INDIA HUMAN DEVELOPMENT SURVEY

December 2018

Welcome to the India Human Development Survey Forum

A monthly update of socio-economic developments in India by the IHDS research community

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In this issue...

As we approach the end of another eventful year, it is time to yet again reflect on the notable social and economic developments in India documented by the India Human Development Survey (IHDS) through its wide spectrum of education, health, economy, family, and gender modules for both urban and rural samples across the country. In its final edition of 2018, the IHDS newsletter focuses on two of the key themes that engaged researchers during the year—how caste-based discrimination also affects Indian farmers' access to credit (among other things), and what factors determine enrolment in higher education in a middle-income country like India.

- In their paper examining caste-based differences in farmers' access to bank loans in rural India, **Sunil Mitra Kumar and Ragupathy Venkatachalam** use IHDS data to investigate whether banks practise taste-based caste discrimination. While they do find the persistence of taste-based discrimination, they note that this discrimination does not affect small farmers.

- The second paper by **Alan Sánchez and Abhijeet Singh** studies the factors affecting enrolment in higher education in three middle-income countries, viz., India, Peru and Vietnam, using unique individual-level panel data from Young Lives Survey on a cohort of individuals in the age group of 8–19 years. They record several key findings pertaining to access to education based on wealth, aspirations, parental education and gender, among other variables. IHDS data are used to provide educational context in interpreting these results.

- **Media Mentions**

- **Recent publications using IHDS**

Research Findings Based on IHDS Data
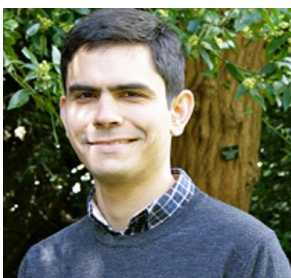
Caste and Credit: A Woeful Tale?

Sunil Mitra Kumar and Ragupathy Venkatachalam

This paper examines caste-based differences in farmers' access to bank loans in rural India. Using data from the India Human Development Survey (IHDS), the authors investigate whether banks practise taste-based discrimination on the basis of caste. In order to identify potential discrimination, they consider loan applications and approval decisions separately. They find significant inter-caste differences in application rates, and evidence of discrimination against Scheduled Tribe borrowers at the approval stage. To rule out the role of statistical discrimination, the authors simulate unobserved credit histories with various distributions. Evidence for taste-based discrimination persists despite accounting for unobservables. However, the paper shows that this discrimination does not affect small farmers.

Loan applications				Loan approvals			
Brahmin	OBC	SC	ST	Brahmin	OBC	SC	ST
0.405	0.419	0.357	0.324	0.937	0.947	0.945	0.892
(0.016)	(0.014)	(0.022)	(0.024)	(0.012)	(0.007)	(0.012)	(0.026)
	All castes equal: p = 0.000				All castes equal: p = 0.218		
					ST and non-ST equal: p = 0.047		

[Working Paper Version Link Here]   [Published Version Link Here]

Sunil Mitra Kumar is Lecturer in Economics at the India Institute and Department for International Development, King's College London. He researches economic development through the micro-econometric analysis of survey data, and is also interested in theoretical enquiries into notions of causation and the role of randomised experiments. He received his PhD in Economics from the University of East Anglia, MA in Economics from the Delhi School of Economics, and BA in Mathematics from St Stephen's College, Delhi University, India. Before embarking on his PhD, he worked for the Social Initiatives Group of ICICI Bank, and also taught courses on impact evaluation at the University of East Anglia.

Ragupathy Venkatachalam is a Lecturer in Economics at the Institute of Management Studies, Goldsmiths, University of London. He has previously taught Economics at the Centre for Development Studies, Thiruvananthapuram, India, and worked as a Research Fellow at the Artificial Intelligence Economics Research Center at the National Chengchi University, Taiwan. His broad research areas include computable economics, behavioural economics and issues related to development. He serves as the Associate Editor of *Economia Politica* (Journal of Analytical and Institutional Economics). He holds a PhD in Economics from the University of Trento, Italy, and Masters in Law and Economics from the University of Hamburg, University of Bologna and Université Paul Cézanne Aix-Marseille III. He also has an MSc in Economics from the Madras School of Economics, Chennai, India, and BA in Economics from Shri Ram College of Commerce, University of Delhi, India.

Accessing higher education in developing countries: Panel data analysis from India, Peru, and Vietnam

Alan Sánchez and Abhijeet Singh

The authors use unique individual-level panel data from India (covering the states of Andhra Pradesh and Telangana), Peru, and Vietnam on a cohort of individuals surveyed in the age group of 8–19 years to study the factors affecting enrolment in higher education in these middle-income countries. They document that (a) similar to nationally representative data, such as from the India Human Development Survey (IHDS), the proportion having accessed higher education at this age is high (~35–45 per cent); (b) there are steep gradients in higher education access across wealth and parental education; (c) a substantial part of the gradient with regard to parental education is explained by parental and child aspirations for education, at 12 years of age, and previous measures of learning; (d) in contrast, wealth gradients decline much less with the inclusion of these variables, indicating that the correlation between household economic circumstances and higher education access is only partly due to differences in early childhood human capital formation; and (e) there are important differences in terms of gender in access to levels of higher education (favouring boys in India and girls in Vietnam), and in the association of various household and individual characteristics and parental and child aspirations with enrolment in higher education by 19 years of age.

[Full Paper Here]

Alan Sánchez is an applied development economist based in Lima, Peru. He is Senior Researcher at Group for the Analysis of Development (GRADE), Principal Investigator at Young Lives Peru, and Academic Visitor at the Oxford Department of International Development. He is also a part-time lecturer in Economics at Universidad de Piura. His published work focuses on analysing the determinants and impacts of human capital from early life throughout childhood, adolescence, and early adulthood in the context of developing countries. He holds a DPhil in Economics and an MSc in Economics for Development from the University of Oxford.

Abhijeet Singh is an Assistant Professor of Economics at the Stockholm School of Economics. He has earlier been a Post-doctoral Research Associate at the University College London, and Senior Economist at the National Bureau of Statistics, Government of South Sudan. His research focuses on topics relating to the economics of education, child nutrition and public service delivery in developing countries. He is additionally affiliated with the CESifo Economics of Education Research Network in Munich, Nuffield College and the Young Lives study, (Oxford). He holds a DPhil in Economics and an MSc in Economics for Development from the University of Oxford, and a B.A. in Economics from Hindu College, Delhi University.

IHDS in the News

- Hawksley, Rupert. "Social Media and Fake News: How the Smartphone Is Transforming India", *The National*, 29 November, 2018. Link.

- Khan, Fatima. "Illiterate Married Indian Women Better Employed Than Educated Married Women: US study", *The Print*, 27 November, 2018. Link.

- Jaffrelot, Christophe and Kalaiyarasan A. "Margins of New India", *The Indian Express*, 27 November, 2018. Link.

- Pacha, Aswathi. "Poor Sanitation, Harassment Reasons for Birth Problems in India", *The Hindu*, 25 November, 2018. Link.

- _____. "Opinion| Barriers to Indian Firms Achieving High Growth", *Live Mint*, 22 November, 2018. Link.

- Lee, Yujung Julia. "It's World Toilet Day. Why Do So Many People Lack Adequate Sanitation Facilities?", *The Washington Post*, 19 November, 2018. Link.

- Mohanty, Prasanna. "Maratha Quota Row in Maharashtra: Why Do Politically Powerful and Relatively Rich Communities Need Reservations?", *First Post*, 19 November, 2018. Link.

- Chandrasekhar, C.P. and Jayati Ghosh. "The Wealthy Barely Pay Taxes-Will the Government Make Them Pay?", *The Hindu BusinessLine*, 5 November, 2018. Link.

- Sanghera, Tish (IndiaSpend). "Gender Gap in Phone Access Curbing Women's Growth; Highest in Rajasthan, UP", *Business Standard*, 1 November, 2018. Link.

Recent Publications Using IHDS

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- Desai, S. (2018). "Do Public Works Programs Increase Women's Economic Empowerment?: Evidence from Rural India." Accessed on November 27, 2018 from link.

- Dasgupta, I., and S. Pal. (2018). "Touch Thee Not: Group Conflict, Caste Power, and Untouchability in Rural India." Accessed on November 24, 2018. Link.

- Merfeld, J.D., and J. Saha. *Job Market Paper.* Accessed on November 20, 2018 from link. (2018). "Insuring Girls' Lives against Drought."

- Agrawal, T., and A. Krishna. (2018). "Food subsidy – PDS, cash, or both?" *Ideas for India.* Accessed on November 20, 2018. Link.

- Lin, Z., and F. Chen. (2018). "Gender Differences in the Health Implications of Spousal Loss in India: Evidence from a Longitudinal Survey." *Innovation in Aging,* 2(suppl_1): 659–659. doi:10.1093/geroni/igy023.2458. Accessed on November 17, 2018. Link.

- Roy, P., and A. Choudhury. (2018). "Analysis of Variation in BMI - A Region Wise Analysis." *Journal of Assam Science Society,* 57(1 & 2): 56–66. Accessed on November 8, 2018. Link.

- Barboni, G., E. Field, R. Pande, N. Rigol, S. Schaner, and C.T. Moore. (2018). *A Tough Call: Understanding barriers to and impacts of women's mobile phone adoption in India*: Harvard Kennedy School. Accessed on November 6, 2018. Link.

- Hossain, F., and R.N. Ahsan. (2018). "When It Rains, It Pours: Estimating the Spatial Spillover Effect of Rainfall." Accessed on November 3, 2018 from link.

About IHDS

The India Human Development Survey (IHDS) is a nationally representative, multi-topic survey of 41,554 households in 1503 villages and 971 urban neighbourhoods across India. The first round of interviews was completed in 2004-05; data are publicly available through ICPSR. A second round of IHDS re-interviewed most of these households in 2011-12 (N=42,152) and data for the same can be found here.

HAPPY NEW YEAR 2019

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