

## SUMMARY

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Examining Underinvestment in Agriculture in Ghana: Analysis of Experimental Results from Field Project

Professor Christopher Udry

### Description of research project:

This project is the second year continuation of the development economics research on agricultural underinvestment in Tamale, Ghana. The objective is to examine the impact of rainfall insurance and capital on how much farmers invest in agricultural activities, and how their performances are affected by external insurance and capital intervention. The research team in Tamale offered priced insurance and capital drops to selected households, and collected farming and household data from interviews with farmers. A set of the second-year survey results were recently added to the database for this project to replicate the first year's regression results.

### Responsibilities:

My responsibility was to build a series of STATA programs that would compile this year's survey data from Tamale and run treatment effect regressions of harvest yields, farming costs, household statistics, etc. on capital drops and priced insurance. The project has been a great learning experience made possible by the kind and helpful guidance and encouragement from Professor Udry, who is amazingly knowledgeable about this project and development economics in general.

### Lessons learned:

The project helped me gain an idea of what development economics research is like. I had a great time working with datasets and watching how first-rate economists do their jobs. The behind-the-book reality of farmers in Ghana was another lesson and inspiration, as I tried to ponder over the bigger picture and implications of the survey results. The project also familiarized me with STATA and basics of econometrics.

### Opinion of SRO experience:

My SRO experience is an absolutely wonderful one. It has been both enjoyable and eye-opening. It is an opportunity to contribute to the kind of project that will make the world a better place. SRO also enables first-hand research experience with professors at the forefront of their respective fields, and helps the student to get familiar with interesting research topics and useful statistical tools.