# NANDITA KRISHNASWAMY

July 2018

#### ACADEMIC INSTITUTION

Department of Economics and INET, University of Southern California 3620 South Vermont Ave. Kaprielian (KAP) Hall, 300 Los Angeles, CA 90089-0253

### EXPERIENCE

Post-doctoral Research Associate, Department of Economics and Institute for New Economic Thinking University of Southern California, Fall 2018-Present

### **EDUCATION**

PhD, Economics, Columbia University, 2018
M. Phil, Economics, Columbia University, 2015
M.A., Economics, Columbia University, 2014
B.A. *summa cum laude*, Economics and Mathematics, Wellesley College, 2012

#### FIELDS OF SPECIALIZATION

Development Economics, Labor Economics, Industrial Organization

#### **DISSERTATION SPONSORS**

Eric A. Verhoogen, Professor, Department of Economics, Columbia University, <u>eric.verhoogen@columbia.edu</u> Supreet Kaur, Assistant Professor, Department of Economics, University of California, Berkeley, <u>supreet@berkeley.edu</u> Emily L. Breza, Assistant Professor, Department of Economics, Harvard University, <u>ebreza@fas.harvard.edu</u>

#### WORKING PAPERS

### "At What Price? Price Supports, Agricultural Productivity, and Misallocation" (Job Market Paper)

Abstract: Agricultural price support policies are a popular way to alleviate the risk inherent in volatile prices, but, at the same time, may distort input allocation responses to agricultural productivity shocks across multiple sectors. This could reduce productivity in the agricultural sector in developing countries. I empirically test for misallocation in the Indian agricultural setting, with national price supports for rice and wheat. I first motivate the setting using a two-sector, twofactor general equilibrium model and derive comparative statics. I then use annual variation in the level of the national price supports for rice and wheat relative to market prices, together with exogenous changes in district-level agricultural productivity through weather shocks, in a differences-in-differences framework. I derive causal effects of the price supports on production patterns, labor allocation, wages, and output across sectors. I find that rice area cultivated, rice area as a share of total area planted, rice yields, and rice production all increase, suggesting an increase in input intensity (inputs per unit area) dedicated to both staple crops. Wheat shows a similar increase in input intensity. The key input response is a reallocation of contract labor from the non-agricultural sector during peak cultivation periods, which results in an increase in wages in equilibrium in the non-agricultural sector (especially in response to price supports for the labor-intensive crop, rice, of 23%). The reallocation of labor reduces agricultural productivity by 82% of a standard deviation, and simultaneously reduces gross output in non-agricultural firms by 2.6% of a standard deviation. I also find that rice- and wheat-producing households do not smooth consumption more effectively in response to productivity shocks in the presence of price supports.

#### "Scabs: The Social Suppression of Labor Supply" (with Emily Breza and Supreet Kaur)

*Abstract:* Social norms can serve as a powerful force for conformity, producing collective behaviors among decentralized individuals. We test for this force in the labor market: whether norms prevent workers from supplying labor at wage cuts, generating cartel-like behavior in the absence of explicit collusion. We partner with 183 existing employers, who offer jobs to 502 workers in informal spot labor markets in India. Unemployed workers are privately willing to accept jobs below the prevailing wage, but rarely do so when this choice is observable to other workers. In contrast, social observability does not affect labor supply at the prevailing wage. Workers give up 38% of average weekly earnings in order to avoid being seen as breaking the social norm. In addition, they are willing to pay to punish anonymous laborers who have accepted wage cuts--indicating that collective labor supply behavior is reinforced through the threat of social sanctions. Finally, consistent with the idea that social conformity could have aggregate implications, measures of social cohesion correlate with downward wage rigidity and business cycle volatility across India.

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Website: http://nanditakrishnaswamy.com

### "End Heuristics in Retrospective Voting: Evidence From a Conditional Cash Transfer Experiment" (with

Sebastian Galiani, Nadya Hajj, Pablo Ibarrarán, and Patrick J. McEwan), Revise & Resubmit Additional coverage: "Electoral Reciprocity in Programmatic Redistribution: Experimental Evidence", VoxEU Post, 10/22/2016

Abstract: A Honduran field experiment allocated cash transfers that varied in their amount and timing. Voters were not indifferent to timing. Two groups of villages received similar cumulative payments per registered voter, but one received larger "catch-up" payments closer to election day. The latter treatment had larger effects on voter turnout and incumbent party vote share in the 2013 presidential elections. The results are consistent with lab experiments showing that individuals err in their retrospective evaluations of payment sequences. In Honduras, voters apparently used the amount of the final payment as an end heuristic for the sum of all payments received.

### SELECTED RESEARCH IN PROGRESS

"Does Wage Compression Exacerbate Earnings Inequality?" (with Emily Breza and Supreet Kaur), In the field. "Economic Opportunity and Motivation for Crime: Theft From Oil Pipelines in Nigeria" "Demand for Flexibility in Labor Arrangements: Evidence from Rural India" (with Suanna Oh)

# ADDITIONAL RESEARCH EXPERIENCE

Research Fellow for Professor Supreet Kaur, Economics Department, Columbia University (Fall 2014- Spring 2016) Short-Term Consultant, Development Research Group, World Bank (June 2013 – August 2013)

### **TEACHING EXPERIENCE**

Teaching Fellow, Economics Department, Columbia University (Fall 2013 – Spring 2018) Game Theory (Undergraduate), Principles of Economics (Undergraduate, includes both Micro and Macroeconomics)

Instructor, Introductory Intensive Math Course for Quantitative Methods in the Social Sciences Masters Program, Columbia University (Fall 2016 – Present)

Innovative Teaching Summer Institute, Columbia University (June 2016)

Teaching Assistant, Economics Department, Wellesley College (Fall 2011- Spring 2012)

### **FELLOWSHIPS & FUNDING**

Dean's Fellow, Graduate School of Arts and Sciences, Columbia University (Fall 2012 – Present)

Fellow, Center for Development Economics and Policy, Columbia University, (Fall 2017-Present)

Center for Development Economics and Policy Research Grant (Summer 2017)

Caswell L. Johnson Fellow, Columbia University (Fall 2015- Spring 2016) Nominated by the economics department for this institution-wide fellowship based on dissertation research proposal.

Alice Freeman Palmer Graduate Fellow, Wellesley College (2012) (Declined) Graduate fellowship amounting to \$35,000 for the first year of graduate study.

### HONORS

Wueller Award for Excellence in Teaching, Department of Economics, Columbia University (August 2013- May 2014, August 2016- May 2017)

# **CONFERENCE/SEMINAR PRESENTATIONS**

2018: Cornell University (Ithaca, NY), Cornerstone Research (Boston, MA), PACDEV (UC Davis, CA), SEEDEC (Wageningen, NL), Development Economics and Policy Conference (Zurich, CH) 2017: Columbia University [Development Colloquium, Applied Microeconomic Methods Colloquium, Applied Microeconomic Theory Colloquium], Liberal Arts College Development Conference 2017 (Clinton, NY, discussant), Wellesley College (Wellesley, MA) 2012-2016: Columbia University [Development Colloquium]

### PERSONAL

Languages: English (Native), Tamil (Native), Spanish (Fluent), Hindi (Basic)