

7 **Regional growth, convergence, and spatial spillovers in**  
8 **India:**9 **A reproducible view from outer space**10 **Author(s): SUPPRESSED**

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12 **Abstract.** Using satellite nighttime light data as a proxy for economic activity, Chanda  
13 and Kabiraj (2020, World Development) studied regional growth and convergence across  
14 520 districts in India. Adopting a reproducible open-science approach, this article builds  
15 on their work by extending their main findings on three fronts. First, we illustrate  
16 regional convergence patterns using an interactive tool for satellite imagery visualization.  
17 Second, we assess the degree of spatial dependence in their main econometric specification.  
18 Third, we employ a spatial Durbin model to measure the role of spatial spillovers in the  
19 convergence process. Our results indicate that spatial spillovers increase the estimated  
20 speed of regional convergence. Overall, the results highlight the role of spatial dependence  
21 in regional convergence analyses through the lens of satellite imagery, interactive  
22 visualizations, and spillover modeling.

23 **1 Introduction**

24 Regional economic growth and convergence are key concerns in developing countries,  
25 particularly in large federal states like India where spatial inequalities can threaten social  
26 cohesion and political stability. However, studying regional convergence in developing  
27 countries has been historically challenging due to limited availability of consistent economic  
28 data at subnational administrative levels. In response to this challenge, the emergence  
29 of satellite nighttime light data as a proxy for economic activity has enabled a growing  
30 literature about regional growth dynamics at granular geographic scales.

31 [Chanda, Kabiraj \(2020\)](#) leveraged nighttime light data to document regional conver-  
32 gence across 520 districts in India between 1996 and 2010. Their analysis showed that  
33 poorer districts grew faster than richer ones during this period, suggesting a reduction in  
34 spatial inequalities. However, their econometric approach did not account for potential  
35 spatial spillover effects in the convergence process. Specifically, a district's growth trajec-  
36 tory might be influenced not only by its own initial conditions but also by those of its  
37 neighbors.

38 This article extends the study of [Chanda, Kabiraj \(2020\)](#) in three key methodological  
39 directions. First, we develop an interactive visualization tool that allows researchers to  
40 explore spatial and temporal patterns of regional convergence using satellite nighttime  
41 light data. This tool helps identify converging regions and growth hotspots that may be  
42 difficult to detect in static visualizations. Second, we formally test for spatial dependence  
43 in both the dependent and independent variables of the convergence equations. Our tests  
44 show that spatial autocorrelation is a relevant feature of satellite data and the regional  
45 convergence process. Third, we employ a spatial Durbin model to explicitly account

1 for spatial spillovers and quantify how neighbors can influence the speed of regional  
2 convergence.

3 Our results contribute to the understanding of regional convergence in India on three  
4 fronts. First, interactive visualization tools reveal clear spatial patterns in both the initial  
5 distribution and subsequent growth of nighttime lights. Second, formal tests of spatial  
6 dependence indicate that district-level economic trajectories are not independent of their  
7 neighbors. Third, accounting for spatial spillovers through a spatial Durbin model shows  
8 that the total convergence effect is considerably larger than previous non-spatial estimates  
9 would suggest. Specifically, spatial spillovers appear to accelerate the convergence process  
10 by creating additional channels through which lagging regions can catch up.

11 These findings also provide implications for methodology and policy. Methodologically,  
12 they suggest that conventional non-spatial approaches may underestimate the speed of  
13 regional convergence by failing to account for inter-district spillovers. From a policy  
14 perspective, they suggest that the benefits of place-based policies may extend beyond target  
15 districts through spatial multiplier effects, potentially increasing their cost-effectiveness.

16 In addition to these methodological contributions, this article adopts a reproducible  
17 open-science approach by using Jupyter notebooks and the Quarto publishing system.  
18 Jupyter notebooks integrate executable code, narrative text, and computational outputs  
19 within a single document, supporting multiple programming languages such as Python,  
20 R, and Stata. Quarto is an open-source publishing system that generates multiple  
21 output formats—including HTML, PDF, and Word—from a single source file, ensuring  
22 consistency across all versions of a document. Together, these tools make every analytical  
23 step transparent and let any reader re-execute the full analysis from the raw data.

24 The rest of this article is organized as follows. Section 2 provides an overview of the  
25 data and methods, describing the use of nighttime light data as a proxy for economic  
26 activity. It also introduces the methodological extensions related to reproducible open  
27 science, interactive visualizations, spatial dependence testing, and spillover modeling.  
28 Section 3 presents our empirical results, beginning with an interactive exploration of  
29 regional convergence patterns, followed by formal tests of spatial dependence. The section  
30 concludes with estimates of direct and indirect convergence effects from the spatial Durbin  
31 model. Finally, Section 4 offers some concluding remarks.

## 32 2 Data and methods

### 33 2.1 Data: Nighttime lights as a proxy for economic activity

34 One of the key challenges in studying economic growth in developing countries like India  
35 is the limited availability and reliability of data on aggregate economic activity below the  
36 state level. To address this issue, a growing body of literature, pioneered by [Henderson  
37 et al. \(2012\)](#), has utilized satellite nighttime light data as a proxy for economic activity at  
38 subnational levels. This approach exploits the strong empirical correlation between the  
39 intensity of artificial light observed from satellites and the level of economic output on  
40 the ground ([Chen, Nordhaus 2011](#)).

41 Nighttime light (hereafter NTL) data have been widely used to investigate economic  
42 growth and convergence across national and subnational regions in various countries. For  
43 instance, [Adhikari, Dhital \(2021\)](#) examine the impact of decentralization on regional  
44 convergence using NTL data. [Pinkovskiy, Sala-i Martin \(2016\)](#) use NTL data to adjudicate  
45 between national accounts and household surveys. They find that national accounts  
46 better capture aggregate economic growth. Similarly, [Lessmann, Seidel \(2017\)](#) use NTL  
47 data to estimate GDP per capita and spatial inequality globally.

48 NTL data have been applied to a range of research questions in India. For example,  
49 [Cook, Shah \(2022\)](#) use NTL data to analyze the impact of public welfare programs.  
50 [Jha, Talathi \(2024\)](#) examine the effects of colonial institutions. [Chanda, Cook \(2022\)](#)  
51 investigate the impact of demonetization. [Beyer et al. \(2021\)](#) employ NTL data to study  
52 the effects of COVID-19. In the context of convergence studies, [Chakravarty, Dehejia  
53 \(2017\)](#) document significant regional disparities in India using NTL data and caution that  
54 the goods and services tax may further exacerbate them.

55 Our study builds on [Chanda, Kabiraj \(2020\)](#). Following their approach, we use the per

1 capita growth in nighttime lights as the dependent variable and the initial nighttime lights  
2 per capita as the primary explanatory variable. For 520 districts in India, these variables  
3 are derived from NTL data released by the National Geophysical Data Center (NGDC).  
4 The data are based on observations from the DMSP-OLS satellites spanning the period  
5 from 1996 to 2010. To mitigate the issue of top-coding in NTL data, the NGDC released  
6 “radiance-calibrated” nighttime lights for eight specific years within this period. This  
7 dataset employs high magnification settings for low-light regions and low magnification  
8 settings for brightly lit areas. For this study, we utilize the “radiance-calibrated” nighttime  
9 lights data.<sup>1</sup>

## 10 2.2 *Jupyter and Quarto for reproducible open science*

11 Jupyter notebooks have become a widely used tool for reproducible open science. They  
12 allow researchers to integrate executable code, explanatory narrative, and computational  
13 outputs within a single self-contained document (Kluyver et al. 2016). This integration  
14 ensures that every step of the analytical workflow—from data ingestion and processing  
15 to statistical modeling and visualization—is transparently documented and can be inde-  
16 pendently verified by other researchers. Unlike traditional workflows that separate code,  
17 results, and interpretation across files, Jupyter notebooks preserve the complete chain of  
18 reasoning. This unified format can be shared, inspected, and re-executed. In this article,  
19 we employ Jupyter notebooks with three distinct computational kernels—Python, R, and  
20 Stata—to document our data processing, analysis, and visualization steps. This approach  
21 allows readers to trace each result back to the code that produced it. Moreover, Python  
22 and R notebooks can be executed in the cloud using Google Colaboratory. While Stata is  
23 not open-source software, its integration with the Jupyter environment provides a flexible  
24 interactive interface. This integration brings the same benefits of literate programming  
25 and transparent documentation to proprietary statistical software (Knuth 1984).

26 Quarto is an open-source scientific and technical publishing system that extends  
27 the capabilities of computational notebooks into a versatile manuscript preparation  
28 framework (Allaire et al. 2024). Its single-source publishing approach enables researchers  
29 to generate multiple output formats from a single source file. These formats include  
30 HTML for interactive web-based dissemination, PDF for formal journal submission,  
31 Word documents for collaborative editing, and JATS XML for archival and indexing  
32 purposes. This approach ensures consistency across all versions of a document, eliminating  
33 discrepancies that can arise when maintaining separate files for different output formats.  
34 By providing a unified authoring environment that natively supports cross-references,  
35 citations, mathematical notation, and embedded computational results, Quarto lowers  
36 the technical barriers to producing publication-quality research.

37 The combination of Jupyter notebooks and Quarto’s manuscript framework creates an  
38 integrated infrastructure for reproducible research. In this article, the figures and tables  
39 that appear in the manuscript are programmatically embedded from specific Jupyter  
40 notebook cells. This ensures that every empirical finding presented in the text is directly  
41 traceable to its underlying computation. All data processing and analysis steps are  
42 documented in the notebooks, and we provide access to the raw data and code through a  
43 public GitHub repository. By adopting this integrated framework, we aim to promote  
44 transparency and enable other researchers to build upon our work (Peng 2011).

## 45 2.3 *Google Earth Engine for interactive spatial visualizations*

46 Interactive visualizations of nighttime lights imagery offer methodological advantages  
47 over static representations, especially when analyzing temporal and spatial heterogeneity  
48 in economic activity (Donaldson, Storeygard 2016). The dynamic nature of these visual-  
49 izations allows researchers to simultaneously examine multiple dimensions of the data.

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<sup>1</sup>Following Chanda, Kabiraj (2020), our sample consists of 520 districts (out of a possible 593). There were 593 districts in 2001, which rose to 640 districts in the 2011 census. To match districts across the two census files, we merged newly split districts back with their parent districts in the 2011 census. Eight of the 47 new districts were created by splitting areas from multiple parent districts. Those new districts along with their multiple-origin districts were dropped from our sample. We dropped all the districts in the state of Assam where more than 50% of districts were created in that manner.

1 These dimensions include temporal variations in light intensity, the spatial distribution of  
 2 economic activity, and the relationship between nighttime lights and other georeferenced  
 3 variables. The ability to dynamically adjust visualization parameters allows for more  
 4 nuanced exploration of economic patterns that might be obscured in static representations.

5 Google Earth Engine (GEE) lowers the computational and technical barriers to  
 6 creating such interactive visualizations and provides an accessible platform for analyzing  
 7 satellite data (Gorelick et al. 2017). The platform’s browser-based integrated development  
 8 environment supports the creation of interactive web applications without requiring  
 9 extensive infrastructure or specialized software installation. This capability is especially  
 10 valuable for reproducible research, as it supports the development of web applications that  
 11 can be shared with other researchers. The platform’s ability to handle large-scale geospatial  
 12 computations streamlines the workflow from raw data to interactive visualization. Its  
 13 extensive catalog of pre-processed nighttime lights datasets, including the DMSP-OLS  
 14 and VIIRS collections, further reduces the storage and processing burden (Tamiminia  
 15 et al. 2020).

16 Interactive visualizations of nighttime lights data are especially useful for identifying  
 17 and analyzing patterns of regional convergence in luminosity. Through dynamic visualiza-  
 18 tion tools, researchers can track the evolution of light intensity across regions over time.  
 19 This approach effectively identifies areas that exhibit catch-up growth patterns—where  
 20 initially dim regions progressively converge toward the luminosity levels of their brighter  
 21 counterparts.

#### 22 2.4 Regional convergence modeling

23 In neoclassical growth models, the per capita growth rate is predicted to be negatively  
 24 correlated with a region’s initial endowment, primarily due to diminishing returns to capital  
 25 accumulation (Solow 1956). Specifically, poorer regions, assuming similar technology and  
 26 preferences, are expected to experience higher growth rates compared to their wealthier  
 27 counterparts. Thus, over the long run, regions with similar characteristics should converge  
 28 to a common steady state. We examine this convergence hypothesis employing a growth  
 29 regressions framework in the tradition of Barro, Sala-i Martin (1992). Equation 1 presents  
 30 this convergence process in its simplest (unconditional) form.

$$g_t = \beta_1 x_{t-1} + \varepsilon_t \quad (1)$$

31 where  $g_t$  represents an  $N$ -by-1 vector of observations on per-capita NTL growth for  
 32 each of the  $N$  regions over the period  $t$ . The vector  $x_{t-1}$  represents an  $N$ -by-1 vector of  
 33 observations on the initial (log) level of per-capita NTL. The parameter  $\beta_1$  is a regression  
 34 coefficient that indicates the direction and strength of regional convergence. A negative  
 35 value of  $\beta_1$  would suggest that regions with lower initial NTL levels grow faster, consistent  
 36 with the convergence hypothesis. Finally,  $\varepsilon_t$  represents a vector of idiosyncratic error  
 37 terms.

38 As there are no control variables, this simple convergence framework implies that  
 39 districts converge to a common steady state. However, regions may differ in various aspects  
 40 such as geography, socio-economic conditions, and policy implementation. To account for  
 41 these differences, we include state fixed effects to control for state-specific institutions  
 42 and policies that influence the rate of convergence. Additionally, we incorporate a range  
 43 of geo-climatic controls alongside district-specific conditions related to demographics,  
 44 human capital, and infrastructure. Equation 2 summarizes this conditional convergence  
 45 framework.

$$g_t = \beta_1 x_{t-1} + X_t \alpha + \varepsilon_t \quad (2)$$

46 Here, the matrix  $X_t$  is an  $N$ -by- $k$  collection of observations on control variables  
 47 (including state fixed effects) for each district in our sample. The vector  $\alpha$ , with dimensions  
 48  $k \times 1$ , captures the regression coefficients for these variables. The full list of control  
 49 variables and their descriptions are available in Table A.1 of Chanda, Kabiraj (2020).

## 1 2.5 Spatial dependence testing

2 The analysis of regional convergence using nighttime light data requires explicit consid-  
 3 eration of spatial dependencies across districts. Spatial dependence—the tendency for  
 4 observations at nearby locations to be more similar than those at distant locations—can  
 5 arise from spatial spillovers, shared geographic conditions, or inter-regional economic  
 6 linkages (Anselin 1988). If present and unaccounted for, spatial dependence can lead  
 7 to biased parameter estimates and invalid inference in standard regression models. To  
 8 formally test for such spatial relationships, we employ the Global Moran’s I statistic  
 9 and Local Indicators of Spatial Association (LISA), applied to the main variables of  
 10 Equation 2.

11 The Global Moran’s I statistic, originally proposed by Moran (1950), is the most  
 12 widely used measure of spatial autocorrelation. It quantifies the overall degree of spatial  
 13 clustering among geographic units and can be expressed as:

$$I = \frac{n}{\sum_i \sum_j w_{ij}} \cdot \frac{\sum_i \sum_j w_{ij} z_i z_j}{\sum_i z_i^2} \quad (3)$$

14 where  $z_i$  represents the deviation of observation  $i$  from the mean,  $w_{ij}$  denotes the  
 15 spatial connection (weight) between units  $i$  and  $j$ , and  $n$  is the total number of observations.  
 16 The Moran’s I statistic typically ranges from  $-1$  to  $+1$ . Positive values indicate positive  
 17 spatial autocorrelation, where similar values tend to be located near each other. Values  
 18 near zero suggest spatial randomness, and negative values indicate spatial dispersion,  
 19 where dissimilar values are neighbors. Statistical significance is assessed through a  
 20 permutation-based inference approach that compares the observed statistic against a  
 21 reference distribution generated by randomly reassigning values across locations.

22 While the Global Moran’s I provides a single summary measure of overall spatial  
 23 dependence, it does not reveal where significant clusters or outliers are located. To address  
 24 this limitation, Anselin (1995) proposed Local Indicators of Spatial Association (LISA),  
 25 which decompose the global statistic into contributions from each individual observation.  
 26 The local Moran’s I for observation  $i$  is defined as:

$$I_i = z_i \sum_j w_{ij} z_j \quad (4)$$

27 where the summation is over the neighbors of  $i$  as defined by the spatial weight  
 28 matrix. This local statistic classifies each observation into one of four categories based  
 29 on the relationship between a location’s value and those of its neighbors. High-High  
 30 (HH) indicates a high-value location surrounded by high-value neighbors, while Low-Low  
 31 (LL) indicates a low-value location surrounded by low-value neighbors. High-Low (HL)  
 32 is a spatial outlier where a high-value location is surrounded by low-value neighbors,  
 33 and Low-High (LH) is the opposite spatial outlier. The HH and LL categories identify  
 34 spatial clusters, while the HL and LH categories identify spatial outliers. Statistical  
 35 significance of each local statistic is assessed through conditional permutation tests, with  
 36 only statistically significant locations (typically at  $p < 0.05$ ) reported in the LISA cluster  
 37 maps.

38 The specification of the spatial weights matrix  $\mathbf{W}$  is important for capturing the  
 39 underlying spatial structure. We employ a  $k$ -nearest neighbors weight matrix with  $k = 6$ ,  
 40 whereby for each district, the six geographically closest districts are identified as its  
 41 neighbors. This specification ensures a fixed number of connections per district regardless  
 42 of the heterogeneity in district sizes across the country:

$$\mathbf{W} = \begin{bmatrix} w_{11} & w_{12} & w_{13} & \cdots & w_{1n} \\ w_{21} & w_{22} & w_{23} & \cdots & w_{2n} \\ \vdots & \vdots & \vdots & w_{ij} & \vdots \\ w_{n1} & w_{n2} & w_{n3} & \cdots & w_{nn} \end{bmatrix}$$

43 where  $w_{ij} = 1$  if district  $j$  is among the six nearest neighbors of district  $i$ , and  $w_{ij} = 0$   
 44 otherwise. Following standard practice, we row-normalize the weights matrix so that  
 45 each row sums to one. This ensures that the spatial lag of a variable,  $\mathbf{W}\mathbf{x}$ , represents

1 the average value among a district's neighbors. The choice of  $k = 6$  provides a balance  
 2 between capturing local spatial interactions and avoiding the inclusion of geographically  
 3 distant districts that are unlikely to exert meaningful economic influence.

4 The detection of significant spatial dependence would justify the use of spatial econo-  
 5 metric techniques. In particular, [Ertur, Koch \(2007\)](#) and [Fischer \(2011\)](#) argue that the  
 6 spatial Durbin model (SDM) can appropriately account for spatial dependence in the  
 7 convergence process. This methodological choice allows us to distinguish between direct  
 8 effects of district characteristics and indirect effects operating through spatial channels  
 9 ([LeSage, Pace 2009](#)).

## 10 2.6 Spatial spillover modeling

11 Our spatial spillover modeling builds upon the spatial Solow growth model developed  
 12 by [Ertur, Koch \(2007\)](#) and [Fischer \(2011\)](#). Their model extends the traditional Solow  
 13 framework to account for technological interdependence across regions. The model  
 14 considers an economy of  $N$  subnational regions, each characterized by a Cobb-Douglas  
 15 production function with constant returns to scale:

$$Y_{it} = A_{it} K_{it}^{\alpha_K} H_{it}^{\alpha_H} L_{it}^{1-\alpha_K-\alpha_H} \quad (5)$$

16 where  $Y_{it}$  represents output,  $K_{it}$  physical capital,  $H_{it}$  human capital,  $L_{it}$  labor force,  
 17 and  $A_{it}$  the level of technological knowledge for region  $i$  at time  $t$ . The parameters  $\alpha_K$  and  
 18  $\alpha_H$  denote the output elasticities with respect to physical and human capital, respectively.  
 19 A key innovation of this framework is the modeling of technological knowledge, which  
 20 incorporates both internal and external factors:

$$A_{it} = \Omega_t k_{it}^\theta h_{it}^\phi \prod_{j \neq i}^N A_{jt}^{\rho W_{ij}} \quad (6)$$

21 This specification captures three distinct components of technological progress:

- 22 • An exogenous component ( $\Omega_t$ ) representing the common stock of knowledge across  
 23 regions
- 24 • An embodied component ( $k_{it}^\theta h_{it}^\phi$ ) reflecting technology embedded in physical and  
 25 human capital per worker
- 26 • A spatial component ( $\prod_{j \neq i}^N A_{jt}^{\rho W_{ij}}$ ) capturing technological interdependence between  
 27 regions

28 Based on this theoretical framework, [Ertur, Koch \(2007\)](#) derived a spatial Durbin  
 29 model that accounts for regional spillovers in the convergence process. Their model can  
 30 be compactly written in matrix notation as:

$$g_t = \beta_1 x_{t-1} + X_t \alpha + \beta_2 W x_{t-1} + W X_t \gamma + \lambda W g_t + \varepsilon_t \quad (7)$$

31 In this model,  $g_t$  represents an  $N$ -by-1 vector of observations on per-capita NTL  
 32 growth for each of the  $N$  regions over the period  $t$ . The vector  $x_{t-1}$  represents an  $N$ -by-1  
 33 vector of observations on the initial (log) level of per-capita NTL. The parameter  $\beta_1$  is a  
 34 regression coefficient that indicates the direction and strength of regional convergence.  
 35 The matrix  $X_t$  is an  $N$ -by- $k$  collection of observations on control variables for each region.  
 36 The vector  $\alpha$ , with dimensions  $k \times 1$ , captures the regression coefficients for these variables.  
 37 Additionally,  $W X_t$  denotes an  $N \times k$  matrix of spatially lagged observations, composed  
 38 of a linear combination of neighboring values for the variables of interest in each region.  
 39 The vector  $\gamma$  represents the regression coefficients associated with these spatial lags. The  
 40 terms  $W x_{t-1}$  and  $W g_t$  refer to  $N$ -by-1 vectors capturing the spatial lags of initial (log)  
 41 per-capita NTL, and the per-capita NTL growth, respectively. Finally,  $\varepsilon_t$  represents a  
 42 vector of idiosyncratic error terms.

### 1 3 Results

#### 2 3.1 Regional convergence: An interactive exploration from outer space

3 Before presenting the regression results, we visually illustrate the concepts of growth and  
 4 convergence in nighttime lights. First, we create an interactive map of India displaying  
 5 regional luminosity in 1996 and 2010.<sup>2</sup> Second, we examine absolute convergence by  
 6 constructing a convergence scatterplot. This scatterplot depicts the relationship between  
 7 per-capita growth rates in nighttime lights (1996–2010) and initial per-capita nighttime  
 8 light levels (1996) for each district. Finally, we present some case studies to illustrate  
 9 the nighttime light growth that occurred during our study period. Focusing on some of  
 10 the poorest regions in the country, we show an increase in nighttime lights that visually  
 11 aligns with the convergence hypothesis.

(a) Luminosity in 1996

(b) Luminosity in 2010

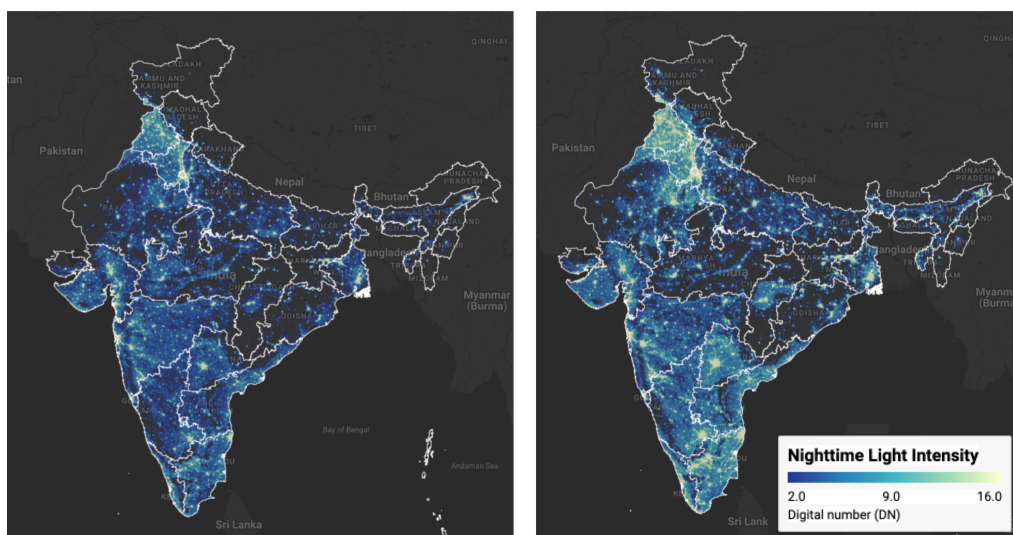


Figure 1: Regional luminosity in India: 1996 vs 2010 Notes: Luminosity is measured in radiance-calibrated digital number (DN) values from DMSP-OLS satellites. Interactive web application available at <https://bit.ly/india-rc-ntl>. Source: Authors' visualization using pre-processed luminosity images from the Earth Observation Group (NOAA/NCEI). See [View from outer space](#) notebook for source code.

12 Figure 1 presents static maps (captured from our interactive application) of luminosity  
 13 for the initial and final years (1996 and 2010). The maps show a noticeable increase in  
 14 brightness across most parts of India in 2010. Since nighttime lights serve as a proxy for  
 15 economic activity, this increase in luminosity reflects economic growth over the period.  
 16 Figure 2 illustrates the relationship between per-capita growth in nighttime lights and  
 17 initial per-capita nighttime light. The scatterplot shows an inverse relationship: the  
 18 estimated  $\beta$ -convergence coefficient of about  $-0.02$  implies an annual speed of convergence  
 19 of roughly 2.3% and a half-life of about 30 years, consistent with the seminal finding of  
 20 Barro, Sala-i Martin (1992).

<sup>2</sup>The interactive web application is available at <https://bit.ly/india-rc-ntl>. It was developed using Google Earth Engine and the source code is available in the [View from outer space](#) notebook.

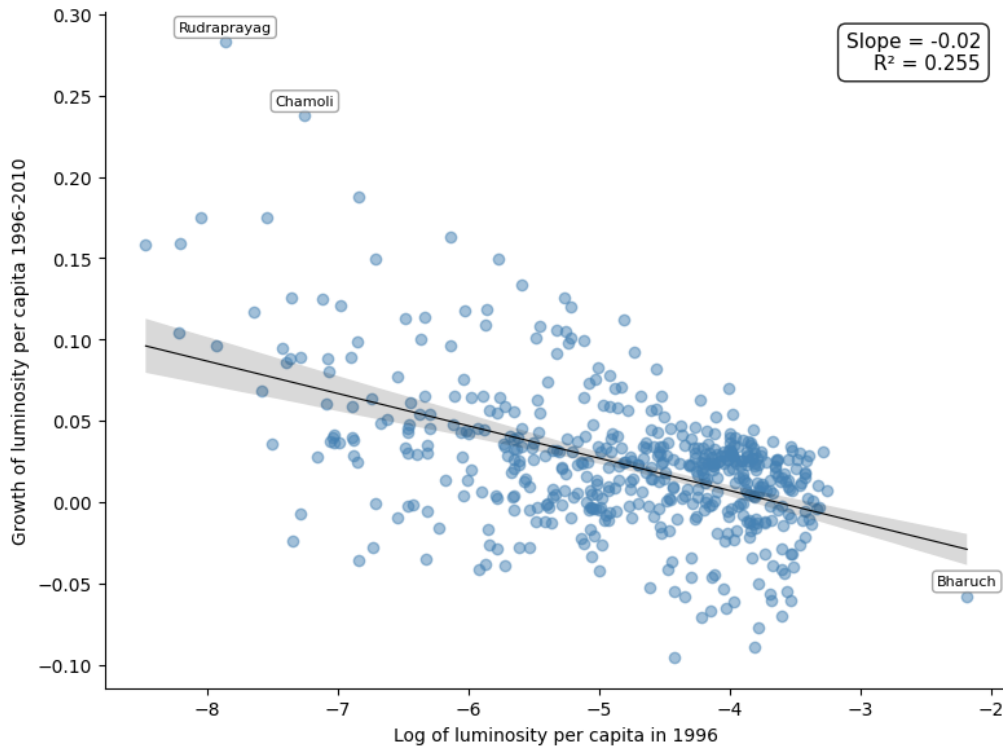


Figure 2: Regional luminosity convergence across districts in India Notes: Each point represents one of the 520 districts. The regression line shows the estimated beta-convergence relationship. Outlier districts are labeled. Source: Data from Chanda and Kabiraj (2020). See [Regional convergence](#) notebook for source code.

1 Next, we examine case studies of three economically disadvantaged states in India  
 2 to illustrate their growth patterns over the study period. Among these, Bihar is the  
 3 poorest, with a per-capita income at 39.2% of the national average, while Uttar Pradesh  
 4 and Chhattisgarh have per-capita incomes of 43.8% and 52.3% of the national average,  
 5 respectively.<sup>3</sup> Figure 3 displays the change in luminosity in these three states during our  
 6 study period. Although these states remain among the poorest, there is a noticeable  
 7 increase in luminosity over the course of the study.

### 8 3.2 Spatial dependence is a feature of the convergence process

9 Before proceeding with formal econometric analysis, we examine the spatial distribution  
 10 of the variables under study. Choropleth maps provide a natural tool for this purpose,  
 11 as they allow researchers to visualize how a variable of interest varies across geographic  
 12 units. They also help identify spatial patterns that may not be apparent from summary  
 13 statistics alone. Figure 4 presents the spatial distribution of initial luminosity in 1996  
 14 and the subsequent growth rate of luminosity over the 1996–2010 period across the 520  
 15 districts in our sample.

<sup>3</sup>The data are taken from a report by the Economic Advisory Council to the Prime Minister (EAC-PM), released on September 18, 2024.

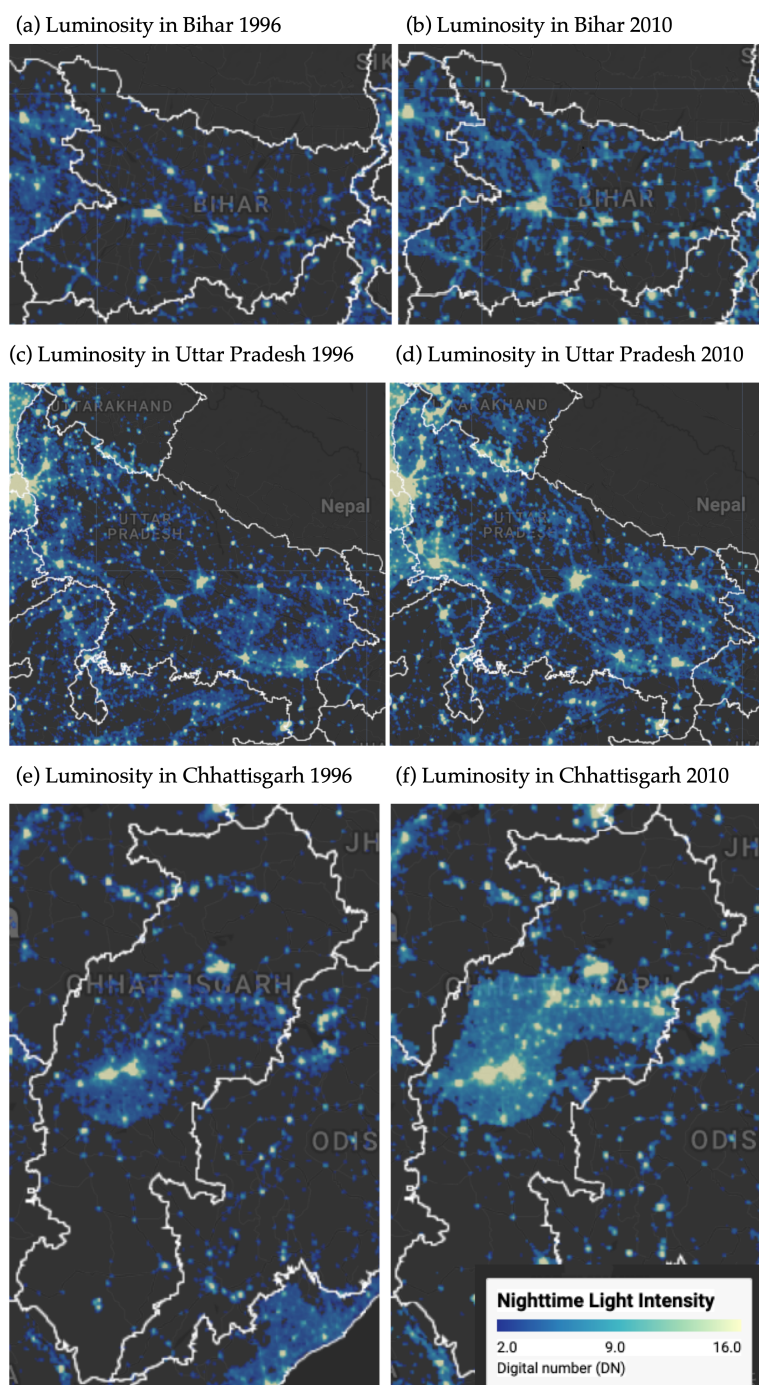


Figure 3: Some illustrative examples of regional convergence Notes: Luminosity is measured in radiance-calibrated digital number (DN) values from DMSP-OLS satellites. Interactive web application available at <https://bit.ly/india-rc-ntl>. Source: Authors' visualization using pre-processed luminosity images from the Earth Observation Group (NOAA/NCEI). See [View from outer space](#) notebook for source code.

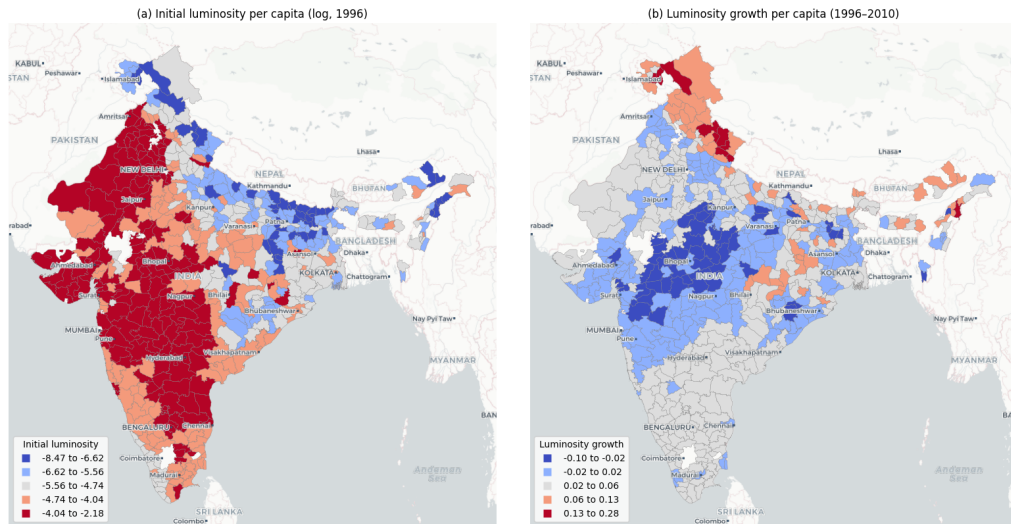


Figure 4: Spatial distribution of initial luminosity and luminosity growth Notes: Districts are classified into five categories using Fisher-Jenks natural breaks. Panel (a) shows log of luminosity per capita in 1996. Panel (b) shows luminosity growth per capita over 1996–2010. Source: Data from Chanda and Kabiraj (2020). See [Spatial dependence notebook](#) for source code.

1 The choropleth maps in Figure 4 reveal a distinct spatial pattern. Panel (a) shows  
 2 that initial luminosity levels are concentrated in specific geographic corridors, with higher  
 3 values clustered along western coastal areas while large portions of central and eastern  
 4 India exhibit markedly lower luminosity. Panel (b), which displays the growth rate of  
 5 luminosity per capita over the study period, presents a pattern that is largely the inverse  
 6 of the initial distribution. Districts that were initially bright tend to exhibit lower growth  
 7 rates, whereas districts that were initially dim tend to grow at a faster rate. This spatial  
 8 inversion provides a first visual indication that regional convergence in India may have an  
 9 important spatial dimension.

10 While the choropleth maps visually suggest the presence of spatial structures in both  
 11 variables, a formal analysis of spatial dependence requires the definition of a neighborhood  
 12 for each district. This neighborhood structure is specified through a spatial weight  
 13 matrix, which encodes the connectivity between geographic units. In this study, we adopt  
 14 a six nearest neighbors weight matrix, whereby for each of the 520 districts, the six  
 15 geographically closest districts are identified as its neighbors. This connectivity structure  
 16 is visualized as a network in Figure 5, where each node represents a district centroid and  
 17 each edge connects a district to one of its six nearest neighbors.

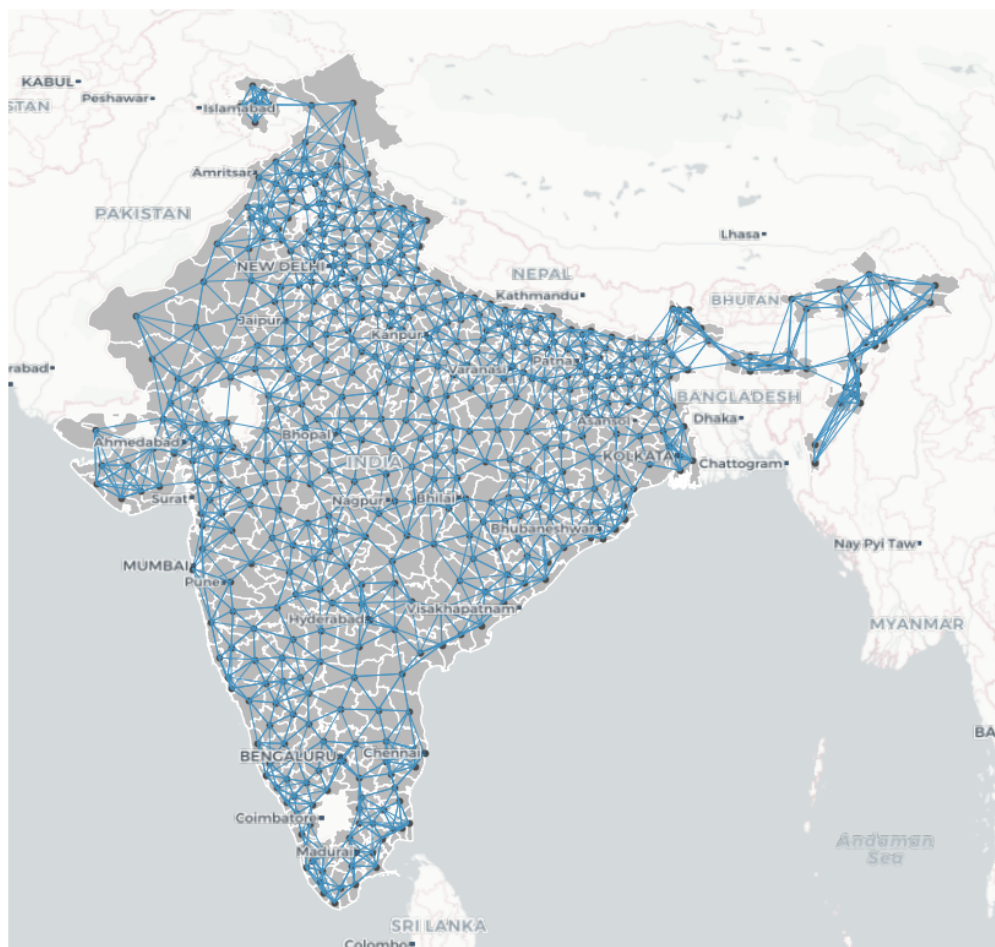


Figure 5: Spatial connectivity structure based on six nearest neighbors. Notes: Each node represents a district centroid. Each edge connects a district to one of its six geographically closest neighbors. The weight matrix is row-standardized. Source: Data from Chanda and Kabiraj (2020). See [Spatial dependence](#) notebook for source code.

1 With the neighborhood of each district defined, we can formally assess the degree of  
 2 spatial dependence in the variables. The notion of spatial dependence can be understood  
 3 through two complementary concepts. The first is the overall degree of spatial clustering  
 4 in the data, and the second is the specific locations of statistically significant clusters  
 5 and spatial outliers. The Global Moran's I statistic captures the first of these concepts.  
 6 It typically ranges from  $-1$  (indicating perfect spatial dispersion) to  $+1$  (indicating  
 7 perfect spatial clustering), with values near zero suggesting spatial randomness. In the  
 8 context of our data, the Moran's I for initial luminosity per capita is  $0.73$  ( $p = 0.001$ ),  
 9 indicating a strong degree of positive spatial autocorrelation. Districts with high (low)  
 10 initial luminosity tend to be surrounded by districts that also exhibit high (low) initial  
 11 luminosity. Similarly, the Moran's I for luminosity growth is  $0.60$  ( $p = 0.001$ ), confirming  
 12 that the growth rates of neighboring districts are also significantly correlated. Together,  
 13 these statistics provide further evidence that both the initial level and subsequent growth  
 14 of luminosity exhibit substantial spatial clustering.

15 While the Global Moran's I confirms the overall presence of spatial dependence, it does  
 16 not reveal the location of statistically significant clusters and outliers. To address this  
 17 limitation, we employ Local Indicators of Spatial Association (LISA). These indicators  
 18 decompose the global statistic into district-level contributions and classify each district  
 19 into one of four categories. High-High (HH) indicates a district with a high value surrounded  
 20 by neighbors with similarly high values, while Low-Low (LL) indicates a low-value district  
 21 surrounded by low-value neighbors. High-Low (HL) is a spatial outlier where a high-

1 value district is surrounded by low-value neighbors, and Low-High (LH) is the opposite  
 2 spatial outlier. Figure 6 presents the Moran scatterplot and LISA cluster map for initial  
 3 luminosity per capita. The cluster map identifies distinct geographic concentrations: HH  
 4 clusters mark the most luminous regions and their bright neighbors, while LL clusters  
 5 highlight contiguous areas of low luminosity, predominantly in central and eastern India.

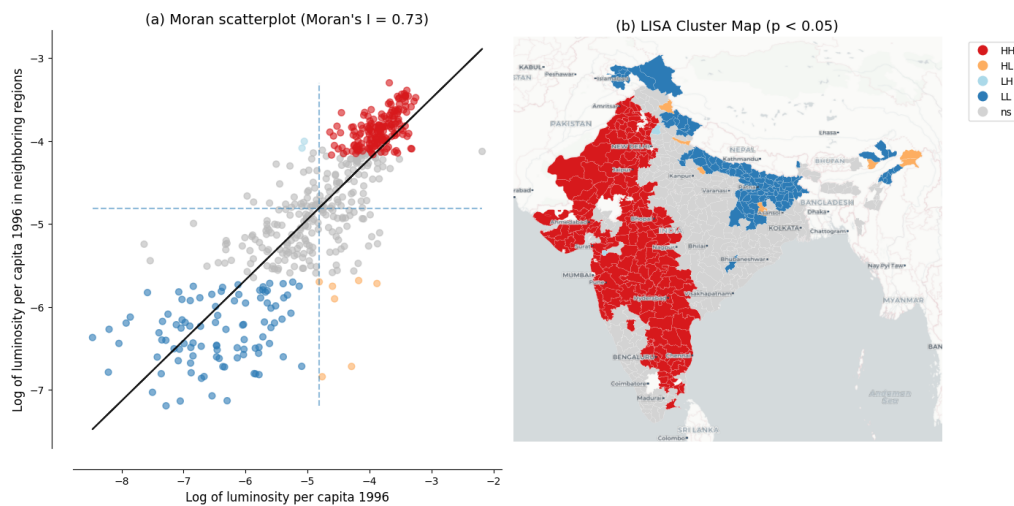


Figure 6: Spatial dependence in the initial level of luminosity Notes: Panel (a) shows the Moran scatterplot with Global Moran's I statistic. Panel (b) shows the LISA cluster map with statistically significant clusters at  $p < 0.05$  based on 999 permutations. Source: Data from Chanda and Kabiraj (2020). See [Spatial dependence](#) notebook for source code.

6 The same LISA analysis applied to luminosity growth rates reveals a geographic  
 7 pattern that is largely the inverse of the initial luminosity clusters, as shown in Figure 7.  
 8 Regions that were classified as HH clusters in initial luminosity—the brightest districts  
 9 and their neighbors—tend to appear as LL clusters in luminosity growth. This indicates  
 10 that these initially prosperous areas experienced relatively slower growth over the study  
 11 period. Conversely, districts that formed LL clusters in initial luminosity—the dimmest  
 12 regions—tend to emerge as HH clusters in growth, reflecting faster catch-up growth in  
 13 initially lagging areas. This spatial inversion between the initial level and subsequent  
 14 growth of luminosity is the spatial signature of the convergence process: red regions in  
 15 the initial luminosity map become blue regions in the growth map, and vice versa. These  
 16 local spatial patterns provide visual evidence that spatial dependence is a prominent  
 17 feature of the regional convergence process observed in India. This finding motivates  
 18 the use of spatial econometric methods to formally account for these strong spatial  
 19 interdependencies.

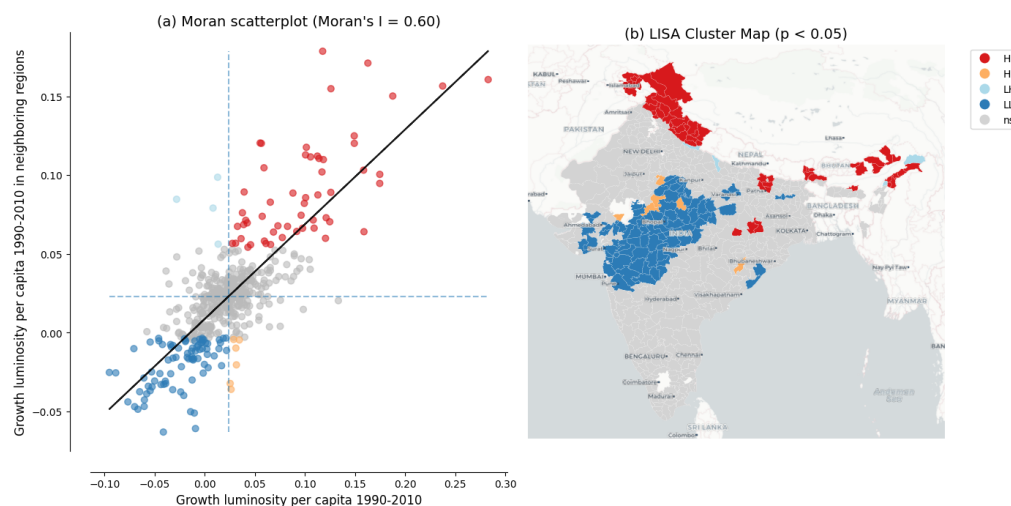


Figure 7: Spatial dependence in the growth rate of luminosity Notes: Panel (a) shows the Moran scatterplot with Global Moran's I statistic. Panel (b) shows the LISA cluster map with statistically significant clusters at  $p < 0.05$  based on 999 permutations. Source: Data from Chanda and Kabiraj (2020). See [Spatial dependence](#) notebook for source code.

### 1 3.3 Evidence of spatial spillovers in regional convergence

2 The regression results of Table 1 provide evidence of both unconditional and conditional  
 3 convergence across districts in India. Both conventional ordinary least squares (OLS)  
 4 and spatial econometric approaches indicate significant negative relationships between  
 5 initial luminosity levels and subsequent growth rates. The direct effects, representing  
 6 within-district convergence, remain stable across specifications, ranging from -0.020 to  
 7 -0.026. This consistency across different model specifications and estimation methods  
 8 suggests that poorer districts are catching up to their wealthier counterparts, even after  
 9 controlling for various district characteristics and state-level fixed effects.

Table 1: Unconditional and conditional convergence across districts.

	Model 1		Model 2		Model 3		Model 4	
	OLS	SDM	OLS	SDM	OLS	SDM	OLS	SDM
Direct	-0.020*** (0.002)	-	-0.022*** (0.003)	-0.021*** (0.002)	-0.025*** (0.003)	-	-0.025*** (0.003)	-0.025*** (0.002)
Indirect	-	0.004 (0.006)	-	-0.001 (0.005)	-	0.015* (0.009)	-	-0.013* (0.007)
Total	-0.020*** (0.002)	-0.022*** (0.006)	-0.022*** (0.003)	-0.022*** (0.005)	-0.025*** (0.003)	-0.041*** (0.009)	-0.025*** (0.003)	-0.037*** (0.007)
Controls	No	No	No	No	Yes	Yes	Yes	Yes
State FE	No	No	Yes	Yes	No	No	Yes	Yes
AIC	-1945	-2292	-2409	-2468	-2211	-2358	-2465	-2501

10 The progression from unconditional to conditional specifications reveals how the  
 11 estimated convergence process is shaped by the inclusion of additional covariates. In the  
 12 OLS specifications, the direct effect strengthens from -0.020 to -0.022 in the unconditional  
 13 models (Models 1 and 2) to -0.025 once district characteristics are added (Models 3 and 4),  
 14 showing that omitting these characteristics attenuates the estimated speed of convergence.

1 The spatial Durbin direct effects match this pattern in the conditional models (-0.026  
2 in Model 3 and -0.025 in Model 4). In the unconditional models, however, the impact  
3 decomposition is unreliable: the spatial autoregressive parameter is very large (around  
4 0.8 in Model 1), which inflates the Model 1 direct effect to -0.026. Once we account for  
5 structural differences across districts—such as population density, urbanization, or sectoral  
6 composition—the underlying tendency for poorer districts to catch up becomes more  
7 pronounced. The inclusion of state fixed effects, which capture unobserved state-level  
8 heterogeneity such as differences in governance and institutional quality, further sharpens  
9 the estimates by absorbing variation that might otherwise confound the convergence  
10 relationship.

11 The spatial Durbin model also reveals spatial spillover effects that are not captured  
12 by traditional OLS estimations. These indirect effects, which capture the influence of  
13 neighboring districts' initial conditions on a district's growth rate, follow a notable pattern  
14 across specifications. In the unconditional models (Models 1 and 2), the estimated indirect  
15 effects are statistically insignificant and erratic—negative in Model 2 but positive in Model  
16 1—reflecting how, without controls, the strong residual spatial dependence confounds  
17 the spillover estimates with omitted variables. However, once district-level controls are  
18 introduced (Models 3 and 4), the indirect effects become both larger in magnitude and  
19 statistically significant at the 10% level, reaching -0.015 in Model 3 and -0.013 in our most  
20 comprehensive Model 4. This emergence of significant spillover effects in the conditional  
21 specifications indicates that the spatial channels of convergence become discernible only  
22 after accounting for district-specific characteristics.

23 The total impact of initial conditions on growth, combining both direct and spillover  
24 effects, is substantially larger when we account for spatial dependence. In our fully specified  
25 model (Model 4), the total convergence effect in the spatial Durbin model (-0.037) is  
26 approximately 48% larger in magnitude than the OLS estimate (-0.025). Translated into  
27 an annual speed of convergence, this raises the implied speed from about 3.0% under OLS  
28 to about 5.2% under the SDM, shortening the implied half-life from roughly 23 to 13 years.  
29 The gap is even larger in Model 3 (SDM total -0.041 vs. OLS -0.025, or 64%), but because  
30 the Model 3 and Model 4 spillover estimates are statistically indistinguishable we anchor  
31 our interpretation on the preferred Model 4. These differences indicate that conventional  
32 non-spatial approaches may underestimate the speed of regional convergence by failing to  
33 capture the additional convergence channels created through spatial spillovers.

34 The model fit statistics further support the spatial econometric approach. The Akaike  
35 Information Criterion (AIC) consistently favors the spatial Durbin model over OLS across  
36 all four specifications. The most comprehensive model (Model 4 SDM) achieves the  
37 lowest AIC value of -2501 compared to -2465 for the corresponding OLS. Notably, the  
38 improvement from incorporating spatial structure is most pronounced in the unconditional  
39 specification (Model 1). The AIC drops by 347 units when moving from OLS to SDM,  
40 reflecting the large amount of spatial dependence left unmodeled by ordinary regressions.  
41 Even in the fully specified model, where state fixed effects already absorb much of the  
42 spatial heterogeneity, the SDM retains a meaningful advantage. Overall, these results  
43 suggest that regional convergence in India operates not only through district-specific  
44 factors but also through spatial interactions between neighboring districts. Ignoring  
45 these interactions leads to both underestimated convergence speeds and inferior model  
46 performance.

### 47 3.4 Robustness to alternative spatial weight matrices

48 The spillover results above use a six-nearest-neighbor (6NN) spatial weight matrix. To  
49 assess their sensitivity to this choice, we re-estimate the preferred Model 4 under six alter-  
50 native specifications—four- and eight-nearest neighbors, queen and rook contiguity, and  
51 inverse distance and inverse-distance-squared (each applied within a distance band)—and  
52 compare them with the 6NN baseline.

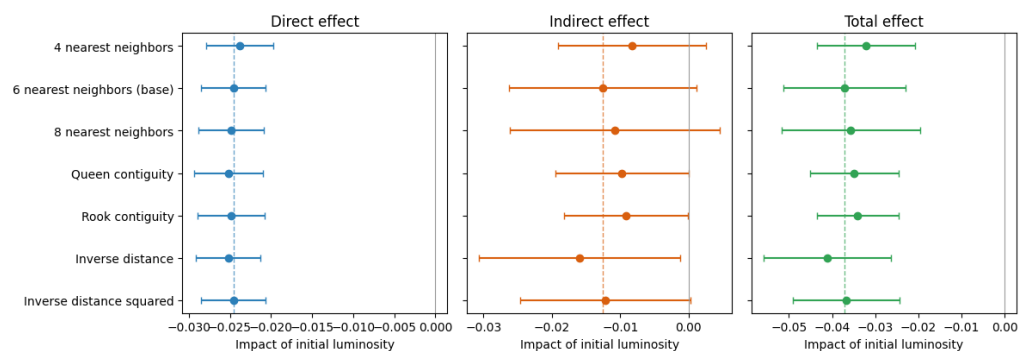


Figure 8: Robustness of the Model 4 spatial impacts of initial luminosity to the choice of spatial weight matrix. Points are Direct, Indirect, and Total impacts; bars are 95% Monte-Carlo confidence intervals. The dashed lines mark the 6NN baseline estimates.

Table 2: Model 4 spatial impacts of initial luminosity under alternative spatial weight matrices (full LeSage–Pace method; Monte-Carlo standard errors in parentheses).

Weight matrix	Direct	Indirect	Total	AIC
4 nearest neighbors	- 0.024***(0.002)	-0.008(0.006)	- 0.032***(0.006)	-2468
6 nearest neighbors (base)	- 0.025***(0.002)	-0.013*(0.007)	- 0.037***(0.007)	-2501
8 nearest neighbors	- 0.025***(0.002)	-0.011(0.008)	- 0.036***(0.008)	-2485
Queen contiguity	- 0.025***(0.002)	-0.010**(0.005)	- 0.035***(0.005)	-2463
Rook contiguity	- 0.025***(0.002)	-0.009**(0.005)	- 0.034***(0.005)	-2469
Inverse distance	- 0.025***(0.002)	-0.016**(0.007)	- 0.041***(0.008)	-2486
Inverse distance squared	- 0.025***(0.002)	-0.012*(0.006)	- 0.037***(0.006)	-2485

1 The convergence spillovers are robust to the choice of spatial weights (Figure 8 and  
 2 Table 2). The direct (within-district) convergence effect is essentially unchanged across all  
 3 seven specifications, ranging from -0.024 to -0.026 and always significant at the 1% level.  
 4 The total convergence effect likewise remains negative and significant throughout, ranging  
 5 from -0.032 to -0.041, with the 6NN baseline (-0.037) near the middle of this range. The  
 6 indirect (spillover) component is negative in every specification and statistically significant  
 7 under most of them. This stability indicates that the evidence for spatial spillovers in  
 8 the convergence process is not an artifact of the particular neighbor definition, but a  
 9 consistent feature of the data.

## 10 4 Discussion

### 11 4.1 Beyond the economy: Luminosity and cultural factors

12 Nighttime lights capture not just GDP but a composite of electrification, urbanization,  
 13 infrastructure, and broader socioeconomic conditions (Henderson et al. 2012, Mellander  
 14 et al. 2015). This multi-dimensional nature invites exploration of how luminosity relates  
 15 to socioeconomic indicators beyond strictly economic output. In this section, we examine  
 16 the association between luminosity and cultural participation patterns across Indian  
 17 states.

18 A growing literature argues that regional cultural attitudes constitute an independent

1 factor in economic development, not merely a by-product of income or institutions. In  
 2 particular, Tubadji (2025) proposes a Culture-Based Development framework arguing  
 3 that regional cultural participation patterns—measured through revealed preferences in  
 4 household expenditure and survey data—predict regional development patterns. For  
 5 India, the National Sample Survey (NSS) 47th Round (July–December 1991) provides  
 6 state-level data on six dimensions of cultural participation: live cultural performance,  
 7 cultural telecast (TV/media), socio-cultural participation, cultural heritage and religion,  
 8 live cultural shows, and sports.

9 With nighttime lights data for an adjacent period (1992) now available for 32 Indian  
 10 states and union territories, we can examine the extent to which luminosity is associated  
 11 with regional cultural patterns (see [Spatial culture](#) notebook for details and extended  
 12 analyses). Given the small sample size ( $N = 32$ ) and the potential leverage of small  
 13 territories at the extremes of the distribution on linear correlation measures, we report  
 14 Spearman rank correlations throughout this section. Figure 9 presents the relationship  
 15 between log nighttime lights per capita and the two cultural dimensions that show  
 16 statistically significant associations.

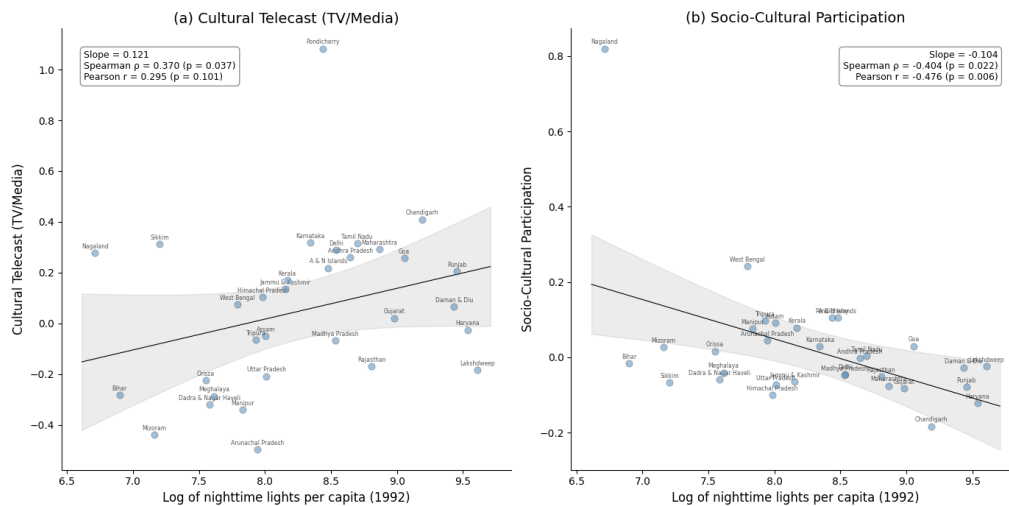


Figure 9: Relationship between nightlight luminosity and cultural participation across 32 Indian states. Notes: Each point represents one of the 32 Indian states and union territories. Panel (a) shows the bivariate relationship between log nighttime lights per capita and cultural telecast (TV/media); Panel (b) shows the relationship with socio-cultural participation. Solid line is the OLS regression; gray band shows the 95% confidence interval (t-distribution, 30 df). Annotations report regression slope, Spearman rank correlation, and Pearson correlation. Source: Nighttime lights from CCNL DMSP-OLS (Zhao et al., 2022). Cultural participation from NSS 47th Round (July–December 1991). See [Spatial culture](#) notebook for source code.

17 Cultural telecast (TV/media) exhibits a positive association (Spearman  $\rho = 0.370$ ,  $p$   
 18  $= 0.037$ ) with nighttime light luminosity. That is, states with higher luminosity consume  
 19 more culture through television and media. This link is intuitive: access to television  
 20 depends on electrification and urbanization, which are closely tied to luminosity.

21 In contrast, socio-cultural participation shows a significant negative association (Spearman  
 22  $\rho = -0.404$ ,  $p = 0.022$ ). That is, community-based cultural engagement is stronger  
 23 in states with less luminosity. This suggests that less urbanized regions rely more on  
 24 collective, in-person forms of cultural participation rather than on media infrastructure.

25 Figure 10 presents spatial distribution of these two cultural variables through the lens  
 26 of a LISA analysis. Both dimensions exhibit significant spatial autocorrelation, indicating  
 27 that cultural participation is not randomly distributed across Indian states. The spatial  
 28 clustering of cultural telecast broadly mirrors the economic geography distribution. States  
 29 in the western and southern regions form high-high clusters while northeastern and eastern  
 30 states form distinct community-participation clusters.

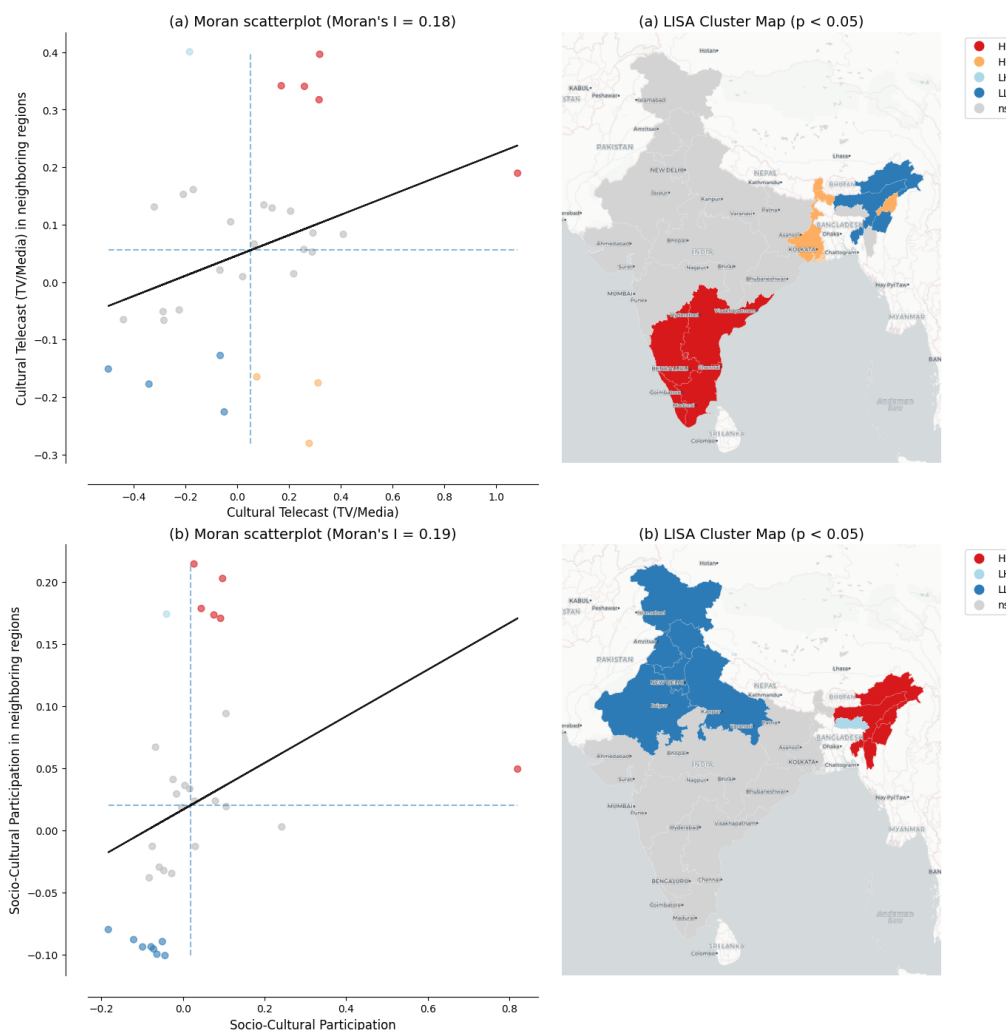


Figure 10: LISA cluster maps of cultural participation across 32 Indian states Notes: Panel (a) shows results for cultural telecast (TV/media); Panel (b) for socio-cultural participation. Left subpanels show Moran scatterplots with the Global Moran's I statistic. Right subpanels show LISA cluster maps with statistically significant clusters at  $p < 0.05$  based on 999 permutations and a 6-nearest-neighbors spatial weights matrix. Region labels are overlaid from the CartoDB Positron basemap. Source: Cultural participation data from NSS 47th Round (July–December 1991). See [Spatial culture](#) notebook for source code.

1 Together, these two results reveal a contrast in how regions engage with culture:  
 2 more luminous states favor media-based consumption, while less luminous states sustain  
 3 community-based participation. The remaining four cultural dimensions—live cultural  
 4 performance, cultural heritage and religion, live cultural shows, and sports—show no  
 5 statistically significant association with luminosity. However, these findings are based on  
 6 a small cross-section of 32 states observed at a single point in time. Further investigation  
 7 with larger datasets covering more regions and additional time periods is needed to  
 8 establish whether these patterns are robust.

#### 9 4.2 Better luminosity data from VIIRS

10 Our analysis, following [Chanda, Kabiraj \(2020\)](#), relies on radiance-calibrated DMSP-OLS  
 11 nighttime lights data covering the period 1996 to 2010. This dataset has been widely used  
 12 as a proxy for economic activity ([Henderson et al. 2012](#), [Chen, Nordhaus 2011](#)). However,  
 13 DMSP-OLS data are subject to well-documented limitations, including top-coding in  
 14 bright urban cores and lack of on-board calibration leading to inter-satellite inconsistencies.

1 Blooming artifacts that spatially blur light sources beyond their true boundaries represent  
2 an additional concern (Abrahams et al. 2018). These measurement issues can attenuate  
3 the precision of convergence estimates, particularly in rapidly urbanizing districts.

4 The Visible Infrared Imaging Radiometer Suite (VIIRS), operational since 2012,  
5 represents a marked improvement over DMSP-OLS along multiple dimensions. VIIRS  
6 offers finer spatial resolution (approximately 750 meters versus 2.7 kilometers) and on-  
7 board radiometric calibration that provides consistent quantitative measurements. It also  
8 features a wider dynamic range that avoids saturation in urban areas while detecting  
9 dim lights in rural settlements (Elvidge et al. 2017). Systematic assessments recommend  
10 VIIRS as the preferred product for cross-sectional and recent time-series studies (Gibson  
11 et al. 2021). Future extensions of our convergence analysis using VIIRS data could yield  
12 more precise estimates of both direct and indirect effects, especially in districts where  
13 blooming effects may have distorted the true spillover effects.

14 A practical challenge for extending long-run convergence studies is the discontinuity  
15 between DMSP (1992–2013) and VIIRS (2012–present) sensor eras. Recent harmonization  
16 efforts, notably the global harmonized nighttime light dataset by Li et al. (2020), have  
17 created consistent long-run time series by calibrating VIIRS observations to DMSP-  
18 equivalent units during the overlap period. Such harmonized datasets could enable  
19 the extension of our spatial Durbin analysis to more recent periods. This would allow  
20 researchers to examine whether the convergence patterns and spatial spillovers documented  
21 here have persisted, accelerated, or changed in character as India’s economy has continued  
22 to transform.

### 23 4.3 New research directions

24 While our analysis documents the average convergence effect and its spatial spillover com-  
25 ponent, the cross-sectional regression framework does not capture potential heterogeneity  
26 in convergence patterns across the income distribution. Distribution dynamics approaches,  
27 as pioneered by Quah (1996), could reveal whether Indian districts are converging to a  
28 single steady state or forming distinct convergence clubs where districts converge within  
29 groups but diverge across them. The regression tree methods developed by Durlauf,  
30 Johnson (1995) for identifying multiple growth regimes could be combined with spatial  
31 econometric techniques. Such an approach could examine whether geographic clusters  
32 of districts follow distinct convergence trajectories, potentially revealing spatial poverty  
33 traps or growth poles that are not visible in average convergence estimates (Rey, Montouri  
34 1999). Furthermore, analysis of harmonized luminosity data across Chinese provinces  
35 has uncovered complex inequality dynamics that differ markedly across cross-sectional  
36 and temporal dimensions (Glawe, Mendez 2024). Extending these insights to the Indian  
37 district context could help determine whether the convergence patterns we document  
38 reflect a single equilibrium or mask the formation of distinct spatial clubs.

39 Another important direction concerns the causal identification of the spillover channels  
40 that our spatial Durbin model captures in reduced form. While our estimates document  
41 significant indirect effects, the model does not identify whether these spillovers operate  
42 through infrastructure linkages, labor migration, technology diffusion, or market access  
43 channels. Quasi-experimental approaches, such as those employed by Asher, Novosad  
44 (2020) to study the causal effects of rural road construction on structural transformation  
45 in India, could be embedded within spatial econometric frameworks to isolate specific  
46 spillover mechanisms. Understanding which channels drive the indirect convergence effects  
47 is important for designing spatially targeted policies that may amplify positive spillovers.

48 Comparative evidence from other developing economies suggests that spatial depen-  
49 dence in regional convergence is a widespread phenomenon rather than an India-specific  
50 feature. Studies have documented significant spatial spillover effects in convergence  
51 processes across Thailand (Tipayalai, Mendez 2024), Turkey (Ursavas, Mendez 2023), and  
52 Indonesian districts (Miranti, Mendez 2023), with neighbor effects and spatial conditioning  
53 factors playing important roles in shaping convergence trajectories. This cross-country  
54 regularity strengthens the case for systematic investigation of the specific mechanisms  
55 driving spatial spillovers, as the channels may differ across institutional and geographic  
56 contexts.

1 The growing availability of diverse satellite products and machine learning methods  
2 opens possibilities for richer measurement of regional economic activity. [Jean et al.](#)  
3 [\(2016\)](#) showed that combining high-resolution daytime imagery with nighttime lights  
4 through deep learning can considerably improve poverty prediction in data-scarce settings.  
5 Similarly, [Keola et al. \(2015\)](#) showed that integrating nighttime lights with land cover  
6 data improves economic measurement in agricultural areas where lights alone provide  
7 weak signals. These alternative data sources allow the construction of multi-dimensional  
8 proxies for regional economic activity that go beyond what nighttime lights alone can  
9 capture. Recent applications demonstrate the practical potential of these advances  
10 for subnational economic measurement. [Chen et al. \(2024\)](#) show that higher-quality  
11 VIIRS nighttime lights can predict sectoral GDP composition across Turkish provinces,  
12 distinguishing between urban service-oriented and rural agricultural regions in ways that  
13 DMSP data cannot. [Hussein et al. \(2025\)](#) employ machine learning methods with multiple  
14 remote sensing indicators to predict subnational GDP in Vietnam, achieving accuracy  
15 improvements over traditional luminosity-based approaches. At a broader scale, [Khoum](#)  
16 [et al. \(2025\)](#) combine big data sources, socioeconomic surveys, and machine learning to  
17 map multidimensional poverty in Cambodia, illustrating how satellite-derived features can  
18 complement conventional survey instruments. Applying similar multi-source approaches  
19 to Indian districts could yield richer proxies for economic activity that overcome the  
20 well-known limitations of nighttime lights in agricultural and low-density areas.

#### 21 4.4 Research reproducibility and open science

22 The complexity of satellite-based economic research—involving multi-step data processing  
23 pipelines, spatial econometric estimation, and geographic visualization—makes repro-  
24 ducibility both challenging and essential. As [Donaldson, Storeygard \(2016\)](#) note, the  
25 processing of satellite data requires careful documentation and sharing of code to ensure  
26 that results can be replicated and extended. Each methodological choice in the pipeline,  
27 from sensor inter-calibration to spatial weight matrix construction, can affect empirical  
28 conclusions. This underscores the need for transparent computational workflows that  
29 allow other researchers to verify and build upon published findings.

30 This article adopts a reproducible research approach through Jupyter notebooks  
31 and the Quarto publishing framework. All computational analyses are documented in  
32 embedded notebooks that readers can inspect alongside the results they produce. The  
33 interactive visualization tool, built on Google Earth Engine, allows researchers to explore  
34 the spatial and temporal patterns in satellite nighttime light data.

35 Open-source tools and cloud computing platforms are rapidly lowering the barriers  
36 to reproducible spatial economic research. Cloud-based computational notebooks, such  
37 as those developed by [Mendez, Patnaik \(2024\)](#) for processing nighttime lights data,  
38 eliminate the need for specialized local software and provide accessible workflows for data  
39 ingestion, preprocessing, spatial analysis, and visualization. The combination of open  
40 data repositories, version-controlled code, and cloud computing infrastructure creates  
41 an ecosystem where the full analytical pipeline—from satellite imagery to econometric  
42 results—can be made transparent, verifiable, and extensible by the broader research  
43 community.

## 44 5 Concluding remarks

45 This article re-examines the regional convergence hypothesis across Indian districts using  
46 satellite nighttime light data, interactive visualizations, and spatial econometric modeling.  
47 Building on the work of [Chanda, Kabiraj \(2020\)](#), we developed an interactive web-based  
48 visualization tool that illustrates spatial and convergence patterns across Indian districts.  
49 Spatial autocorrelation analyses indicate that spatial dependence is a notable characteristic  
50 of satellite data and the regional convergence process in India. Estimates from our spatial  
51 Durbin model indicate that incorporating spatial spillovers increases the estimated speed  
52 of regional convergence. The total convergence effect in our fully specified model is  
53 approximately 48% larger than conventional non-spatial estimates. This finding suggests  
54 that non-spatial convergence models may underestimate the speed of regional convergence.

1 Additionally, it suggests that place-based development interventions may have broader  
2 impacts, as their benefits can extend to neighboring districts through spatial spillover  
3 effects.

4 Our results also demonstrate the usefulness of satellite nighttime lights for studying  
5 economic dynamics in countries where subnational data are scarce, infrequent, or unreliable.  
6 Conventional economic statistics at the district level are often unavailable or inconsistent  
7 across administrative boundaries, especially in large developing economies. Radiance-  
8 calibrated nighttime light data allowed us to analyze 520 Indian districts at a spatial  
9 granularity that would be difficult to achieve with traditional national accounts. This  
10 data-driven approach is potentially transferable to other data-poor contexts across the  
11 developing world. The ongoing transition from DMSP-OLS to the higher-resolution VIIRS  
12 sensor should yield more precise measurement of subnational economic activity in future  
13 studies.

14 This study also shows how reproducible open-science practices can strengthen the  
15 credibility and reach of scientific research. The entire analytical pipeline is documented in  
16 computational Jupyter notebooks using Python, R, and Stata code. Research results are  
17 automatically embedded within the manuscript through Quarto's publishing framework.  
18 Moreover, a single manuscript source generates multiple output formats: HTML, PDF,  
19 Microsoft Word, among others. The HTML version is particularly useful as it allows  
20 readers to engage with interactive visualizations, easily inspect the code of multiple  
21 computational notebooks, and reevaluate the results in light of their source code. By  
22 hosting the complete codebase and data in a public GitHub repository and making the  
23 Python notebooks executable in the cloud through Google Colaboratory, we aim to  
24 encourage broader adoption of reproducible open-science practices.

## 25 **6 Acknowledgments**

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28 Code (Anthropic) to assist with manuscript editing, computational notebook development,  
29 and research infrastructure setup. After using this AI tool, the authors reviewed the  
30 outputs, confirmed their accuracy, and take full responsibility for the content of this  
31 publication.

## 32 **7 Conflict of Interest**

33 The authors declare no conflict of interest.

## 34 **8 Data and Code Availability**

35 All data and computational code used in this study are available in the project reposi-  
36 tory: [Repository URL removed for blind review]. The interactive HTML version of this  
37 manuscript (<https://quarcs-lab.github.io/project2025s-py/>) embeds the computational  
38 notebooks, allowing readers to inspect the complete analytical pipeline from raw data to  
39 published results. All notebooks can be executed in the cloud using Google Colaboratory  
40 without requiring local software installation. The computational notebooks are imple-  
41 mented entirely in Python; an earlier implementation of the same analysis used R and  
42 Stata, and the present Python results are largely consistent with it—the only material  
43 difference being the impact decomposition of the unconditional spatial Durbin model  
44 (Model 1), whose total effect is unchanged.

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