Women’s INcome Generating Support
Results of a Randomized Evaluation

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Using randomized timing of entry into program to evaluate medium-run impacts

1,800 vulnerable persons in 120 villages

- 60 villages (900 persons) assigned to Phase 1
- 60 villages (900 persons) assigned to Phase 2
Dramatic increase in economic activity

Employment \( \uparrow 64\% \)  
Income \( \uparrow 102\% \) relative to controls

<table>
<thead>
<tr>
<th>Total hours worked past 4 weeks (all activities)</th>
<th>Baseline</th>
<th>Midline</th>
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<tbody>
<tr>
<td>Treatment</td>
<td>60</td>
<td>80</td>
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<tr>
<td>Control</td>
<td>60</td>
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<table>
<thead>
<tr>
<th>Net income past 4 weeks (USD)</th>
<th>Treatment</th>
<th>Control</th>
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<td>15</td>
<td>5</td>
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Increased wealth and economic security

Savings \( \uparrow 338\% \)  Assets \( \uparrow 23\% \) relative to controls

<table>
<thead>
<tr>
<th>Baseline</th>
<th>Midline</th>
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<tr>
<td>Savings</td>
<td>Stock</td>
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<tr>
<td>Treatment</td>
<td>Control</td>
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<td>40,000</td>
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<td>200,000</td>
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Who benefitted the most?

Enterprise success highest among those with:

- Levels of education and ability
- Vulnerability
- Supportive male partners and guardians
- Initial levels of physical capital
Cross-cutting design: groups

1,800 vulnerable persons in 120 villages

Phase 1
- Group Training (30 villages)
- No Group Training (30 villages)

Phase 2
Impact of group dynamics training

- Group involvement
- Probability of belonging to a group
- 100% income last 4 weeks relative to WINGS normal

However...

No evidence of increase in consumption, transfers, access to credit, savings, or human capital investments
Interactive behavioral measures

• Assess attitudes toward *risk* and *uncertainty*
• As well as *patience* and *present bias*, e.g. if you’re worried about where your next meal will come from, spend less brainpower on savings
• And social preferences such as *trust* and *altruism*
• Can compare to survey measures of same concepts
IBMs and interventions

- Baseline comparisons across populations
- Cross-sectional relationship to outcomes and behavior
- Correlations with intervention effectiveness
- Pre-test / post-test *measures* of intervention effectiveness
Pilot testing
Pilot testing
Attitudes predict outcomes

- Trustworthiness
- Present Bias
- Spending on temptation goods
- Wealth
- Profits

Trust
Cost effectiveness

Annual return on investment

67% for grant only

11% grant + program

@ mean monthly profit of UGX 16,664

Years to repay

mean monthly profit of UGX 16,664

0% interest

1.5 years grant only

8.6 years grant + program

5% interest

1.6 years grant only

11.3 years grant + program
Implications

1. Poor and vulnerable women are capable of making wise investments.

2. The poor have high potential returns to capital.

3. An absence of capital or credit is a key constraint on poor women.

4. Group formation among inexperienced, vulnerable persons may not provide vibrant business network.
Reduction in psychological distress...
Reduction in psychological distress...

...among the control group
Reduction in distress...

...and the treatment group

Index of Psychological Distress
(higher = more distress)

Baseline (Apr 2009)  Endline (Nov 2010)

Control
Treatment
No evidence of impact on psychological distress

Both groups report a reduction in distress over time as living conditions improved.
No evidence of increase in domestic violence or empowerment

No change in:

- household economic decision-making
- pro-female domestic attitudes
- support from the household

Despite the fact that treatment group was 20% more likely than control group to bring more money into the household than the partner
Spending increases on health and education

Child health past 4 weeks
- Female children: 100% increase relative to controls
- Youngest child sick 0.5 days more past 4 weeks

Education second term
- 66% increase relative to controls

No evidence of change in % children currently attending school

However...
Mo’ Money Mo’ Problems...and benefits

Theft 128% Hostility 45%
relative to controls

However...

13% Perceived respect in community
8% Perceived power in community
Implications

1. Improving economic status may not have secondary effects on mental health.

2. Helping women become entrepreneurs may benefit the household without empowering the women.

3. Targeting the vulnerable is risky: there are benefits and problems.
Questions raised by Phase 1 results

1. How important were follow-up services to economic success?
   - Provide accountability → Responsible investment?
   - Provide advising → Better performance?
   - At what cost?

2. Could a more (male) inclusive approach improve success?
Could a more male-inclusive approach improve success?

1,800 vulnerable persons in 120 villages

- Phase 1
- Phase 2
  - Women “Plus” (30 villages)
  - Women Normal (30 villages)
Can follow-up improve performance?

1,800 vulnerable persons in 120 villages

Phase 1

Phase 2

300 no follow-up
300 get 2 visits
300 get 5 visits
Combined cross-cutting designs

Phase 2

- **Women Plus**
  - Village
  - 0 follow-ups
  - 2 follow-ups
  - 5 follow-ups

- **Normal**
  - 0 follow-ups
  - 2 follow-ups
  - 5 follow-ups
Phase 2 treatment compliance

96% compliance with Women “Plus” treatment

Informed all participants of follow-up status at disbursement:

knew status at time of short-survey:

89% 0 follow-up
98% 2 or 5 follow-up

Who Made Up the +1

- Partner
- Other family
- HH member
- Nobody
- Friend

percent
Short-term impacts of inclusive approach

Women “Plus” 30 days after disbursement

- Distress: 15% relative to controls
- Partner supports business: 10%
- Partner helps with chores: 6%
No real short-term “accountability” effect

Average grant use 30 days after disbursement

- Savings: 6%
- Business: 1%
- Personal Consumption: 1%
- Health and education: 1%
- Other: 6%

If expecting a 30-day check-up
Looking ahead

Sustained decrease in distress through more inclusive approach?

Sustained increase in partner involvement and support?

Impact and cost-effectiveness of follow-up visits?
Overall implications

1. The poor are capable of making wise investments but, like any of us, are vulnerable to temptation and bad decision-making.

2. Helping women become entrepreneurs may benefit the household without empowering the women or decreasing psychological distress.

3. Labor-intensive advising and monitoring may not be cost effective.