



SDI Review Form 1.6

PART 1:

Journal Name:	Asian Journal of Agricultural Extension, Economics & Sociology
Manuscript Number:	MS: 2012_AJAEES_2919
Title of the Manuscript:	DETERMINANTS OF FOOD CONSUMPTION EXPENDITURE AMONG AGRO BASED FIRMS WORKERS IN SOUTHERN NIGERIA: SIMULTANEOUS EQUATION APPROACH.

General guideline for Peer Review process is available in this link:

(<http://www.sciencedomain.org/page.php?id=sdi-general-editorial-policy#Peer-Review-Guideline>)

- This form has total 9 parts. Kindly note that you should use all the parts of this review form.



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PART 2: Review Comments

	Reviewer's comment	Author's comment <i>(if agreed with reviewer, correct the manuscript and highlight that part in the manuscript. It is mandatory that authors should write his/her feedback here)</i>
<u>Compulsory</u> REVISION comments	Section 1: Introduction (lines 23-83): 1. This section should be re-written, and much better than the current version. It is done in a haphazard manner, and in some cases the economics is counterintuitive. For example, real wages are determined by productivity, but the authors make it appear as if the reverse is true. Similarly, they should be clear that consumption and savings are inversely related, but both may rise (or fall) if disposable income rises (or falls). 2. The authors say nothing about the perverse influence of double digit inflation in Nigeria on consumption spending relative to total income. Please include this information in your study. 3. The justification for the study is still not properly developed. Please revisit this section. 4. Please provide more clarity on the objectives of the study. Section 1.1: Literature review (lines 87-124) 1. This section is relatively meagre and poorly written. There is very little link to the current study. The authors merely mention the study and finding, and then move on to the next study and so on.	Thank, it is effected We decided to silence the effect of inflation because we used a cross sectional data. Inflation issue is a macro issue, while we focused on a micro –issue of household consumption and its determinants. Justification is well written now. It is well specified now We have clearly identified the gap our research tried to fill. Thanks



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	Section 2.1 Identification of the structural model (lines 161-201) 1. Delete the boxes showing how you determined that the structural model is over-identified. Simply, explain, in words and equations, if necessary, whether and why the (i) rank and (ii) order conditions hold for your specified model. Section 4.1: Empirical result (line 245-330). 1. This is a very weak section of this paper: (i) a quick look at Table leaves this reviewer wondering if the model may be saddled with multicollinearity, leading to lack of statistical significance in some cases, and incorrect signs on the parameter estimates in others. Conduct a test for multicollinearity or provide a matrix of correlation coefficients for your explanatory variables. For example, the coefficient on farm income is negative, yet the authors simply explained it away as a product of the subsistence nature of farming in Nigeria. If you find multicollinearity, you must correct for it. (ii) it is too simplistic and wrong to choose a model on the basis of the size of the Coefficient of Determination, R^2, alone. If the authors have decided to estimate four functional forms, then they must use standard statistical techniques to test for appropriateness of functional forms. A primer on how to do this can be found in Coulibaly and Brorsen (Econometric Reviews, 1999), and Davidson and Mackinnon (Econometrica, 1981).	We have re-structured this section now We have tested for multicollinearity using VIF, the result indicates no serious collinearity. We have added more diagnostic tests like RESET test and Normality tests. We hope these will further improve the validity of the linear form model.
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<u>Minor</u> REVISION comments	1. Many grammatical edits, incorrect spelling, etc., are found in the paper. Authors should reread the paper thoroughly. 2. Please use equation editor to write your equations. Looks terrible right now.	We have corrected them. Equation editor was used
<u>Optional/General</u> comments	The study does not have a compelling justification or objective. Second, the econometric methodology is incomplete and the writing is bad. On any other day, I would have urged a rejection.	We hoped the revised paper will carry a new look now. Thanks