Teaching and Incentives: Substitutes or Complements?

Interventions to promote learning are often categorized into supply- and demand-side approaches. In a randomized experiment to promote learning about COVID-19 among Mozambican adults, we study the interaction between a supply and a demand intervention, respectively: teaching via targeted feedback, and providing financial incentives to learners. In theory, teaching and learner incentives may be substitutes (crowding out one another) or
complements (enhancing one another). Experts surveyed in advance predicted a high degree of substitutability between the two treatments. In contrast, we find substantially more complementarity than experts predicted. Combining teaching and incentive treatments raises COVID-19 knowledge test scores by 0.5 standard deviations, though the standalone teaching treatment is the most cost-effective. The complementarity between teaching and incentives persists in the longer run, over nine months post-treatment.

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