

Research Statement

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Low- and middle-income countries have made significant advancements in enhancing access to healthcare and educational services in recent decades. However, large differences in mortality and learning outcomes between poor and rich countries still continue to exist. For example, children born in low- and middle-income countries can expect to live eleven fewer years than their counterparts in high-income countries and the majority of primary school graduates in low- and middle-income countries lack reading comprehension skills. Poor quality of services in the public and private sectors as well as demand-side barriers related to financial constraints, information frictions, and social norms increasingly replace access limitations as the binding constraints and provide an explanation for persistent gaps in intergenerational mobility.

I am a development economist who uses tools from applied microeconomics and empirical industrial organization to study how demand-side frictions and interactions between public and private providers affect the optimal design of government policies in health and education markets in India and Latin America. My research is supported by funding from the National Science Foundation, the Weiss Fund, the Jameel Poverty Action Lab, and other sources.

Healthcare Markets

The first part of my research agenda studies healthcare markets. My research in this area focuses on how governments can improve access to high-quality healthcare services by strengthening public healthcare facilities and incentivizing healthcare workers to take up jobs in remote areas.

In my job market paper “Fighting Silent Killers” (joint with J. Soni), I study how adding a healthcare worker to public village clinics affects public service provision, private provider behavior, and health outcomes. Using large-scale administrative data from Rajasthan and a matched difference-in-difference strategy that is informed by assignment rules, we find that the labor inputs increased patient loads at public clinics by 58% and decreased all-age mortality in the catchment area by 10% within two years. Novel survey data show that the additional healthcare workers improved healthcare quality and service availability in the public sector and also induced private providers to improve their quality. Results from a structural model of patient demand demonstrate that 10% of the observed decline in mortality can be attributed to private sector responses and that reallocating the new healthcare workers based on local market conditions could achieve a substantially greater reduction in mortality outcomes.

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. We explore this topic in the context of a one-year mandatory rural service program in Peru and exploit that psychologists in this setting choose facilities in randomized order, creating exogenous variation in assignment locations. Using administrative and survey data, we find that psychologists who completed the program in poorer areas are *later* 17% more likely to work for the public sector and 59% more likely to work in the poorest districts in the country. We provide evidence for increased prosociality as an important mechanism and rule out that the effects can be explained by inertia or differences in hireability.

In ongoing work with Sagar Saxena, I further analyze how governments should intervene to improve birth outcomes when there is substantial variation in hospital value added across public and private health facilities. To study this topic, we use large-scale administrative data on prenatal care characteristics, hospital choices, and delivery outcomes for the universe of pregnant women in rural Rajasthan. Preliminary analysis suggests substantial heterogeneity in risk-adjusted stillbirth rates both within and across different facility types, with unaccredited private hospitals exhibiting the poorest performance. We plan to supplement this data with phone surveys to get additional information on patient behavior and facility characteristics. Using a structural model of delivery choice, we will examine what factors explain the income and caste gap in birth outcomes and how changes to the current conditional cash transfer program and other government policies would affect birth outcomes and health equity.

Education Markets

The second part of my research agenda focuses on education markets. My research in this area studies how, even if high-quality schools are available, financial frictions, information constraints, and social norms 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” (*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” (*R&R at Econometrica*, 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 misperceptions about the characteristics of schools that they know as well as incorrect beliefs 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. We further find that correcting misperceptions about known schools would completely close the school-quality gap between college and non-college mothers.

In “The Economics of Purity Norms: Caste, Social Interaction, and Women’s Work in India” (with A. Bernhardt), I demonstrate that purity norms are weakened when Hindus live alongside Adivasis, an indigenous minority outside 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. Preliminary results suggest that weaker adherence to purity norms also increases education investments in Hindu women.

In ongoing work with A. Bernhardt, S. Ritadhi, and R. Joseph, I extend this research area by studying how governments should allocate public sector workers when considering worker and beneficiary match effects, worker transfers, and private sector responses. We study this in the context of a large-scale teacher lottery that randomly assigned 7,234 teachers to public primary schools in Assam, India. While previous work has mostly focused on exploiting across-classroom variation within schools to show that teacher identity (e.g., gender and race) matters, this lottery exogenously allocated teachers to specific vacancies across public schools, allowing us to study how public sector teacher identity affects market-level outcomes for different social groups. Preliminary findings from administrative data show that the presence of a teacher from a marginalized group increases enrollment for marginalized students. We plan to combine this variation with household and school survey data and information on teacher transfers to inform a model of school choice, teacher preferences, and private sector supply-side decisions and examine optimal teacher assignments.