

We cordially invite you to the Research Seminar by

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"ICT and Firm Performance: Evidence from Contract Farming in Kenya"

(with Michael Kremer & Ravindra Ramrattan)

19 October 2018, 12:15 am - 01:15 pm Room ZUE G1 - Zürichbergstrasse 18

Agricultural Economics and Policy Group ETH Zurich www.aecp.ethz.ch



Abstract

We study how ICT affects the relationship between a large agribusiness company and small-scale farmers in the sugarcane value chain in Western Kenya. At baseline, the company often delays provision of fertilizer and other inputs to the farmers. A simple model shows how agency problems within large firms can lead to poor firm performance in input delivery. In a field experiment, enabling a random group of farmers to report delays to the company through a hotline improves the company performance in fertilizer provision. The intervention generates positive geographic spillovers, since it induces the company to deliver inputs to several neighboring plots.