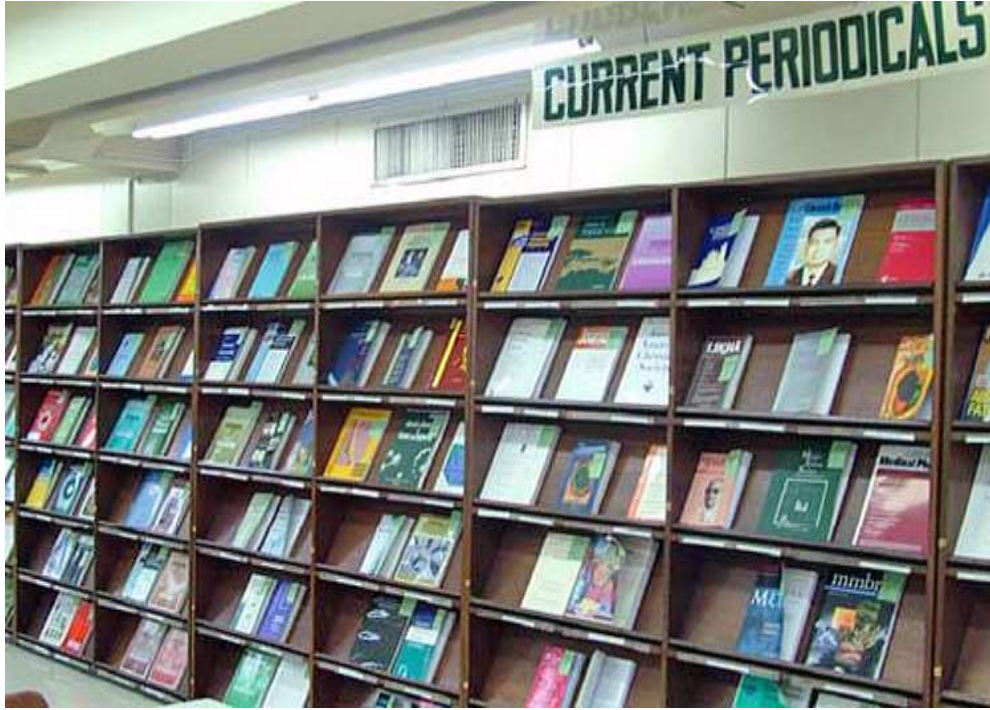नीति आयोग
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CONTENTS

AGRICULTURE

1. Richa Kumar

   [India's Green Revolution and Beyond: Visioning agrarian futures on selective readings of agrarian pasts](#).
   ECONOMIC AND POLITICAL WEEKLY, 54(34), 2019(24th August): 41-48

   The widely accepted "success" of India's green revolution in making the country self-sufficient in food grains has made it the model for all agrarian futures envisioned in the country. This article argues that this vision of the future is based on a selective understanding of India's agrarian past as backward and needing redemption. There is inadequate evidence to support the claim that India was food-insecure in the 1960s. Moreover, evidence suggests that India's food and nutritional insecurities today are the aftermath of the green revolution strategy promoted since the 1960s. This article is a small contribution towards comprehensively outlining that past so that we can begin to imagine a new vision for India's agrarian future.

   ** AGRICULTURE.

CAPITALASIM

2. Malenko, Andrey

   [Optimal Dynamic Capital Budgeting](#).
   REVIEW OF ECONOMIC STUDIES, 86(4)(309), 2019(July): 1747-78
   I study optimal design of a dynamic capital allocation process in an organization in which the division manager with empire-building preferences privately observes the arrival and properties of investment projects and headquarters can audit projects at a cost. Under certain conditions, a budgeting mechanism with threshold separation of financing is optimal. Headquarters: (1) allocate a spending account to the manager and replenish it over time; (2) set a threshold, such that projects below it are financed from the account, while projects above are financed fully by headquarters upon an audit. Further analysis studies when co-financing of projects is optimal and how the size of the account depends on past performance of projects.

   ** CAPITALALISM

CHILD CARE

3.   Baker,Michael Jonathan Gruber and Milligan, Kevin
        The Long-Run Impacts of a Universal Child Care Program.
        AMERICAN ECONOMIC JOURNAL: ECONOMIC POLICY, 11(2), 2019
        (August): 1-26

        Past research documents the persistence of positive impacts of early life interventions on
        noncognitive skills. We test the symmetry of this finding by studying the persistence of a
        sizeable negative shock to noncognitive outcomes arising with the introduction of
        universal child care in Quebec. We find that the negative effects on noncognitive
        outcomes persisted to school ages, and also that cohorts with increased child care
        access had worse health, lower life satisfaction, and higher crime rates later in life. Our
        results reinforce previous evidence of the central role of the early childhood environment
        for long-run success.

        ** CHILD CARE

ECONOMICS

4.   Jagadeesan, Ravi
        Cadet-Branch matching in a kelso-crawford economy.
        AMERICAN ECONOMIC JOURNAL: MICROECONOMICS, 11(3), August 2019

        Sonmez (2013) and Sonmez and Switzer (2013) used matching theory with unilaterally
        substitutable priorities to propose mechanisms to match cadets to military branches. This
        paper shows that, alternatively, the Sonmez and Sonmez-Switzer mechanisms can be
        constructed as descending salary adjustment processes in Kelso-Crawford (1982)
        economies in which cadets are (grossly) substitutable. The lengths of service contracts
        serve as (inverse) salaries. The underlying substitutability explains the unilateral
        substitutability of the priorities utilized by Sonmez and Sonmez-Switzer.

        ** ECONOMICS.

5. Jordà, Òscar Katharina Knoll, Dmitry Kuvshinov, S

The rate of return on everything, 1870-2015.

QUARTERLY JOURNAL OF ECONOMICS, 134(3), 2019(August): 1225-98

What is the aggregate real rate of return in the economy? Is it higher than the growth rate of the economy and, if so, by how much? Is there a tendency for returns to fall in the long run? Which particular assets have the highest long-run returns? We answer these questions on the basis of a new and comprehensive data set for all major asset classes, including housing. The annual data on total returns for equity, housing, bonds, and bills cover 16 advanced economies from 1870 to 2015, and our new evidence reveals many new findings and puzzles.

** ECONOMICS.

6. Mallik , Jayanta Kumar

Can India raise Its GDP per capita to $5,000 by 2030?

ECONOMIC AND POLITICAL WEEKLY, 54(33), 2019 (17th August): 51-57

The ebbs and floods of investment and growth in the Indian economy in the past two decades are rooted in the movements in steel prices. Short-cuts used in the compilation of macro statistics obscure the policy debate by creating incongruous images: real investment growth is rising, but the rate of investment is sliding; doing business is easier, but business activity is growing slower. If policies are pursued to facilitate business activity, and better methods are used to measure it, India can raise its gross domestic product per capita to $5,000 by 2030 (from $1,965 in 2017).

** ECONOMICS.

7. Mehta, Ranjeet

India's journey towards a $ 5 Trillion economy.

YOJANA, 2019(September): 13-15

India's rise is an opportunity to reimagine an India in consonance with our highest civilizational ideals: joy, sustainable prosperity, responsible freedom, inclusive   growth,

peace and mutual respect. These ideals, when they influence our foreign policy, have the potential to shape a plural global order. .

** ECONOMICS.

EDUCATION

8.   Rebecca Dizon-Ross

Parents' Beliefs about their children's academic ability: Implications for educational investments.

AMERICAN ECONOMIC REVIEW, 109(8), 2019(August): 2728-65

Schools worldwide distribute information to parents about their children's academic performance. Do frictions prevent parents, particularly low-income parents, from accessing this information to make decisions? A field experiment in Malawi shows that, at baseline, parents' beliefs about their children's academic performance are often inaccurate. Providing parents with clear, digestible performance information causes them to update their beliefs and adjust their investments: they increase the school enrollment of their higher-performing children, decrease the enrollment of lower-performing children, and choose educational inputs that are more closely matched to their children's academic level. Heterogeneity analysis suggests information frictions are worse among the poor.

** EDUCATION.

EMPLOYMENT

9.   Chenoy, Dilip

Skills for a $ 5 Trillion economy.

YOJANA, 2019(September): 37-39

National Apprenticeship Promotion Scheme was initiated in 2016 to promote apprenticeship with provision for basic training and on the job training or practical training at workplace. Till June 2019, 11.87 lakh candidates and 76,860 establishments have registered under the scheme. .

** EMPLOYMENT.

GOVERNANCE

10.   Suri, Yogesh

      Reforming governance.

      YOJANA, 2019(September): 22-24

      Yogesh Suri is Senior Adviser, NITI Aayog.

This article intends to highlight how recent measures for reforming governance can potentially transform India into a high growth economy capable and facilitating the aspirations of people and facilitating achievement of not only Sustainable Development Goals(SDGs) by 2030, but also help in India emerging amongst the most developed countries by 2047 i.e. the 100th year of Indian independence. .

      ** GOVERNANCE

HEALTH

11.   Achyuta Adhvaryu, Fenske, James and Nyshadham, An

      Early life circumstance and adult mental health.

      JOURNAL OF POLITICAL ECONOMY, 127(4), 2019(August): 1516-1549

We show that psychological well-being in adulthood varies with circumstance in early life. Combining a time series of real producer prices of cocoa with a nationally representative household survey in Ghana, we find that a one standard deviation rise in the cocoa price in early life decreases the likelihood of severe mental distress in adulthood by 3 percentage points (half the mean prevalence) for cohorts born in cocoa-producing regions relative to those born in other regions. Impacts on related personality traits are consistent with this result. Maternal nutrition, reinforcing childhood   investments, and adult circumstance are likely operative channels of impact.

      ** HEALTH.

INFRASTRUCTURE

12.   Dev, Krishna

Infrastructure development for the next generation.

YOJANA, 2019(September): 50-56

The government has emphasized an creating world class infrastructure for building a New India. It has undertaken various projects such as the Sagarmala Project (for accelerating port led development), the Bharatmala Project (to link India from west to east), the Mumbai Trans Harbour Link Project (for building the countryès largest sea bridge) and the Setu Bharatam Project (making national highway free of railway level crossings) among others, to improve the present conditions of infrastructure. .

 ** INFRASTRUCTURE.

INVESTMENTS

13.   Burchardi,Konrad B, Chaney, Thomas and Hassan, T

Migrants, Ancestors, and Foreign Investments.

REVIEW OF ECONOMIC STUDIES, 86(4)(309), 2019(July): 1448-1486

We use 130 years of data on historical migrations to the U.S. to show a causal effect of the ancestry composition of U.S. counties on foreign direct investment (FDI) sent and received by local firms. To isolate the causal effect of ancestry on FDI, we build a simple reduced-form model   of migrations: Migrations from a foreign country to a U.S. county at a given time depend on (1) a push factor, causing emigration from that foreign country to the entire U.S., and (2) a pull factor, causing immigration from all origins into that U.S. county. The interaction between time-series variation in origin-specific push factors and destination-specific pull factors generates quasi-random variation in the allocation of migrants across U.S. counties. We find that doubling the number of residents with ancestry from a given foreign country relative to the mean increases the probability that at least one local firm engages in FDI with that country by 4 percentage points. We present evidence that this effect is primarily driven by a reduction in information frictions, and not by better contract enforcement, taste similarities, or a convergence in factor endowments.

** INVESTMENTS

LABOUR MIGRATION

14.   Schmutz, Benoît and Sidibé, Modibo

Frictional Labour Mobility .

REVIEW OF ECONOMIC STUDIES, 86(4)(309), 2019(July): 1779-1826

We build a dynamic model of migration where, in addition to standard relocation costs, workers face spatial frictions that decrease their ability to compete for distant job opportunities. We estimate the model on a matched employer-employee panel dataset describing labour market transitions within and between the 100 largest French cities. Our identification strategy is based on the premise that frictions affect the frequency of job transitions, while mobility costs impact the distribution of accepted wages. We find that: (1) controlling for spatial frictions reduces mobility cost estimates by one   order of magnitude; (2) the urban wage premium is driven by better opportunities for local job-to-job transitions in larger cities; (3) migration reduces lifetime inequalities by providing insurance against unsatisfactory initial location draws; (4) labour   mobility policies based on relocation subsidies are inefficient, unlike switching from nationwide to local minimum wages.

    ** LABOUR MIGRATION

RURAL DEVELOPMENT

15.   Prem Kumar

Census Towns in Uttar Pradesh: Understanding the transformation of Rural Economy into Urban Economy.

ECONOMIC AND POLITICAL WEEKLY, 54(33), 2019(17th August): 122-129

An understanding of the emergence of new census towns, as reported by the 2011 Census, necessitates an investigation, specifically at a micro level, into the factors behind the shift of the male working population from the farm sector to the non-farm sector. The ergence of census towns at an all-India level and the history of census towns in Uttar Pradesh are examined. Census towns in selected districts of UP have been   analysed to comprehend the trends and patterns of urbanisation resulting from the transformation of rural areas into urban settlements. A case study of Soraon, a   census town in Allahabad district of UP,

has also been undertaken to further understand the urbanisation process along the rural-urban continuum.

** RURAL DEVELOPMENT

SCIENCE AND TECHNOLOGY

16.   Bloom, Nicholas, John Van Reenen and Williams, He
       A toolkit of policies to promote innovation.
       JOURNAL OF ECONOMIC PERSPECTIVES, 33(3), 2019(summer): 163-84

       Economic theory suggests that market economies are likely to underprovide innovation because of the public good nature of knowledge. Empirical evidence from the United States and other advanced economies supports this idea. We summarize the pros and cons of different policy instruments for promoting innovation and provide a basic "toolkit" describing which policies are most effective according to our reading of the evidence. In the short run, R&D tax credits and direct public funding seem the most productive, but in the longer run, increasing the supply of human capital (for example, relaxing immigration rules or expanding university STEM admissions) is likely more effective.
        ** SCIENCE AND TECHNOLOGY

17.   Sekhsaria, Pankaj and Thayyil, Naveen
       Technology Vision 2035: Visions, technologies, democracy and the citizen in India.
       ECONOMIC AND POLITICAL WEEKLY, 54(34), 2019(24th August): 64-69

       "Technology Vision 2035," developed by the Technology Information, Forecasting and Assessment Council, claims to identify key challenges and needs of India and describe its technology capability landscape in 2035. It is important to understand the backstage process of participation in the development of this vision document, and bring forth the imagination of the citizen underlining the vision's horizon. In the context of its "diversity" claims, it is essential to ask if one vision is really possible for such a huge and diverse country, or should we be talking, instead, of many visions, and a   diversity of visions?.