



How Productive is Rural Infrastructure? Evidence on Some Agricultural Crops in Colombia

Working Paper No. 948 Keep in mind

The series Working Papers on Economics is published by the Office for Economic Studies at the *Banco de la República* (Central Bank of *Colombia*). It contributes to the dissemination and promotion of the work by researchers from the institution. This series is indexed at Research Papers in Economics (RePEc).

On multiple occasions, these works have been the result of collaborative work with individuals from other national or international institutions. The works published are provisional, and their authors are fully responsible for the opinions expressed in them, as well as for possible mistakes. The opinions expressed herein are those of the authors and do not necessarily reflect the views of Banco de la República or its Board of Directors.

AUTHOR OR EDITOR Ignacio Lozano Lina Ma. Ramírez AUTHORS AND/OR EDITORS Lina Ma. Ramírez

This paper evaluates the role of rural infrastructure on the performance of some agricultural crops in Colombia. The study utilizes geo-referenced cross sectional data of four crops, coffee, rice, beans and plantains, collected for the majority of municipalities. Using genetic matching models, we find that both having access to irrigation and drainage systems and better infrastructure for marketing –rural roads and nearby retail and wholesale centers– significantly increase crop yield as well as planted and harvested areas. Results are robust to a suitable set of matching algorithms. The positive and significant impact on agricultural development provides support to reorient agricultural policy towards the supply of public goods that pushes up productivity.

The series Borradores de Economía is published by the Economic Studies Department at the Banco de la República (Central Bank of Colombia). The works published are provisional, and their authors are fully responsible for the opinions expressed in them, as well as for possible mistakes. The opinions expressed herein are those of the authors and do not necessarily reflect the views of Banco de la República or its Board of Directors.