

Randomised evaluations

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Overview

- **Why randomise?**
- **3 examples**
 - Deworming in Schools
 - Jobs for Girls
 - Counseling the unemployed
- **About J-PAL Africa**
- Q&A

J-PAL

- **Established by 3 professors at MIT, now global network**
- **We do:**
 - Randomised evaluations of social programmes
 - Train others to do the same
 - Disseminate our findings to promote evidence informed policy
- **250+ ongoing and completed RCTs in 50 countries**
- **Regional offices in France, India, Chile and South Africa**

Why randomise

- Many policy questions require knowledge of causality
- **Standard way of measuring impact:**
 - Change over time
 - How beneficiaries compare to non-beneficiaries
- **But this does not distinguish programme impacts from other factors:**
 - Children learn over time
 - First to show up are not typical
- We need **counterfactual**. Randomisation ensures that beneficiaries are no different from non-beneficiaries
- Many ways of introducing elements of randomisation that are ethical and feasible

Education and Work

- **Large gender differences in health and education**
 - Returns to investments
 - Social norms
 - Bargaining power
- **Hard to estimate**
 - Reverse causality: Human capital / opportunities
 - Omitted variable biases: Parents' ambitions

What is the demand elasticity for education given better opportunities?

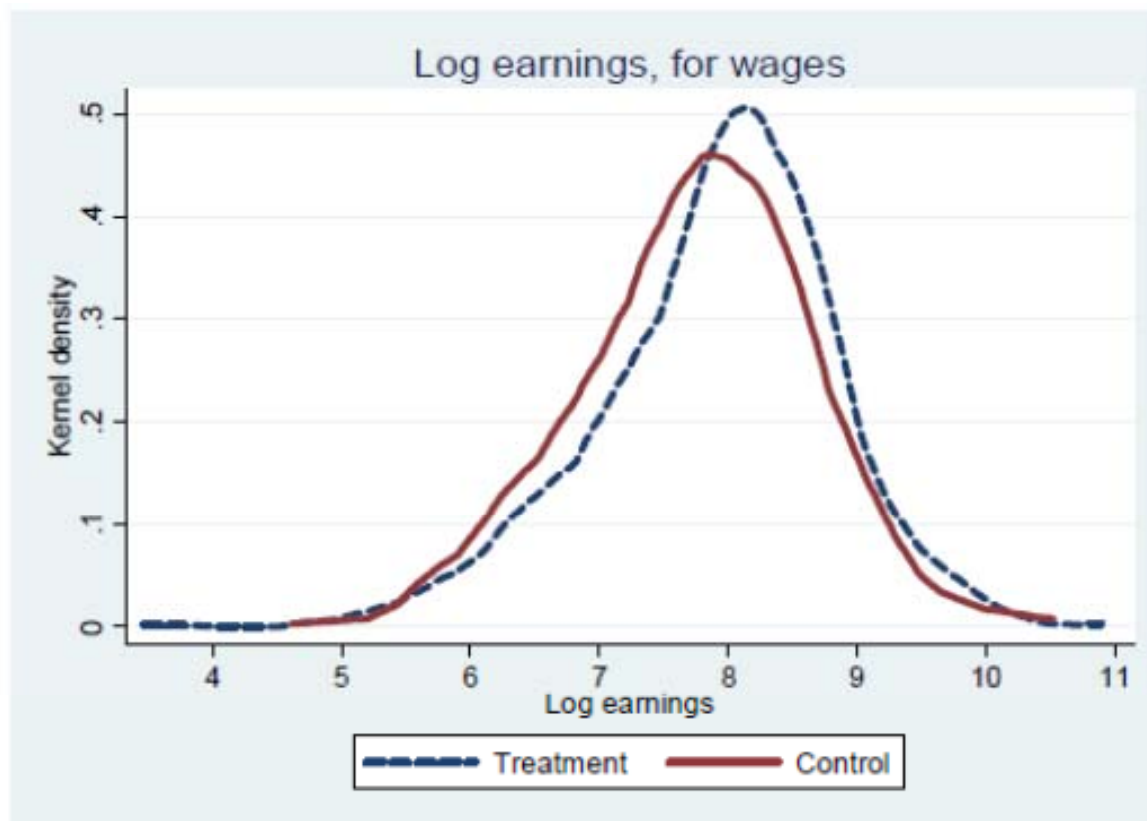
What are the returns to education?

Jobs for Girls

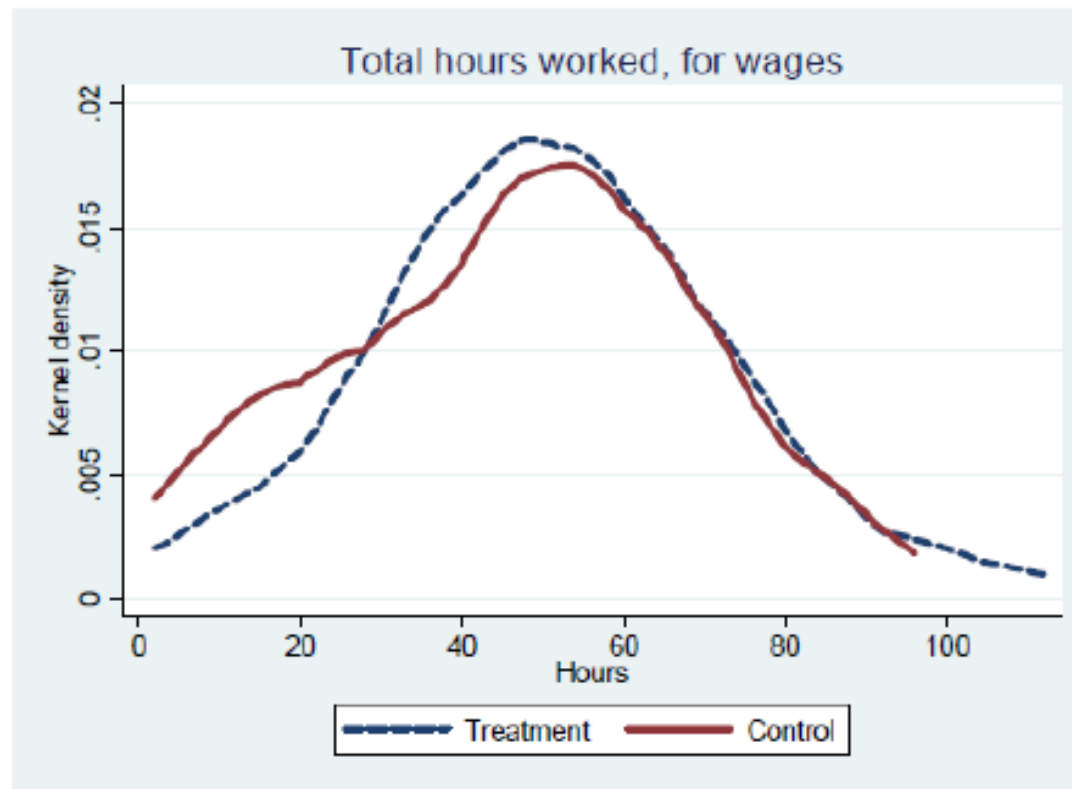
- **3 year career and recruitment service for call centres in India**
 - Only opportunity for girls (unmarried, with computer skills)
 - Strictly through returns to investments
- **Findings (after 3 years)**
 - **Employment**
 - Increased by 2.5 percentage points for women (18-24 years)
 - No change in employment for men
 - **Human Capital**
 - Girls (aged 5-15 years) were 4-5 percentage points more like to be enrolled in school
 - 0.20 increase in BMI (average: 1.3)
 - Again, no effects on boys

Deworming in Schools

- 1 in 4 people are infected by intestinal worms around the globe, with massive disease burden (due to anemia, fatigue, growth stunting, lethargy)
- **1998-2002: Kenya Primary school Deworming Project**
 - In-school, mass treatment
 - Treated twice yearly, at \$0.50 per child
 - Decreased absenteeism by 25% -- 1 extra school year
- **Worms at Work (2007-9 follow up):**
 - Among wage earners, 20-27% increase in income
 - Hours worked increased by 12 percent
 - Less casual labour, tripling of employment in well-paid manufacturing jobs



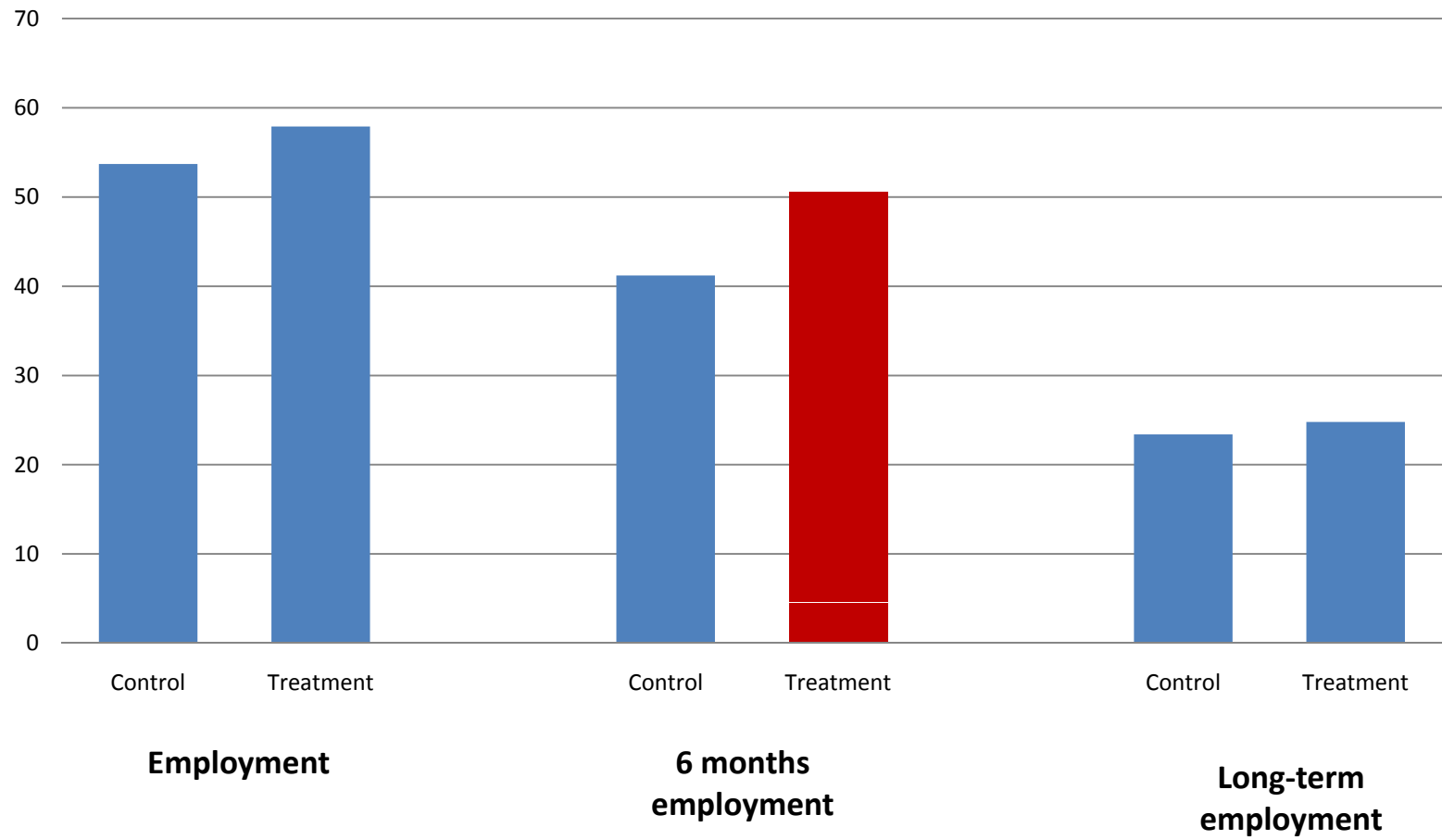
Distribution of log wage earnings in the last month
Deworming treatment vs control (among those with positive earnings)



Distribution of hours worked in last week
Deworming treatment vs control (among those working for wages)

Job Counseling

- **Can more intensive counseling of unemployed increase their employment? Move case workers from 120 to 30 individuals**
- **Incentives for case workers**
 - 1/3 for every client who enters into programme
 - 1/3 for every client who obtains 6+ mth contract
 - 1/3 for every client who retains job for 6 mth
- **General equilibrium effects, displacement (?)**
 - Randomise Local Employment Agencies and their encashment areas
 - Then randomise individual to treatment
 - 0%, 25%, 50%, 75% and 100% assigned to treatment
 - Can measure general equilibrium effects by comparing controls
 - Can measure true effect of programme by comparing treatment



Why do we need evidence?

- **Little hard evidence on key policy questions:**
 - What are the most cost effective ways to prevent HIV?
 - How can we reduce youth unemployment?
- **Better evidence is essential for maximising impact, given limited resources**
- **It is also important for accountability and transparency**
- **Better evidence can help build support for increased spending on social programmes**

J-PAL Africa

- **Based within UCT School of Economics**
 - Hub for network of researchers in Africa
 - Facilitate collaborate research initiatives
 - Partner with Government and NGO to conduct evaluations
- **Offer training opportunities**
 - Annual Executive training course
 - Advanced course for Researchers, 6-7 July 2011
- **Translate research into action**
 - Synthesise global evidence into cost effective comparisons
 - Host evidence workshops
 - Partner with organisations to scale-up effective programmes

Advanced Course

- **6-7 July 2011, University of Cape Town**
- **2-day course for academics and researchers**
 - Tips and tricks of how to run randomised evaluations
 - Managing threats, avoiding pitfalls
 - Q&A on own research ideas, networking opportunities
- **Taught by J-PAL affiliates**
 - Rachel Glennerster, J-PAL Executive Director, MIT
 - Michael Kremer, Harvard University
 - Marc Gurgand, Paris School of Economics
- **Online application closes on 20 May 2011**

Thank you



www.povertyactionlab.org/Africa