

Rural Perspectives in a Global Economy
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My dissertation is grounded in policy issues that affect rural economic growth in emerging markets. In a global economic framework, where growth and redistribution are par for the course, policies promoting rural development deserve particular attention. In the first two chapters, I explore how property rights establishment affects trade, deforestation and agricultural productivity in the Brazilian Amazon. My third chapter presents substantial evidence that crises propagate differently across rural versus urban areas in Latin America.

In my job market paper “Do Property Rights Solve the Tragedy of Commons under Free Trade? Evidence from Brazil,” I find that the titling scheme *Terra Legal* increases wood exports from the Amazon, contradictory to policy expectations of reducing deforestation in the short run. To estimate the effect precisely, I use confidential, municipal-level export data and control for municipal-product trends in wood exports, relying on the scheme’s phased rollout for identification. Evidence further suggests that medium-sized farms, which obtain the rights cheaply, are the likely culprits of forest exploitation; larger properties that pay full value for the land appear to decrease wood harvesting, after controlling for the overall effect of registrations. These results imply that the effect from removing the fear of appropriation, which induces agricultural expansion at the expense of forests, dominates the effect from correcting the inefficiency of open access.

My second chapter, “Property Rights, Agricultural Productivity and Deforestation in the Brazilian Amazon, co-authored with Molly Lipscomb, presents evidence on the agricultural implications of *Terra Legal*. We develop a model of land use choice and crop choice to illustrate the tradeoffs in each. Instrumenting registrations with mayoral reelection, we find that overall cultivation increases following the establishment of property rights, with temporary crops driving the effect.

My final chapter, “Asymmetric Effects of Crises in Urban vs. Rural Areas in Latin America: A Study Using Nightlights,” analyzes the divergence in crises propagation in rural and urban areas. Using nightlights observed from space as a proxy for real GDP and population density maps, I construct a very precise measure of economic activity at five-square-kilometer grid level, a level of disaggregation never used before. Rural/semi-rural areas see their income fall following systemic banking crises, sovereign debt defaults and twin crises, though in a lesser magnitude than their urban counterparts. However, only rural real income increases in the immediate term following currency devaluations.

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