

# Four Reproducible Contributions in Development Economics

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## Reproducible

- Same data
- Publish procedures, data (source), CodeBook

## Motivation:

- Reinhart Rogoff: Growth in a Time of Debt
- Rauchhaus: Evaluating the Nuclear Peace Hypothesis

## Tools:

- R
  - publish packages: replicability
- Git (version control)

# Making the Next Billion Demand Access

## The Local-Content Effect of google.co.za in Setswana

Four  
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tions in  
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Making the  
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Grandfathers  
and  
Grandsons

Global Value  
Chains in  
LICs

### Motivation

- Two-Sided Market / Cross-side network effects
- WWW content is hard
- Social media content is easier: Facebook vendor lock-in

**Table:** Protocol Stack and Network Effects (NE)

Soc. Media Website (simple NE, propr.)	Spam (negative NE)
Websites (cross-side NE)	Email (simple NE)
TCP/IP (simple NE)	

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### Quantifying Content

- using visit counts instead of page counts

### Endogeneity

- Maybe Google introduced the interface following increased usage among Setswana speakers?
- Botswana speaks Setswana
- google.co.bw was translated in Setswana
- introduction on google.co.za was a spillover, exogenous (2011)
- google.co.za also introduced Xhosa, but not exogenous

### Data NIDS

- 2008 & 2011 (pre), 2013 (post)

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**Table:** Internet Access and Computer Ownership

	Internet	(P >  t )	Computer	(P >  t )
event * setswana	<b>0.012</b>	0.00	<b>0.024</b>	0.00
event	<b>-0.012</b>	0.00	-0.054	0.01
setswana	<b>-0.014</b>	0.00	<b>-0.015</b>	0.00
income	<b>0.000</b>	0.00	<b>0.000</b>	0.00
woman	-0.001	0.23	<b>-0.023</b>	0.00
education	<b>0.001</b>	0.00	<b>0.006</b>	0.00
Observation	47665		46464	

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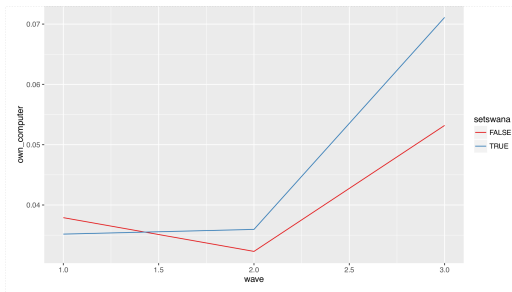
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**Figure:** Computer Ownership Setswana



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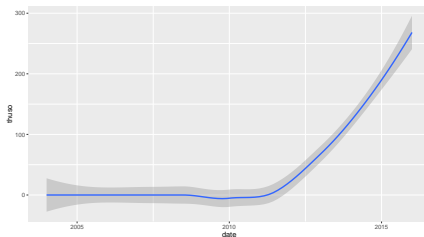
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**Figure:** Effect on online usage of Setswana



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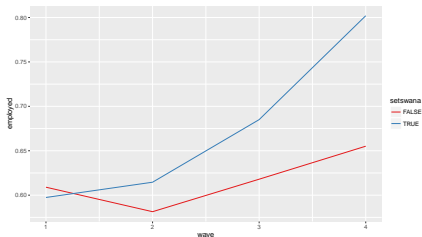
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**Figure:** Employment for Individuals who Own a Computer in Wave 3





# Grandfathers and Grandsons

## Effects of a Male-Only Change in Pensions

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### Motivation

- Income recipient and growth
- Growth and future income
- Grandmothers and Granddaughters:
  - South African pension, including black population
  - eligibility-age differential: women 65, men 60
  - life expectancy significantly lower: large selection bias

### Identification Strategy

- Pension change (2010): men 65  $\rightarrow$  60, to a par
  - still selection bias based on life expectancy
- NIDS: 2008 (pre) & 2011 (post)

# Grandfathers and Grandsons

## Effects of a Male-Only Change in Pensions

**Table:** Food and Non-Food Expenditure

	Food	(P >  t )	Non-Food	(P >  t )
event * Man 60-65	<b>103.82</b>	(0.03)	-0.05	(0.22)
event * Man 65+	0.09	(1.00)	-0.02	(0.35)
event * Woman 60-65	4.69	(0.90)	0.02	(0.36)
event * Woman 65+	<b>104.24</b>	(0.00)	0.01	(0.51)
Man 60-65	55.61	(0.20)	206.16	(0.57)
Man 65+	<b>112.18</b>	(0.00)	377.43	(0.57)
Woman 60-65	46.88	(0.13)	-356.02	(0.16)
Woman 65+	<b>-0.68</b>	(0.00)	-181.57	(0.38)
event	35.23	(0.00)	131.32	(0.08)
Household Income	<b>0.03</b>	(0.00)	<b>0.09</b>	(0.00)
Girl	-12.49	(0.22)		
Observations	15938		15938	

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Table: Weight for Age

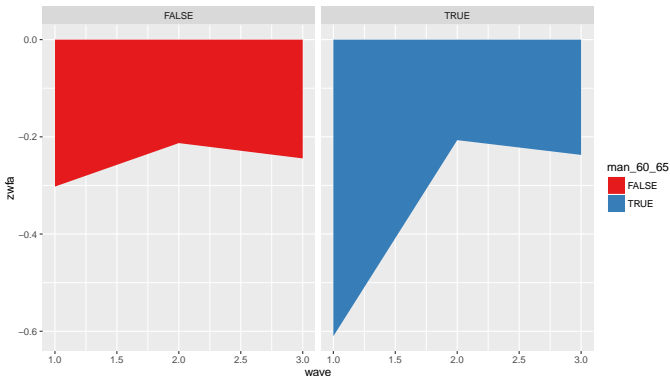
	General	(P >  t )	Boys	(P >  t )	Girls	(P >  t )
event * Man 60-65	0.33	(0.02)	0.44	(0.03)	0.26	(0.23)
event * Man 65+	-0.03	(0.74)	0.15	(0.31)	-0.30	(0.05)
event * Woman 60-65	0.15	(0.18)	0.18	(0.23)	0.13	(0.44)
event * Woman 65+	0.04	(0.58)	0.29	(0.79)	0.03	(0.77)
Man 60-65	-0.27	(0.03)	-0.35	(0.06)	-0.29	(0.13)
Man 65+	-0.06	(0.47)	-0.35	(0.01)	0.26	(0.04)
Woman 60-65	-0.17	(0.06)	-0.14	(0.27)	-0.18	(0.21)
Woman 65+	0.03	(0.69)	0.09	(0.32)	-0.02	(0.80)
event	0.00	(0.00)	0.01	(0.85)	0.06	(0.19)
Household Income	0.00	(0.00)	0.00	(0.00)	0.00	(0.00)
Girl	0.09	(0.00)				
Observations	11740		5878		5862	

# Grandfathers and Grandsons

## Effects of a Male-Only Change in Pensions

WfA households with and without a newly eligible member

Figure: Weight for Age



# Grandfathers and Grandsons

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Table: Height for Age

	General	(P >  t )	Boys	(P >  t )	Girls	(P >  t )
event * Man 60-65	-0.52	(0.09)	-0.94	(0.04)	-0.24	(0.57)
event * Man 65+	-0.23	(0.31)	-0.03	(0.92)	-0.36	(0.25)
event * Woman 60-65	0.27	(0.24)	0.55	(0.08)	0.02	(0.95)
event * Woman 65+	-0.00	(0.98)	-0.16	(0.49)	0.14	(0.54)
Man 60-65	0.11	(0.66)	0.35	0.37	-0.06	(0.85)
Man 65+	0.19	(0.29)	-0.07	(0.79)	0.42	(0.08)
Woman 60-65	-0.32	(0.08)	-0.26	(0.32)	-0.40	(0.15)
Woman 65+	0.04	(0.74)	0.12	(0.50)	-0.03	(0.88)
event	-0.01	(0.867)	0.01	(0.92)	-0.03	(0.77)
Household Income	0.00	(0.00)	0.00	(0.00)	0.00	(0.00)
Girl	0.22	(0.00)				
Observations	4809		2301		2377	

Implement trade decomposition procedures in R

- Leontief (1936)
- Wang Wei Zhu (2013)

Motivation:

- simplify for end users
- consistent and transparent approach

Additional work:

- gvc package: implement indicators
- Interactive demo: <http://shiny.qua.st/decompR>
- RStudio Add-in: Graphical User Interface (soon)

# Global Value Chains in Low Income Countries

TiVa analysis: Confirming Existing Understanding 1995-2011

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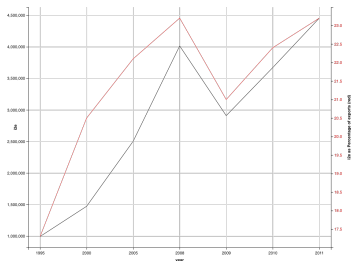


Figure: GVC integration

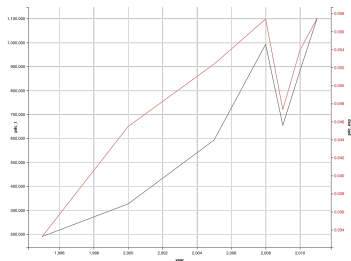


Figure: double counted trade

- GVC intensity: importing 2 export (equiv. e2r)
  - i2e grew ~350%
  - i2e share of total exports 17% -> 23%
- Wang Wei Zhu (2013)
  - pdc (proxies GVC length) share of total exports rose 73%

# Global Value Chains in Low Income Countries

TiVa Analysis: Developing Country trends: New evidence

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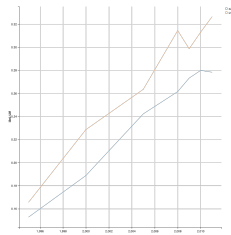
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**Figure:** Share of value added sourced from (i2e) or sold to (e2r) L(M)IC economies for export production



**Table:** WWZ decomposition results by income

group	<i>fva_fin</i>	<i>fva_inter</i>	<i>dva_fin</i>	<i>dva_inter</i>	<i>rdv</i>
L(M)IC	42.07%	57.93%	44.09%	54.73%	1.18%
High	39.38%	60.62%	40.73%	56.85%	2.42%



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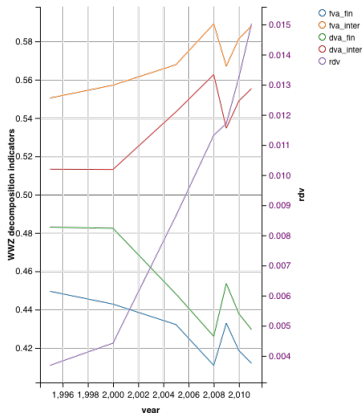
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Figure: WWZ decomposition indicators



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## TiVa Analysis: Regional Specifics

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### South East Asia:

- Primarily backward linkages, esp. Cambodia and Vietnam
- Philipines has forward linkages

### Latin America

- Argentina and Colombia: Low backward and forward linkages
- Chile and Costa Rica: Better linkages & intermediaries

### Africa

- Tunisia
  - Mainly backward linkages
  - Moving up in value chain
- South Africa
  - Low levels of integration
  - Benefits from comodities boom

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Appendix:  
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### Theoretical Model

- JC Rochet and J. Tirole. **Two-Sided markets: a progress report.**  
*RAND Journal*. 37(3):645–667, 2006.

### Household vs. individual effect

- Angrist (1991)

### Usage of wave 4 in regressions

- ATM basic info available: employment status

### General motivation

- Social media content is easier: Facebook vendor lock-in
- Open web is harder to create than social media
- Vendor lock-in

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follow up

- nature of the food expenditure is important
- bargaining power seems unlikely to be linear

theoretical model:

- D. Thomas. **Intra-Household Resource Allocation.**  
*Journal on Human Resources.* XXV(4):635–664, 1990.

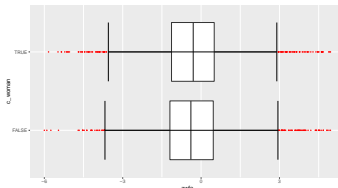
Interpretation of the treatment coefficient

- bargaining power

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Figure: ZWFA Distributions



outliers driving the result

- “The upper whisker extends from the hinge to the highest value that is within  $1.5 * \text{IQR}$  of the hinge, where IQR is the inter-quartile range, or distance between the first and third quartiles. The lower whisker extends from the hinge to the lowest value within  $1.5 * \text{IQR}$  of the hinge. Data beyond the end of the whiskers are outliers and plotted as points (as specified by Tukey).”

implications:

- good for development: address private sector concerns
  - protection of assets
  - connect factory / processes

strictly comparable indicators

- gvc package

notation

- Hamamard products