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Rising Staple Prices and Food Insecurity: The Case of the Mexican Tortilla

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Abstract
We study the relationship between rising prices of tortillas—the Mexican staple par excellence—and household food insecurity between 2008 and 2014, a period in which global food prices experienced dramatic increases. The use of a unique combination of household-level data and official state-level information on prices allows us exploit significant variation in prices across the Mexican states. Since households cannot be tracked across time, we follow Deaton (1985) by constructing a series of pseudo-panels to control for time-invariant unobserved heterogeneity and measurement error. The regression estimates suggest that increasing tortilla prices affected food insecurity rates in Mexico. More specifically, households with children or those in the second or third income quintile are more likely to be affected.

Fuente: https://www.banrep.gov.co/en/rising-staple-prices-and-food-insecurity-case-mexican-tortilla