Analysis of the Consumption Pattern of Microcredit Borrower and Non-Borrower Households from Three Urban Coastal Barangays in Culasi, Antique

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ABSTRACT

This paper analyzed the consumption pattern of microcredit borrower households from the three urban coastal barangays in Culasi, Antique and compared that with the non-borrowers. A total of 140 households were surveyed of which 46, 50, and 44 came from barangay Centro Norte, Centro Poblacion, and Centro Sur, respectively. Out of the total households surveyed, 40% were identified borrowers and the remaining 60% were non-borrowers. In addition, while only 33% were identified as fishers, the bigger percentage belonged to the non-fisher households. Consequently, these groups were further categorized into (1) fisher-borrower, (2) non-fisher-borrower, (3) fisher-non-borrower, and (4) non-fisher-non-borrower and comparison on the differences in their consumption patterns was executed. Survey results showed that the top three household expenditures of the three urban coastal barangays were food, debt repayment, and education. This study also investigated the impact of per capita monthly expenditure and other household characteristics on the budget share of 20 commodities (food and non-food) consumed by borrower and non-borrower households and found that income elasticities of the said commodities significantly vary among household categories. Results from the estimation and correlation on quadratic model suggested that borrowers of microcredit programs are better off in terms of consumption than non-borrowers.