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Randomization for Causality, Ethnography for Mechanisms: Illiquid Savings for Liquor in an Autarkic Society

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Abstract

What should researchers do when confronted with surprising results? Financial access innovations usually leave “temptation” spending unaffected or reduced. However, we found that promotion of savings lockboxes in a largely autarkic society increased alcohol consumption and blood pressure, despite no one reporting intentions to save for alcohol. To probe mechanisms that could explain this pattern, we then used ethnographic methods, including direct observations of drinking (“scans”) and debriefing interviews to discuss the earlier trial results. We learn that sponsoring drinks confers prestige, but the stigma attached to drinking by outsiders likely discouraged reporting intentions to save for it.

JEL classification: D12, I12, O15

Keywords: Mixed methods, randomized evaluation, native Amazonians, Tsimane’, temptation, commitment savings

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