

Poverty, inequality, and the climate emergency

The most pressing economic question of our time, particularly in lower middleincome countries like India, is how to sustain the economic progress that has lifted hundreds of millions of our fellow citizens out of poverty in recent decades without exceeding planetary boundaries and risking natural disasters that threaten to reverse that progress.

Prof. Rohini Pande is a development economist working at the intersection of poverty, inequality, economic growth, and climate change. She examines how the structures of political and social institutions can empower or disempower different groups, as well as how those institutions can be improved to allow for greater efficiency, inclusion, empowerment, less inequality, and more effective environmental regulation.

Prof. Pande is interested in the microeconomics of policy-making—the details of the millions of small interactions between individual citizens, and between those citizens and state and non-state institutions—that create our economic environment. She analyzes these interactions using a wide variety of economic tools, including political economy models, observational data and analysis of natural experiments and randomized experiments.

Pande has worked extensively on issues of urban air pollution and the climate transition. Rohini Pande and her collaborators have worked with state governments to launch India's first particulate emissions market, and they are now building on that work to help inform India's carbon market proposals.

Across the world, women face discrimination in the workplace, in politics, and in the family, forcing them to endure worse economic and welfare outcomes than men of the same social status. A large part of Prof. Pande's work focuses on improving the economic and political status of women. She has worked on issues of gender and political representation, financial access and entrepreneurship. Prof. Pande and her colleagues discovered that when quotas for women are established in political institutions, the election of female candidates changed gender stereotypes such as beliefs about women's competence, aiding the election of more women in the future.

Pande's work emphasizes the social and private returns to improving women's ability to enter the workforce, and to manage their own finances. She and her collaborators find that microfinance schemes where credit is provided to those who would otherwise not have access to it significantly improved outcomes, where clients are allowed to delay repayment. They also found that enabling direct deposit of wages into women's own bank accounts helps them enter and stay in the labor force and promotes more progressive gender norms. At the macro level, Prof. Pande and collaborators show that expansion of banks across rural India help reduce poverty.

Examining the institution of the family, she and her colleague have identified son preference as a cause of some of the malnutrition and stunted growth faced by India's children; families tend to seek sons and then give more to their first son, and less to others.

Prof. Pande's work demonstrates the vital importance of strong and effective institutions to a healthy democracy that wants to ensure welfare and opportunity for all its citizens.