

Participation in Modern Agri-food Supply Chain in Senegal and Happiness

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Abstract

This paper uses the framework of subjective wellbeing in order to analyze the welfare implication of rural households involved in modern agri-food supply chain in Senegal. It is argued that small farmers are increasingly excluded from high value commodities chain. There is also evidence that despite increasing standards, vegetable export chain can improve rural households' welfare through contract farming or by the creation of employment. As an alternative and complementary framework, this paper uses self reported happiness instead of the commonly income-based measure to assess the household welfare. We deal with the potential selection bias of participation. We find that participation in modern agri-export chain as contract farming is not related to happiness. Rather, participation as agro-industry employee is positively and significantly correlated to happiness. There is also no evidence concerning income and relative income effect on happiness. We provide some explanations.

Keywords: subjective wellbeing, modern agri-food supply chains, rural households.

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