. Nassoro is having vast experience in undertaking different researches. His researches caters for intra-household private income transfer and its impact on poverty, assessing level of competition in different subsectors, water policy incidence analysis, undertaking baseline evaluation, impact evaluation, diversification of livelihoods platforms for rural households and its consequences. Nassoro has also done a number of researches related to Conflict Violent Extremism (CVE) with the Creative International. He has worked with various inter-



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