

Research Statement

Aaditya Dar

www.aadityadar.com/research

My research interests lie in the fields of development economics and applied microeconomics. I study why some places develop and others don't; how states build capacity and can efficiently provide public goods; what are the social, political and historical factors that cause and accentuate poverty; and how individuals and communities can break away from these structural constraints. While the challenges to the development process are multifaceted and complex, three stylized facts stand out:

1. The poor and disadvantaged live in contexts characterized by ineffective governance and weak institutions (World Development Report 2017);
2. Three out of four people who form the poorest 1 billion in the world have been affected by some form of group-conflict (Collier 2007);
3. More than two-thirds of the world's rural poor rely on agriculture as the primary source of income and employment (Food and Agriculture Organization 2009)

Motivated by the above, my research agenda engages with issues in governance and agriculture. I make an attempt to explore some open questions in the academic literature by asking: (a) what is the role of elites in institutional building and shaping economic development? (b) how can governance, accountability and transparency be improved? (c) what are the benefits and costs to increasing access to agricultural technology in rural areas? The answers have led me to categorize my research in the following four, often overlapping, themes:

Political Selection

There is now a consensus among economists that political institutions and leaders matter for economic growth (Besley and Persson 2008; Jones 2009). Much of the scholarship has focused on the role of politician's identity based on ascriptive characteristics such as sex, religion and ethnicity and a new small but growing body of work is considering factors such as dynastic linkages and social ties (Chattopadhyay and Duflo 2004; Meyerson 2010; Pande 2003; Dal Bo et al. 2009; Fisman et al. 2017). In my job market paper,

I aim to synthesize the findings of this literature by taking a broader view of political selection and investigating *all possible* entry routes of politicians. I focus on the legislator's background before she or he joined politics and classify politicians as 'parachuters' or 'climbers' depending on whether they are part of the political and socio-economic elite or not (parachuters = dynasties + elites). Such research hasn't been possible in the past due to paucity of data. The typical approach would be to study occupation of politicians but in India, for example, majority of the politicians are either 'social activists' or 'agriculturalists', and these categories mask information about candidates' social background, non-farm sources of income, grassroots experience etc.

I overcome this challenge by conducting an original primary data collection exercise where I compiled 'mini-biographies' of more than 1,300 politicians entering and exiting politics in Bihar, a state in northern India, over a 25-year period (1990-2015). By combining this data with a rich set of economic outcomes, I am able to test whether elites favor growth or redistribution and the various mechanisms at play. Furthermore, I compare and contrast the impacts of elites who have prior name-recognition advantages with conventional identity-based traits that have been previously emphasized in the literature (but haven't been uniformly studied by pursuing a common identification strategy on a single dataset). I show that studying how political selection occurs and which type of politicians run for office is important because barriers to political entry have significant consequences in the economic sphere. This paper contributes, more generally, to the literature on deeper determinants of economic growth and provides evidence of a new channel (organizationally weak political parties) through which institutions matters. More specifically, it adds to the studies on political competition, politician's motivations, dynastic political recruitment and elite persistence. Through future research I plan to investigate the screening mechanisms that political parties use to select candidates as there is very little rigorous empirical research on this issue. I also intend to study the circulation of the 'power elite' and explore politician-bureaucrat linkages in greater depth.

Crime and Conflict

One of the hypothesized mechanisms in my job market paper through which politicians can affect growth is through increased rent seeking and crime. Along with Ashwani Kumar, I have secured a 2-year research grant to study recent law and governance reforms in Bihar. The main research question is: how do low-income, conflict prone societies control crime, restore autonomy of the state and transition to developed

ones? The dominant explanations advocate for a strong intervention, narrowly defined as increasing police supply and law enforcement mechanisms (Levitt 2007; Di Tella and Schargrodsky 2004), or focusing on socio-economic factors influencing crime (Fafchamps and Minten 2006; Demombynes and Ozler 2005; Bloch and Rao 2002). Other suggestions to reduce the risk of violence include improving civic and associational life (Varshney 2002) and ameliorating local economic conditions. These policy prescriptions, however, either assume a level of resource mobilization and institutionalization of governance reforms that is hard to achieve for societies with low state capacity or require a level of planning that is possible only over the medium/long term. How did then a 'weak state' like Bihar succeed in reducing high-value coercive crimes in a very short span of time? And if as many as 3 out of 4 convicted criminals have spent only 1 year or less in prison, an unresolved question is why didn't they resume their activities after they were released? This project along with my other research on the unintended consequences of legislation (in our case, an alcohol prohibition policy) are part of a larger agenda that seek to empirically examine the microfoundations of crime and police response.

Governance and Public Service Delivery

A leitmotif in my research is how can states build their capacity to promote development. Not only do I analyze how states might regain their 'monopoly over violence', I also study how they might enhance their fiscal and, especially, legal capacity. I am particularly excited about on-going research (joint with Chinmaya Kumar and Pankaj Verma) in the areas of governance and accountability which speaks to the latter aspect. We study the impact of an information campaign on corruption in an in-kind transfer program. India spends 1 percent of its GDP on providing food at subsidized rates (one-tenth of the market rate) to the poor¹. However, since people often rely on the shopkeeper to inform them about the arrival of foodgrains in the village, there is a significant scope for arbitrage and black-marketing. The main objective of the study is to examine the mechanisms through which an information campaign can increase transparency. While the role of information in reducing corruption is well established in the literature, the exact pathways through which the impact occurs is an open question. In our field experiment, we randomize 250 villages in Bihar, a low-income setting in northern India, to receive an automated voice call a day after the foodgrains have arrived at the shop. We test whet-

¹The Public Distribution System (PDS) is one of the largest welfare programs in the developing world, both in terms of the budgetary outlay and the number of people covered under it (nearly 75 percent of the rural population and 50 percent of urban population is entitled to receive 5 kg of rice and wheat per person every month)

her the ‘monitoring’ effects of the information campaign are different across villages with different levels of elite capture. In the future, I plan to closely examine the conditions under which collective action might occur and could be fostered to fight corruption.

Agricultural Development

Delivering his Nobel Prize Lecture in 1975, Gunnar Myrdal remarked: “What the poor masses need is not a little money [...] What they do need is fundamental changes in the conditions under which they are living and working”. Although most development economists would now support this statement (such a view was in contrast with the classical structuralist view of agriculture playing a passive role in the development process), the optimal mix of strategies that should be adopted to advance agricultural productivity is still subject to intense debate. For instance, it is not clear what are the net welfare consequences of the ‘Green Revolution’, which provided one of the major technological breakthroughs in the last century.

In joint work with Prabhat Barnwal, Jan von der Goltz, Ram Fishman, Gordon McCord and Nathan Mueller, I assess the health impacts of adopting modern varieties of seeds on infant mortality, leveraging household-level data from over 20,000 villages in 37 developing countries and a novel, spatially-precise indicator of seed diffusion. To our knowledge, the study provides the first child-level, within-country estimates of the positive externalities of modern crop variety diffusion. In another paper (co-authored with Ram Fishman and Meha Jain), we investigate the short-term environmental consequences of increased access to irrigation technology (tubewells) in India and the subsequent depletion of groundwater. We demonstrate that the overall trends in groundwater depths mask important spatial and temporal heterogeneity and that farmers respond to a decline in the water table by decreasing the area cultivated under irrigation. Comparing the empirical estimates of greater access to agricultural technology on health and environment would help policy makers decide on how to allocate funds across different intervention programs. I also intend to continue working on the theme of irrigation with an aim to broaden the academic and policy discussion that has predominantly focused on adoption of modern seed varieties and fertilizers.²

My other substantive interest is understanding functioning of agricultural markets, specifically those where non-competitive trading practices are prevalent. In a new pa-

²This is particularly relevant for Africa, where more than 90 percent of the land continues to be rain-fed.

per (with Pranav Gupta and Rahul Verma), we provide the first robust evidence of the manipulation of retail prices of an essential food commodity (onions) in a developing country. This paper contributes to the literature on context-conditional political cycles and the mechanism underlying these ‘opportunistic cycles’ hint at possible collusion between incumbent governments and traders. In future work, I wish to examine the welfare implications of oligopolistic agricultural markets and trading cartels in greater detail.

Data, Partners and Research Transparency

I lean on a variety of data and methods ranging from randomized controlled trials/survey data to natural experiments/observational data to inform answers to various research questions. I find that combining applied microeconomic techniques with GIS tools, natural language processing of archives, rapid-ethnographies and mini-biographies provides a ‘thick description’ of research so that it is both well-grounded and empirically rigorous. My research is/has been supported by funding from Azim Premji University and Foundation, Election Commission of India, International Growth Center and Sigur Center for Asian Studies at The Elliott School of International Affairs. I have also developed partnerships with the Asian Development Research Institute (Patna), Program on Liberation Technology (Stanford) and Tata Institute of Social Sciences (Mumbai) that I hope to continue to build on.

I am deeply committed to the ideas of research transparency and reproducibility. For example, in addition to conducting a ‘pure verification’, I have extended the analysis in Banerjee and Iyer’s seminal paper on the legacy of colonial land tenure systems in India. I incorporate data from archive reports and maps to show that historic investments in irrigation networks and the control over water resources were as important a factor in agrarian progress, even after comparing districts with the same land tenure system. Furthermore, I have also established an informal network of scholars in India who share the same goals and as part of a long-term research agenda we plan to replicate all papers published in ‘top journals’ (since 2010) that are concerned with India.

In the long term, I want to continue expanding my research so that it can help alleviate the lives of those who are disadvantaged and marginalized. I am also open to collaborations with other related fields.