

Labor Market Effects of Agricultural Mechanization:

Experimental Evidence from India

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Abstract

As countries grow, labor moves out of agriculture as part of structural transformation. Mechanization is both a cause and consequence of this transition. I present experimental evidence on the labor market impacts of a government agricultural mechanization program. By combining government farmer training infrastructure with rentals, the intervention tripled the uptake of a technology that replaced manual rice transplanting. At the farmer level, labor costs decreased with no change in yields or other expenses, leading to an 8% increase in profits. At the labor market level, mechanization led to a 7% decrease in days of labor demanded for transplanting, which translated to a 6% decrease in piece-rate transplanting wages. The effect of mechanization on wages is absent from standard models of structural transformation. However, the relative profitability of further mechanization and, thus, the pace of structural transformation is a function of wages for manual labor. I developed a quantitative model calibrated to my experimental results. The model shows how the same reduction in the fixed cost of adopting mechanization under a shallower labor supply curve results in larger increases in productivity with more income for workers. The study shows how labor market frictions shape how mechanization impacts workers, farmers, and economies.

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1 Introduction

No country has gotten rich without an increase in agricultural labor productivity. The productivity gap between the wealthiest 5% and the poorest 5% of countries is fifteen times greater in agriculture than in non-agricultural sectors ([Restuccia et al., 2008](#)). The relative lack of productivity in agriculture contributes to the classic theory that excess labor needs to leave agriculture for countries to grow through structural transformation ([Lewis, 1954](#)). Mechanization significantly contributes to the agriculture labor productivity gap, accounting for up to 37% of the difference ([Caunedo and Keller, 2020](#)). In models of structural transformation, the frictionless movement of labor out of agriculture serves as both a cause and effect of mechanization. However, frictions in both capital adoption and labor reallocation can slow structural transformation. This paper presents experimental evidence on the short-run obstacles to mechanization and labor reallocation.

Labor markets mediate the pace of mechanization and, therefore, the pace of structural transformation. Mechanization frees labor to leave unproductive agricultural work, and mechanization's profitability is a function of manual labor costs. Labor shortages trigger mechanization, but mechanization reduces labor demand. If the labor demand shock of mechanization depresses wages, manual labor costs will fall relative to capital costs and reduce the profitability of further mechanization. Workers will not change sectors, agricultural productivity will not increase, and structural transformation will slow. This paper leverages randomization at the labor market level to study how a policy promoting mechanization not only affects adopting farmers but also impacts the behavior of other non-adopting farmers through the labor market with implications for the pace of mechanization and growth.

This paper studies both the adoption of mechanization and its labor market effects within the Indian state of Telangana. The study randomized a government program that helped villages respond to labor shortages by adopting drum seeders. This relatively low-cost device significantly enhances the labor productivity of rice transplanting. Despite the technology's clear benefits, given high labor costs, fieldwork revealed other barriers to adoption. Small farm sizes meant most farmers

needed rental markets, and farmers demanded practical training from a trusted source.

Farmers needed to learn how to use drum seeders before a private rental market could develop, but government trainers could not interest farmers in training on unavailable devices. “Learning by Doing and Learning from Others” ([Foster and Rosenzweig, 1995](#)) is hard to do if no one has the device. Drum seeding successfully requires subtle changes in irrigation and weed management throughout the season, which would be hard to teach in a brief rental interaction. Social learning is particularly important for complex agricultural technologies ([Conley and Udry, 2010](#)). Government intervention can kick-start adoption before private rental markets emerge. I worked with the Government of Telangana to design and randomize a program that paired the public farmer training system, extension, with a village government rental scheme. The scheme allowed farmers to access training and drum seeders simultaneously. Villages rented drum seeders to farmers at 250 INR (~ USD 3) per day, the median price in other parts of the state where a rental market had emerged. The price also ensured the cost of devices would be covered by 22 days of rentals, at most two seasons.

Rice transplanting in Telangana provides an ideal labor market to study the effects of mechanization. Transplanting is traditionally female, which keeps the labor market segmented at the village level. Unlike markets dominated by family labor, even small farmers in Telangana hire transplanting labor. Transplanting represents the most labor-intensive phase of rice cultivation and is economically significant, accounting for 23% of the overall cost of rice cultivation. Farmers cannot use less labor without growing less rice overall. Land is the limiting factor of production as labor costs have not risen to the point where farmers are not cultivating rice.

The study uses data from surveys of 2,000 farmers in 342 villages sampled from the administrative register of rice farmers. The primary outcome data were collected after the main monsoon rice season and during the planting period for the secondary dry rice season. This sample exhibits similar demographics to the overall rural population for the study districts as a wide range of farmers grow rice. The survey encompasses data on all farming costs and revenue, with meticulous collection of task-specific wages. The survey also included detailed data on farmer training and the government workers delivering it in the villages- extensionists. The second major data sources are

phone surveys of female workers, providing insights into work locations and workfare utilization during the rice transplanting period.

First, the program led to a nearly 300% increase in drum-seeded acreage in the primary rice season (an increase from .04 to .15 acres per farmer¹). Second, farmers saved 10% in hired labor costs and did not use any more family labor or spend significantly more on other inputs. Despite these lower input costs, farmers in treatment villages experienced similar or even slightly higher yields than control farmers at the end of the season. With equivalent revenue and lower costs, farmers in treatment villages achieved profits per acre of rice that were 8% higher than in control villages.

Importantly, even farmers who did not adopt drum seeders appear to have benefited from lower labor costs. Farmers in treatment villages demanded 7% less labor per acre. This decrease in labor demand drove a 6% decrease in piece rate agricultural wages for transplanting. While who transplants rice in treatment villages is endogenous, the wage is an equilibrium object at the village level. Farmers competitively bid against each other within the village to attract transplanters on a given day. The wage reductions mean that drum seeding became relatively less profitable in treatment villages. This effect, in which mechanization reduces the profitability of further mechanization, is driven by the slope of the labor supply curve. There is suggestive evidence from the laborer survey that workers did not find other jobs in the short term. Workers surveyed who were transplanters reported a greater unmet demand for days of paid manual work from a government jobs scheme, workfare, during the transplanting season.

In the long run, displaced women will likely need to access job opportunities outside their village if they stay in the labor force. A husband's disapproval is a significant friction to inter-village mobility. While increasing farm profits may depress a husband's openness to mobility, for transplanters, the costs of staying in the village grow. In this study, I find non-transplanting women are 10 to 14 percentage points less likely to report their husbands allowing them to work outside

¹The adoption of mechanization is notoriously slow. The modest increases are expected as primary crops mechanize slowly over many seasons ([Gulati and Juneja, 2020](#)) as farmers learn from their neighbors ([Foster and Rosenzweig, 1995](#)). Tractors took many years to spread in the US ([Manuelli and Seshadri, 2014](#))

their village in treatment villages. On the other hand, the interaction with being a transplanter is strongly positive, leading to an overall weekly positive treatment effect on the acceptability of working outside the village for transplanters themselves. However, actual mobility remains low during transplanting; only 2.5% of women worked outside their village during the primary wet season, which is the focus of the results. The number increases to 18% across the whole year, but these jobs are almost exclusively other agricultural work. However, there is no treatment effect on actual work location choice since current opportunities to work outside the village occur outside the transplanting season. There are also no treatment effects on household labor among affected women or on girls' school attendance among their daughters. This suggests that while mechanization may disrupt traditional labor patterns and attitudes, it does not necessarily lead to immediate shifts in women's broader work roles.

To further explore the interaction between labor markets and mechanization I develop a quantitative model. This model calculates how lowering barriers to mechanization impacts productivity and wages under varying labor market conditions. Crucially, the labor supply curve's slope dictates the extent to which reduced mechanization costs reduce wages and boost technology adoption. The model is calibrated using the observed labor supply elasticity from this experiment as a baseline. The first scenario simulates higher reservation wages which represents the effect of better workfare implementation during the transplanting season. The second scenario simulates reduced wage sensitivity to labor demand shocks, reflecting easier worker transitions to alternative jobs. This would correspond with government policy interventions to reduce labor market frictions for women. While both policy counterfactuals enhance productivity and worker welfare, only reducing wage sensitivity eliminates wage effects and maximizes drum seeder adoption.

The study's first contribution to the literature is showing that governments can encourage the adoption of productive agricultural technologies in settings with multiple market failures. While the extensive literature on agricultural technology adoption largely centers on fertilizers, seeds, and training, this experiment studies labor-replacing capital. Research shows that social enterprises combining input access and training can enhance farm profits ([Deutschmann et al., 2019](#)), but not

with government implementation. Research has emphasized the importance of rental markets for improving access to capital goods ([Bassi et al., 2022](#)) but has not explored government intervention to create a rental market. A private sector rental market had not emerged in the control arm of my study ². Integrating rental markets offers a promising avenue for governments to fully capitalize on existing agricultural training investments ³.

Second, the study contributes to the literature on labor markets and agricultural mechanization by using a market-level experiment to show how mechanization can affect wages and labor demand. National-level studies ([Bustos et al., 2016](#)) are limited to the long-run effects of labor displacement and cannot analyze mechanization's impact on non-adopting farmers. On the other hand, household-level randomization of mechanization subsidies ([Caunedo and Kala, 2021](#)) can only identify farm household labor supply decisions rather than changes in the labor market. My study bridges the national and household level literature to identify the labor market spillovers of mechanization. Other evidence on technology adoption and labor markets demonstrates how labor shortages constrain the adoption of labor-complementing technologies like irrigation ([Jones et al., 2022](#)). This paper illustrates how mechanization can reduce labor shortages, highlighting how labor market structure mediates the profitability of different technologies along the path of agricultural transformation. The mechanization of agriculture through tractors in the United States took 50 years (1910-1960), partly because wages rose slowly to a level where tractors were consistently profitable ([Manuelli and Seshadri, 2014](#)). Therefore, the observed wage effects likely influence the long-term pace of mechanization and agricultural transformation.

Third, the study also contributes to the literature on rural labor markets. The results reinforce the finding that rural labor markets are only seasonally slack ([Breza et al., 2021](#)). Further, in contrast to the overall downward rigidity in response to seasonal reductions in agricultural activity ([Kaur, 2019](#)), peak agricultural wages are very sensitive to changes in labor demand. The monopsony result of [Muralidharan et al. \(2023\)](#) also suggests an interpretation where drum seeders allowed

²I briefly attempted to partner with an NGO that had identified village entrepreneurs interested in renting drum seeders, but the entrepreneurs were not willing to take a risk on buying the devices in the end.

³A neighboring state, Andhra Pradesh, has combined agricultural equipment rentals with extension at integrated farmer services hubs called Rythu Bharosa Kendras ([Reddy et al., 2023](#))

farmers to exert their monopsony power to depress wages and quantity hired during a part of the year when high labor demand in the past made that impossible.

Fourth, this study contributes to a large literature on labor market frictions faced by women. Mechanization has played an important role in declining female labor force participation in India (Afriди et al., 2023), and Indian women work 19% fewer days than men during droughts due to limited outside options (Afriди et al., 2022). It is unlikely the wage effects would have been as strong if the experiment increased the mechanization of a male task. Experimental evidence in urban India shows husbands' attitudes play a stark role in shaping the kinds of jobs women will accept (Jalota and Ho Forthcoming). While there are no immediate treatment effects on mobility, the study does show how attitudes appear to be very responsive to the changing household economics induced by mechanization.

Finally, the study contributes to the global literature on mechanization more broadly. This paper illustrates a case where there is a trade-off⁴ between government efforts to boost productivity and jobs for the displaced. Recent theoretical work emphasizes the need to consider mechanization separately from other kinds of technical change in general equilibrium (Acemoglu et al., 2024). As the quantitative model illustrates, strengthening the social protection system can lead to more mechanization while reducing negative impacts on workers. Governments can potentially play a role in helping displaced workers find other jobs, and recent evidence suggests retraining programs in the US are modestly successful (Card et al., 2010) (Hyman, 2018). A natural extension of this paper would be testing labor market interventions in an area undergoing agricultural mechanization.

An important global policy problem is ensuring continued productivity growth without leaving displaced workers behind. This paper suggests efforts to reduce labor market frictions may be particularly important in industries facing mechanization. Workers' ability to find other jobs not just affect their own welfare, but also the pace of mechanization overall. Reducing labor market frictions for displaced workers and thus flattening the labor supply curve improves mechanization uptake and increases wages. For developing countries trying to speed up structural transformation,

⁴Politicians from the Luddites to Gandhi have long highlighted that workers can pay a price for productivity and thus opposed mechanization.

the feedback loop between labor markets and mechanization is particularly important. While this program achieved the government's goal to help farmers address the transplanting labor shortages, my results illustrate that divorcing mechanization policy from labor market policy is unwise.

2 Background

All developed countries have transitioned away from manually transplanting rice as part of their structural transformation process. In the US, farmers seed rice from airplanes. Research in Italy studying the historic transition from manual transplanting in the 1950s suggests that in the long run rice regions had higher female labor force participation and female political participation ([Bangato et al., 2023](#)). The authors argue that the high level of organization among rice transplanting groups had long term benefits long after the task was mechanized away.

Interest in drum seeders in Telangana has been driven by changes in wages rather than the sudden invention of the technology. In fact, drum seeders were first promoted by the International Rice Research Institute (IRRI) in India over a decade ago. These simple plastic devices are now manufactured locally in India. They are simple enough that at least one farmer made one before the study. However, the government and farmers' interest in technology has only emerged recently. Two big shifts drive this. First, transplanting labor marketized with even small farmers paying each other for working in each other's fields. Second, these wages increased dramatically in the past 10 years, nearly 45% in real terms. During piloting, village leaders consistently cited a "labor shortage" as the most pressing concern facing farmers. Of course, what these farmers really meant was a labor shortage at the prevailing wage. I hope to explore the drivers of these changes in future work, but irrigation expansion leading to expanded rice cultivation seems to be an important driver of the wage increases⁵. Overall increases in household wealth associated with the rapid development of Hyderabad, the major metropolis 2-4 hours from the study villages, may have also allowed more families to afford to not engage in agricultural labor. Transplanting, the task drum seeders replace, is

⁵Irrigated area has increased by 117% and rice production by 342% in Telangana from 2015 to 2022 ([Planning Department, 2023](#))

particularly unpleasant as it involves wading crouched over in mud for hours at a time. A willingness to pay study found females in Indian farming households had a higher willingness to pay for drum seeders than males (Khan et al., 2016). Women, especially those who actually transplant, also place a higher value on mechanical transplanting machines than their husbands (Gulati et al., 2024). There are health risks associated with spending extended periods in flooded rice fields, including greater exposure to water-born diseases (Vent et al., 2016). Thus, while the labor displacement in my study might reduce wage income, its welfare impact is more complex.

In the absence of mechanization, farmers had to pay what village leaders called “unreasonable” wages to ensure their fields were transplanted, pulling in new workers at high wages. We can directly observe these “unreasonable” wages by comparing the distribution of manual weeding, an optional time-flexible task, to transplanting wages. While both distributions have the same medians, there is a large mass of high transplanting wages that do not exist for weeding (Figure 5). Farmers report trying to stagger their transplanting to avoid these peak wages, but once the rice seedlings are matured in their nurseries farmers have a relatively short window to transplant them into the main field. In villages with canal or rain-based irrigation, it is also important to ensure the rice is transplanted while there is still ample water to flood the fields. Leveraging remote sensing to better understand the environmental determinants of observed transplanting wages is an area of ongoing analysis.

As has been found in other contexts (Aker and Jack, 2023), farmers struggle to adapt to changing climates, economic and meteorological, without training. Drum seeding itself simply involves rolling a drum seeder along a leveled and damp rice paddy to place the rice seeds in neat rows along the field. However, farmers must make other adjustments to their farming practices to ensure they drum seed successfully. Farmers must adjust their land preparation, irrigation, and weed management when using drum seeders. The farmers must ensure the field is well leveled so that there are no deep puddles of water where the rice won’t germinate ⁶.

A major concern farmers have with drum seeding is weeds. While the relative weed suscepti-

⁶A surprising cause of germination failure is birds eating the exposed seeds, which can be partially addressed by leaving excess seeds in piles near the fields for birds to eat

bility of drum-seed rice is debated by agronomists, farmers feel the method is more weed-prone. Weeds were the number one reason farmers who had tried drum seeding at some point in the past reported no longer using drum seeders (Figure 1). However, a field can become weed infested at any time so part of the complaints could be driven by farmers associating weed infestations with drum seeding. Very few farmers practice the recommended weed management regimen: spraying a limited amount of herbicide before weeds emerge in the early season, followed by manual weeding in the late season. Most spray only after weeds emerge, and many skip manual weeding altogether. The strongest correlate of yields among drum seeding farmers was weed management knowledge: specifically to flood the field again after germination as a form of weed control (Table 10). Thus, access to training across the season and not just at the time of rental is important.

Given the knowledge required to successfully use drum seeders across the season, it is clear farmers require both extension and access to make the best use of drum seeders. This was especially true in villages without any historical drum seeder use.

3 Intervention

The Telangana Department of Agriculture has been promoting drum seeding as one of its priority technologies. In 2020 the state government invested massively in agriculture extension infrastructure: ensuring every 5,000 acres of cultivated land had one farmer meeting hall staffed by a college educated government agriculture extension officer. These officers managed agriculture subsidy schemes and provided training. During field visits, village leaders consistently flagged transplanting labor shortages as farmers' top issue and expressed interest in drum seeders. Interestingly, while leaders recognized earnings from transplanting wages were important for many of their constituents, they felt promoting drum seeders would not hurt transplanters since there was a "labor shortage." Extension agents complained about an inability to mobilize farmers to attend meetings and the difficulty of promoting devices they could not directly provide. I worked with the Telangana Department of Agriculture to develop a pilot program that would address extensionists' and village

governments' concerns.

The primary intervention was supplying village governments with drum seeders and allowing them to rent the drum seeders to their citizens. The devices were rented for 250 INR per day. Farmers were allowed to share the rental as one machine could cover up to 4 acres in a day. The income from the rentals was deposited into the village government's bank account. Village governments were told the money could be spent on village agricultural development following the norms for other village spending. The actual government order formalizing the spending guidelines did not pass until after the experiment.

The role of the extension agent in the rentals was randomized, with some extension agents directly managing the rentals on behalf of the village governments and other extension agents focusing solely on promotion activities, with the village government completely managing the rentals. The goal of this sub-experiment was to better understand the role village elected governments can play in extension, but in practice, local elected leaders involved themselves in both arms (Table 8) (Table 7). Thus, I will focus on the pooled treatment for the remainder of the paper.

4 Data

The project collected data from two main overlapping sampling frames. The farmers were surveyed from a database of farmers and cultivated land maintained by the agriculture department. Several aspects of this dataset build its credibility. First, inclusion in this database is necessary for farmers to get a sizeable cash transfer called Rythu Bandhu or PM-Kisan. Thus, the department devotes considerable time and resources to ensuring these records are complete. The data is also linked to land records which further reduces the risk any farmed area is excluded. The sampling frame was restricted to farmers recorded as cultivating rice. I also drew two small supplemental samples of drum-seeding farmers discussed in Appendix A. These supplemental samples were used for non-causal regressions looking at predictors of yield for drum seeding farmers.

The second sampling frame is female laborers from the workfare, National Rural Employment

Guarantee Scheme (NREGS), roles ⁷ These are women from households that wanted the opportunity to take part in India's primary rural welfare scheme, NREGS. 80% of households in my farming sample also had NREGS cards. While not all women who appear on the NREGS rolls are transplanters, nearly all transplanters take advantage of NREGS work during periods when other agricultural work is not available. See Figure 3 for a summary of the sampling frames.

While neither sampling frame is perfectly representative of my study villages' population, they capture a wide swath of the relevant population, and thus my data can be used to illustrate the heterogenous impacts of easing access to drum seeders which is the study's primary goal.

Similarly, the village sample is not fully representative due to the government's requirement that the village elected leaders opt-in to participate in the study. This means the results might not generalize to the 33% of villages where the village leader did not consent. Often, these were villages with less paddy cultivation, but they were also less likely to have any drum seeders and had slightly lower transplanting wages on average. Nonetheless, the selected villages broadly cover the selected districts geographically (Figure 7) and represent a wide range of previous drum seeder exposure and prevailing transplanting wages. Also, a state government operating a similar program at scale would have to rely on village leaders' consent, which might provide a helpful layer of self-targeting.

Strata were grouped into four categories based on how the variables used for randomization predicted administrative drum seeder uptake. The sample size targets ranged from 4 to 12 based on predicted uptake to help ensure that drum seeding farmers were included. Thus, the primary results represent a hypothetical set of villages that were slightly better targeted. A scaled-up program could simply use the results of this study to screen villages better based on the data collected to form strata. More details on this procedure and robustness to re-weighting are in Appendix B.

Notably, the final farmer sample matches the 2019 demographic and health survey (DHS) sample for the study districts relatively closely. The comparison between the sample and the DHS, designed to be representative at the district level, is complicated by the amorphous definition of rural in the Indian context. The DHS sample includes both urban and rural areas, but many areas

⁷I scraped job cards from the NREGS website and then asked village-level officials to track the women on the job cards. Note that with mandatory linking of biometrics, fake job cards have largely disappeared from Telangana.

classified as rural are, in fact, small towns with limited farming activity. Thus, I present a comparison to the full sample for the six districts (Table 2, the sample of individuals owning agricultural land 3, and finally, individuals residing in areas classified as rural 4. Notably, the three variables most important for drum seeder uptake do not have significant differences between my sample and the DHS sample: acres owned, household head education, and irrigation pump ownership. Wealth proxied by televisions, pressure cookers, and livestock is similar across samples.

5 Timeline

Telangana has two rice growing seasons: a winter dry season (November to March) and a summer wet season (June to October). While drum seeding during the wet season can make water management more challenging, there is also more rice cultivation during the wet season overall. The project began halfway through the planting period of dry season 2022-2023. I considered this a pilot season. The primary season discussed in this paper is the wet season of 2023. Before the start of this season, we surveyed village leaders and agricultural extensionists and identified workers from the NREGS rolls for the laborer survey. After planting but before harvest, we conducted the first farmer survey and asked detailed household and agronomic questions. Telangana then entered its state election period, which meant the state government was far less involved in monitoring the drum seeder program. Thus, the treatment effects in this second season can be seen as evidence of the durability of the uptake. However, increasing uptake driven by learning from others will likely not occur until the subsequent dry and wet seasons since farmers consider them agronomically separate. The primary survey with data on full wet season yields, costs, and wages took place after the state elections but before the national elections, from February to March of 2024. A follow-up phone survey of transplanters took place in March and April, and a final phone survey to capture dry season yields for farmers took place in May and June 2024. See figure 4 for a full timeline.

6 Randomization

This study was randomized at the village level, which allowed me to study village-level effects but limited the scope for stratification.

As mentioned, villages were screened before randomization based on the village elected leaders' willingness to participate. Part of this screening included a limited questionnaire for village elected leaders, which formed the basis for the randomization since the timeline did not accommodate a baseline. Before randomization, one village was selected per extension agent to ensure no agent served both a treatment and control village. Among the villages served by an extensionist willing to participate in the study, I included the village closest to the extension agent's office in the randomization. The randomization was stratified by initial transplanting wage and drum seeder uptake as well as the district. I randomized 342 villages. Randomizing only villages served by different extensionists led to greater spacing between treatment and control villages. The distance helped to limit the risk of spillovers driven by the 3% of female transplanters who report doing some work outside their village during the transplanting season. Since treatment and control villages were seldom neighbors (Figure 7), the likelihood that control villages pulled labor from treatment villages is very low.

The resulting randomization led to a sample of farmers that is balanced between treatment and control villages (Table 1). Unfortunately, the 2022 administrative rice cultivation data was unavailable for some farmers due to an inconsistency in IDs between different rounds of data shared by the government. Household characteristics are also missing for the 3% households that were only surveyed in the second round of data collection due to logistical issues in the first survey round.

7 Empirical Strategy

The main specification for the following results is the standard approach for cluster randomized controlled trials.

$$Y_{ivse} = \beta_1 T_v + \chi_e + \gamma_s + \varepsilon_v$$

Y_{ivse} is the outcome variable. T_v is the treatment dummy for village v indicating whether drum seeders were rented. χ_e are enumerator fixed effects. γ_s are strata fixed effects. Finally, ε_v errors clustered by village. In this specification β_1 is the treatment effect.

To pool wages across reporting types I use the following specification:

$$\ln(Wage_{ivse}) = \beta_1 T_g + \beta_2 D_i + \beta_3 L_i + \chi_e + \gamma_s + \varepsilon_v$$

$Wage_{ivse}$ wage as either cost per acre or cost per worker per day to transplant a field standardized by their standard deviation to ensure both variables have a similar scale. T_v treatment dummy for village v . D_i indicator for how wage is reported for individual i . L_i acres of land owned by individual i . This is the best predictor of wage type with larger farmers paying by acre. χ_e enumerator fixed effects. γ_s strata fixed effects. ε_v are errors clustered by village. In this specification, β_1 is the percent change in wage induced by the treatment.

Note that I can't use the standard approach of estimating treatment on the treated regressions to isolate the effects of drum seeding alone. This is because there are substantial spillovers from farmers up-taking drum seeding to those not up-taking drum seeding driven by the wage effects. Thus the exclusion restriction of the TOT IV is violated. The treatment assignment is not just effecting the compliers, it is also effecting the non-compliers.

8 Results

The project successfully increased farmer's awareness of drum seeders and drum seeder farming practices (Table 5). It also successfully got local elected leaders to engage in promoting drum seeders (Table 8). However, the actual number of farmers experimenting with drum seeders was relatively small: 10 farmers per village based on an average of 315 farmers in a village (Table 7). There are several possible reasons for the low absolute uptake. First, farmers do not generally make dramatic changes to how they cultivate their primary crop quickly. There is a prisoners dilemma created by farmers waiting to see the success of earlier adopters before making their own adoption decisions. Second, qualitative data showed farmers placed outsized signalling value on early adopters' yields. One negative or positive experience can shape an entire village's attitude toward the technology. For example, in some villages, farmers were convinced drum seeders led to higher yields because the early adopters had used drum seeding as an opportunity to try more expensive seeds. In a neighboring village, a farmer tried a different new seed along with the drum seeder which the farmer blamed for the poor yields. However, the narrative in the village was focused on the drum seeder. In aggregate, I don't find stastically significant treatment effects on other input expenditures beyond labor (Table 12). This partially explains why uptake was not uniformly spread across study villages (Figure 2). The majority of treatment villages had no drum-seeding farmers in the sample, but in other villages, large numbers of farmers switched to drum-seeding. These high uptake villages tended to have some previous experience with drum seeders which likely primed farmers' interest in trying the technology.

For the labor market effects, the acreage converted to drum seeding matters more than the number of farmers adopting the technology. Importantly, larger farmers were much more likely to adopt drum seeding (Table 9) than small farmers. The average village in the sample had 315 paddy farmers which means the treatment effect would translate to approximately 35 acres per village. An important caveat is that a few very large farmers decided to adopt drum seeders in treatment villages according to extension agent reports in a handful of villages. These farmers drum seeded 20

to 30 acres by themselves, but were not sampled in the survey. Thus the acreage estimate is likely a conservative estimate of the overall effect. The smaller treatment effect on dry season acreage is likely driven by the overall reduction in paddy cultivation in that season. Large farmers in particular cut back due to water supply limitations since their borewells might not fully cover their land. Thus long term adoption dynamics will require following these villages for many more seasons⁸.

Drum seeder adoption had the expected decrease in hired female labor days (Table 11). This variable reflects female hired labor across all tasks, but since harvesting is mechanized transplanting is the only major agricultural task requiring large numbers of women in this context. The ITT effect of .73 fewer hired female workers per acre roughly corresponds with the 10 fewer hired laborers per transplanted acre expected when the fraction of drum-seeding farmers is taken into account. Since these are ITT effects, any additional hiring by non-drum seeding farmers induced by the lower wages is taken into account in this estimate. To reconcile these results with the uptake results, there would have to be minimal additional hiring by non drum seeding farmers. Since the transplanting operation takes a fixed amount of labor per land area no additional hiring makes sense. Thus, this result suggests, aside from the choice of drum seeding, labor demand for female hired labor is inelastic.

This decrease in labor demand translated to decreases in labor expenditure in treatment villages (Table 12). There were no major compensating changes in family labor or other expenditures. The different numbers of observations in these regressions reflect both zeros as the variables are in logs and the exclusion of farmers who felt they couldn't accurately report expenditures despite surveyors' efforts to break up expenditures into sub-categories.

While it seems clear drum seeders saved farmers money, that would be meaningless if it came at the expense of revenues. However, I see some evidence that farmers in treatment villages were able to obtain higher revenues than those in control villages (Table 13). At the time of the survey, a number of farmers were not able to recall the price they sold their rice for the previous season. However, the distribution of prices is quite narrow so it is possible to impute using district median

⁸I am currently partnering with remote sensing experts in an effort to track long run uptake at the village level using remotely sensed flooding patterns which can provide a good proxy as to whether a field was transplanted or not

prices. The modest increases in revenue could be driven by a few factors. One possibility is that by avoiding large transplanting labor in expenses farmers were able to make small additional non-labor expenditures that, while not statistically significant individually, mattered for revenue. For example, decisions by individual farmers to buy slightly more expensive seeds, fertilizers, additives, or herbicides could end up having an aggregate impact on yields which also appear to modestly rise (Table 14). Another possibility is that farmers paid more attention to land leveling because they were planning on using drum seeders. Other studies have shown that land leveling is important for rice yields overall since it ensures the even distribution of water and other inputs. (Ali et al., 2018) (Magnan et al., 2015).

Overall, the revenue and cost effects translate into a positive and significant treatment effect on winsorized and unwinsorized profits using the imputed revenues (Table 15). Note that not all of these profit effects come from the drum-seeding farmers alone. Since wages for transplanting decrease in treatment villages even farmers who don't adopt drum seeding benefit from lower labor costs. As previously mentioned some of these lower labor costs could lead to small re-optimizations that improve yield and profits as well. Assuming labor demand for transplanting is perfectly inelastic, since it takes a fixed number of workers to do the task on a given farmer's land, the wage effects alone would drive a 5 percent decrease in labor costs as compared to the 10 percent observed.

Farmers pay transplanters in two ways: Wages per acre transplanted and wages per day. I find wages decrease for both types of wages individually (Table 16) as well as when they are pooled (Table 17). The smaller sample sizes are because some farmers just reported total labor costs. This data is included in the total labor cost per acre regression which is significantly negative for transplanting farmers even though total days hired is not (Table 18).

The wage per acre although the rarer type of wage is my preferred result since it is a piece rate wage so should be unaffected by productivity differences. The primary driver of wage differences seems to be a steep labor supply curve in periods of peak labor demand. The treatment villages have fewer of the peak wages associated with labor market congestion as seen in this histogram comparing daily wages in treatment and control areas (Figure 5).

The fact that transplanting wages went down means that while the treatment appears to have been a success focusing on the farmer sample, not everyone benefited. Transplanters in the laborer sample reported 2 more days of unmet demand for workfare days in treatment in the preceding two weeks compared to the control groups. This suggests that NREGS was not responding as it should have to cushion transplanters against the labor demand shock. Although noisier, I find no evidence of more NREGS workfare days offered in treatment villages using the program's administrative data.

In the longer run, the goal would be for the displaced transplanters to find jobs in other sectors. Increasing the participation of women outside the agricultural sector is a major policy goal in India. However, in the second laborer phone survey, I asked whether workers' husbands would let them work outside their villages. Interestingly, the overall effect appears to be husbands getting more restrictive, but husbands of women who do transplanting work each season become less restrictive. The likely mechanism is that husbands who are benefiting from greater farming profits in treatment villages can afford to become more restrictive as has been the general trend in India ([Afridi et al., 2023](#)), but husbands who primarily experience treatment as negative wage effects become more willing for their wives to search for work in other locations. There are no significant treatment effects on women working outside their home villages, but it would likely take women multiple seasons to identify new job opportunities. Further, there is still a substantial amount of transplanting work in treatment villages. There is no treatment effect on the extensive margin of whether women did any transplanting work (Table 19).

9 Model

The core of the model is two decisions made by households endowed with land and working-age women. Households decide whether to drum seed or transplant conditional on their landholdings and wages. They also decide whether women in their household should work as transplanters or not. Equilibrium is reached when the labor market for transplanting clears. The final share of land

drum seeded and the final transplanting wages are endogenous objects in the model which I target for calibration. The treatment is modeled as a decrease to the fixed cost of accessing a drum seeder. The model is illustrated schematically in figure 8.

Unfortunately, while this model is helpful for quantifying the effects of the policy in terms of earned income and technology adoption, the welfare analysis is more challenging. Welfare effects depend on valuing leisure and husband's amenity value from wives not working outside the home which is an area of active research (Field et al., 2021) (Ho and Jalota 2024).

Household Technology Adoption Problem

$$\max_{a_i} \Pi(a_i, w_T^*, L_i) = pf(a_i, L_i) - (1 - a_i)w_T^*h(L) - a_i\alpha$$

$$\text{s.t. } a_i \in \{0, 1\}$$

- a_i technology adoption choice of household i . 1 if drumseed else 0.
- p exogenous rice price
- f transplanting yield of land L
- w_T^* equilibrium transplanting wage
- $h(L)$ labor need for transplanting L
- α fixed cost of accessing a drum seeder

If we assume a linear production function and labor demand function as I do in the numerical simulation we can see the profits per acre are increasing in L if a farmer drum-seeds ($a_i = 1$), but not changing in L if farmers transplant $a_i = 0$. Thus matching the empirical results adoption will be driven by large farmers who can afford to pay the fixed uptake costs.

Reformulating assuming $a_i = 1$, $f(a_i, L_i) = \beta L_i$

$$\frac{\Pi_i}{L_i} = p\beta - \frac{\alpha}{L_i}$$

$$\frac{d\frac{\Pi_i}{L_i}}{dL_i} = \frac{\alpha}{L_i^2} > 0$$

Reformulating assuming $a_i = 0, h(L_i) = \gamma L_i$

$$\frac{\Pi_i}{L_i} = p\beta - w_T^* \gamma$$

$$\frac{d\frac{\Pi_i}{L_i}}{dL_i} = 0$$

Note that this requires the assumption that individual farmers are small relative to the market and cannot affect the equilibrium wage w_T

Household Labor Problem

$$\max U_i(y_{0i}, t_i, o_i) = u(y_0 + w_t t_i + w_o o_i) + v(T - t_i - o_i)$$

- y_{0i} household wealth
- t_i hours transplanting
- o_i hours doing other work
- w_t transplanting wage
- T total time available during transplanting period.

See the appendix D for a derivation of the labor supply elasticity assuming specific functional forms for $u()$ and $v()$

Market Clearing

The farmers demand for labor must equal the household supply

$$\sum_i (1 - a_i) h(L_i) = \sum_i t_i$$

Solving

Since I only observe a paddy labor supply elasticity, for the quantitative model I just use a constant elasticity labor supply curve. Note that labor demand is the sum of the labor requirements for all farmers who transplant. I will let the labor supply be the labor supplied by the representative household LS.

$$LD = \sum_i (1 - a_i) h(L_i) = LS$$

$$\frac{d \ln LS}{d \ln w_T} = \eta_T$$

where η_T is the labor supply elasticity

This implies an inverse labor supply equation of the form

$$w_T = (LS)^{\frac{1}{\eta_T}} + R$$

where R mathematically is the integration constant, and R economically is the reservation wage.

To simplify the problem, I assume farmers predict the adoption decisions of other farmers and solve their adoption problem based on a correct expectation of the equilibrium wage. Thus they solve backwards, correctly guessing adoption and thus labor demand and wage before solving their own technology adoption problem. Qualitatively, farmers do report anticipating fewer wage spikes due to drum seeder adoption, but they can also learn from segments of the village that plant and transplant relatively early. In reality, some of the updating based on changing wages probably happens across rather than within seasons, but my experiment doesn't allow me to distinguish this.

Simulation

I follow a simple algorithm to solve the model and simulate the experiment. First, I use real values for initial wages and labor demand. I set the reservation wage based on the initial labor demand and low adoption. Then I iteratively follow the below procedure until the wages and adoption reach a

steady state.

1. Given wages, determine each farmers drum seeder adoption.
2. Based on drum seeder adoption calculate labor demand
3. Update wages based on the labor supply equation and elasticity Stop when a steady state is reached.

To simulate the experiment I solve the model for a higher drum seeder adoption cost α . Then I solve again with a lower α using the equilibrium wages in the first step as the initial value. The simulations illustrates the feedback loop between mechanization adoption and wages. The simulations show that across the same adoption cost decreases, different labor market responses to mechanization can lead to very different equilibrium wages and adoption.

I simulate the experiment under four different labor market conditions in Table 22. I chose values to ensure the simulations were centered around similar wages and uptake levels so the changes can be directly compared. The first simulation is an approximation of the experiment. The goal is to match the wage and uptake effects. The second simulation illustrates how increasing the reservation wage increases adoption and wages, but simply shifts the wage effects to a similar decrease between higher wage levels. The next two simulations emphasize the importance of the slope of the labor supply curve. When the supply elasticity is very low, the same decrease in adoption costs leads to greater increases in adoption and no wage effects. If the labor supply curve is even slightly steeper than the first simulation, the same decrease in adoption costs leads to a smaller increase in adoption and more severe wage effects.

The simulations illustrate the importance of shifting labor supply curves alongside mechanization policy and targeting labor markets with low labor supply elasticities. The simulations show small changes in labor market conditions can be nearly as important for changing mechanization uptake as direct changes in fixed adoption costs.

10 Conclusion

Working with the agricultural extension system in a major rice growing state in India, I randomize an intervention that reduces barriers to mechanization. In particular, I leverage local governments to improve farmers' access to drum seeders which allow farmers to avoid the laborious and costly process of transplanting. While only a modest number of farmers adopt the technology in the initial seasons covered by my study, these farmers save on transplanting costs and earn higher profits. Crucially, even farmers who do not drum seed earn higher profits in treatment villages.

The reason non-adopters also profited is that wages went down in treatment villages. The wage effect suggests a relatively steep labor supply curve for female transplanting labor. This steepness is likely driven by high wages farmers pay during congested periods. There is no evidence of women transitioning into other industries in the short run, but there is some evidence of women attempting to access, without success, more work from India's workfare scheme. This shows how the labor market in the short-run was not able to absorb the labor displaced by mechanization. The resulting wage decreases make further mechanization less profitable relative to the now cheaper manual transplanting.

The period of this paper is too short to know whether the displaced women will eventually find potentially higher-paying jobs in other sectors, but clearly structural transformation would happen faster if transplanting wages didn't fall. I hope to study potential interventions to facilitate women finding new jobs in neighboring villages in future research.

Understanding the overall welfare effects of this shift is difficult however. Many transplanting women are in households that benefit from greater farming profits and transplanting itself is a deeply unpleasant task. While increasing female labor force participation is an important policy goal, the types of jobs policymakers envision are not rice transplanting. A more relevant policy question raised by the experiment is how can women stay in the labor force as they transition out of agriculture. Evidence from my experiment suggests husband's opinions on where women can work shift along with mechanization and that women do look for new opportunities at the time of

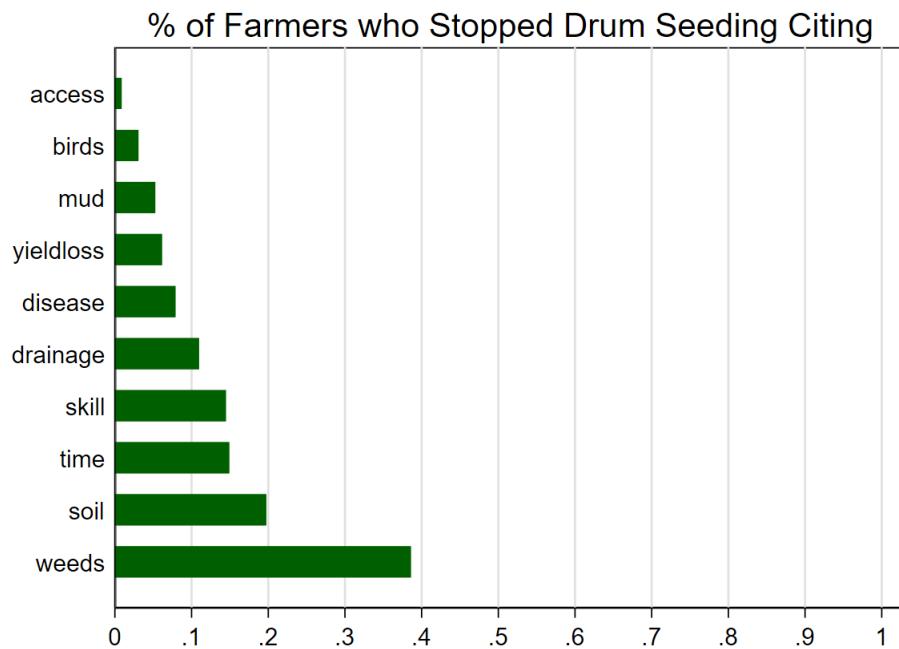
mechanization. Thus pairing programs which target female labor force participation with programs targeting mechanization could be a promising solution. In the shorter run, governments can also ensure their workfare schemes continue to operate during peak agriculture seasons where they were historically less relevant.

In general, the study highlights how labor market frictions can sabotage productivity growth. When labor shortages result in steep labor supply curves, the wage effects of mechanization will be more pronounced. These wage effects hurt both equity and efficiency, reducing worker incomes and reducing the relative profitability of mechanization.

For developing countries trying to spur structural transformation, combining efforts to reduce labor market frictions and barriers to technology adoption might be a promising path forward. If displaced workers cannot find new jobs the mechanization process will simply resolve the labor shortage that made mechanization profitable in the first place. Sustained productivity growth through mechanization requires the labor market to absorb the displaced labor. This study highlights how mechanizing one of the least productive tasks in Indian agriculture, rice transplanting, is slowed by mechanization's own effect on wages.

11 Figures

Figure 1: Reasons Farmers Stop Drum Seeding



Farmers who reported having drum seeded in the past, but did not drum seed the season they were surveyed.

Figure 2: Distribution of Uptake Across Villages

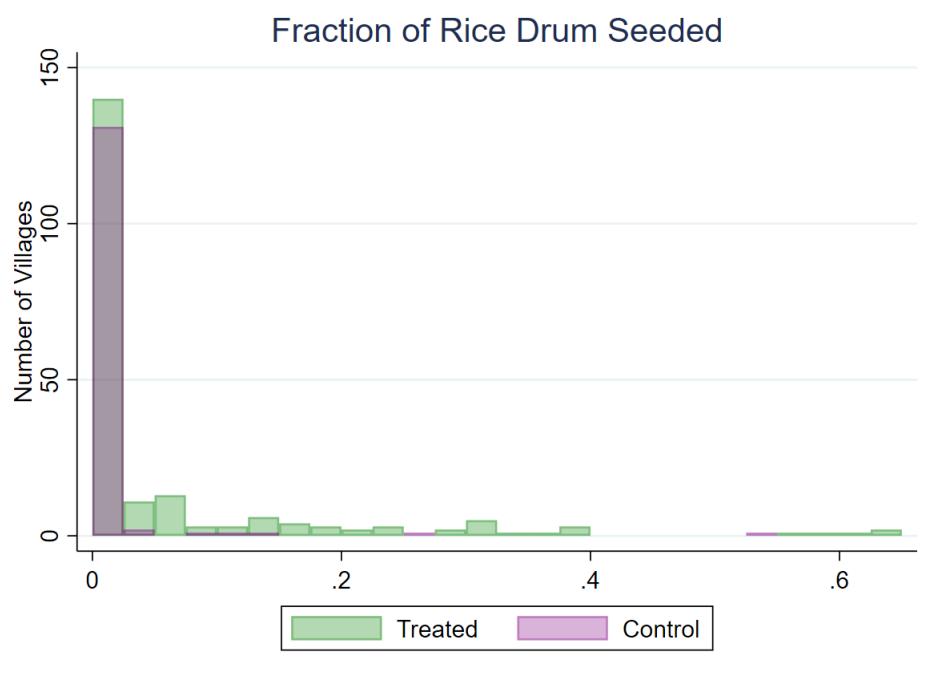


Figure 3: Main Samples

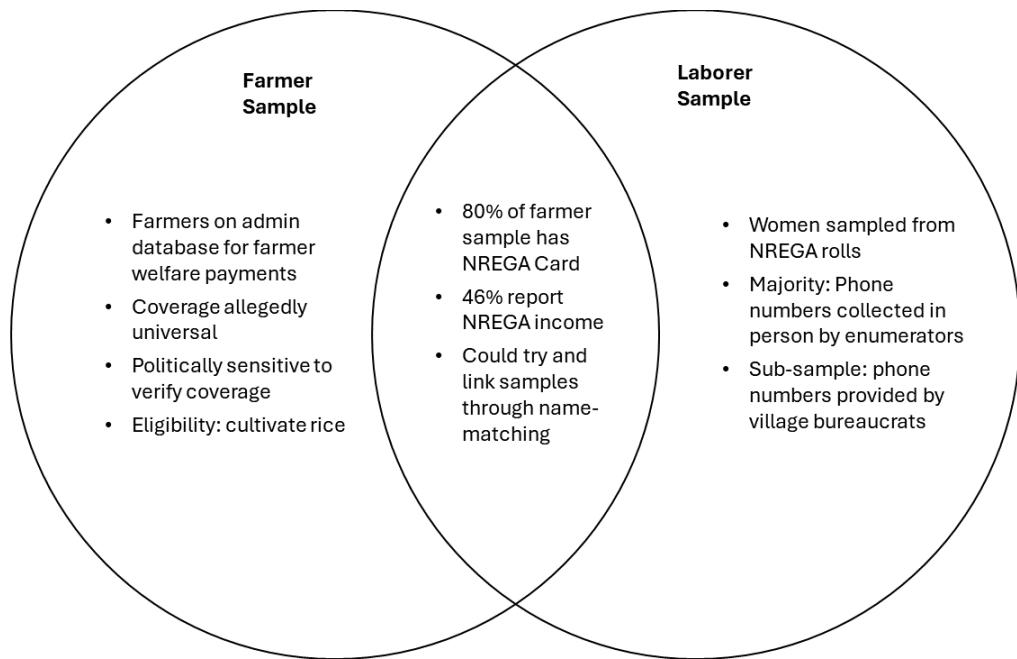


Figure 4: Timeline of data collection

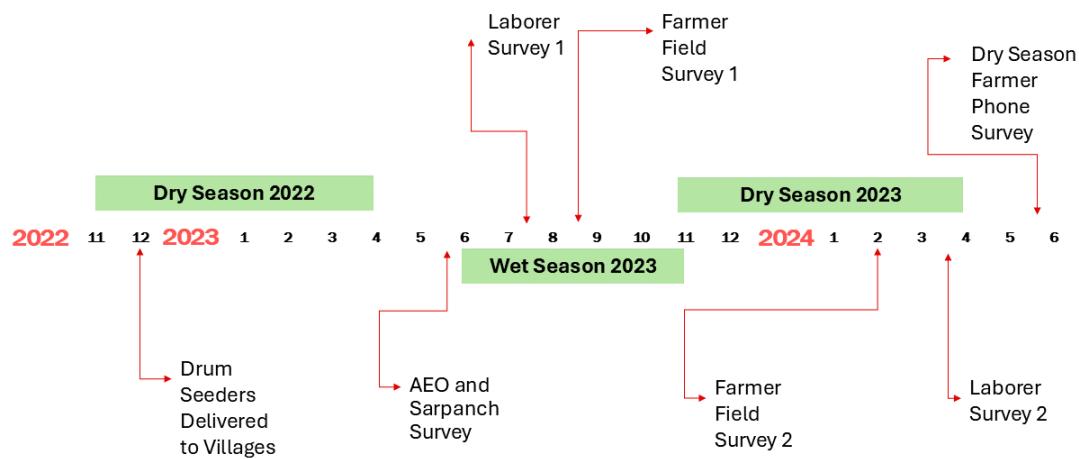


Figure 5: Comparing Wage Distribution of Different Tasks

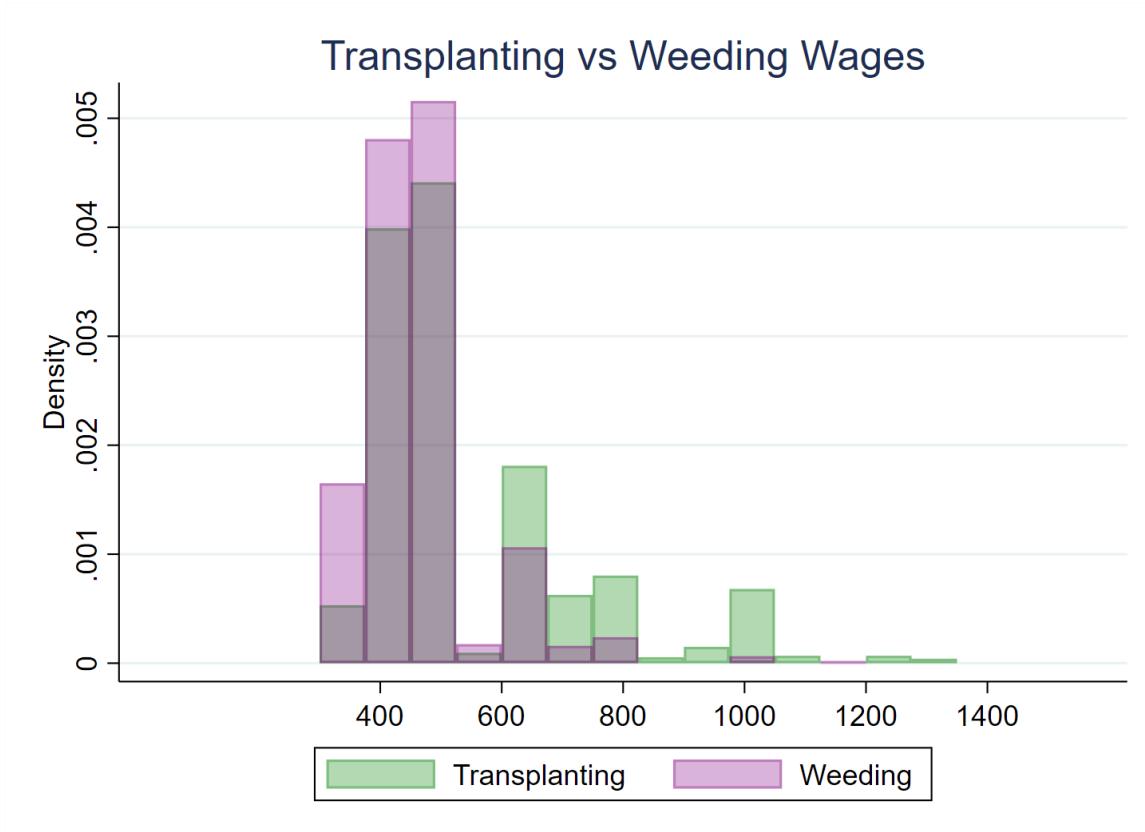
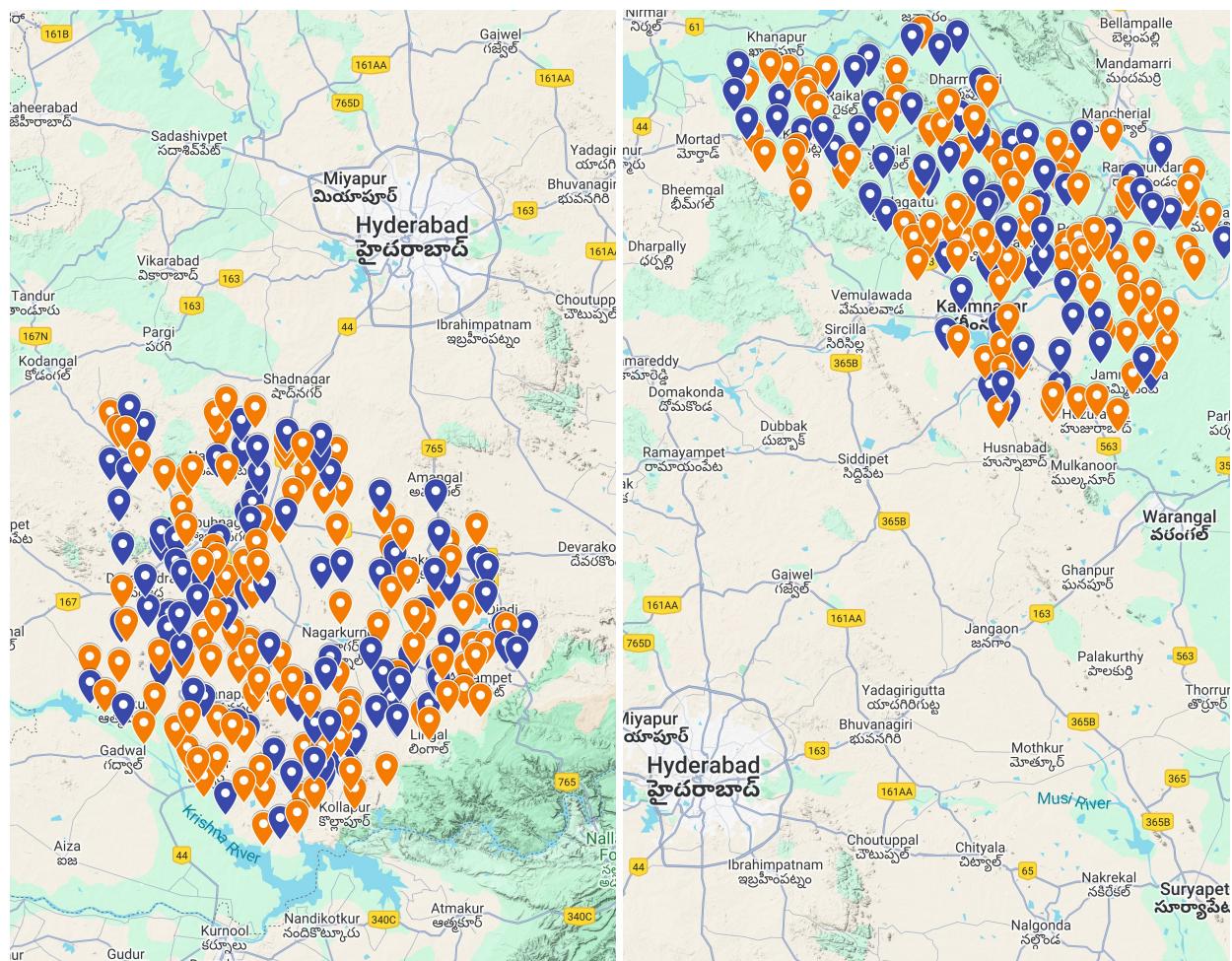


Figure 6: Rice Transplanting as a Luxury Activity

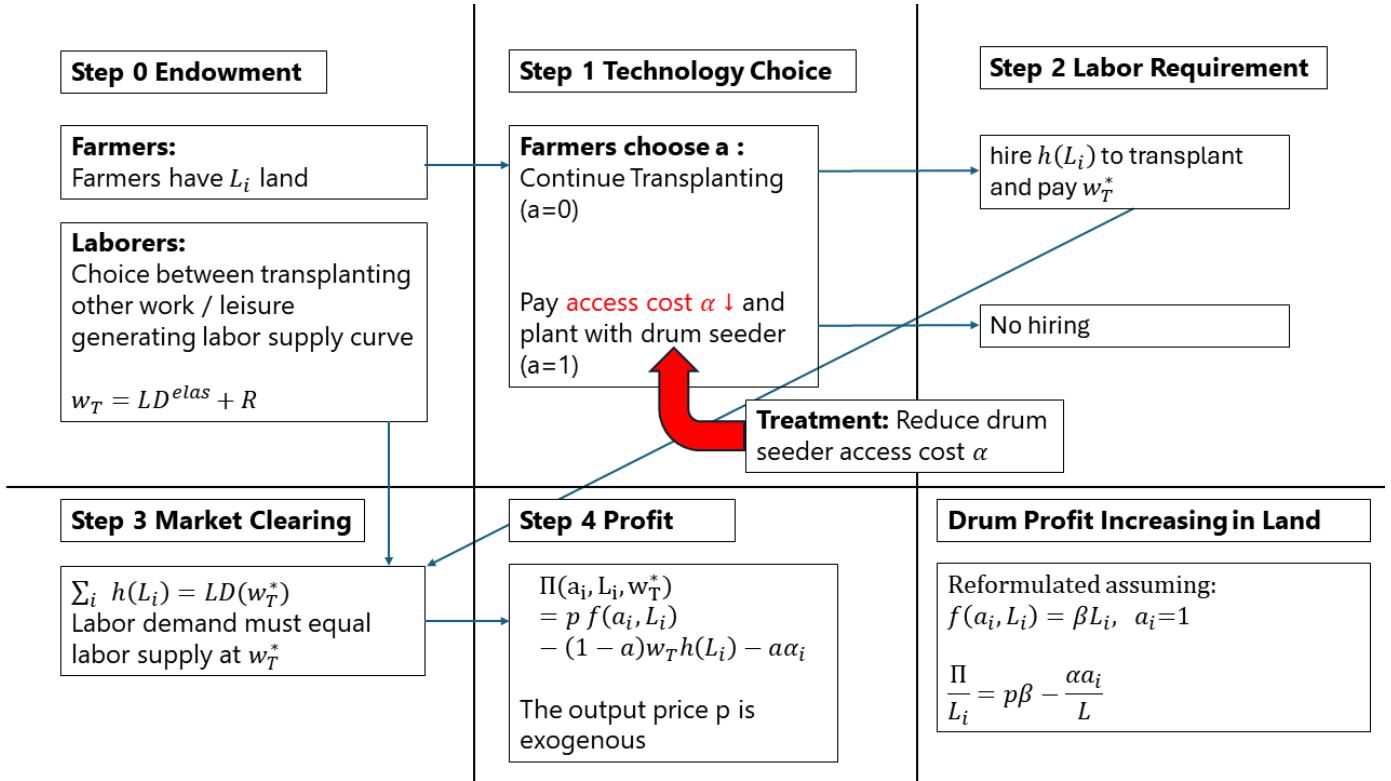


Figure 7: Project Villages



Orange pins represent treatment and blue represent control

Figure 8: Model Schematic



12 Tables

Table 1: Balance Table

Variable	(1)			(2)			(2)-(1)		
	0	1	1	N/Clusters	Mean/(SE)	N/Clusters	Mean/(SE)	N/Clusters	Mean difference
Total Admin 2022 Cult	796 134	1.751 (0.065)	1065 200	1.819 (0.060)	1861 334				0.068
Total Land Owned	877 138	4.977 (0.221)	1147 204	4.698 (0.168)	2024 342				-0.278
Household Size	850 135	3.922 (0.072)	1108 200	3.961 (0.063)	1958 335				0.039
Well Irrigation	877 138	0.800 (0.024)	1147 204	0.776 (0.023)	2024 342				-0.025
HH Head Secondary and Above	850 135	0.376 (0.018)	1108 200	0.366 (0.016)	1958 335				-0.011
F-test of joint significance (F-stat)									0.460
F-test, number of observations									1813
F-test, number of clusters									327

If the table includes missing values (.n, .o, .v etc.) see the Missing values section in the help file for the Stata command `iebaltab` for definitions of these values. Fixed effect used in pairwise and f-test regressions: [strata_id]. Significance: ***=.01, **=.05, *=.1. Errors are clustered at variable: [panchayatid]. Full user input as written by user: [iebaltab total_cult total_land hh_size borewell head_sec if (sampled==1 — extra==1 — extra2==1 — extra3==1), grpvar(any_treat) savetex("C:/Users/steve/Dropbox/Drumseeder.2024/06_analysis/output/Regs/balancetable.tex") control(0) ftest rowlabels("total_cult Total Admin 2022 Cult @ total_land Total Land Owned @ hh_size Household Size @ head_sec HH Head Secondary and Above @ borewell Well Irrigation ") vce(cluster panchayatid) fixedeffect(strata_id) replace]

Table 2: Sample NFHS/DHS Comparison

Variable	(1)			(2)			(2)-(1) Pairwise t-test	
	Farmer Sample N/Clusters	Mean(SE)	DHS Sample in Study Districts N/Clusters	Mean(SE)	N/Clusters	Mean difference		
Acres Owned	2024 342	4.819 (0.135)	2219 249	4.733 (0.441)	4243 591		-0.086	
HH Head Secondary and Above	1958 335	0.370 (0.012)	4114 252	0.431 (0.014)	6072 587		0.060***	
Irrigation Pump	1958 335	0.477 (0.018)	4115 252	0.466 (0.017)	6073 587		-0.011	
Pressure Cooker	1958 335	0.511 (0.016)	4115 252	0.561 (0.013)	6073 587		0.050**	
Television	1958 335	0.877 (0.008)	4115 252	0.882 (0.006)	6073 587		0.005	
Has Mobile	2024 342	0.954 (0.012)	4115 252	0.968 (0.004)	6139 594		0.014	
Has Cow or Buffalo	2024 342	0.398 (0.016)	4115 252	0.212 (0.011)	6139 594		-0.186***	
							3.199***	
							4176	
							584	

. Significance: ***=.01, **=.05, *=.1. Errors are clustered at variable: [panchayatid].

Table 3: Sample NFHS/DHS Comparison Only Farmers

Variable	(1)			(2)			(2)-(1)		
	Farmer Sample N/Clusters	Mean(SE)	DHS Ag Land Owners in Study Districts N/Clusters	Mean/(SE)	DHS Ag Land Owners in Study Districts Mean/(SE)	N/Clusters	Pairwise t-test Mean difference		
Acres Owned	2024 342	4.819 (0.135)	2219 249	4.733 (0.441)	4.733 (0.441)	4243 591	-0.086		
HH Head Secondary and Above	1958 335	0.370 (0.012)	2218 249	0.349 (0.013)	0.349 (0.013)	4176 584	-0.022		
Irrigation Pump	1958 335	0.477 (0.018)	2219 249	0.458 (0.020)	0.458 (0.020)	4177 584	-0.019		
Pressure Cooker	1958 335	0.511 (0.016)	2219 249	0.531 (0.014)	0.531 (0.014)	4177 584	0.021		
Television	1958 335	0.877 (0.008)	2219 249	0.890 (0.008)	0.890 (0.008)	4177 584	0.013		
Has Mobile	2024 342	0.954 (0.012)	2219 249	0.972 (0.005)	0.972 (0.005)	4243 591	0.018		
Has Cow or Buffalo	2024 342	0.398 (0.016)	2219 249	0.347 (0.014)	0.347 (0.014)	4243 591	-0.050**		
							3.199***		
							4176		
							584		

F-test of joint significance (F-stat)
 F-test, number of observations
 F-test, number of clusters

Significance: ***=.01, **=.05, *=.1. Errors are clustered at variable: [panchayatid].

Table 4: Sample NFHS/DHS Comparison Only Rural

Variable	(1)			(2)			(2)-(1)		
	Farmer Sample		DHS Rural Sample in Study Districts	N/Clusters	Mean/(SE)	Mean/(SE)	N/Clusters	Pairwise t-test	Mean difference
Acres Owned	2024 342	4.819 (0.135)	1971 194		4.443 (0.395)		3995 536		-0.376
HH Head Secondary and Above	1958 335	0.370 (0.012)	1970 194		0.314 (0.012)		3928 529		-0.056***
Irrigation Pump	1958 335	0.477 (0.018)	1971 194		0.449 (0.022)		3929 529		-0.029
Pressure Cooker	1958 335	0.511 (0.016)	1971 194		0.510 (0.014)		3929 529		-0.001
Television	1958 335	0.877 (0.008)	1971 194		0.884 (0.008)		3929 529		0.006
Has Mobile	2024 342	0.954 (0.012)	1971 194		0.970 (0.006)		3995 536		0.016
Has Cow or Buffalo	2024 342	0.398 (0.016)	1971 194		0.377 (0.014)		3995 536		-0.021
									3.385***
									3928
									529

Significance: ***=.01, **=.05, *=.1. Errors are clustered at variable: [panchayatid].

Table 5: Treatment Effect on Awareness

	Ag Officer Info	Attend Demo	Heard Promotion
Extensionist Rents	0.06** (0.03)	0.10*** (0.03)	0.16*** (0.03)
Leader Rents	0.05 (0.03)	0.07** (0.03)	0.17*** (0.03)
Intercept	0.43*** (0.02)	0.49*** (0.02)	0.32*** (0.02)
R-squared	0.27	0.12	0.13
Observations	2205	1946	1893
Difference p-value	0.622	0.402	0.801

*** p<.01, ** p<.05, * p<.1 Standard errors clustered at the village level. Includes fixed effects for randomization strata.

Table 6: Treatment Effect on Uptake

	(1) Drum Rainy	(2) Drum Dry	(3) Acres Drum Rainy	(4) Acres Dry
Leader Rents	0.03*** (0.01)	0.02** (0.01)	0.10** (0.04)	0.05 (0.04)
Extensionist Rents	0.04*** (0.01)	0.03*** (0.01)	0.13*** (0.04)	0.07* (0.04)
Observations	2,023	2,023	2,023	2,023
Ctrl Average	0.01	0.01	0.04	0.05
Controls	N	N	N	N

Standard errors in parentheses

Standard errors clustered at the community level. Enumerator and Strata FE

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 7: Treatment Effect on Uptake

	(1) Drum Rainy	(2) Drum Dry	(3) Acres Drum Rainy	(4) Acres Dry
Treatment	0.04*** (0.01)	0.03*** (0.01)	0.11*** (0.03)	0.06** (0.03)
Observations	2,023	2,023	2,023	2,023
Ctrl Average	0.01	0.01	0.04	0.05
Controls	N	N	N	N

Standard errors in parentheses

Standard errors clustered at the community level. Enumerator and Strata FE

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 8: Similar involvement of elected leaders across treatment arms

	Leader Gives Ag Advise	Leader Refers to Extensionist	Drum Seeder in Village Meeting
Extensionist Rents	0.08*** (0.03)	0.14*** (0.03)	0.11*** (0.04)
Leader Rents	0.10*** (0.03)	0.11*** (0.03)	0.17*** (0.04)
Intercept	0.38*** (0.02)	0.48*** (0.02)	0.59*** (0.03)
R-squared	0.11	0.12	0.22
Observations	1882	1943	787
Difference p-value	0.640	0.413	0.186

Standard errors in parentheses

Standard errors clustered at the community level. Strata FE

Don't know coded as missing

Meeting variable conditional on having had a meeting

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 9: Who Adopts Drum Seeders

	(1)	(2)
	Acres Drum Wet	Acres Drum Wet
Total Cultivation	0.05*** (0.01)	0.06*** (0.01)
Saline Soil	-0.16 (0.11)	-0.24** (0.10)
HH Head Secondary	0.14** (0.06)	0.14** (0.06)
HH Head Higher Secondary	0.14* (0.07)	0.17** (0.07)
Well Irrigation	0.13** (0.06)	0.05 (0.06)
Observations	1,926	1,926
Ctrl Average	0.04	0.04
Fixed Effects	Village	Strata

Standard errors in parentheses

Standard errors clustered at the community level.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 10: What Predicts Yield for Drum Seeding Farmers

	Drum Seeder Yield
Knows to Delay Irrigation Post Planting	3.76 (2.56)
Knows to Reflood field to control weeds	3.56** (1.66)
Clay Soil	-5.50** (2.44)
Saline Soil	-1.45 (4.20)
total land	0.17 (0.26)
HH Head Secondary	2.75 (2.24)
HH Head Higher Secondary	0.82 (2.66)
Well Irrigation	-3.75 (2.53)
Observations	125
Ctrl Average	19.47

Standard errors in parentheses

Standard errors clustered at the community level.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 11: Workers Hired per Acre

	(1)
	Total Hired per Area
Treatment	-0.72** (0.32)
Observations	2,020
Ctrl Average	9.63
Controls	N

Standard errors in parentheses

Standard errors clustered at the community level. Enumerator and Strata FE

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 12: Treatment Effect on Costs per Acre

	(1) ln labor exp	(2) total family days	(3) ln total non-labor exp.
Treatment	-0.10*** (0.03)	-0.02 (0.07)	0.03 (0.03)
Observations	1,967	2,023	1,789
Ctrl Average	8.9	1.5	9.4
Controls	N	N	N

Standard errors in parentheses

Standard errors clustered at the community level. Enumerator and Strata FE

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

The different numbers of observations in these regressions reflect both 0s as the variables are in logs and the exclusion of farmers who

Table 13: Treatment Effect on Ln Revenue Per Acre

	(1) Paddy Rev.	(2) Total Rev.	(3) Impute Paddy Rev.	(4) Impute Total Rev.
Treatment	0.02 (0.02)	0.01 (0.02)	0.03* (0.02)	0.04** (0.02)
Observations	1,697	1,715	1,974	1,923
Ctrl Average	10.7	10.6	10.6	10.5
Controls	N	N	N	N

Standard errors in parentheses

Standard errors clustered at the community level. Enumerator and Strata FE.

Actual paddy revenue is reported sales while imputed paddy revenue is production times district median price

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 14: Treatment Effect on Paddy Yields and Acres

	(1) Paddy Yield	(2) Acres Paddy	(3) Acres Not Paddy	(4) Any Not Paddy
Treatment	0.59 (0.38)	0.12 (0.14)	-0.07 (0.06)	-0.03* (0.01)
Observations	2,023	2,023	2,023	2,023
Ctrl Average	18.3	3.3	0.6	0.2
Controls	N	N	N	N

Standard errors in parentheses

Standard errors clustered at the community level.

Enumerator and Strata FE. Yields and acres are for all cultivation types

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 15: Treatment Effect on Profit

	(1) Paddy	(2) Total	(3) Winsor Paddy	(4) Winsor Total
Treatment	1,663.33** (757.78)	1,242.45* (727.80)	1,451.65** (671.29)	1,086.72* (640.57)
Observations	1,844	1,895	1,844	1,895
Ctrl Average	17,720.9	20,252.0	17,701.4	20,152.7
Controls	N	N	N	N

Standard errors in parentheses

Standard errors clustered at the community level. Enumerator and Strata FE.

Winsorization Done at 5th and 95th Percentiles.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 16: Main Treatment Effect on Transplanting Wages

	(1)	(2)
	Wage per Day	Wage per Acre
Treatment	-17.05** (8.54)	-335.84** (137.32)
Observations	895	418
Ctrl Average	557.43	5,776.75
Controls	N	N

Standard errors in parentheses

Standard errors clustered at the community level. Enumerator and Strata FE.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 17: Treatment Pooled Wages

	(1)	(2)
	Reported Daily	Log Wage
Treatment	0.03 (0.02)	-0.03** (0.01)
Reported Wage Day		-2.18*** (0.03)
Observations	1,332	1,332
Ctrl Average	0.64	7.12

Standard errors in parentheses

Standard errors clustered at the community level. Enumerator and Strata FE.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 18: Labor Costs for Transplanters

	(1)	(2)
	Ln Labor Cost Trans Only	Ln Days Hired Trans Only
Treatment	-0.07** (0.03)	-0.03 (0.04)
Observations	1,919	1,841
Ctrl Average	8.94	1.92

Standard errors in parentheses

Standard errors clustered at the community level. Enumerator and Strata FE.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 19: Treatment Effect on Husband Allows to Work Outside

	(1)	(2)
	4 Seasons Trans	Work Outside OK
Treatment	0.00 (0.03)	-0.10*** (0.03)
4 Seasons Trans		0.06* (0.04)
Interaction		0.09* (0.05)
Observations	1,338	1,338
Ctrl Average	0.3	0.5
High Pred. Uptake Strata	N	N

Standard errors in parentheses

Standard errors clustered at the community level. Enumerator and Strata FE.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 20: Treatment Effect on Husband Allows to Work Outside in Higher Predicted Uptake Strata

	(1)	(2)
	4 Seasons Trans	Work Outside OK
Treatment	-0.01 (0.03)	-0.14*** (0.04)
4 Seasons Trans		0.03 (0.05)
Interaction		0.19*** (0.07)
Observations	879	879
Ctrl Average	0.3	0.5
High Pred. Uptake Strata	Y	Y

Standard errors in parentheses

Standard errors clustered at the community level. Enumerator and Strata FE.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 21: Transplanters in Treatment Villages Have Greater Unmet Demand for NREGA

	(1)	(2)
	Transplanted at Baseline	Days Demand Minus Offered
Treatment	-0.01 (0.02)	-1.12 (0.85)
Transplanter X Treatment		1.93** (0.91)
Observations	1,230	553
Ctrl Average		4.6

Standard errors in parentheses

Data from phone survey of workers on NREGA rolls

Standard errors clustered at the community level. Enumerator and Strata FE.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 22: Model Simulations

	Baseline	Higher Reservation	Low Inv Elas	High Inv Elas
Fixed Cost Initial α	41.00	41.00	41.00	41.00
Fixed Cost Final α	36.00	36.00	36.00	36.00
Inverse Elasticity $\frac{1}{\eta}$	0.71	0.71	0.14	0.79
Reservation Wage	230	250	520	27
Initial Adoption	3.85%	6.13%	2.43%	6.13%
Final Adoption	11.55%	13.84%	15.98%	11.55%
Initial Wage	530	541	523	541
Final Wage	500	512	523	500

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