

Research Statement

Patrick Agte

I am an applied economist who studies barriers to human capital investments in low- and middle-income countries. 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 to what extent 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 community structures in shaping social norms and preferences.

Improving Healthcare in Remote Areas

In my job market paper “Improving Health Outcomes Through Mid-level Providers” (joint with J. Soni), I study one of the world’s largest healthcare reforms, in which mid-level providers (non-physician practitioners) are posted to every rural health outpost across India to improve the provision of basic adult outpatient care and screening for chronic diseases. We use a matched difference-in-difference strategy informed by the assignment rule to show how the reform affected health outcomes. We combine administrative data covering all villages in the state with detailed surveys we collected on public providers, private providers, and households across 193 villages. We observe that the mid-level providers lower elderly deaths by 12% within the first year of the reform without deteriorating maternal and child health outcomes. We further find that private providers improve their quality in response to the increased competition from the public sector, highlighting the role of local market power in healthcare markets.

In “The Making of a Public Sector Worker” (with M. Bedoya), I delve deeper into how governments can improve the provision of public services in remote locations by examining how policies that aim to harness the endogeneity of preferences and beliefs could be used to attract high-skilled workers to jobs in the public sector and in poor areas. Together with Mariel Bedoya, I explore this topic in the context of a one-year mandatory rural service program in Peru. We exploit the fact that psychologists in this setting choose facilities in randomized order, creating exogenous variation in assignment locations. 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. We provide evidence for increased prosociality as an important mechanism.

Financial and Information Barriers to Educational Investments

However, 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.

In “The Intergenerational Impacts of Capital for Microentrepreneurs” (Resubmitted to the *American Economic Review*, with A. Bernhardt, E. Field, R. Pande, and N. Rigol), I analyze 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 treatment group children. However, these gains are entirely 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 using income gains to invest in their children’s education or their household business. Removing financial constraints without additional policies providing conditionality can thus lower intergenerational mobility.

In “Search and Biased Beliefs in Education Markets” (with C. Allende, A. Kapor, C. Neilson, and F. Ochoa), I further study to what extent biased beliefs can explain 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 about the distribution of other schools in their neighborhood. 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 “The Economics of Purity Norms: Caste, Social Interaction, and Women’s Work in India ” (with A. 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.

In ongoing work with S. Ritadhi and R. Joseph, I further exploit a large-scale teacher lottery that randomly assigned 7,234 teachers to primary schools in Assam, India, to examine the role of teacher-student match effects and how the caste and gender of teachers affect academic performance, beliefs, and preferences of children in the long run. Preliminary analysis of administrative data shows that low-caste teachers increase low-caste student enrollment without negatively affecting other social groups.

Future Agenda

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 existing work highlights the role of demand-side frictions and potential approaches to improve access to public services in remote areas. As low- and middle-income countries expand their health and education sectors, poor quality of services increasingly replaces access limitations as the binding supply-side constraint for households. Looking ahead, I am thus interested in studying how government policies can be used to incentivize public and private providers to improve quality and encourage technology adoption in health and education markets.