

## Gaurav Chiplunkar

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**Citizenship:** India; F-1 visa

**Fields of Concentration:**

Development economics  
Labor economics  
Applied microeconomics

**Desired Teaching:**

Development economics, Labor economics, Microeconomics, Applied econometrics

**Comprehensive Examinations Completed:**

2015 (Orals): Development economics, Labor economics  
2014 (Written): Microeconomics (distinction) Macroeconomics (distinction)

**Dissertation Title:** *Essays on Industrial Policies and Labor Market Frictions in India*

**Committee:**

Professor Mushfiq Mobarak (Chair)  
Professor Costas Meghir (Chair)  
Professor Joseph Altonji  
Professor Michael Boozer  
Professor Mark Rosenzweig

**Expected Completion Date:** May 2019

**Degrees:**

Ph.D., Economics, Yale University, 2019 (expected)  
M.Phil., Economic Research (with distinction), University of Cambridge, 2011  
M.Sc., Economics (with distinction), London School of Economics, 2010  
B.A., Economics (with distinction), University of Delhi, 2008

**Fellowships, Honors and Awards:**

Carl Arvid Anderson Prize Fellowship, Cowles Foundation, Yale University, 2016-17  
 Louis K. and Marie L. Kofsky Fellow, Yale University, 2017-18  
 Ryochi Sasakawa Young Leaders Fellowship, 2015-18  
 Richard J. Bernhard Fellowship, 2014-15  
 Coca Cola World Fund Fellow, 2014  
 Yale University Economic Growth Center Fellowship, 2013-17  
 Yale University Graduate Fellowship, 2013-present

**Research Grants:**

J-PAL Post Primary Education Initiative (with Jeremy Magruder)	\$131,813
J-PAL Urban Services Initiative (with Mushfiq Mobarak)	\$50,025
PEDL Exploratory Grant #3545 (with Abhijit Banerjee)	GBP 16,774 (\$24,153)
McMillan Center Pre-Dissertation Research Grant	\$9,000

**Teaching Experience:***Yale University*

Economics of Poverty Alleviation	Course instructor	Spring 2018
Growth and Macroeconomics	Course instructor	Fall 2016
Growth and Macroeconomics	Instructor: D. Love	Spring 2016
Microeconomics for IDE	Instructor: M. Boozer	Fall 2015
Macroeconomics for IDE	Instructor: I. Alonso	Fall 2014

*Training experience*

Monitoring and Evaluation course for Indian Economic Services (IES)	New Delhi	2014, 2015, 2016
Executive Education Course	J-PAL South Asia	2014, 2015, 2016
Staff training for J-PAL and IPA	India	2014

**Research and Work Experience:**

Member, Research Review Committee, Innovations for Poverty Action (IPA), 2016-present  
 Research Assistant, D. Keniston and R. Toth, Yale University, 2014-present  
 Research Manager, J-PAL South Asia, 2012-13  
 Research Assistant, J-PAL South Asia, 2011-2012

**Working Papers:**

“Equilibrium effects of size-based policies on multiproduct firms”, November 2018, *Job Market Paper*.

“How important are matching frictions in the labor market? Experimental and non-experimental evidence from a large Indian firm” with Abhijit Banerjee, August 2018.

“Marriage markets and the rise of dowry in India” with Jeff Weaver, October 2018.

**Work in Progress:**

“Post-Training Assistance in Skills Development Programs: Applicant Selection and Impact Evaluation” with Jeremy Magruder

*Status: Grant secured*

“Understanding Urban Housing in India” with Mushfiq Mobarak

*Status: Fieldwork completed*

“Effect of storage capacity on price dynamics and production: Evidence from India” with Sabyasachi Das and Shivakumar Venkatraman.

**Seminar and Conference Presentations:**

2018: Society of Labor Economics Conference (Toronto), NEUDC (Cornell)

2017: NEUDC (Tufts University), CEPR-IGC Workshop, South Asia Council (Yale)

2016: PEDL Annual Workshop

**Referee Service:**

*Journal of Development Economics, Journal of Economic Development and Cultural Change, Development Engineering*

**Languages:**

Marathi (native), Hindi (native), English, French (basic)

**References:**

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## Dissertation Abstract

### **Chapter 1: Equilibrium effects of size-based policies on multiproduct firms (*Job Market Paper*)**

Small and medium enterprises (SME) account for a substantial proportion of manufacturing employment across countries. Governments commonly support SMEs with size-based industrial policies such as subsidies, financial and technical assistance and preferential procurement. In some cases, these policies are targeted towards specific products as well. In this paper, I build a general equilibrium model to examine how heterogeneous multiproduct firms change (a) which products they manufacture (product mix) and (b) how much they manufacture (firm size), in response to these industrial policies. I then empirically validate the model implications and estimate the model using a large, size-based industrial policy reform in India to quantify the importance of these channels.

I consider a model of multiproduct firms with productivity draws that may be correlated across products. Each firm chooses its mix of products and the quantities of each. Firm decisions reflect the presence of product and size-specific industrial policies. I show how products that are not targeted directly by the policy are affected indirectly through the optimizing behavior of firms. The model also examines how firms respond to the removal of these distortionary policies. On the one hand, the partial equilibrium effect (keeping prices fixed) induces a firm to expand its size and product scope, while on the other, lower product and higher factor prices in general equilibrium induce a firm to narrow its product mix and to focus on its core competency products. The aggregate price changes also lead to firm entry and exit.

To test the implications of the theory, I study the dismantling of a large industrial policy in India that reserved hundreds of products for small firms and barred large firms from manufacturing them. Between 2000 and 2008, these barriers to entry were lifted as products were gradually “dereserved.” Using a panel of firms from the Annual Survey of Industries (ASI), I leverage the plausibly exogenous variation in the timing of dereservation to examine how firms respond to this policy through their size and product mix. In line with the theory, I document spillovers of this policy reform on never-reserved products through adjustments in a firm’s product mix. After confirming the theoretical predictions, I estimate the model and find that the policy reform increases welfare (as measured by consumption equivalence) by 0.4 percent. I decompose these welfare gains and find that half the gains come from changes in the product mix while the other half come from changes in firm size, suggesting that the product mix is an important channel of firm adjustment. Lastly, the general equilibrium effects of the policy are substantial and account for 8.6 percent of the welfare gains.

### **Chapter 2: How important are matching frictions in the labor market? Experimental and non-experimental evidence from a large Indian firm (with Abhijit Banerjee)**

This paper provides evidence of substantial matching frictions in the labor market in India. In particular, we show that placement officers (labor market intermediaries) in vocational training institutes have very little information about job preferences of candidates they are trying to place. This has consequences for the allocation of interviews, which in turn substantially affects the

labor market outcomes of candidates. To establish this, we first elicit preferences of candidates over different types of jobs and show that placement officers have poor knowledge of these preferences. We then demonstrate that better knowledge of these preferences alters the behavior of placement officers by providing them with information on preferences for a randomly selected subsample of candidates. We find that placement officers are more likely to match candidates in the treatment group to interviews they like more. Using a stable matching algorithm, we show that these officers come close to efficiently matching candidates to job interviews given their information set of candidate job preferences. We then estimate a model of interview allocations using job preferences to show that there are indeed net welfare gains because of better matching, not just redistribution within the group of potential employees. Lastly, we examine the implications of our intervention on the labor market outcomes of candidates and find that it leads to a substantial improvement in subsequent employment outcomes.

### **Chapter 3: Marriage markets and the rise of dowry in India** (with Jeffrey Weaver)

Dowry payments are an important part of household finances in India, typically exceeding a year of household earnings. Yet there is little empirical evidence on the determinants of dowry payments, with existing work relying on small and non-representative samples. In this paper, we start by leveraging data on over 76,000 marriages to document stylized facts about changes in Indian marriage markets between 1930 and 2000. We show that although many marriage practices remained stable over this time period, there were large changes in dowry payments, both on the extensive and intensive margins. We then use the data to test four major theories of dowry: (i) bequest theory: whether dowry serves as a bequest to female children or is a groom price; (ii) Sanskritization theory: whether the increase in dowry prevalence resulted from lower castes adopting high caste practices; (iii) marriage squeeze theory: whether unfavorable changes in sex ratio on the marriage market increased dowry; and (iv) hypergamy theory: whether changes in dowry can be explained by cross-caste competition for grooms. We find that the patterns in the data do not support any of these theories. Instead, we find that the changes are explained by shifts in the quality (earnings/education) distribution of grooms. This has important implications for design of anti-dowry policies in the context of rising educational attainment of men and women in India.