

Randomized Controlled Trials to Evaluate Strategies to Enhance the Effectiveness of Public Institutions in Developing Countries

- **An overview of current ongoing research projects**

Improving the Effectiveness of Labor Courts through Information and Conciliation

Team:

Joyce Sadka, Christopher Woodruff, Enrique Seira
& the Mexico City Labor Court

Stage:

Pilot

Country:

Mexico

Issue:

Mexican law requires that labor disputes should be adjudicated within three months, but, in practice, the country's labor courts have several years of backlogged cases. This dysfunctionality creates uncertainty for workers and businesses, limits access to justice, and is likely a detriment to the economy.

Questions:

- Does sharing information about predicted case outcomes, encouragement to access public lawyers, and conciliation support during the pre-judicial stage increase out-of-court settlements?
- Does this information lead to welfare improvements (e.g. employment and earnings)?

Abstract:

Labor courts are essential for the workings of well-functioning labor markets. However, the courts in many lower-middle and low-income countries are rendered dysfunctional by large backlogs in resolving cases, corruption, low settlement rates, poor enforcement, and limited access to justice. The labor courts in Mexico exemplify these issues. Our project aims to understand how informing plaintiffs and defendants about likely outcomes can improve the efficiency of the courts. We provide three scalable treatments to deal with delay and misinformation. We build a "calculator" using the court historic outcomes to provide parties with objective information about expected outcomes and a pre-judicial conciliation module to implement 3 treatments: provision of statistical information (SI), provision of SI and free legal orientation (encouragement), and pre-judicial conciliation. We have preliminary evidence that the calculator reduces delays and increases conciliation in ongoing cases. We want to test if welfare also increases, if results are stronger when applied in a pre-judicial stage, and if private lawyers (as opposed to public ones) induce overconfidence that prevents settlement. The interventions we test here would be applicable in other contexts, including lower-income countries. We highlight here the excellent relationship the research team has forged with the courts in Mexico, which allows us to undertake interventions that, while applicable to other contexts, would not be feasible there.

Community Policing and Public Trust: A Field Experiment in Colombia

Team:

Eric Arias, Becca Hanson, Dorothy Kronick
& Security Secretariat of the City of Medellín

Stage:

Full-scale

Country:

Colombia (Medellín)

Issue:

Medellín, Colombia is a metropolitan area of more than 3.7 million people, and a place with long history of violence, pressing threats to citizen security, and improving—but still fragile—police-community relations. Lack of trust in the police and the consequent lack of communication between citizens and officers is a clear problem in Medellín; in a recent citywide survey, 48% of residents said that they trust the police “only a little” or “not at all.” And though aspects of community policing have been in place since 2010, less than half of Medellín citizens are familiar with the program.

Questions:

- Can citizen-centric policing improve trust in police and in state institutions?
- Do town hall-style gatherings that increase contact and communication with citizens improve a community’s willingness to report crime?
- Does providing information about crime outcomes and police performance affect citizen perceptions and/or behavior?

Abstract: We use a randomized controlled trial to evaluate the effect of two treatments—police-community dialogues, and provision of information related to citizen security—on citizen attitudes toward the police, police perceptions of citizens, and rates of reporting of crimes and of suspicious activity. Each of approximately 400 neighborhoods in Medellín will be randomly assigned to one of four groups: control (no intervention), police-community dialogues only, information provision only, or both dialogues and information provision. In addition to administrative data on crime reporting, we will use surveys and a qualitative evaluation to understand whether and how the dialogues and the provision of information affect community attitudes and police perceptions.

Community Policing and Public Trust: A Field Experiment in Uganda

Team:

Guy Grossman and Rob Blair
& the Uganda Police Force

Stage:

Full-scale

Country:

Uganda

Issue:

Use of excessive force has diminished trust between citizens and law enforcement in many parts of Uganda. In an effort to improve this dynamic, the state is revisiting a “homegrown” model of community-policing that increases police presence through local patrols and community watch teams, while gathering citizen feedback through anonymous reporting channels and community meetings. Meanwhile the Ugandan government is also working to provide police officers with advanced training in child protection and prevention of gender-based violence. These approaches and their potential interactions, have not been rigorously evaluated to assess their individual and combined effects on citizen trust and crime rates.

Question:

- Can community policing and forums to increase contact between citizen and police improve trust and cooperation with law enforcement? Can these models also reduce crime and violence?
- Are the impacts of community-based policing efforts enhanced when combined with advanced training for police officers focusing on child protection and prevention of gender-based violence? How do the two approaches compare?

Abstract: The ability of the police and other state security institutions to enforce the law depends on the trust and cooperation of the policed. This study is designed to address the challenge of building trust and cooperation between police and citizens in Uganda, using the “Muyenga model” of community policing. The Muyenga model is explicitly designed to create opportunities for more positive, mutually respectful interactions between civilians and police officers by allowing police officers to respond more proactively to the needs of citizens and communities; by providing mechanisms to report acts of corruption and abuse; and by encouraging citizens to rely on state security and justice sector institutions when crimes are committed or violence occurs. The model has been piloted successfully in a small number of communities, and is now scaled up sufficiently to allow a rigorous study of its effectiveness. We evaluate the effects of the Muyenga model on its own, and also in combination with advanced training for police officers in child protection and prevention of gender-based violence.

Reforming Police Practices in India

Team:

Sandip Sukhtankar, Gabrielle Kruks-Wisner, Akshay Mangla
& the Madhya Pradesh Police Department

Stage:

Pilot

Country:

India (Madhya Pradesh)

Issue:

The Indian state of Madhya Pradesh's police force has a low officer to citizen ratio with multiple vacant positions, and a lack of representation of women in their ranks. Efforts have begun to make police forces more public-oriented, but much work remains to improve and strengthen the police system. Little is known about how to implement reforms that effectively improve policing and empower women. .

Question:

- Can reform efforts – including better use of information and increasing representation of women in the police force -- lead to improvements in police performance and citizen satisfaction?

Abstract:

When, why, and how do reform efforts lead to improvements in institutional performance? We seek to analyze a variety of reform interventions aimed at improving citizen-police relations and police performance in India – a setting in which the police are widely perceived to be unaccountable to citizens at the local level. Working in partnership with the police department of Madhya Pradesh, we aim in this pilot to test the viability of potential interventions, in order to identify a subset to evaluate in a future, large-scale experiment. Our in-progress pilots include testing reforms to (1) improve emergency response and (2) make policing more attentive to the needs of women and other socially disadvantaged groups. Specifically, the interventions involve (1) generating and providing information to help intermediary police managers improve predictive policing and (2) Setting up Women's Help Desks, taking advantage of a recent increase in hiring of female police officers.

Institutional Reform and de facto Women's Rights

Team:

Erica Field, Kate Vyborny,
& the Punjab Commission on the Status of Women, & the Punjab Local Government
Department

Stage:

Pilot

Country:

Pakistan (Punjab)

Issue:

In many socially-conservative settings, legal protections and provisions have frequently outpaced how administrators enforce these rules. In Pakistan, for example, government officials often use their own judgement and respond to local concerns when carrying out functions critical to women's rights, including marriage registrations or processing property inheritance. Without a change in the behavior of officials, improvements in legal protections may have no effect.

Question:

- How can new procedural requirements, incentives for government officials, and the first-ever training of marriage registrants affect administrator knowledge of the law and their practice of legal procedures?

Abstract: One important constraint on women's de facto legal rights in Pakistan is the fact that government officials who carry out basic legal functions such as marriage registration and the processing of inheritance of property often follow their own judgment, are misinformed on details of law, or respond to the pressures of other interested parties rather than complying strictly with the law. In this pilot project, we will work in close collaboration with the Punjab Commission on the Status of Women (PCSW) on the initial stages of rigorous impact evaluation of two major initiatives designed to address these challenges and ensure women's de facto rights in two key areas: their legal share of inheritance, and key rights in marriage. To do so, we will evaluate (1) an initiative to impose new procedural requirements and incentives for government officials involved in property transfer, and (2) the first ever initiative to train all marriage registrars in the province of Punjab. If the study identifies an effect of either or both reforms on legal practices, it will prepare the ground for a future full-scale study of the impacts on women and their families through a household survey sampled directly from the administrative data.

*Full-scale RCT in Sierra Leone
Pilots in India (Madhya Pradesh and West Bengal)*

Is Knowledge Power?: Civics Training, Women's Political Representation, and Local Governance in India

Team:

Soledad Artiz Prillaman, Rohini Pande,
& Pradan

Stage:

Pilot

Country:

India (Madhya Pradesh)

Issue:

Women continue to be under-represented in political office, making up approximately only 22% of members of parliament worldwide. Despite this marginalization, little is known about how to increase women's political participation and the role between women's electoral representation and policy priorities thereafter.

Questions:

- Can providing political information and exposure through civics trainings to women's groups increase women's political participation and local electoral representation?
- Once women become active participants in local politics, how do their interactions with the political system differ from those of men?
- Does women's representation when coupled with women's active political participation improve the performance of local politics, reduce corruption and clientelism, and increase the provision of local public goods?

Abstract: Given the persistent gender gap in political participation and representation in India despite several decades of targeted policy interventions, our project will evaluate the use of political information via gender-oriented civics education at increasing women's political representation. The study will further evaluate the impact of female representation, particularly when coupled with an active female citizenry, on the performance of local political institutions and on economic development. Through a gender-oriented civics training implemented by the NGO Pradan, women will receive information about the political system and their rights and entitlements within this system and will be directly exposed to existing political institutions, with the aim of reducing informational barriers to political participation. EDI will specifically support endline data collection for this RCT as well as a survey and administrative data collection on the role of women in shaping local governance and development.

Politician Entry, Selection, and Performance in Sierra Leone

Team:

Katherine Casey, Rachel Glennerster

With Search for Common Ground and the Political Parties Registration Commission

Stage:

Full-scale

Country:

Sierra Leone

Issue:

In regions which consistently support a single political party, the most important selection of a representative is typically at the primary stage. However, in developing countries, primaries are frequently dominated by elites and conducted without transparency, decreasing the likelihood that parties select high-quality, representative candidates. Publicly screening candidate debates have previously shown positive effects on voter knowledge, candidate quality, and campaigning effort during general elections, but have not been tested on a broader scale in a less-controlled environment or been used to inform citizens' participation in primaries.

Questions:

- Does strengthening the primary process alter the characteristics and number of candidates, and ultimately the quality and performance of elected representatives?
- Can public debates at the primary stage, which provide direct presentations of candidate competencies and policy priorities, change the characteristics of party candidates and the performance of elected officials?
- Can debates between parliamentary candidates in the general election still have positive effects on voter knowledge, behavior, and campaigning effort when implemented in a low cost manner at scale?

Abstract: This project explores the relationship between regional party strongholds, where competition in the general election is weak and generates little accountability pressure, and the poor performance of elected officials. In such areas, the competition of import occurs at the primary stage, and internal party selection processes thus directly determine the characteristics and performance of elected representatives. In much of the developing world, these processes are opaque, controlled by elites, and likely hampered by information constraints. We propose to evaluate whether increasing citizen voice in primaries and hosting party primary conventions that feature informative debates between aspirants, facilitate the election of more competent and accountable leaders. We will also test whether earlier evidence on the effects of general election debates on voters and politicians replicates at scale using low cost methods of mass dissemination.

Governance Capacity and Political Selection

Team:

Abhijit Banerjee, Esther Duflo, Clement Imbert, Santhosh Mathew, Rohini Pande
& J-PAL South Asia

Stage:

Pilot

Country:

India (West Bengal)

Issue:

The digitization of key government services -- in this case, India's National Rural Employment Guarantee Scheme -- can streamline public service delivery and reduce the ability of politicians to misappropriate state funds. Political officials face challenges if they lack sufficient technological proficiency to maintain and oversee these systems.

Questions:

- Could information campaigns, which explain the required capacities for public service and the related challenges to steal funds, change the profiles of the candidates who run, and who voters choose to elect?
- Could this information ultimately help local communities source candidates and elect local leaders that are more competent, less corrupt and better suited to the position?

Abstract:

In this pilot project, we will collect descriptive data to be used for the design of an RCT intended to study how the state of governance capacity affects selection of politicians. The ultimate intervention will involve providing information about ongoing changes in governance structures and procedures to both voters and potential candidates just before local government elections in West Bengal, India, in 2018. Our hypothesis is that the changes in the governance structures, which, as we showed in previous work, make it harder to siphon off cash, simplifies certain bureaucratic processes but also makes new demands on the local government officials (they need to upload data for example), will change the set of candidates who run in local government elections and also change who the voters select. In particular, it may discourage corrupt incumbents from running, and encourage entry by a new group of candidates who have more of the necessary skills but are less willing to deal with bureaucratic hassles.

Bottom-Up Transparency Initiatives to Reduce Corruption

Team:

Liam Wren-Lewis, Oliver Vanden Eynde, Jacob Shapiro

Stage:

Pilot

Country:

India

Issue:

Transparency interventions frequently rely on a top-down approach in which a policymaker or external entity demands information about activity in a particular sector. Bottom-up transparency interventions differ by offering citizens the opportunity to directly initiate efforts to improve public goods or services. However, to effectively implement these initiatives, citizens need information about where and how to best target their efforts.

Questions:

- Where are the best entry points for citizen to target their efforts?
- What approaches are most effective in seeking to improve public services through greater transparency?

Recruitment, Effort, and Retention Effects of Performance Contracts for Civil Servants:
Experimental Evidence from Rwanda Primary Schools

Team:

Andrew Zeitlin, Clare Leaver, Owen Ozier, Pieter Serneels
& the Rwanda Education Board

Stage:

Full-scale

Country:

Rwanda

Issue:

Skilled and intrinsically motivated public sector employees are critical to state capacity and the provision of key services, including education. Yet the capability to recruit, motivate, and retain this profile of civil servants remains a challenge in many developing countries, like Rwanda, where rates of teachers quitting are high and vacant positions are challenging to fill.

Questions:

- Can pay for performance contracts improve teacher performance and student learning?
- Can these types of contracts also support the recruitment and retention of skilled and intrinsically motivated teachers?

Abstract:

Skilled and intrinsically motivated personnel are central to state capacity, yet the capability to recruit, elicit effort from, and retain this profile of civil servants remains a challenge in many developing countries. In this project, we ask whether performance contracts for teachers in Rwanda can affect not only the effort provided by existing teachers, but also the composition of teachers. Using a two-tiered randomized, controlled trial that distinguishes compositional effects from effort responses of individual teachers, we evaluate the impacts of a pay-for-performance contract relative to a fixed-wage contract on applications to teaching positions, learning outcomes, and teacher retention. Results from this study will provide the first developing-country experimental evidence of the effects of performance pay on selection into the civil service, and will shed light on the possible tradeoffs between skill and intrinsic motivation underlying these compositional effects.

Can Transparency Improve Preferences and Norms in the Public Sector?

Team:

James Habyarimana, Stuti Khemani, Claudio Ferraz,
& USAID's Center of Excellence on Democracy, Human Rights and Governance

Stage:

Pilot

Country:

Uganda

Issue:

Political norms and citizen preferences could be key enablers of the poor quality of public services in developing countries. Politicians may, for example, deprioritize public service delivery improvements because citizens prefer elected officials that offer them private benefits, including government jobs or cash transfers, rather than allocate resources to motivate or discipline state employees responsible for improvements in public education or health systems.

Questions:

- In settings where preferences and norms favor private benefits over public goods, could a transparency intervention increase demand for quality public education?
- Could such a public information and deliberation intervention, by targeting underlying political norms of citizens and the leaders with power over frontline service providers, drive improvements in the quality of public services?

Constructing Compliance: Reducing Tax Evasion Among Market Traders in Ghana

Team:

Emilia Tjernstroem, Nicole Bonoff

Stage:

Pilot

Country:

Ghana

Issue:

The taxes and licenses required for traders to operate in local markets are some of the most commonly used state revenue collection instruments in Sub-Saharan Africa. However, businesses frequently evade these levies, choosing to operate in the informal economy. Improving the quality of public services and attributing them to local governments -- in this case by providing better quality market stalls -- may attract new market traders into geographic areas with these better public services, and potentially increase tax revenues.

Questions:

- Can the provision of public goods at market centers spur market traders to formally register, and increase future tax compliance?
- Does knowledge about the relationship between taxation and the quality of public services contribute to attitudes and behaviors that increase compliance and revenue collection?

Abstract: Developing country governments often suffer significant budgetary shortfalls, at least in part due to low tax mobilization. Our study seeks to understand whether public expenditures can induce future public revenue, thereby shedding light on the direction and strength of the relationship between quality public service delivery and the willingness of citizens to pay legally assessed taxes. By experimentally varying both the level of local public services and the ability for local governments to claim credit for the improvement in public goods, we will examine the effects of these interventions on future revenue collection and attitudes towards taxation. This pilot grant will fund “proof of concept” activities in four communities in Ghana. We will probe causal mechanisms of this fiscal relationship, refine data collection approaches, build relationships with local governments, and obtain better estimates of expected effect sizes – a crucial input into power calculations to determine optimal sample sizes for a larger future experimental design.

Measuring the Effect of Technological Improvements and Compliance Nudges on Property Taxes: Evidence from a Field Experiment in Senegal

Team:

Marc Gurgand, Denis Cogneau, Justine Knebelman, Philippe LeMay-Boucher, Victor Pouliquen, Bassirou Sarr & the Directorate General of Taxes and Domains, Senegal

Stage:

Full-scale

Country:

Senegal

Issue:

Rapid urbanization and the growth of real estate developments in low-income countries has increased the potential of property tax as a source of untapped domestic resource mobilization. Unfortunately, in most developing countries, property tax revenue remains only a small percentage of domestic revenue. This gap relates in part to inefficient management of property ownership registries and the lack of credible threat of enforcement.

Questions:

- How can the introduction of new property tax management software (including a fiscal cadaster to identify parcels and collect information on the tax base, as well as back-office operations) affect the work and effort of tax inspectors?
- Can compliance-focused messages issued to taxpayers, explaining the presence of the modernized system, the possibility of fines and penalties for non-payment, and the use of revenues for public goods and services affect property tax compliance?
- Which combination of these approaches cost-effectively yield sustained improvements to compliance and revenue collection?

Abstract:

Property taxes are levied for local governments and often represent an important component in their budgets. As such, they play a crucial role in the face of increasing needs for public services in rapidly growing cities. In the context of developing countries, with cadaster shortcomings, weak administrative information and IT systems and poor enforcement tools, most local governments experience substantial shortfalls in property tax revenue. In collaboration with Senegal's Directorate General of Taxes and Domains (Direction Générale des Impôts et des Domaines), this project aims at improving property tax collections by intervening on two of these specific deficiencies: 1) by introducing a software solution to modernize the property tax administration information system and 2) by distributing compliance messages to taxpayers, thereby testing both the deterrence and the reciprocity channel. This project will yield insights that RCTs on taxation are yet to address. It will outline potential complementarities between technological improvements of administrative efficiency and monitoring as well as compliance measures directed at taxpayers. We also aim at highlighting the links between citizens' perception of governance and voluntary tax compliance.

Who is Bogus? Catching Fraudulent Firms in Delhi

Team:

Aprajit Mahajan, Shekhar Mittal
& the Delhi Revenue Authority

Stage:

Pilot

Country:

India (New Delhi)

Issue:

A common VAT tax evasion strategy in low compliance environments involves fraudulent "paper" firms that allow other firms to reduce their tax liabilities. Identifying these fraudulent firms can potentially help recover lost tax revenue, but locating them is a problem for tax administrators with weak legal and enforcement capacity. Machine learning methods on available tax returns data can facilitate finding these fraudulent firms in a cost-effective manner.

Questions:

- Does better targeting of inspections lead to increased tax revenue for the state? What is the bottleneck - locating these firms, collection efforts, or corruption?
- In the long term, will improved audits deter evasion, creating an environment of better tax compliance?

Abstract:

Improving the state's ability to tax effectively is increasingly seen as central to the development process and value added tax (VAT) is often proposed as a key tool towards accomplishing this goal. However, VAT implementation in many low compliance environments is plagued by firms generating false paper trails. This demand for false paper trails has led to the creation of fraudulent firms (referred to as "bogus" firms by tax authorities) which issue fake receipts to genuine firms that allow the latter to lower their tax liability. This pilot study will initiate the first stage of a long-term intervention to improve tax collections in Delhi (India). In this stage, we plan to apply machine learning methods on a large network data set (the universe of all tax returns for five years from Delhi) to identify fraudulent firms and then use on-the-field verification of such guesses to further improve the machine learning algorithm. In the second stage, we plan to implement an RCT with the tax authority that compares the authority's current method to our data-driven approach towards identifying fraudulent firms.

Audit Selection under Weak Fiscal Capacity

Team:

Anne Brockmeyer, Pierre Bachas, Bassirou Sarr
& the Directorate General of Taxes and Domains, Government of Senegal

Stage:

Pilot

Country:

Senegal

Issue:

Well-targeted tax audits are critical to deter tax evasion. In many advanced economies, the selection of which firm to audit is based on risk based analysis systems. This requires high levels of fiscal capacity to obtain the data, manage and operate, which can be beyond the current capacity of tax administrations in many developing countries. As a result, tax administration often relies on the manual screenings of tax returns on the part of tax inspectors, who are knowledgeable about past taxpayers' behavior and common strategies for evasion. The individual perspectives of these officials can help leverage local expertise, but also may subject taxpayers to discrimination.

Questions:

- How does audit selection currently occur in an information and capacity constrained environment?
- Does auditors' private information and their ability to exercise discretion improve audit targeting, or does it harmfully introduce discrimination and other biases that reduce audit yields and taxpayer satisfaction?
- How does a simple rule-based algorithm using existing data in a systematic fashion compare to the discretionary setting?

Abstract:

Should low-income countries leave discretion to auditors to select firms to audit or should selection be rule based? In a context with weak fiscal capacity, auditors' private information could be valuable due to limited access to third party information, however biases in selection could also be large. In partnership with the tax administration of Sénégal, this project aims at understanding how auditors' select cases under discretion and test which selection method is most effective in detecting firm non-compliance and increasing audit yield. The pilot study plans to understand how selection currently occurs, while the full study will randomize audit selection methods to compare audit yields and taxpayer satisfaction.