

Research Statement

My research interests lie at the nexus of development, labour, and behavioural economics. My research focuses on two complementary themes. In a first theme, I have been assessing understudied **constraints to rural economic development** in low-income countries. In a second theme, I study what shapes **public sector effectiveness**, and how, in turn, the public sector shapes market outcomes. My analysis uses randomised and natural experiments leveraging large geo-located surveys and administrative data of households, firms, and organisations.

Constraints to rural economic development

The majority of the world poor are farmers in low-income countries. Yet, we still lack a thorough understanding of the constraints preventing them from changing their economic circumstances. In this theme of my research I seek to answer the following questions:

1. Does reducing price uncertainty for smallholder farmers increase their income?

In my job market paper ("*Impact of Market Information on Cashew Producers in Guinea-Bissau*"), I study how price uncertainty affects the commercialisation decisions of smallholder producers of export crops.¹ I conduct a nationwide randomised controlled experiment providing reliable weekly messages with market news, prices, and marketing advice to smallholder cashew nut producers in Guinea-Bissau. Cashew nuts account for 90% of the country's exports and are a key source of income for producers. However, producers often sell at low prices because they lack reliable information on price fluctuations, which are mostly driven by international markets. I show that access to market information can increase the income of smallholder farmers. Access to this information increases incomes by helping producers bargain better deals but also by changing farmers' decision on the timing of their sales.

I am expecting to extend my analysis in two ways. First, in a follow-up study, I am testing complementary and novel ways of delivering this information in collaboration with the Bissau Economics Laboratory. We are testing the effectiveness of sending information through focal points selected by the villages, rather than to a randomly selected group of producers. This selection criteria has the advantage of being able to deliver information using cheaper internet-based apps, such as WhatsApp, and increasing interaction with the users. Data-collection of this extension is on-going. Second, I plan to further explore the general equilibrium effects of this type of information interventions, by varying the share of users targeted by the service at a local-level (across different villages). To do this, I am preparing a proposal to apply for a Stage 2 "Testing and preparation for scaling up" grant from the Fund for Innovation in Development (FID) in 2023.

¹Co-authored with Brais Álvarez Pereira, Adewusi Mendonça, Dayvikson Raiss Laval Tavares, Sebastian Schäber.

2. Does increasing aspiration change farmers' investments?

"*The Future in Mind: Aspirations and Future-Oriented Behaviour in Rural Ethiopia*" studies whether people in poverty may not make long-term investments if they doubt that a better life is possible.² This study randomly selected households in remote rural Ethiopia to watch video documentaries. The videos described role models that had improved their welfare through their own efforts. The role models came from similar communities as the study participants and worked in agriculture or business. Five-years after the screening took place, those that watched the videos changed their behaviours. They had increased investment in their farms and towards their children's education. We find persistent effects of this light-touch behavioural intervention on economic investments.

Public sector effectiveness

In this theme, I study how to improve the performance of public organisations that design and put in place public policies. I am also interested in how government policies shape market outcomes more broadly.

3. Can management practices in the public sector change to improve performance?

In an ongoing project, I aim to study the determinants of state capacity, with a focus on management practices. Specifically, I investigate how management styles affects motivation and performance in the public sector. To do this, I partner with the World Bank Bureaucracy Lab and the Ethiopian Management Institute, the public organisation responsible for public sector in-service training in Ethiopia. We build on work highlighting the importance of management style in the private sector for performance. Yet, there is little to no evidence on this topic in the context of large public organisations. I have already secured funding to pilot this study in the next year, and I have applied for more funding to scale-up this evaluation.

I plan to run an experiment during the Ethiopian Management Institute's trainings of public sector managers. I would randomly expose those that attend training to novel management approaches. I would use video-based narratives and role models to convey these approaches. The videos are educational but entertaining (known in the literature as 'edutainment'). I would then conduct follow-up surveys to measure their performance after the training.

4. Do government social protection programmes change rural labour markets?

Finally, in "*Labour Market Effects of Ethiopia's Social Safety Net*", I assess how a public social protection programme in rural Ethiopia affect farmers' occupational choices. My study finds that the programme shifted employment from agriculture towards non-agricultural self-employment. These shifts are the result of indirect changes to the local labour market, rather than direct changes to beneficiaries. I find no changes to private sector wages or overall employment. These results are at odds with previous work due to the thinness of rural wage markets in Ethiopia

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²Co-authored with Tanguy Bernard, Stefan Dercon, Kate Orkin, Alemayehu Seyoum Taffesse. Draft available upon request.