Research Statement

Patrick Agte

I am an applied economist who studies barriers to human capital investments in low- and middle-income countries. I am interested in this area since human capital investments by lower-income populations are an essential conduit for intergenerational mobility, and enabling these investments is an important priority for governments. My research agenda in this area has three strands. First, on the supply side, I am asking how governments should intervene to improve access to high-quality health and education services when state capacity is low and low-cost private sector alternatives exist. Second, on the demand side, I am asking how financial constraints and information frictions limit human capital investments and what policies can alleviate them. Third, I am interested in examining the role of schools and communities in shaping social norms and preferences and how they affect human capital investments in return.

Improving Healthcare in Remote Areas

In my job market paper, together with Jitendra Kumar Soni, I am studying one of the world's largest healthcare reforms, in which mid-level providers (non-physician practitioners) are posted to each public primary health facility across rural India to improve the provision of basic outpatient care and increase screening for chronic diseases. To show how the labor inputs affected health outcomes, we use a matched difference-in-difference strategy, informed by assignment rules, that combines administrative data on the universe of public facilities with detailed surveys we collected on public providers, private providers, and households across 193 catchment areas. We observe that the mid-level providers lower elderly deaths by 12% and decrease hospitalizations within the first year of the reform. We further find that private providers increase quality in response to the increased competition from the public sector, highlighting the role of local market power in healthcare markets.

In related work, I am also interested in studying the potential role of endogenous preferences and beliefs when trying to attract high-skilled workers to jobs in the public sector and in poor areas. Together with Mariel Bedoya, we explore this topic in the context of a one-year mandatory rural service program in Peru. We exploit that psychologists in this setting choose facilities in randomized order, creating exogenous variation in where they perform their assignment. Using survey evidence, we find that psychologists who completed the program in poorer areas are later 16% more likely to work for the public sector and 89% more likely to work in the poorest districts in the country. Less than 5% of the respondents continue to work in the same location where they completed their mandatory assignment, ruling out inertia as a potential explanation for our results. Instead, we show provide evidence for increased prosociality as an important mechanism.

Financial and Information Barriers to Educational Investments

Even if high-quality education and health facilities are available, financial frictions and information constraints might still limit the opportunities for low-income households. I study the role of these factors in separate projects in India and Chile.

With Bernhardt, Field, Pande, and Rigol, I study how microenterprise growth impacts educational investments and intergenerational mobility. We collected long-run data eleven years after a microfinance intervention in urban India that created random variation in microenterprise growth. We observe a striking increase in college enrollment for children of treatment households. However, these gains are concentrated in literate households. By contrast, illiterate households experience declines in education outcomes but long-run business gains. These results suggest that households face a trade-off of whether to use income gains to invest in their children's education or in their household business and that removing financial constraints without additional policies providing conditionality can lower intergenerational educational mobility.

With Allende Kapor, Neilson, and Ochoa, I further study biased beliefs as a reason why parents do not always choose the best schools in their area. Motivated by a model of portfolio choice and school search, we explore whether parents underinvest in search because parents might have incorrect beliefs about the characteristics of schools that they know as well as incorrect beliefs about the available schools in their neighborhood that they do not know yet. We test this idea in the context of Chile's nationwide centralized school choice process by using novel multi-round microdata on beliefs and knowledge and two field experiments that generate random variation in search costs and beliefs to inform a structural model of school search and demand. Results from counterfactual simulations document that the primary constraint is that parents overestimate the quality of schools that they know and like. While a perfect takeup of information interventions would completely close the school-quality gap between college and non-college mothers, heterogeneous uptake by maternal education increases the school-quality gap.

Determinants of Social Norms and Preferences

Finally, social norms have been shown to play an important role in human capital investments, especially in South Asia, where purity norms limit the freedom of women and lead to discrimination against lower-status communities.

In joint work with Arielle Bernhardt, I show that these purity norms are weakened when Hindus live alongside Adivasis, an indigenous minority outside of the caste system. Exploiting a historical natural experiment, we show that an increase in the Adivasi village share decreases Hindus' adherence to caste rules, including norms related to women's work, consumption, and the practice of "untouchability" towards lower-status social groups.

Inspired by these findings, I am also interested in exploring the role of schools in the formation of social preferences. In ongoing work, with S.K. Ritadhi and Rohit Joseph, I exploit a large-scale teacher lottery that randomly assigned 7,234 teachers to primary schools in Assam, India. We obtained access to detailed administrative data on school enrollment and plan to combine it with survey data to analyze how the caste and gender of teachers affect the academic performance and beliefs of children in the long run.