

## **Economics Seminar, Indian Statistical Institute, New Delhi.**

**SPEAKER:** Vegard Iversen, Jindal School of Public Policy and University of Manchester

**TITLE:** On the colonial origins of agricultural development in India: a re-examination of Banerjee and Iyer, 'History, institutions and economic performance'

**TIME:** 11:30 AM - 1:00 PM.

**DAY & DATE:** Friday, 19<sup>th</sup> October, 2012

**PLACE:** Seminar Room 2

**Abstract:**

Banerjee and Iyer (henceforth, BI) (American Economic Review, 2005) find that districts which the British assigned to landlord revenue systems systematically underperform districts with non-landlord based revenue systems, especially in agricultural investment and productivity and mainly after the onset of the Green Revolution in the mid-1960s. On this basis, BI claim there were long-lasting effects of the institutions established in British India on a variety of development outcomes after independence. We correct a miscoding of the land revenue system in Central Provinces, which BI characterise as mostly landlord based, when reliable historical evidence suggest that this region should have been attributed to a mixed landlord/non-landlord based revenue system. Using a more appropriate classification of the land revenue system of the Central Provinces constructed from documented archival research, we find no evidence that agricultural performance of Indian districts in the post-independence period was adversely affected by the colonial landlord land revenue system. Our results demonstrate that the key BI argument that the more 'oppressive' landlord-based colonial land revenue systems mattered for post-independent agricultural development in India rests on fragile historical and statistical foundations.

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