Effect of political decentralization and female leadership on institutional births and child mortality in rural Bihar, India

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Abstract

In this paper, we investigate the impacts of political decentralization and women reservation in local governance on institutional births and child mortality in the state of Bihar, India. Using the difference-in-differences methodology, we find a significant positive association between political decentralization and institutional births. We also find that the increased participation of women at local governance led to an increased survival rate of children belonging to richer households. We argue that our results are consistent with female leaders having policy preference for women and child well-being.

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1. Introduction

In the realm of women empowerment at the grassroots level, one of the landmark constitutional amendments the Indian government made, is the 73rd Amendment in 1992 that paved the way to political decentralization and increased participation of women in local governance. The new policy mandates Indian states to hold elections at the panchayat level, the lowest tier of governance, every five years and reserve at least one-third of the seats for women.¹ This policy change entailed devolution of powers and responsibilities to the local female leaders and shifted the developmental approach from top-down to bottom-up. At least five states have increased the women’s share of reserved seats to 50% by 2010, with Bihar being the first Indian state to reserve 50% of the panchayat seats for women. In theory, decentralization and increased participation of women are argued to move society’s welfare function in an upward direction because decentralization improves the efficiency in public service delivery, and female leaders are more likely to influence local policy decisions in favor of women and children than male leaders (Chattopadhyay and Duflot, 2004; Beaman et al., 2010; Bhalotra and Clots-Figueras, 2014). Compared to men, women politicians are more likely to invest in women and children well-being, and redistribution (Besley and Case, 2003).

More than a million women have been elected in India since 1993 but their impacts on local policy decisions are far from conclusive. The empirical evidence is mixed and mostly focuses on delivery of public services (Chattopadhyay and Duflot, 2004) and not on actual health outcomes. There has, however, been limited evidence on the relationship between women reservation and health outcomes in India (Bhalotra and Clots-Figueras, 2014) and in low- and middle-income countries (Quamruzzaman and Lange, 2016). This paper aims to fill this gap in the literature. The objective of this study is to investigate the impact of political decentralization and women reservation in local governance on institutional births and child mortality in rural Bihar, one of the poorest states in the eastern parts of India, with 40% of its population living on less than $1 a day. In a seminal paper, Chattopadhyay and Duflot (2004) show that women reservation in two Indian states (West Bengal and Rajasthan) increased investment in public infrastructure needed by women. In these two states, women leaders had strict preference to invest in public goods that were mostly used by women, such as

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¹ A panchayat is a cluster of villages in rural areas and is the lowest-level of administration.
drinking water.

In contrast, several other studies have found no impact of women reservation on the provision of public goods (Besley et al., 2004; Ban and Rao, 2008; Bardhan et al., 2010). These results are not consistent with simple citizen candidate models of electoral politics in which political reservation in favor of one group (women in this context) results in greater allocation of public goods to that group. Bardhan et al. (2010) explain that the insignificant impact of women reservation is due to coexistence of elite capture and clientelism which affects the allocation of different benefit programs according to relative preferences of elites and non-elites. They further note that election of politically inexperienced and less educated women may negatively affect policy decisions. Quamruzzaman and Lange (2016) show that female political representation is positively associated with improved child health in 51 low- and middle-income countries. Bhakotra and Clots-Figueras (2014) show that a 10% increase in women’s representation led to an increased survival of neonates by 2.1 percentage points in India.

To date, there has been limited evidence on the relationship between women reservation and health outcomes in India (Bhalotra and Clots-Figueras, 2014). In particular, there has been no exploration of whether greater political representation of women in local governance is able to improve health outcomes of women and children. In addition to female leaders being capable of increasing investment in public goods (supply of infrastructure), they can also effectively increase the demand for health services by empowering women in their own village. This paper aims to fill this gap in the literature by investigating whether female leaders are effective in improving health outcomes (institutional births and child mortality) of women and children in the Indian state of Bihar.

Estimating the impact of political decentralization and women reservation on health outcomes is not straightforward. The key identification challenge in estimating the impact of political decentralization and women reservation is the lack of a counterfactual because the decentralization policy was launched across the full state of Bihar. The pre- and post-comparison in the outcome variables could simply reflect broader trends and may not be caused by the policy change. We address this concern by employing the Difference-in-Differences (DID) method using data from the pre-decentralization period (1998–99) and the post-decentralization period (2007–08). We compare the change in outcomes before and after the policy change in Bihar (the treated state), with the same difference in Jharkhand (the control state). This DID estimate would yield a causal impact of the policy change if the parallel trend assumptions were not rejected. Political decentralization occurred in 2001, while the women reservation policy of reserving 50% of the panchayat seats was added to political decentralization in 2006 in Bihar.

Bihar is an interesting setting to study this question. On the one hand, the major health and demographic indicators of the state, like infant mortality rate (IMR), maternal mortality ratio (MMR), and total fertility rate (TFR), are much higher than the overall average in India, reflecting a poor health status in the state. On the other hand, Bihar was the first state to reserve 50% of the panchayat seats for women. Additionally, the creation of the state of Jharkhand from Bihar provides a kind of natural experiment and a credible counterfactual to isolate the impacts of the decentralization on health outcomes. Jharkhand was a part of Bihar for over 50 years and got separated administratively in 2001, thus making Jharkhand a very attractive counterfactual state for employing the DID method. Availability of data in the pre- and post-policy years for Bihar (right after the women reservation policy) is another attractive feature that allows us to answer this question accurately in this setting. Almost a decade has passed since the first panchayat election in Bihar; therefore, it is of tremendous policy interest to understand the impact of political decentralization and women reservation on health outcomes.

Bihar held its first panchayat election in 2001 after a gap of 22 years, albeit without any kind of reservation, neither caste nor gender, in the leadership positions in panchayats. The 2001 panchayat results showed that less than 1% of women were selected as “village sarpanch” in Bihar which is far less representation than the constitutionally mandated share of 33%. The panchayat election occurs every five years. In the next panchayat election in 2006, the government of Bihar took the pivotal and unprecedented step of reserving 50% of the panchayat seats for women at all three tiers of local administration. It was the first time that any state had actually exceeded the constitutionally set provisions of 33% reservations for women. In contrast, the first panchayat election was held in Jharkhand towards the end of 2010, after a gap of 32 years (this is first election after the formation of Jharkhand state), where women won about 58% of the total numbers of seats (see Table 1 for the timing of the policy change). Political decentralization occurred in 2001, while women reservation policy of reserving 50% of the seats was added to political decentralization in 2006 in Bihar. In contrast, political decentralization combined with women reservation took place in the first panchayat election in Jharkhand in 2010.

We use the first and third waves of the District Level Household Survey (DLHS) to estimate the impact of political decentralization and women reservation on health outcomes in Bihar. The DLHS-1 was implemented in 1998–99 (pre-decentralization period), while DLHS-3 was implemented in 2007–08 (post-decentralization and women reservation period). Our results show that decentralization was positively associated with increased institutional births in Bihar but had negligible impacts on child mortality. Results show some evidence of non-uniform impacts, as the women reservation policy had effected decline in infant and child mortality in richer households only.

The remainder of the paper is organized as follows. In section 2 we discuss the data used in the analysis. This is followed by the empirical strategy in Section 3. In section 4, we discuss the main results, and concluding comments and discussion are outlined in Section 5.

2 Elite capture means that powerful and wealthy households are able to capture the benefits of public investments, as local politicians and bureaucrats tend to favor them. Clientelism refers to strategic transfers made by political parties and governments to poor and disadvantaged groups as a means of securing their votes, in an effort to consolidate political power (Mookherjee and Bardhan, 2012).

3 We use Jharkhand as the comparison group for Bihar because these two states were part of the unified state of Bihar until November 2000 and were administratively bifurcated into two states in November 2000. Thus, the governance structure of the two states was identical until 2001, and the quality of governance in the two states was comparable for a few years after the bifurcation.

4 Bihar, the third most populous state in India, with an estimated population of 103 million and a population density of 880 persons per sq. km, is one of the poorest states in India with 40 percent of its population below poverty line.
Table 1

<table>
<thead>
<tr>
<th>Time of policy change in Bihar and Jharkhand</th>
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</thead>
<tbody>
<tr>
<td>1998–99</td>
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<tr>
<td>1998–99</td>
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<tr>
<td>15 November 2000</td>
</tr>
<tr>
<td>2001</td>
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<td>2002–04</td>
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<td>2007–08</td>
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<tr>
<td>2010</td>
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<tr>
<td>2011</td>
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</tbody>
</table>

eligible women (currently married women in the age group of 15–44) were sampled in 1998–99. DLHS-3 was implemented between late 2007 and early 2008, interviewing about 643,944 ever-married women between 15 and 49 years of age, from 601 districts in 34 states (IIPS, 2010). DLHS-1 gathered information about birth history since January 1, 1995/96, while birth history was collected for children born since January 1, 2004 in DLHS-3. The “place of delivery” information was collected only for the most recent birth.

Our analytical sample for institutional births analysis includes women who reported pregnancy in the survey recall period and also reported place of delivery for the most recent births in the first and third waves of DLHS. Our analysis is restricted to the Bihar and Jharkhand sample only. This restriction yielded an analytical sample of 19,272 observations in DLHS-1 and 30,393 observations in DLHS-3 (IIPS, 2001; IIPS, 2010). The final analysis is based on this combined sample of 49,664 observations spread across the first and third waves of DLHS.

The mortality analysis is based on DLHS-3 data from Bihar and Jharkhand only. The goal of this analysis is to separate out the effect of women reservation (implemented in 2006) from political decentralization (implemented in 2001) in Bihar. The institutional birth analysis captures the combined effect of political decentralization as well as women reservation, while mortality analysis captures the pure effect of women reservation only. The DLHS-3 gathered birth history of children born since January 1, 2004. Birth history for these children includes information on birth order, gender, year and month of birth, whether birth was single/multiple, mortality status, and year and month of when the child died. Birth order has been found to be an important determinant of children well-being in India (Kumar, 2016). The mortality data was available for 40,453 children and year of birth ranged from 2004 to 2008. It should be noted that the sample for mortality analysis is larger than the sample for institutional births because place of delivery was gathered for only the last birth, while mortality data was collected for all births in the survey recall period.

In terms of outcomes, we are looking at indicators of women’s health (place of delivery) and children’s health (child mortality). Place of delivery is classified as being either home or at a health facility, and health facilities are further classified as government or private. We construct four outcome measures corresponding to these place alternatives. The first measure is probability of institutional delivery, which includes births either at government or at private health facilities. The second measure indicates the probability of birth at government health facility, and the third measure is the probability of birth at private health facility. Our final outcome measure is the probability of safe delivery. Safe delivery includes institutional births plus home births assisted by skilled health personnel.

Additionally, three mortality outcomes were examined: neonatal mortality (death within 30 days), infant mortality (death within 12 months), and child mortality (whether the child is dead at the time of the survey). Other explanatory variables included as covariates in the analysis were mother’s education, mother’s age, household caste, household religion, gender of the child, and household wealth. Gender and household wealth were included in the mortality analysis only because they were not collected in DLHS-1. The descriptive information on the outcomes and key dependent variables are presented in Table 1.

3. Method

We use the DID method to compare the difference in health outcomes in districts in Bihar, the treated state, to districts in Jharkhand, the control state. In particular, we compare the difference in outcomes in Bihar and Jharkhand in the pre-decentralization period (1998–99) to post-decentralization period (2007–08). Formally, the DID estimator can be written as:

$$Y_{ist} = \alpha + \beta_1 \times Post + \beta_2 (Bihar \times Post)_{ist} + \beta_3 \times Bihar + \beta_4 \times X_{ist} + \mu_d + \epsilon_{ist}$$

where $Y_{ist}$ is the outcome for women $i$ in state $s$ at time $t$ ($t = 1998–99, 2007–08$). $Bihar$ is a dummy variable indicating the treatment state, $Post$ is a dummy variable indicating the period after policy change (this is coded as one for 2007–08 data and 0 for 1998–99 data). This variable captures the time effect common to all districts. Since the changes in the outcome variables may vary by household characteristics (caste, religion, mother’s age, and mother’s education), we include a vector $X_{ist}$ of child and household-level control variables in eq (1), and finally $\epsilon_{ist}$ is the error term that captures the impact of all other unobserved variables that vary across individuals, districts, and over time.

We account for time invariant differences, for example, differential district administration’s capacity and efficiency in implementing government programs, general infrastructure, average education level etc. by including district fixed-effect in eq (1) as $\mu_d$. The remaining biases emanating from time varying factors are absorbed by the inclusion of child and household characteristics.

Our main coefficient of interest is $\beta_3$ which provides the DID estimate of the combined impact of political decentralization and women reservation on health outcomes in Bihar. Robust standard errors are clustered at the district level to account for the fact that observations are nested within district and individual error terms in the same district are not independent.

Identifying Assumption: The parameter $\beta_3$ in eq (1) can be interpreted as the causal impact of the policy change under the assumption that the difference in outcomes in the pre- and post-policy periods would have been the same in Bihar and Jharkhand in the absence of the policy change. This means that there is a “parallel trend” in outcomes in Bihar and Jharkhand until 2001. Any deviation in outcomes from the parallel trend is due to the policy change in 2001 and 2006. The validity of this assumption can be assessed by using historical data from Bihar and Jharkhand for years before 1998-99 by performing a placebo or falsification test.

We test the “parallel trends” assumption in two different ways. Both methods use data from the years prior to the policy change in

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2001 (DLHS–1). DLHS 1 data has information on year of birth and place of delivery of children born during 1996–1999. We use this data to set up two falsification checks to test the “parallel trends” assumption. Births prior to 1996 could not be used due to missing information about “place of delivery”. First, we use the same specification as in eq (1) except that the “post” dummy is replaced by a continuous indicator of the year (with 1996 coded as 1 and 1999 as 4). Muralidharan and Prakash (2017) used a similar test to check the parallel trends in the evaluation of the Bicycle program in Bihar. The second method is akin to a falsification exercise wherein eq (1) is estimated with a “fake” treatment. Neither Bihar nor Jharkhand had any policy change with regard to either political decentralization or women reservation before 2000. In fact, Jharkhand was a part of Bihar for over 50 years and was separated administratively in 2001. We falsified the treatment by assuming that policy change occurred in Bihar in 1997. In this set up, “post” years would be 1998 and 1999, while 1996 and 1997 would be “pre-policy” years. We estimate eq (1) with this fake treatment and if the “parallel trends” assumption is satisfied, then we should expect the “fake DID” coefficient to be not statistically different from zero.

As mentioned before, while Bihar held its first panchayat election in 2001, the women reservation was mandated only in the second panchayat election in 2006. In contrast, the counterfactual state, Jharkhand, held the first panchayat election in 2010 with 50% of the seats reserved for women. The implementation of two different policies in Bihar, one in 2001 and the other one in 2006, makes the interpretation of β2 a bit complicated because it does not separate out the effect of political decentralization from a pure women reservation effect. Thus, β2 in eq (1) presents the composite impact of overall policy changes that includes political decentralization and women reservation.

In order to estimate the impact of women reservation only, we exploit the variation in the timing of this policy in Bihar and compare this with Jharkhand to estimate its impact on child mortality. The mortality analysis uses data from DLHS–3 for Bihar and Jharkhand. We use the DLHS–3 round because it collects mortality information on all the births since January 1, 2004.6

Since the women reservation took place in 2006 in Bihar, children born prior to and during 2006 were exposed to political decentralization only but were not exposed to women reservation, whereas children born after 2006 were exposed to decentralization as well as women reservation. This variation in the exposure to the policy change is akin to a natural experiment created by the state-level mandate of reserving 50% of panchayat seats for women. The identifying assumption is that the timing of policy change is not correlated with the trend in child mortality. Treated cohorts are cohorts born after 2006, while the control cohorts are cohorts born in and prior to 2006 (the year of policy change). We take advantage of this variation across cohorts and states in the exposure to the women reservation policy and examine its impact on child mortality. The empirical method is similar to DID in eq (1), where the first difference is across cohorts and the second difference is across states.

To investigate whether gender reservation has reduced child mortality, we estimate the following equation:

\[
Y_{ist} = \alpha + \beta_1 \times Post_{st} + \beta_2 (Bihar \times Post)_{ist} + \beta_3 \times Bihar + \beta_4 \times X_{ist} + \mu_i + \epsilon_{ist}
\]

The dependent variable \(Y_{ist}\) represents mortality outcome of child \(i\) in state \(s\) in year \(t\). \(Post\) is a dummy variable that equals 1 if the child is born in 2007 and 2008, whereas births in 2004–2006 were coded as 0. \(\mu_i\) represents district fixed-effect that controls for time-invariant characteristics across districts. Our specification also controls for mother’s age, mother’s education, Scheduled Castes (SC), Scheduled Tribes (ST), gender of the child, household religion, and socioeconomic status (SES) captured by wealth index in \(X_{ist}\).

However, estimation of eq (2) is not free from identification concerns. An important limitation of eq (2) is the likely bias from temporal trends in the outcome variables. It is quite plausible that the estimated coefficient may only be picking up the trend in the mortality outcomes and has nothing to do with the actual policy. Many factors could have changed over time, including the amount of investment in health infrastructure and changes in institutions. This could result in an overestimation of the effect of women reservation.

We do our best to address these concerns by including a rich set of child and household controls. We further add district-specific dummies to control for time-invariant fixed characteristics of the district. However, even after controlling for these observed characteristics, there could still be bias in our estimates of the effect of women reservation.

These identification concerns can be overcome only with a random assignment of sarpanch seats for women (Chattopadhyay and Duflo, 2004) or with a valid instrumental variable (Bhalotra and Clots-Figueras, 2014). Since our dataset does not identify the villages as in Chattopadhyay and Duflo (2004), we are unable to take advantage of random assignment of the women reservation policy. However, we believe that even if our estimates of the impact of women reservation do not have causal interpretation in the strict sense, they nevertheless add to the scant literature on the impacts of women reservation in local governance. To date, very little evidence exists on the association between women reservation and health outcomes. Most of the previous research on this topic has been confined to provision of public goods. But whether this led to better social and economic outcomes is still an open question. Therefore, our estimates are still important from a policy perspective, especially, given the concern about elite capture and proxy leadership.

4. Results

The characteristics of the sample and the incidence of institutional delivery and child mortality in Bihar and Jharkhand for pre- and post-policy years are shown in Table 2. The prevalence of institutional births in 1998–99 data was 14.22%, whereas it was almost 10 percentage points higher in 2007–08. Conditional on institutional births, births in public facilities were higher than private facilities in the first round of DLHS, whereas in the third round of DLHS, prevalence of births in public facilities was lower than private facilities. Mortality risks were higher in Bihar than Jharkhand. Overall, under-5 mortality rate was 4.3% or 43 per 1000 live births. Disaggregation of under-5 mortality showed that a significant proportion of deaths were occurring before 12 months. The neonatal and infant mortality rates were 26 and 37 per 1000 live births, respectively. A majority of the women were young (less than 30 years) in both rounds. The average years of schooling were 1.86 years in 1998–99 and 2.09 years in

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6 The first two rounds of DLHS are not suitable for child mortality analysis. For example, DLHS–1 (1998–99) did not collect information on child mortality. Similarly, DLHS–2 (2002–04) is also not suitable to analyze the impact of women reservation because the women reservation was implemented in 2006 election in Bihar but DLHS–2 was collected in 2002–04.
The results in Table 3 suggest that decentralization and gender quotas in local governance in Bihar have resulted in a positive impact on place of delivery. Column (1) shows that these policies were associated with an increase in the institutional births in Bihar. Compared to the control state, women in Bihar were 6.5 percentage points more likely to deliver in a health facility. This translates to a 44% increase in institutional delivery at the baseline institutional delivery rate of 14.9% in Bihar 1998–99.

In columns (2) and (3), we further disaggregate the institutional births by place of delivery. Whether women gave births at a public or private health facility is informative and important for policymaking. As the public sector is the main provider of health services in Bihar and women leaders are more likely to influence care at public health facility, it is important to examine whether the shift in the delivery care is towards public or private facilities. In columns (2) and (3), we find that due to this policy change, the probability of giving birth in a public facility has increased, while the probability of giving birth in a private facility has decreased. The coefficient for delivery in government facility is statistically significant and positive. The likelihood of giving birth in public health facilities was 15.9 percentage points higher in Bihar compared to Jharkhand. We further find that the policy change had a negative impact on births in private facilities (4.7 percentage points). These results imply that the impact of political decentralization and women reservation on institutional delivery was driven largely by increase in births at public facilities. These findings suggest that devolution of power to panchayat and reserving seats for women may have been instrumental in relaxing the supply constraints by improving quality of care at public health facilities. In addition, these women leaders may have helped increase the demand for in-facility births by shifting the preference from home births to institutional births.

Column (4) shows that these policy changes had a positive effect on the probability of safe delivery. Safe delivery includes institutional deliveries and home deliveries assisted by trained medical personnel. The point estimate for safe delivery is 0.036 and statistically significant. The likelihood of giving birth in a public facility that included skilled personnel was 0.085*** more likely in Bihar compared to Jharkhand. We find that these policy changes had a positive impact on the probability of safe delivery. Safe delivery includes institutional deliveries and home deliveries assisted by trained medical personnel. The point estimate for safe delivery is 0.036 and statistically significant.

### Table 2

Descriptive statistics

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<tbody>
<tr>
<td>Bihar</td>
<td>Jharkhand</td>
<td>All</td>
</tr>
<tr>
<td>Institutional delivery (%)</td>
<td>14.9</td>
<td>12.7</td>
</tr>
<tr>
<td>Births in government health facility (%)</td>
<td>9.09</td>
<td>7.07</td>
</tr>
<tr>
<td>Births in private health facility (%)</td>
<td>5.81</td>
<td>5.63</td>
</tr>
<tr>
<td>Safe delivery (%)</td>
<td>21.53</td>
<td>18.72</td>
</tr>
<tr>
<td>Neonatal mortality (%)</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Infant mortality (%)</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Under-5 mortality (%)</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
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Notes: Summary statistics are based on data from DLHS 1 and DLHS 3. DLHS 1 data did not collect wealth information. Mortality analysis was based on DLHS 3 data only.

### Table 3

Impact of political decentralization and women reservation on place of births

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Bihar</td>
<td>Jharkhand</td>
<td>All</td>
</tr>
<tr>
<td>Treat × post</td>
<td>0.065***</td>
<td>0.159***</td>
</tr>
<tr>
<td>(0.014)</td>
<td>(0.018)</td>
<td>(0.019)</td>
</tr>
<tr>
<td>Post (2007–08)</td>
<td>0.016*</td>
<td>0.129***</td>
</tr>
<tr>
<td>(0.010)</td>
<td>(0.009)</td>
<td>(0.013)</td>
</tr>
<tr>
<td>Treat (Bihar)</td>
<td>0.052***</td>
<td>–0.003</td>
</tr>
<tr>
<td>(0.007)</td>
<td>(0.008)</td>
<td>(0.009)</td>
</tr>
<tr>
<td>District FE</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Observations</td>
<td>49,664</td>
<td>49,664</td>
</tr>
<tr>
<td>R-squared</td>
<td>0.16</td>
<td>0.19</td>
</tr>
</tbody>
</table>

Notes: Robust (clustered by district ID) standard errors in parentheses. All columns present coefficients from linear probability models. All the models are adjusted for mother’s age and mother’s education, household caste (SC/ST), religion, and wealth. Safe deliveries include institutional deliveries and home deliveries assisted by trained medical personnel. District FE indicates district fixed-effects. ***p < 0.01, **p < 0.05, *p < 0.10.
statistically significant. Women in the treated state were 3.6 percentage points more likely to have safe delivery compared to women in the control state. At the baseline mean of 22% in Bihar, this implies an increase in safe delivery by 16 percent due to these policy changes. In Table 4, we provide evidence on whether our pre-policy data support the “parallel trend” assumption. Panel A of Table 4 reports the results of the analysis where “Post” dummy is replaced by a continuous indicator of year, while Panel B shows the results of the falsification exercise with the “fake” treatment. In both panels, we do not find any evidence of differential trends as the Bihar x Year coefficient for all outcome variables is not significantly different from zero. Similarly, in panel B, the fake treat x Post coefficient is statistically insignificant. These results strongly support the “parallel trend” assumption.

Finally, concurrent policy that may influence health outcomes in Bihar may confound our main results. The Government of India launched a conditional cash transfer scheme, Janani Suraksha Yojana (JSY or Safe Motherhood Scheme) in 2005 to improve maternal and neonatal health by promoting institutional delivery. However, several studies have shown that the JSY’s implementation in many low-performing states such as Bihar was ineffective in improving health outcomes. A number of studies have found that the impact of JSY on institutional delivery and child mortality was either insignificant, or, at best, modest (Lim et al., 2010; Powell-Jackson et al., 2015; Deb Nath, 2014). The statewide data of JSY program shows that the number of program beneficiaries were 38% higher in Jharkhand compared to Bihar in 2006–07 (Deb Nath, 2014). This means that our estimated effects are underestimated and true effects may be larger than the estimated coefficients in our paper. Similarly, Powell-Jackson et al. (2015) show that association of JSY with health service utilization was statistically insignificant in states with low JSY coverage and Bihar was clearly one of the states with lowest coverage of JSY. Results from these studies are suggestive enough to indicate that JSY did not have large impacts on institutional delivery or child mortality in Bihar to overturn our findings. Apart from JSY, to the best of our knowledge, no other health programs were implemented at the same time, alleviating concerns that our DID estimates are confounded. Taken together, we find little evidence to suggest that the parallel trend assumption is not fulfilled and any contemporaneous programs would overturn our main findings.

These results are important from a policy perspective because improvement in in-facility births is also the mechanism through which a decline in child mortality can be observed. Medical and epidemiological literature show that children born in hospitals are more likely to survive compared to home-born children. It is well established that giving birth in a medical institution under the care and supervision of trained health-care providers promotes child survival and reduces the risk of maternal mortality. In this context, we also explore if the increase in institutional deliveries in Bihar led to increased survival of children. We examine the impact of the women reservation on child survival and estimate eq (2). Results are reported in Tables 5 and 6.

### 4.2. Child mortality

Columns (1) and (2) in Table 5 report the results for neonatal
and infant mortality, respectively. The results on under-5 mortality are reported in column (3). Results in Table 5 show that the policy change has no significant effect on child mortality. Although the coefficient is negative in the third column, it is statistically insignificant at the conventional level of significance. In all the regression models in Table 5, the signs of the control variables are as expected.7 Mother’s age and mother’s education have a positive and significant effect on child mortality. Poor and disadvantaged minority children (those belonging to SCs and STs) are less likely to survive. For Hindu children, the estimates are positive and significant, meaning that children belonging to the Hindu religion have a higher probability of survival.

However, results in Table 5 mask the heterogeneous impacts of the policy change. It is plausible that the effect may vary by characteristics of households. For example, richer households may benefit more compared to poor households as richer households are better positioned to process information quickly and change their health behavior. This behavior is consistent with the elite capture-cum-clientelism hypothesis, which states that wealthier and more powerful households are able to capture the benefits of public resources. To test the differential impact of the policy change, we vary eq (2) by wealth groups. The DLHS-3 data categorize households into five quintiles based on the asset score. Households are categorized from the poorest to the richest groups corresponding to the lowest to the highest quintile at the national level. Due to fewer observations in the top quintile, we group the top two quintiles as rich and bottom two quintiles as poor households.8 Table 6 reports the heterogeneous results by wealth groups.

The results in Table 6 indicate that, after controlling for child and household control variables, women reservation had a negative and significant effect on infant and under-5 mortality for the children belonging to the rich groups. Children from richer households are 2.7 percentage points less likely to die before 12 months of their birth (column 6). The incidence of under-5 mortality is also reduced by 2.8 percentage points due to this policy change in Bihar. There is no such increase in survival probability for children belonging to poor and middle wealth groups. To sum up, it appears that children from the top wealth quintile gained more from this policy change in terms of their survival rate.

5. Discussion

This study exploits the variation in the timing of implementation of the 73rd Amendment (political decentralization and gender quotas in local governance) in the states of Bihar and Jharkhand in India to estimate its impact on health behaviors of women and child survival. Using DID methodology, we show that political decentralization and gender quotas in Bihar led to an increase in the probability of births in health facilities and the probability of safe delivery. It is worth mentioning that our findings are not contaminated by differential trend in outcomes across the treatment and control states. Our results satisfy the parallel trends assumption; however, in the absence of a clean natural or random experiment, we are unable to rule out existence of unobserved heterogeneity between the two states. The inclusion of a rich set of controls and district fixed effect would to a large extent mitigate this concern.

Our analysis focuses on estimating the impacts of the combined effect of political decentralization and women reservation as well as the pure effect of women reservation on health outcomes. Identifying the specific channels through which political decentralization may influence health outcomes is difficult. We speculate that political decentralization may affect the supply (access) of health services as well as the demand of health services through a role-model effect. Women politicians may spend more funds on increasing access and at the same time they may also be effective in increasing the demand through change in attitudes and awareness level. A role-model effect implies that women leaders are effective in motivating women, changing their attitudes, perceptions, and demand for social services. (Beaman et al., 2012). It is quite possible that improved access as well as increased demand for health services may have been influenced by this policy change.

We do not have suitable data to pin down the demand channel. However, the data on access to sub-centers and primary health centers indicate that access to health facilities has improved in Bihar compared to Jharkhand. According to 2002 facility report, about 66.4% villages had access to sub-center within 6 km, while only 46% of villages had access to a sub-center within 6 km. The 2007-08 facility survey reports that 74.2% of villages had access to a sub-center within 3 km in Bihar while this figure is 60.8% in Jharkhand. Similarly, 70.6% of villages in Bihar had a PHC within 10 km, while only 52.9% of villages had access to a PHC within 10 km in Jharkhand. Thus, it seems that access to health

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7 Results are available upon request.

8 Combining household amenities, assets, and durables, the DLHS-3 computes a wealth index at the national level and divides households into quintiles. The principle of factor loading to amenities, assets and durables derived by factor analysis is used for the computation of the wealth index. Households are categorized from the poorest to the richest groups corresponding to the lowest to the highest quintiles at the national level. Therefore, the number of households in each quintile is not same. For example, the percentage of households according to wealth index in Bihar ranges from 33.7% (lowest wealth index group) to 5% (highest wealth index group) (IIPS, 2010). The five quintiles are lowest, second lowest, middle, fourth, and highest.
infrastructure is better in Bihar than Jharkhand, and this increased access may have been due to political decentralization and women reservation. However, we would like to note that this link is purely suggestive and due to data limitations, pinning down the exact channel is very difficult and also beyond the scope of this paper.

Given that the child and infant mortality rates are one of highest in the state of Bihar, encouraging women to deliver babies either at the health centers or under the supervision of skilled birth attendant is a key intervention to reduce the burden of high level of child mortality and morbidity. We also test the effect of this policy change on child mortality by exploiting the timing of the women reservation policy in panchayat seats in Bihar.

We do not find a statistically significant effect of this policy change on overall child mortality. However, disaggregated analysis uncovers the differential policy impact. The women reservation has positive and statistically significant effect on survival of children from top wealth quintiles, but not for the children from middle and poor wealth quintiles. We believe this result provides suggestive evidence on elite-capturing in Bihar.

With an exception of Bhalotra and Clots-Figueras (2014), this study provides the first estimates of the overall impact of political decentralization and gender quotas on health outcomes in Bihar. Improving health outcomes is top priority of the Government of Bihar, as the infant and child mortality rates are very high in Bihar compared to other northern and central states of India. Our results suggest that empowering local bodies may improve health outcomes by improving functioning of public facilities, greater monitoring of local health workers, and by undertaking awareness campaigns in their areas.

However, we must recognize that local bodies, when empowered, can only facilitate the improved functioning of public facilities or increase health awareness, but their actions cannot be a substitute for supply-and demand-side interventions in health sector. Policies aimed at increasing the quantity and quality of public health facilities in Bihar would improve the health status of its population in the future. Bihar still has the lowest number of health personnel per capita and additional availability of doctors and nurses could improve utilization of health services in Bihar. Contract hiring of nurses and doctors, as well as making rural service an integral part of the medical curriculum, would be steps in the right direction.

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