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Life - Social Welfare

Something isn't working...

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Why do some poverty alleviation programmes work, while others don't? Poverty Action Lab, which comprises a group of US academics, has proved that the answers lie in painstaking and scientific evaluation. Some of their work in India and other countries serves as an eye-opener for policy-makers.

Pratham, a Mumbai-based NGO, took to hiring young local women to provide remedial education to children lacking primary competencies and lagging behind their peers. An evaluation of their work in Vadodara and Mumbai revealed that not only did this increase the overall test scores, but at $5 per-child per-year, this approach also proved to be 4.5 and 6.7 times more cost-effective in the first two years than hiring an additional teacher. The programme has since been replicated across 20 cities.

So what does it take to weed out the scourge of poverty or inequality? A world, most people would say, going by the enormity of efforts and funds that have already been sunk into the cause. But had that been effective, poverty wouldn't have thumbed its nose at us with a whopping 2.8 billion people languishing in its clench.

Despite the best of intentions, the dearth of empirical parameters makes it difficult to pin down the most effective ways of combating poverty.

Spurred by this very quest, a few academicians from the Massachusetts Institute of Technology (MIT) joined hands in June 2003 to establish the Poverty Action Lab (PAL). Far from

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the blaze of publicity, they have since worked with a host of organisations in India and elsewhere across six continents — at times through their affiliates — to evaluate programmes and cull scientific results that can enable policy-makers to conceive effective poverty-alleviation programmes. "We believe it is important to base policy on rigorous evidence rather than ideological preconceptions," explains Esther Duflo, Professor of Economics at MIT and co-founder of PAL.

PAL hopes to become a focal point for development and poverty research by applying stringent but randomised evaluation standards to development issues. "Often, this methodology is used when a programme is being expanded or phased in," says Esther. In its bid to scientifically evaluate key policy questions, PAL has lent itself to issues as diverse as girls' education and women political leaders in India, agricultural output in sub-Saharan Africa and racial bias in employment in the US. "We evaluate projects run by a wide variety of groups and agencies," says Rachel Glennerster, who joined PAL as executive director in 2004. "Many of the early projects were established and run by NGOs — local as well as international. We have also evaluated government programmes and are evaluating programmes run by bilateral government aid agencies and even some profit groups, where the results can shed light on ways out of poverty," she says.

And these results, at once startling and insightful, are helping chart stable, efficient roadmaps for more productive aid. To check teacher truancy and improve the quality of education at its informal education centres in Udaipur district, Seva Mandir, another NGO, instituted bonuses for the regular teachers and made them photograph the class before and after each school day to track the school's work duration based on the camera's timestamp. While this lifted teacher attendance and student scores, PAL established that the probability of the school being open during a random check had also vaulted to an encouraging 74 per cent against an average 56 per cent. Incidentally, this is also a worthy recourse to rein in rampant absenteeism among government doctors and nurses at rural health centres.

A study on the impact of female political leaders on policy decisions in Indian villages highlighted that women invested more, and with better impact, in infrastructure like water and roads, dearer to rural women. Women were found more politically active in woman-headed village councils. Despite the widespread belief that the reservation system had been largely inconsequential with men calling the shots by proxy, the study found that women's concerns were indeed getting the desired priority in women-led villages.

Another revelation is that even well meant, well-targeted aid needs to be protected from slipping down the drain. Abhijit Banerjee, the Ford Foundation professor of economics at MIT and co-founder-director of PAL, cites the instance of India's District Primary Education Programme, which merited nearly $2 billion from the Department for International Development and World Bank for educating the children of the poor in backward regions, but was found by World Bank evaluators to be accomplishing little. Banerjee says this could have been

averted had the programme's components been evaluated for their impact and fine-tuned earlier for better results. "The cost of a delayed start to the programme would have hardly mattered," he asserts.

PAL findings also strike a note of caution on sweeping generalisations about what is more effective; merely providing aid or enabling people to develop their own assets. While most would swear by the latter approach, PAL affiliates concluded after evaluating a children's de-worming programme in Kenya that efforts to promote sustainability by educating schoolchildren on worm prevention, asking the community to commit to drug adoption or charging a small fee for the drugs, were no match for the sheer impact of continued subsidies and provision of anti-worm medicine twice every year.

PAL has also been instrumental in showcasing effective, good-value programmes with a view to catalysing their expansion. The de-worming project, for instance, found a mention in the World Bank's World Development Report and the Report of the President in the US, apart from numerous media reports. A modified version was subsequently introduced and tested in poor, urban pre-schools in India and has since been expanded further with iron pills added to the package.

Notwithstanding such manifest benefits, why haven't evaluations taken off full steam? Rachel reasons, "Good evaluations take time, effort and money. They involve collecting detailed data from those impacted by a programme and this process can be expensive. While many people benefit from evaluations, the costs tend to fall on a few. Evaluations are what economists call public goods — they benefit the public in general and individuals may therefore be reluctant to pay for them."

Typically, randomised evaluations are not more expensive than other evaluations. All that they mandate is an evaluation strategy incorporated into the programme at its very outset, something that often gets buried under overbearing germinal concerns. Rachel maintains that while the fundamental idea of such evaluations is simple, certain aspects of implementation, like writing surveys and collecting accurate data, could be complicated. "Ensuring that we gather high-quality data necessitates all sorts of checks in the system," she points out.

There may not yet be definitive answers to what makes aid work. But that by itself is an incentive to tread that extra step. "It is crucial that aid providers and governments involved in poverty programmes muster the courage to recognise that we don't know as much as is widely believed," says Rachel. "Admitting that we don't know all the answers is the first step towards recognising that we should devote time and resources to finding them out."

PAL is convinced that randomised evaluations help do just that.

Picture by A. Roy Chowdhury

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