

Title: Sweet Cash: Is Healthcare a Normal Good for Women in Developing Countries?

Speaker: Chirantan Chatterjee, University of Sussex

Area: CPP

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Abstract:

In this paper, we explore the little studied role of gender-based tastes and preferences in the empirical relationship between income and demand for health care. Based on a large body of evidence which suggests that the gender identity of the recipient of money can significantly influence allocation of resources within the household, we conjecture that an increase in women's income may have interesting and unconventional effects on demand for healthcare. Using data from a high-frequency large nationally representative household survey in India, we exploit exogenous variation in women's take-home salary incomes, generated by a change in the mandated rates of contribution to the employees' provident fund, to estimate impacts on health care spending. We find that an increase in take-home salary of women is associated with a decrease in overall spending on healthcare expenses such as consultations and medications. While this could potentially be explained by improved health outcomes of women, we control for health-status and compare healthcare utilization at the intensive margin, i.e., conditional on hospital visits for seeking treatment, and find a similar negative correlation. We achieve this by supplementing our primary analysis using administrative data on hospital electronic medical records from a leading chain of eye hospitals in India. Our results using two novel datasets and examining decisions at the extensive and intensive margins suggest that women's preferences for healthcare may be guided by various other factors, such as social and household norms, and therefore it is not obvious that estimated income elasticities of healthcare demand for women would always be positive, particularly in a developing country context.

Speaker Profile:



Greetings - I am currently a Reader in Economics of Innovation at SPRU-Sussex at U-Sussex Business School. I am also the PhD Program Convenor at SPRU-Sussex & Co-Director in Policy Training & Executive Education at SPRU.

More generally, I am an applied economist with interests in economics of technological change, pharmaceutical economics and global health. I am also currently a Visiting Fellow with Hoover Institution, Stanford University and a Visiting Adjunct Professor in Economics at IIM Ahmedabad (IIMA) in India. In the past decade (2011-2021), I have been a full-time faculty member in India, working as an associate and assistant professor in economics, public policy and strategy at the top 3 Indian business schools, IIM Bangalore, Indian School of Business and IIMA. At IIMA most recently, I held the ICICI Bank Chair in Strategic Management & was Chairperson of the Center for Management of Health Services. You can peruse the work CMHS-IIMA team did through the pandemic last year here (<https://www.iimacmhs.in/home>).

Between 2018 and 2019, I was awarded the prestigious Campbell and Edward Teller National Fellowship at Hoover Institution, Stanford University where I spent a year on sabbatical. My current research is supported by The Wellcome Trust India Alliance Grant & Alliance for a Healthy World Launchpad Grant at Johns Hopkins University. I hold a Ph.D. & M.Phil. from Carnegie Mellon University (in Pittsburgh, Pennsylvania, US) in public policy and management. Before going to US, i completed my undergraduate and postgraduate education in civil engineering and management from IIT Roorkee and IIM Calcutta, in India. I have also spent couple of years between 2003 and 2005 working as a business journalist & analyst with the Economic Times Intelligence Group (of the Times of India group) in their Mumbai office.

A big believer in interdisciplinary scholarship, I have now published in top peer-reviewed journals like Management Science, The RAND Journal of Economics, Research Policy, Production and Operations Management, Journal of Development Economics, Journal of Health Economics, Social Science and Medicine, Journal of Environmental Economics and Management, The Journal of Law & Economics, Strategy Science, Journal of Business Ethics, Stanford Social Innovation Review and Harvard Business Review. I also have work on gender and global health published in Psychology of Women Quarterly and on regulatory economics in healthcare markets published in Health Policy & Planning, Economic and Political Weekly and Journal of Antitrust Enforcement.

In the past, my research has been supported by the World Bank, Pfizer, Qualcomm, US National Science Foundation and The Sloan Foundation. Most recently, in 2020-2021, I worked with the United Nations evaluating their Multi Partner Trust Fund response to Covid-19 and its impact on SDGs (sustainable development goals) across global vulnerable economies in Africa, Southeast Asia and Latin America. In 2021-22, i was also invited to join an interdisciplinary team to assess non-price innovation policy instruments for bio-pharmaceutical R&D working for the World Health Organization & Oslo Medicines Initiative [report available here: <https://apps.who.int/iris/handle/10665/361755>].

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