Diego Santa María Alcázar

dsantamaria@g.harvard.edu
+1 (617) 251-5960
sites.harvard.edu/diegosantamaria

HARVARD UNIVERSITY

Littauer Center 315
1805 Cambridge St
Cambridge, MA 02138

Placement Director: Myrto Kalouptsidi	myrto@fas.harvard.edu	617-495-2144
Placement Director: Oleg Itskhoki	itskhoki@fas.harvard.edu	617-495-2144
Administrative Director: Brenda Piquet	bpiquet@harvard.edu	617-495-8927

Education

Harvard University
Ph.D. in Economics, 2021–2027 (expected)

Universidad del Pacífico, Lima, Perú
B.A. in Economics, 2012–2017; ranked 1st of 80 in graduating class

Fields

Primary: Development Economics
Secondary: Industrial Organization, Urban Economics

References

Emily Breza	Edward Glaeser	Gabriel Kreindler
Harvard University	Harvard University	Harvard University
ebreza@fas.harvard.edu	eglaeser@harvard.edu	gkreindler@g.harvard.edu

Job Market Paper

Supply Chain Concentration in Traditional Retail

Corner stores selling consumer packaged goods are ubiquitous in developing countries, suggesting a competitive environment. Their supply chains, however, are highly concentrated, and suppliers' decisions about which stores to serve can limit their access to products. This paper asks whether greater upstream competition expands the variety stores offer, and how this affects their growth and consumer welfare. I randomize a new wholesaler's entry across 364 neighborhoods in Lima, offering stores an alternative source for a broad range of products. About ten months later, I survey 1,188 stores and collect their wholesale receipts over three weeks, covering 43,500 product-level transactions. Small, space-constrained stores in treated neighborhoods carry 19% more distinct products and spend 20% more on wholesale purchases, with no detectable gains among larger stores. Most of this growth comes from incumbent suppliers, who respond to competition by improving non-price terms. To rationalize these findings, I develop a model in which suppliers save delivery costs by concentrating sales among fewer stores. A wholesaler allows excluded stores to compete for those sales, making them more attractive for incumbents to serve. I estimate that consumer welfare gains from greater variety at nearby stores are equivalent to 10% of baseline travel costs.

Papers in Progress

Behavioral Responses to Predictable Income Spikes: Evidence from Double Salaries in Perú
(with Santiago Medina)
Status: data analysis and RCT ongoing

In many countries, labor laws require firms to pay a double salary in specific months. We ask how households respond to these large and predictable income spikes and whether such schedules improve welfare. In our model, double salaries are equivalent to forced saving: they may impose inefficient rigidity but also help some households overcome behavioral barriers to saving for lumpy investments. Using daily administrative data from over 600,000 payroll clients of a large Peruvian bank, we exploit institutional variation in bonus size to estimate effects on spending and financial assets. Ahead of the December 2026 bonus, we have randomized offers of a credit product we helped the bank design to smooth the payment schedule. Take-up and effects on financial outcomes before and after the bonus will help assess welfare implications and the role of behavioral frictions.

Financing Self-Built Housing in Developing Countries (with Santiago Medina)
Status: partnership secured, preparing pilot

In developing countries, families often build their own homes incrementally as savings allow, relying on informal contractors with uncertain capabilities. This can lead to inefficient spending and coordination problems across stages of the project. We have partnered with the largest microfinance institution in Peru—where 70% of housing stock is self-built—to design and test a credit product tailored to self-building. We will use the lender's home visits to recruit borrowers and randomize credit offers and complementary services like technical assistance. To measure effects, we will collect data on project completion and quality as well as household financial health.

Working Papers

Business Training and Spatial Competition in Urban Uganda (with Dean Karlan, Greg Fischer, and Meredith Startz)

Will expanding technical assistance programs aimed at increasing the managerial ability of entrepreneurs raise overall productivity in the economy, or simply redistribute surplus across firms? We conducted a randomized evaluation of a business training program for female entrepreneurs in urban Uganda. To measure spillover effects, we experimentally varied the share of businesses in a neighborhood that received the intervention. Tracking participants for three years, we find that the program had substantial and lasting effects on business practices and financial outcomes, including a 17% increase in monthly profits. We find evidence of some negative competitive spillovers on businesses that were more exposed to treated neighbors. The pattern of firm outcomes suggests aggregate gains for consumers: market-wide prices fell without any loss of seller or product variety.

Promoting Entrepreneurship among Displaced Migrants: Experimental Evidence from Peru (with Dean Karlan, Natalia Rigol, Benjamin Roth, and Martín Valdivia)

Can entrepreneurship lead to sustainable improvements in the livelihoods of displaced migrants? We randomize a business grant of about USD 780 among 1,246 recently displaced Venezuelan migrants in Peru who completed entrepreneurship training and obtained approval for a business plan. After six months, recipients are 26 percentage points more likely to own a business and earn USD 91 more in monthly profits, a 12% monthly return on the grant. Household expenditures rise by 20% and life satisfaction improves, despite lower perceived integration. However, machine learning estimates show that profit gains are concentrated among a small group of participants who were better off at baseline. In this group, household income rises by 65% at six months and households become larger. Among the remaining participants, higher business profits largely replace other earnings, but their household expenditures nevertheless increase. By eighteen months, most recipients have returned to other work, and the gains in household income, expenditures, and life satisfaction are no longer detectable. Business grants can help displaced families meet immediate needs, but may be better suited as a targeted strategy for promoting sustainable livelihoods.

Pre-PhD research

Study for Nothing? Gender and Access to Higher Education in a Developing Country (with O. Molina and G. Yamada), 2024. Economic Development and Cultural Change 72(2), 517–561.

Can Traffic Light Nutritional Labels Induce Healthier Consumer Choices? Experimental Evidence from a Developing Country (with D. Defago, J. Geng, and O. Molina), 2020. International Journal of Consumer Studies 44(2), 151–161.

Seminars & Conferences

2026: Seminario Microeconomía Aplicada en Perú; NEUDC (scheduled)
2025: UBC TRIOS (Trade-Regional-IO-Spatial) Brownbag
2024: IHS Entrepreneurship Workshop
2022: USC/Unil/Bank-Al-Maghrib Workshop on "Small Business, Development and Growth," Rabat, Morocco

Teaching

Market Power in the New Economy (ECON 1644, undergraduate) — Spring 2026
Harvard University, Teaching Fellow for Myrto Kalouptsidi

Spatial Mobility and Development (ECON 2340, Ph.D.) — Fall 2023, 2024, 2025
Harvard University, Teaching Fellow for Gabriel Kreindler

	Microeconomic Theory II (API 112, Ph.D.) Harvard Kennedy School, Teaching Fellow for Chris Avery	Spring 2025
	Intermediate Microeconomics (4x, 2 as head TA); Introductory Macroeconomics (4x); Intermediate Econometrics (2x) Universidad del Pacífico	2015–2018
Research Positions	Research Assistant for Gabriel Kreindler, Harvard University	2022–2024
	Research Analyst for Dean Karlan, Global Poverty Research Lab, Northwestern University	2018–2021
	Research Assistant for Oswaldo Molina, Universidad del Pacífico	2017–2018
Employment	Consultant (STC), World Bank Group Contributed to a reform proposal for Peru's public health insurance agency, working with Rafael Cortez, Senior Economist in the Health, Nutrition and Population Global Practice.	2018
	Policy Intern, Peruvian Ministry of Education	2015
Academic Service	Referee: Journal of Urban Economics	
	Mentorship: EconThaki	2022
Fellowships & Awards	Harvard Economics Department: Internal Research Awards (2022–2026) Institute for Humane Studies: Humane Studies Fellowship (2025), Expense Support (2024) Weatherhead Center for International Affairs, Harvard University: Business and Government Grant (2025) Institute for Quantitative Social Science, Harvard University: Research Grant (2025) Weiss Fund: Travel and Piloting Grants (2023, 2024) SurveyCTO: Research Grant (2023) David Rockefeller Center for Latin American Studies (DRCLAS): Term Time/January Research Grant (2023)	
Software Skills	Stata, Python, R	
Languages	Spanish (native), English (fluent)	
Citizenship	Perú, United States	