# PARIJAT LAL

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Ph.D. in Economics, Columbia University

MPhil in Economics, Columbia University

M.A. in Economics, Columbia University

B.A. in Economics, magna cum laude, Harvard College

2024 (expected)

2020-22

2018-20

2018-20

Updated: August 27, 2023

High Honors in Field, Secondary in Statistics

Honors Thesis: Agricultural Shocks and Mental Health in India

RESEARCH Primary: Public Economics and Development, Inequality
INTERESTS Secondary: Labor, Organizational, and Health Economics

WORK IN PROGRESS

**EDUCATION** 

# Cooperatives and Competition: Evidence from India [Job Market Paper]

Most modern firms are owned and controlled by suppliers of capital. In contrast, cooperative enterprises allocate ownership and control rights to suppliers of labor or raw material inputs on a "one member, one vote" basis. How this affects firms' decisions and outcomes is a question of empirical importance, as employment within the scope of cooperatives is estimated at almost 10% of the global workforce. This paper studies cooperatives across manufacturing industries by exploring their responses to a specific pro-competitive reform: the dismantling of product reservation in India. I use a generalized differencein-differences framework to estimate the impact of the policy, which lifted caps on the size of firms allowed to produce certain products. De-reservation had little effect on the value of inputs and output for traditional firms and incumbent cooperatives in agricultural industries, which are commonly owned by farmers who supply material inputs, on average. In contrast, incumbent cooperatives in other industries, more likely to be controlled by worker-members who supply labor, face a sharp contraction in labor payments, spending on materials, and output. The evidence on product mix suggests that cooperatives are less agile than traditional firms. While the latter attempt to shift to products not affected by de-reservation, this is not the case for cooperative incumbents. On employment, the picture is mixed. Across cooperatives, supervisors are more likely to retain their jobs following the policy, but unlike remaining workers, they also experience large cuts in average compensation. The effect of dereservation on monopoly and monopsony power for cooperatives and traditional firms is also explored.

### Equilibrium Effects of Incentivizing Public Services (with Utkarsh Kumar)

We study the equilibrium effect of subsidizing public services in the presence of public and private suppliers. We evaluate India's largest welfare scheme, the Janani Suraksha Yojana (JSY), which subsidized childbirth at public health institutions. We find that JSY did not improve health outcomes despite a substantial increase in the take-up of institutional care. We document three equilibrium responses that likely explain this policy failure. First, JSY misallocated risk across health facilities high risk and poor mothers sorted out of highest quality care at private facilities. Second, public sector quality deteriorated as a result of congestion. This resulted in lower quality care for both marginal and infra-marginal patients at public hospitals. Third, despite increased competition, private hospitals maintained high prices, crowding out riskier and poorer mothers. To study counterfactual policies that could improve the quality of care, we develop and estimate an equilibrium model of demand and supply for maternal healthcare. We find that our our three equilibrium responses account for a majority of change in healthcare quality. Finally, we study two kinds of counterfactual policies: (1) Investment in capacity at public hospitals, and (2) targeted vouchers for delivering at private facilities.

Complementarity and Substitution in Import Tax Evasion (with Michael Best, Nada Eissa, Joseph Okello, Jakob, Rauschendorfer, and Sandra Sequeira)

Combating the evasion of taxes on imports is an important strategy for improving domestic revenue mobilization in low-income countries. Previous work has relied on constructing "mirror-trade" gaps to identify tariff evasion through the underreporting of import values at customs. Our project extends this analysis to the Ugandan context and uses administrative data to identify another, potentially complementary, channel for evasion by importers: minimizing tax liability by overclaiming VAT paid on imports when filing VAT returns. We study the relationship between tax rates and these margins of evasion, providing rich detail on strategic behavior by importers and augmenting the analysis with data from corporate income tax (CIT) returns.

# Withholding Taxes: Implications for Services Trade, Revenue, and Equity (with Alexander Klemm and Li Liu)

Withholding taxes (WHTs) have featured prominently in the ongoing reforms of international tax architecture, especially as part of the 2-Pillar Inclusive Framework agreement on Base Erosion and Profit Shifting and in the United Nations model tax convention. The policy rationale is to preserve some taxation rights in the source country given their straightforward application, which is particularly important for low-income countries in the absence of more effective rules. Notwithstanding the increasing policy focus it has received, there is surprisingly little research that looks directly at the economic effects of WHT— particularly in developing countries. We build a simple model of firms, with economic activities in one country and affiliates in others, making reporting decisions based on the burden of WHT. To test the predictions of this model using newly collected data on treaty and non-treaty rates for an expansive set of countries. We also estimate the implications of WHT on: (1) international trade in services, considering likely substitution effects across various forms of base-eroding payments and resident countries, (2) revenue collection and inequality, and (3) multinational investment.

Honors	AND
AWARDS	

#### Columbia University

Dissertation Fellowship	2023 - 24
Dean's Fellowship	2018-23
Wueller Award for Best Teaching Fellow in Principles	2022
Program for Economic Research Data Grant	2022
Weiss Fund Grant for Exploratory Research in Development Economics	2021

#### Harvard College

Thomas T. Hoopes Prize for Outstanding Research (nominee) 2017

# TEACHING EXPERIENCE

#### Columbia University

Head Teaching Fellow, Principles of Economics (undergraduate)	Spring 2022
Teaching Fellow, Principles of Economics (undergraduate)	Fall 2021
Teaching Fellow, Industrial Organization (undergraduate)	Summer 2020

# Work Experience

Graduate Research Fellow for Joseph Stiglitz, Columbia University	2019-present
Fund Internship Program, International Monetary Fund	2023
Graduate Research Fellow for Michael Best, Columbia University	2020-21
Analyst, Dalberg Advisors	2017-18
Research Assistant for EU Fellow, Harvard Weatherhead Center	2015-16
Research Associate, J-PAL South Asia	2015
Research Intern, Observer Research Foundation	2015
Research Intern, Udayan Care	2014

# POLICY PUBLICATIONS

"Drivers and Implications of Import Tax Evasion in Uganda" (with Michael Best, Nada Eissa, Joseph Okello, Jakob Rauschendorfer, and Sandra Sequeira). 2023. International Growth Centre Project Report.

"Scalable Business Models for Alternative Biomass Cooking Fuels and Their Potential in Sub-Saharan Africa" (with Dalberg Advisors). 2017. World Bank Energy Sector

Management Assistance Program (ESMAP) Working Paper.

"Bridging the Gap Between Growth and Development" (with Tanoubi Ngangom). 2015. In Global Goals, National Actions: Making the Post-2015 Development Agenda Relevant to India, edited by Vikrom Mathur and Ritika Passi. London: Global Policy and Observer Research Foundation.

"India's Economic Footprint in the Developing World" (with Shubh Soni). 2015. Observer Research Foundation Issue Brief 100.

SERVICE AND LEADERSHIP New York, USA

Columbia Development Colloquium (*Organizer*), Columbia Economics Diversity Initiative (*Mentor*), Read Ahead at Public School 125 (*Mentor*), People's Archive of Rural India (*Volunteer*), Constituent Services Team for Assemblymember Z. Mamdani (*Volunteer*)

Cambridge, USA

Harvard World Model United Nations (Secretary-General), Harvard US-India Initiative (Co-President), Harvard International Development Forum (Director of Finance), Boston Refugee Youth Enrichment Program (Volunteer)

SKILLS

Technical: Stata, R, Python, Matlab, C, LATEX, LyX

Languages: Hindi (native), English (fluent), French (intermediate)

Personal

Nationality: Indian

Interests: Soccer, cricket, tennis, Formula 1, hip-hop, historical fiction

Background: Schooling spanned Germany, India, Iran, Austria, Thailand, and Kenya

References

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