



CANCELADO - Seminario de Microeconomía Aplicada - Restoring Trust: Evidence from the Fertiliser Market in Tanzania

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Abstract: A lack of reliable information about fertiliser quality depresses farmer demand, reducing crop yields and negatively impacting livelihoods. We implemented a randomized controlled trial across 100 market clusters and 148 associated villages in an agricultural region of Tanzania. Fertiliser sellers and farmers in the treatment market clusters received a low-touch information campaign consisting of posters, pamphlets, and meetings explaining that urea fertiliser tested in their markets was found to be of good quality, with the required amount of nitrogen. We find evidence of substantial concerns among farmers regarding the quality of urea fertiliser at baseline, with 80% of farmers reporting beliefs that fertiliser is of bad quality. The information treatment significantly improves farmer beliefs about fertiliser quality and reduces variance of beliefs across farmers within treatment villages. Treated farmers buy more fertiliser. We show that retailers in treated markets report increased sales but stable prices.

Acerca del expositor: Hope Michelson is Professor in the Department of Agricultural and Consumer Economics at the University of Illinois at Urbana-Champaign. Her research is at the intersection of development and agriculture. She focuses on small farmers in low income countries and on the relationships between agriculture, natural resources, markets, and household outcomes. She has a special interest in household poverty dynamics and food security at multiple spatial scales.

Tiempo de exposición: 1 hora