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BUSINESS ADDRESS:

Department of Economics
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Berkeley, CA 94720-3880

FIELDS OF CONCENTRATION:

Primary: Development Economics
Secondary: Psychology and Economics, Labor Economics

DISSERTATION TITLE: "Essays in Development Economics"

Expected Date of Completion: May 2024
Principal Advisors: Professors Supreet Kaur and Edward Miguel
Other References: Professors Ned Augenblick and Frederico Finan

| PRE-DOCTORAL STUDIES: | DEGREE | DATE | FIELD |
|------------------------------|---------------|-------------|--------------|
| LSE | M.Sc. | 2015 | Economics |
| <i>Distinction</i> | | | |
| University of Cambridge | B.A. | 2011 | Economics |
| <i>First-Class Honors</i> | | | |

JOB MARKET PAPER:

"Under-training by Employers in Spot Labor Markets: Evidence from Burundi"
with Luisa Cefala, Pedro Naso and Michel Ndayikeza

Abstract: Labor markets in low- and middle-income countries are often organized via short-term informal spot contracts. This market structure may lead employers to underinvest in training workers in general human capital. We explore this phenomenon among agricultural employers in Burundi. We investigate whether employers do not train casual laborers in improved, labor-intensive, agricultural techniques because they do not appropriate the returns. First, to test for the presence of appropriability failures, we induce a subset of employers to train workers in some local labor markets (villages) and not others. We document that many of the trained workers subsequently work for other employers in the local labor market, so that the training employer captures only a portion of the returns from training. The spillovers onto the other employers (who did not train) are large, leading to increases in use of the new technology and increased profits. Second, we randomize employers into a contract condition that increases the likelihood that the trained worker will work for the training employer in the future, shifting more of the training surplus to the training employer. This contract increases employers' willingness to train by 50 percentage points. Our findings suggest that a sizable wedge between private and social returns to training may impede on-the-job training in spot labor markets, with meaningful consequences for worker productivity and output.

OTHER WORKING PAPERS:

"All in the Family: Kinship Pressure and Firm Worker Matching"

Abstract: Many firms in low-and-middle income countries hire family members as employees. A common explanation for this is informational or contractual advantages associated with hiring network members. This paper investigates whether some of this hiring is driven by redistributive pressure. Using three field experiments in Zambia, I offer rural and urban employers a subsidy to hire a worker for their small business. To introduce variation in social pressure, I introduce some noise in the hiring process, so that sometimes the employer hires their preferred hire, and sometimes not. I then randomize some employers into a condition that lets them signal the noise in the hiring process to others, offering them "an excuse" for not hiring a family member. I then measure how employers knowing they will have "plausible deniability" for not hiring from their family changes their hiring decisions. In a first main finding, I show that increased plausible deniability reduces the probability of choosing a relative for the position by as much as twenty-five percent, suggesting that a non-trivial share of hiring is driven by redistributive pressure. Consistent with the proposed mechanism, this effect is concentrated among employers who report facing higher levels of redistributive pressure at baseline. I then show that hiring a relative has meaningful productivity consequences: among a sample of rural employers, I find that rural employers randomly assigned to

hire a related rather than a non-related employee produce 7 percent lower output. Finally, I show that this pressure is particularly pronounced in cases when it is costlier to measure worker productivity and where the employer and their family disagree about the worker's productivity, suggesting a microfoundation for why such pressure exists and when it will be less pronounced.

“Retrieval Failures and Consumption Smoothing: A Field Experiment on Seasonal Poverty”
with Ned Augenblick, Kelsey Jack, Supreet Kaur and Felix Masiye

Abstract: Individuals may fail to recall and use information they already know when making decisions. We empirically investigate whether such retrieval failures" distort consumption smoothing behavior among Zambian farmers, who derive their income from one annual harvest and then spend it down over the course of the year. We document that individuals underestimate upcoming spending by 50%, creating scope for under-saving. In order to improve recall, we randomize an intervention that prompts individuals to think through their future expenses associatively in categories---without providing any external information or guidance. Treated individuals increase remembered" expenses by 42%; as predicted by the memory literature, effects are concentrated among small, irregular, and stochastic items. Immediate spending drops and, two months after the intervention, treated households hold 15% higher savings. They subsequently enter the hungry season"---the final months of the year when consumption typically declines sharply---with one additional month of savings, leading to a flatter spending profile over the year. Households use the increased savings to self-finance additional farm investment, resulting in a 9% increase in the next year's crop revenue. We replicate the intervention's impact on beliefs among low-income Americans, suggesting that retrieval failures generalize across settings and populations.

PUBLICATIONS:

Swanson, N., Christensen, G., Littman, R., Birke, D., Miguel, E., Paluck, E.L. and Wang, Z., 2020, May. Research transparency is on the rise in economics. In *AEA Papers and Proceedings* (Vol. 110, pp. 61-65).

Ferguson, J., Littman, R., Christensen, G., Paluck, E.L., Swanson, N., Wang, Z., Miguel, E., Birke, D. and Pezzuto, J.H., 2023. Survey of open science practices and attitudes in the social sciences. *Nature communications*, 14(1), p.5401.

SELECTED WORKS IN PROGRESS:

“Knowledge Hoarding in the Transfer of Worker Skills: Evidence from Burundi”
with Luisa Cefala, Franck Irakoze and Pedro Naso (*Data Collection in Progress*)

Abstract: We propose a novel mechanism that might prevent information diffusion: “knowledge hoarding”. In settings where early technology adopters (incumbents) derive rents from it, they might strategically halt its diffusion to preserve the rent their knowledge grants them. We ask whether in settings in which technology diffusion creates “winners” and “losers”, knowledge hoarding limits aggregate productivity gains because of its distributional consequences. We test this hypothesis in a sample of workers in agricultural labor markets in Burundi, some of whom are skilled in new agricultural techniques, some of whom are not. We first document knowledge hoarding: we show that some laborers skilled in the technique are willing to forgo large payments to avoid training labor market competitors in these techniques. To show this behavior has aggregate and distributional consequences, we induce some workers to train others in these markets, and measure the gains to employers, and changes in wages for incumbent and unskilled laborers.

“The Impacts of Liquidity on Low-Income Workers: Evidence from Earned Wage Access” with Luisa Cefala and Eric Koepcke

“Measuring Slums from Space” with Michael Gechter, Minas Sifakis and Nick Tsivanidis

PROFESSIONAL EXPERIENCE:

RESEARCH:

Research Assistant (with Nick Tsivanidis), Department of Economics, U.C. Berkeley (2021-2022)
Research Assistant (with Supreet Kaur), Department of Economics, U.C. Berkeley (2017-2018)
Research Assistant (with Ted Miguel), Department of Economics, U.C. Berkeley (2017-2018)
Research Assistant (with Nava Ashraf), Department of Economics, LSE (2015-2016)
Research Assistant (with Heather Schofield, Frank Schilbach) Cornell and MIT (2013-2014)

TEACHING:

Teaching Assistant, MBA Programs, Haas School of Business (Spring 2020)
Strategic Leadership

Teaching Assistant, Department of Economics, U.C. Berkeley (Fall 2018, Spring 2019)
Introduction to Economics, Intermediate Microeconomics

OTHER:

M&A Analyst, Evercore Partners, 2013-2014
Equity Research Analyst, HSBC, 2011-2012

CONFERENCES AND PRESENTATIONS

2024 CSAE Conference (*scheduled*)
2023 PacDev, Warwick PhD Conference, All UC Labor, Advances in Field Experiments, IZA/CREST Conference:
Labor Market Policy Evaluation, World Bank Dime-KDI (*scheduled*), NEUDC (*scheduled*)
2022 Advances in Field Experiments, STEG Workshop, IPA GPRL, NEUDC
2021 PEP Convening, PacDev, Early-Career Behavioral Economics Conference
2020 Yale Whitebox Conference

FELLOWSHIPS AND AWARDS:

2023 Stone Center Fellowship
2023 IRLE Dissertation Fellowship
2022 Global Priorities Fellowship
2021/2022 Rocca Dissertation Fellowship
2009, 2011 Kings Scholar, Gerald Shove Prize

RESEARCH GRANTS:

PI

2023 IGC (~\$25,000)
2023 Strandberg Research Grant (\$9,300)
2022 SurveyCTO Research Grant Awardee (\$2,000)
2022 Weiss Fund (\$48,120)
2022 Weiss Fund (\$44,660)
2022 Strandberg Research Grant (\$10,000)
2021-23 Psychology and Economics of Poverty Grants (multiple) (\$39,000)
2021 ATAI (\$8,527)
2021 JPal-JOI (\$7,310)
2020 PEDL Exploratory Grant (~\$40,000)
2020 EASST Grant Award (\$54,250)
2018-23 CEGA Development Challenge (multiple) (\$23,500)

Co-PI

2022 IGC (~\$25,000)
2020 USAID-DIV (\$426,146)
2020 MRR (\$256,716)
2019 Weiss Foundation (\$75,862)

SERVICE

Referee: *Journal of Development Economics*

OTHER INFORMATION:

Citizenship: UK, USA