

ANANT NYSHADHAM

Home Address:

14 Nature Trail
Hamden, CT 06518

Office Address:

Department of Economics
Yale University
28 Hillhouse Ave.
New Haven, CT 06520-8268

Telephone: (706) 518-0326 (Cell)

Email: anant.nyshadham@yale.edu

Webpage: nyshadham.squarespace.com

Citizenship: USA

Fields of Concentration:

Development Economics
Health Economics
Applied Econometrics
Labor Economics

Desired Teaching:

Development Economics
Applied Econometrics
Micro / Applied Micro
Health Economics

Comprehensive Examinations Completed:

Oct 2009 (Oral) Applied Econometrics
May 2008 (Oral) Development Economics
May 2007 (Written) Macroeconomic and Microeconomic Theory

Expected Completion Date: May 2012

Education:

Ph.D., Economics, Yale University, Expected May 2012
M. Phil., Economics, Yale University, May 2011
M.A., Economics, Yale University, May 2008
B.Sc., Economics, Wharton School, University of Pennsylvania, May 2006 (*Magna Cum Laude*)

Dissertation Title: *Essays in Development*

Committee:

Michael Boozer
Christopher Udry
Pinelopi Goldberg

Fellowships, Honors, and Awards:

Yale University Dissertation Fellowship, 2011-2012
Ryoichi Sasakawa Young Leaders Fellowship, 2010-2011
Falk Fellowship, 2009-2011
Association of Yale Alumni Fellowship, 2008
Yale University Fellowship, 2006-2011
Wharton Research Scholar, 2005-2006
University of Pennsylvania Dean's List, 2004-2005
Joseph Wharton Scholar, 2003-2006
Benjamin Franklin Scholar, 2003-2005

Teaching Experience:

Teaching Fellow, Yale University:

Econometrics, Michael Boozer, Spring 2011
International Trade, Andrea Bubula, Fall 2010
Development Economics, Michael Boozer, Spring 2010
Econometrics, Michael Boozer, Fall 2009

Teaching Assistant, Wharton School, University of Pennsylvania:

Monetary Economics and the Global Economy, Skander Van den Heuvel, Spring 2006
Honors Monetary Economics and the Global Economy, Martin Asher, Fall 2005

Work Experience:

Consultant, LSMS Impact Evaluation Training, The World Bank, Kenya, February 2011
Consultant, Development Prospects Group (DECPG), The World Bank, Summer 2005
Research Analyst, Economy.com, Summer 2004

Publications:

"Schooling, Child Labor and the Returns to Healthcare in Tanzania," *Journal of Human Resources*, forthcoming (with Achyuta Adhvaryu)

Working Papers:

"Learning about Comparative Advantage in Entrepreneurship: Evidence from Thailand" [Job Market Paper]

"Endowments and Investments within the Household: Evidence from Iodine Supplementation in Tanzania" (with Achyuta Adhvaryu) [under review]

“Describing the Marginal Student: Merit-Based Tuition Subsidies Revisited” [under review]

“Healthcare Choices, Information and Health Outcomes” (with Achyuta Adhvaryu) [under review]

“Labor Complementarities and Health in the Agricultural Household” (with Achyuta Adhvaryu)

Work in Progress:

“Are Exporting Firms Better? Evidence on Comparative Advantage and Learning from Chilean Firms”
(with Prashant Bharadwaj and Tavneet Suri)

“Entrepreneurship, Consumption Smoothing and the Option Value of Inventories” (with Achyuta Adhvaryu and Namrata Kala)

“Learning about Heterogeneous Returns to Schooling”

Professional Activities:

Referee, *Journal of Development Economics*

Presentations:

2011: Northeast Universities Development Consortium (NEUDC) Conference; Pacific Conference on Development Economics (PAC-DEV)

2010: Northeast Universities Development Consortium (NEUDC) Conference; Pacific Conference on Development Economics (PAC-DEV)

Languages:

English (Native), Telugu (Conversational), Spanish (Basic Reading/Writing Ability)

References:

Michael Boozer
Department of Economics
Yale University
Box 208269
New Haven, CT 06520-8269
michael.boozer@yale.edu
(203) 432-3623

Christopher Udry
Department of Economics
Yale University
Box 208269
New Haven, CT 06520-8269
christopher.udry@yale.edu
(203) 432-3637

Pinelopi (Penny) Goldberg
Department of Economics
Yale University
Box 208264
New Haven, CT 06520-8264
penny.goldberg@yale.edu
(203) 432-3547

Dissertation Abstract:

In the development economics literature, identification of the processes by which agents' choose to invest in physical and human capital and allocate labor and capital across sectors, both individually and within the household, is made difficult by unobservable heterogeneity and dynamics. Consequently, traditional econometric techniques will often provide inconsistent estimates of the returns to these decisions. My research focuses on the modeling of economic decision-making of individuals and households under imperfect information and/or heterogeneity and the development of appropriate econometric techniques for estimation of these models.

In my dissertation, I develop a novel extension to projection-based panel data estimation methods and apply it to models with learning and latent heterogeneity. In the first chapter (the job market paper), I develop the method and apply it in the context of the entrepreneurship decision amongst households in Thailand. In the second chapter, co-authors and I use the same methodology to explore the export decision of firms in Chile and the relationship between firm profitability in domestic and foreign markets. In an additional work in progress, I show that a model of learning about comparative advantage in skilled work can explain the observed high frequency switching in and out of school enrollment in high unemployment contexts such as South Africa.

My other work explores intra-household resource allocation and labor supply decisions using variations in health endowments and acute health shocks. Along with a co-author, I develop models of household production across multiple sectors under health shocks and parental investments in response to variations in child endowments and use their predictions to test features of the underlying production and utility functions.

“Learning about Comparative Advantage in Entrepreneurship: Evidence from Thailand” [Job Market Paper]

Abstract: Entrepreneurial activity has been argued to be an important stimulus of growth, especially in less developed countries. However, measuring the returns to entrepreneurship is made difficult due to potential selection on the basis of unobservable abilities and the agents' imperfect information about their own comparative advantage in entrepreneurship. I develop a novel extension to projection-based panel data methods to estimate a model of returns to entrepreneurship that accounts for heterogeneity in entrepreneurial abilities, learning, and financial constraints. My approach has two main advantages: 1) it is robust to arbitrary relationships between latent heterogeneity and sector and input choices; and 2) I can test between the full model and nested models featuring homogeneous returns and/or perfect information, allowing the data to determine the need for the additional complexity. I estimate the model using panel data from Thailand, and find strong evidence of selection into entrepreneurship on the basis of comparative advantage. The results show that the households with the least ability in the default sector have the highest productivity gains from switching to entrepreneurship, and that these households learn about their comparative advantage through lower-than-expected productivity in the default sector and/or positive productivity realizations in entrepreneurship. Importantly, the structural results do not suggest a salient role for savings or credit constraints in entrepreneurship decisions. I conduct additional analysis using agricultural output prices and their interactions with the household's farm acreage as instruments for savings and self-reported credit constraints and find no significant effects of these on entry into entrepreneurship.

“Are Exporting Firms Better? Evidence on Comparative Advantage and Learning from Chilean Firms”
(with Prashant Bharadwaj and Tavneet Suri)

Abstract: Previous theoretical studies of the firm’s decision to enter export markets have emphasized the role of absolute advantage in selection into trade. That is, firm profitability is treated as heterogeneous; however, profitability in the export market is assumed to be positively correlated with domestic profitability. Empirical studies have cited the fact that, in the cross-section, exporting firms are larger than non-exporting firms as evidence in support of this notion of selection on absolute advantage. We develop a model which incorporates two heterogeneous components of profitability: absolute advantage, which affects domestic and export profits identically, and comparative advantage in trade, which only affects profits in the export market. Using panel data on Chilean firms in manufacturing industries, we estimate that profitability in the export market is, in fact, *negatively* correlated with domestic profitability. That is, the firms that select into trade based on their higher returns to exporting have, on average, lower counterfactual profits in the domestic market than firms that choose to produce solely for domestic sale. We then extend the model to allow for dynamics and compare the ability of different learning mechanisms to explain observed decision histories and returns.

“Endowments and Investments within the Household: Evidence from Iodine Supplementation in Tanzania” (with Achyuta Adhvaryu) [under review]

Abstract: We study how endowments at birth affect parents’ resource allocation decisions among children, exploiting variation in exposure to a large-scale iodine supplementation program in Tanzania. The medical literature has shown that a reduction in iodine deficiency of the mother during the first trimester of pregnancy leads to improved cognitive ability in the child. We find that treated children with improved cognitive endowments are more likely to receive necessary vaccines and are breastfed for longer, as are their siblings. In a model of intra-household allocations, we show that this pattern of responses implies that parents are averse to sibling inequality, while imposing minimal structure on the child quality production function. In contrast, neonatal investments and fertility behaviors are unaffected, suggesting that parents reacted to observed endowment changes rather than indirect program effects.

“Healthcare Choices, Information and Health Outcomes” (with Achyuta Adhvaryu) [under review]

Abstract: Self-selection into healthcare options biases estimates of the effects of healthcare on health outcomes. We exploit exogenous variation in the cost of formal-sector care to show that the use of such care improves short-term health outcomes for acutely ill children in Tanzania. Better treatment-specific information, rather than greater access to medicines, appears to be the primary mechanism for this effect: children who use formal-sector care are as a result more likely to get timely treatment and adhere to their medications.

“Schooling, Child Labor and the Returns to Healthcare in Tanzania,” Journal of Human Resources, forthcoming (with Achyuta Adhvaryu)

Abstract: We study the effects of accessing better healthcare on the schooling and labor supply decisions of sick children in Tanzania. Using variation in the cost of formal sector healthcare to predict treatment choice, we show that accessing better healthcare decreases length of illness and changes children's allocation of time to school and work. Children attend school for more days per week--but not for more hours per day--as a result of accessing better healthcare. There are no significant effects on child labor, but the results suggest that time spent in physically strenuous activities such as farming and herding increases in response to speedy recovery.

“Labor Complementarities and Health in the Agricultural Household” (with Achyuta Adhvaryu)

Abstract: Models of the agricultural household have traditionally relied on assumptions regarding the complementarity or substitutability of family labor inputs. We develop a model of household production under health shocks with multiple sectors and labor inputs and show how data on time allocations, health shocks and the cost of accessing quality healthcare can be used to test these assumptions. Data from Tanzania provide evidence that complementarities exist and can explain the pattern of labor supply adjustments across household members and productive activities following acute sickness. In particular, we find that sick and healthy household members both shift labor away from self-employment and into farming when the sick recover more quickly. Infra-marginal adjustments within farming activity types provide further evidence of farm-specific complementarities.