2012 AFDB Evaluation Week: Evaluation for Development

IMPACT EVALUATION: LESSONS FROM AFRICA
Outline of talk

• What is impact evaluation
• Colin Powell’s rules redux: rules for good impact evaluation studies
• Evidence I: Institutions
• Evidence II: Roads
• Evidence III: Sustainability
Impact Evaluation

An evaluation that examines the counterfactual in order to attribute changes in outcomes to an intervention.
A good impact evaluation explores all the links in the causal chain. This involves using mixed methods.

Not quantitative and qualitative, but counterfactual and factual.
Mixed methods

Figure 2 Different analysis at different levels of the causal chain

- Factual analysis
- Counterfactual analysis

Outputs → Assumptions → Inputs

Colin Powell’s rules

• Tell me what you know
• Tell me what you don’t know
• Then tell me what you think

• Always distinguish which is which
Good impact evaluation rules

Colin Powell’s rules redux

• Tell me the counterfactual
• Tell me the factual
• Tell me what you don’t know
• Then tell me what you think
• Always distinguish which is which
“Effective conflict resolution is essential to order and development. Every local business deal, land boundary, or loan offers a possible conflict. When local dispute institutions function well, they prevent and resolve conflict.” (p. 1)

The intervention

http://reedsinthewind.blogspot.com/2012/10/week-four-not-cote-divoire-but-liberia.html
Table 2: Impacts on land disputes (adapted)

<table>
<thead>
<tr>
<th></th>
<th>All residents</th>
<th></th>
<th>Residents with a dispute</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Any serious dispute</td>
<td>Results in violence</td>
<td>Any unresolved dispute</td>
</tr>
<tr>
<td>Treatment</td>
<td>0.005</td>
<td>-0.010</td>
<td>-0.020**</td>
</tr>
<tr>
<td>Mean, control group</td>
<td>0.221</td>
<td>0.122</td>
<td>0.0698</td>
</tr>
<tr>
<td>ATE as % of control</td>
<td>2%</td>
<td>-8%</td>
<td><strong>-28%</strong></td>
</tr>
<tr>
<td># obs</td>
<td>5,411</td>
<td>5,411</td>
<td>5,411</td>
</tr>
<tr>
<td>R-squared</td>
<td>0.173</td>
<td>0.145</td>
<td>0.063</td>
</tr>
</tbody>
</table>
“Those who participated in the workshop, now they are available and it is okay for a person to go to them, and these people use the same skills they learned in the workshop and talk to both people involved in the dispute to solve it.” (p. 33)
What we don’t know

• Whether the intervention changes norms
• Whether the intervention changes attitudes
• Longer term effects, both the progression of resolutions over time and whether the impacts of the trainings are sustainable long after the intervention is completed
“The intervention in Liberia did not reduce the level or severity of conflict in the space of one or eighteen months, but it did change dramatically the manner and success of conflict resolution, especially with the most common and important form of conflict: land disputes.” (p. 36)
Evidence II: Roads

“Better roads lower transaction costs associated with agricultural activities and in doing so have the potential to reduce the costs of acquiring inputs, increase output prices, reduce the impact of shocks, and permit entry into new, more profitable activities.”

-Stefan Dercon, Daniel O. Gilligan, John Hoddinott, and Tassew Woldehanna, “The Impact of Agricultural Extension and Roads on Poverty and Consumption Growth in Fifteen Ethiopian Villages,” American Journal of Agricultural Economics 91(4) (November 2009)

The intervention

Table 3. Determinants of Consumption Growth and Poverty Status: Basic Results (adapted)

<table>
<thead>
<tr>
<th></th>
<th>Poor</th>
<th>Consumption Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Log consumption</td>
<td>-0.131**</td>
<td>-0.396**</td>
</tr>
<tr>
<td>Access to all-weather road</td>
<td>-0.069**</td>
<td>0.163**</td>
</tr>
<tr>
<td>Sample size</td>
<td>4,771</td>
<td>4,771</td>
</tr>
</tbody>
</table>
The factual

http://www.lilsoak.com/?tag=fair-trade-jewelry
What we don’t know

The evaluation does not explore the non-economic linkages between villages and local market towns (e.g. access to healthcare, government officials, etc.) that may account for some of the decrease in poverty and/or increase in consumption growth.
“Better roads in these localities make it easier for households to access local market towns, which in turn are linked to larger urban centers.” (p. 1018)

“Public investments have the potential to play important roles in facilitating increased growth and faster poverty reduction.” (p. 1019)
“The difficulty of scaling up is particularly pressing when the programme is complex, where the intervention stretches over time, and where the organisational setting and skills of the service providers matter greatly for the quality of the services provided.” (p. 809)

The intervention

Promotion of Rural Initiatives and Development Enterprises (PRIDE)

Figure 3. Business Knowledge
The factual

Figure 1. Attendance per Session.
Figure 2. Subjective Evaluation
What we don’t know

• We do not have measures of the final business impacts—the incomes of the entrepreneurs or the revenues and profits from their businesses.

• We do not know why the internal training performed poorly relative to the external training. Characteristics of trainers? Perceptions of quality going in?
“We conclude that the estimated effect of research-led interventions should be interpreted as an upper bound of what can be achieved when scaling up such interventions locally.” (p. 809)
Conclusion

Good impact evaluation studies can help us to understand what works, how, and why by examining both counterfactual and factual evidence.