

Research Statement

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My research is at the intersection of international trade and development economics, studying how different forms of market integration, both across and within countries, affect household livelihoods in developing countries.

Within this area of inquiry, my work explores the economic implications of rapidly growing, but so far less studied, drivers of globalization in developing countries, with an interest in both average and distributional effects. These include market integration through the internet and the growth of e-commerce [1,2], trade in local services due to tourism [3] or mobile pensioners [4], the arrival of foreign retail chains through foreign direct investment (FDI) [5], Responsible Sourcing standards by multinational enterprises (MNEs) [6,7], flows of trade and investment driven by rural-to-urban migration [8], regional integration due to investments in transport infrastructure [9], and urban market integration due to smartphone delivery apps [10].

Methodologically, my work combines empirical evidence from field and quasi-experiments with quantitative evaluations through the lens of a theoretical structure. The objective to thus expand what can be learned from reduced-form estimation or model-based predictions alone is also central in [11], where we develop a methodology to quantify the implications of scaling up local agricultural policy interventions to a broader segment of the population. This approach can both complement evidence from local field and quasi-experiments and be informed by it.

A related objective of my work has been to improve our understanding of globalization's consequences beyond the effects on employment, nominal wages or incomes, by paying careful attention to changes in household cost of living in the denominator of real income. Such effects have been hard to capture empirically, as they require detailed information on changes in household expenditures, product prices and availability. My work has addressed this challenge by bringing to bear newly available consumption microdata for China [1], Mexico [5] and the US [12]. In [13], we develop a methodology for welfare estimation when such detailed microdata are not available for the full consumption basket. We show that under a broad class of preferences that are quasi-separable we can recover theory-consistent and unbiased estimates of price index and welfare changes across percentiles of the income distribution using widely available expenditure survey microdata.

References

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