

ABDUL LATIF JAMEEL

Poverty Action Lab

J-PAL EUROPE



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TRADUIRE LA RECHERCHE EN ACTION

## Randomized Evaluation in France

Bruno Crépon Crest/J-Pal

# Evaluations in France ?

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- ▶ France had almost no evaluation culture
  - ▶ French Association of Evaluation
    - ▶ No impact evaluations
  - ▶ Some attempts by researchers to evaluate policies but without randomized experiments
  - ▶ Endless debates about validity
    - ➔ Low collective value
- ▶ In the end limited common knowledge accumulated of the main social problems and the way to address them
- ▶ Need method that can provide evidence suitable to highlight the public debate ➔ RCT



# Were are we now?

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- ▶ Things changed a lot
- ▶ Thanks to the fund we started a lot of randomized evaluations during the 5 last years
  - ▶ More than 30 randomized experiments were launched
- ▶ Topics covered are very different
  - ▶ Education, Housing, Health, Mobility, Youth Employment
- ▶ Thanks to the fund also many institutions are now willing to evaluate their policies
- ▶ A lot of practical issues concerning the design of policies as well as the problems the young people and other face have been and are addressed



# Three experiments with results

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- ▶ Education program in middle school (young people age 11)
  - ▶ Purpose is to change the behavior of youth at school
- ▶ Youth employment program
  - ▶ Purpose is to provide young people with job search assistance
- ▶ Health program
  - ▶ Purpose is about complementary health insurance for low income people



# Education

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- ▶ One problem in France is about the education of young teenagers in middle school
- ▶ Lots of problems in deprived suburban middle schools associated with
  - ▶ Absenteeism, bad behavior, discipline
  - ▶ Very poor attention of students; difficult to improve their grades
- ▶ Places where it is very difficult and can even be dangerous to teach.
- ▶ Problems start in the first year of middle school (grade 6 age 11) and strongly increase afterwards
- ▶ High drop-out rate a few years later



# Education

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- ▶ The basic idea of the program is that parents play a key role, but they do not know school and do not see it as valuable
- ▶ The program is just a set of 3 meetings for the parents of 6<sup>th</sup> grade students
  - ▶ Bring the parents into the school, explain them how it works, how they can help their children, how to react to their children's results
  - ▶ The hope is to increase school's value within households
  - ▶ And in the end change young students' behavior
- ▶ The nice thing : a real and important problem but a simple solution (far from main stream education policy)



# Youth employment

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- ▶ High unemployment rate of young people
- ▶ Education helps a lot but there is a population of young educated people experiencing long term unemployment
- ▶ Counseling them is the job of the Public Employment Service – It raises specific issues
  - ▶ Biased perception of their labor market value and the type of jobs they can have
- ▶ Time consuming for these young people to invest in an efficient search process because they have no experience
- ▶ Strong preference to take small jobs that provide cash in the short run
  - ▶ Trapped in an endless succession of small jobs



# Youth employment

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- ▶ The program provides the young people with a reinforced counseling scheme
  - ▶ Allocated to caseworkers whose portfolio is reduced to 30 persons instead of the regular 120
  - ▶ Specific needs of the youths: use Private Operators instead of the Public Employment Service
- ▶ The program is costly because of both the portfolio size reduction and Private Operators
- ▶ Contract for private operators: specific bonus if young people get a job within 6 months lasting at least 6 months



# Health

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- ▶ French social security system is quite generous
- ▶ However, social security insurance does not cover all health expenses
- ▶ People can buy a complementary insurance
  - ▶ Cost may be around 700 euros: Expensive!
  - ▶ People with low income do not buy it
- ▶ Big problem because they reduce their use of health services
- ▶ There is a subsidy for low income people to buy the complementary insurance: 200 euros



# Health

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- ▶ The problem is that the demand for the complementary insurance is low
- ▶ Only 8% of eligible people buy it
- ▶ Why? among possible reasons:
  - ▶ The subsidy is not large enough
  - ▶ The system is generous but complicated
- ▶ The experiment proposes two different interventions
  - ▶ Increase the subsidy to 350 euros instead of 200 euros
  - ▶ Increase the subsidy and propose a meeting explaining the complementary insurance and how to obtain the subsidy



# Implementation of Randomized Evaluation

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- ▶ Starting from zero we have learned how to implement randomized experiments
- ▶ Not true to say that it was always easy
- ▶ Specific issues that were sometime strongly discussed with people on the job
  - ▶ Randomization
  - ▶ Work induced by the experiment in the field
- ▶ Randomization is more a principle than a constraint
  - ▶ Various possible experimental designs – various types of problems
- ▶ In most cases we succeeded in implementing the evaluation



# Examples

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## ▶ Program in education

- ▶ Identify family volunteers for the program – Randomize classes within the school - 100 classes
- ▶ Survey parents' involvement – school registers of youth performance and behavior

## ▶ Youth employment program

- ▶ Randomization at the individual level: 3500 youths
- ▶ Operators wanted more and more youths – tough discussions about assignment rate of young people
- ▶ Phone surveys carried out at specific intervals: 8, 18 and 24 months








## ▶ Health program

- ▶ Randomization at the individual level – problem was the list of eligible people – 4000 individuals



# Education: Results

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- ▶ Program works incredibly well
- ▶ Strong increase in parents involvement
  - ▶ School 
  - ▶ Home 
  - ▶ Understanding of school 
- ▶ Strong improvement in youth's behavior
  - ▶ Absenteeism 
  - ▶ Sanction 
  - ▶ Good conduct 
  - ▶ Honor 



# Education: Results

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- ▶ Some improvement in youth's performance
  - ▶ French
  - ▶ Math
- ▶ Spillovers: strong effects also on households that refused to attend the meetings !
  - ▶ Parents involvement
  - ▶ Improvement in youth behavior
  - ▶ Improvement in youth performance
- ▶ Important to implement a RCT for this “non main stream” program : evidence needed to cope with a priori



# Youth employment: Results

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- ▶ **Effect on employment**
  - ▶ Huge effect on jobs obtained within 6 months and lasting at least 6 months
- ▶ **Design chosen so as to measure displacement effect**
  - ▶ A common criticism against counseling
  - ▶ No displacement effect
- ▶ **Key issue is the contract between PES and the private operator**
  - ▶ Performance of the operator exactly fits the requirement in its contract
    - ▶ Bonus if employment within 6 months lasting at least 6 months
    - ▶ Huge effect on FT contract of 6 months after 6 months but no effect on any other employment output variable
- ▶ **Is the program a success?**



# Youth employment: Other future results

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- ▶ Other evaluations undertaken to assess the effect of counseling
  - ▶ One experiment assesses the effect of the content of the counseling scheme
    - ▶ Mentor/ Contract engagement of the youth / orientation to occupation where needs exist
  - ▶ One experiment assesses the effect of incentives given to caseworkers and the technology of counseling
- ▶ Hope is to cover most relevant aspects of counseling (has become a key employment policy in France)



# Health: Results

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- ▶ **The subsidy works but has a moderate effect**
  - ▶ Share of subscription of the complementary insurance increases from 8 to 10 %
- ▶ **Inviting people to an information meeting has a negative effect !**
  - ▶ Perceived cost of going to the meeting is considered as too high?
  - ▶ Is information conveyed by the meeting adapted?
- ▶ **Have to think about these results**
  - ▶ Find other ways to foster demand



# Health: other future results

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- ▶ **A potential experiment with the City of Paris**
  - ▶ Subsidy effect and focus on the cost of acquisition
- ▶ **Another related experiment assessing how to foster use of health services by young people**
  - ▶ A caseworker within youth center devoted to providing all information and needed help about the social security system
  - ▶ A doctor within youth center providing information about health and how to take care of it



# Conclusion

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- ▶ The results we have are already very interesting
- ▶ Clearly they have the potential to highlight the design of policies
- ▶ We will get a lot of other results in the next years
- ▶ Knowledge is cumulating: lots of our RCT's provide information that are complementary
  - ▶ See the example of youth counseling programs
- ▶ The fund initiated a movement toward RCT
  - ▶ Many institutions in France are now willing to evaluate their programs

