PSYCHO-SOCIAL IMPACTS OF A PRODUCTIVE INCLUSION PROGRAM
EVIDENCE FROM TWO EXPERIMENTS IN NIGER
Thomas Bossuyt (World Bank)
based on work with Patrick Premand, Catherine Thomas, Markus Goldstein, Dean Karlan, Harounan Kazianga, William Pariente, Chris Udry, Julia Vaillant, Kelsey Wright.

Trinity Economic Conference, Dublin, December 5, 2022
Psychosocial well-being and poverty

(Poor) psychological wellbeing is a consequence but also a determinant of poverty
- Poverty affects depression and anxiety (Ridley et al., 2020), and decision-making (Mani et al. 2013)
- Mental health, in turn, affects economic decision-making (Haushofer and Fehr 2014), schooling decisions and wages (Heckman 2006), productivity (Frijters et al. 2014)
- Programs, including economic interventions, may have positive effects on psychological wellbeing (Romero et al. 2021)

Social inclusion is also both a consequence and a determinant of poverty
- Women empowerment results from economic development but is also key in fostering progress (Duflo 2012). Social capital/connectedness too (Chetty et al. 2022).

It seems therefore important for poverty-reduction programs to target psychosocial outcomes
- Is it efficient to add dedicated components?
- Should programs emphasize personal initiative or interpersonal dynamics?
An economic inclusion program was implemented for cash transfer beneficiaries in Niger

- In the context of rural Niger, the package addressed economic AND psychosocial constraints
- Meant to target a range of potential psychosocial outcomes

Did the program improve psychosocial outcomes, alongside economic impacts? What are the marginal effects of psychosocial components, and of the cash grant?

- Multi-arm field experiment shows strong impacts of the program across various dimensions of psychosocial wellbeing. More mixed on intrahousehold dynamics.
- Psychosocial components have positive marginal effects on most components, especially on interpersonal dynamics. The cash grant also has some positive impacts but less consistently + negative effects on social/couple cohesion.

What seems more important in amplifying economic impacts - personal wellbeing or interpersonal dynamics?

- An additional salience experiment suggests that addressing interpersonal dynamics was the main vector of behavioral change
Context (rural Niger)

Personal skills and psychological wellbeing
- Years of education = 0, Literacy = 7%
- 50-60% of women report moderate to high levels of depressive symptoms.

Social dynamics
- 88% of women report that they spend their savings how their husbands tell them to.
- 1.5% of women have traveled for work, staying outside the village, in the past 12 months

Perceived drivers of success
- Interpersonal factors appear more important.
- Norms are particularly strong drivers of behavior in normatively “tight” and interdependent contexts (Eom et al., 2016; Riemer et al., 2014) where enforcement is high (Gelfand et al., 2011)
The intervention: an economic inclusion program with psychosocial components

- Savings groups
- Business training
- Coaching

- Community sensitization
- Life skills training
- Cash grants
The community sensitization

The goal

▪ Raise aspirations and foster normative support to program beneficiaries from the larger community, including peers, husbands and influential figures (village chief, imam, economic leaders)

The video

▪ Realistic fiction shot with non-professional actors in Niger, for relatability and role modeling
▪ A couple overcome their disagreement, set shared goals, and grow their IGAs with support from their community (peers, elders)

Watch the Niger video (Zarma, short version)

The facilitated discussion

▪ Topics of discussion: relate film to own life, set shared aspirations, tie new norms to traditional values, identify new norms to achieve those aspirations together

Watch a sensitization session in Burkina Faso
The life skills training (7 half-days, group-based)

The goal
- Develop beneficiaries personal socio-emotional skills

Key topics
- Values and perspectives
- Self-esteem, self-affirmation, social standing
- Decision making and conflict resolution
- Communication
- Leadership

Method
- Role plays, vignettes
Psychosocial outcomes targeted

Psychological
- Mental health
- Self efficacy
- Future expectations

Intrahousehold
- Violence
- Control over earnings
- Control over hh resources

Social
- Financial and social support
- Social standing
- Social norms and cohesion
- Collective action

Psychosocial components directly address both personal and interpersonal dynamics

+ the cash grant may improve control and social standing
+ we might expect positive impacts across the board from improvements in economic outcomes
## Measurement of psychosocial outcomes

### PSYCHOLOGICAL

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Indicators</th>
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<tbody>
<tr>
<td>Mental health index</td>
<td>Less depression, Less disability, Life satisfaction, Inner peace, Self-reported mental health</td>
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<tr>
<td>Self efficacy</td>
<td>10 questions from CESD-R-10, 4 questions from SRQ-20, 1-10 ladder, 1-10 ladder, Standardized mental health assessment, 7 questions from GSE-10 and 1 from Rosenberg self-esteem</td>
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<tr>
<td>Future expectations</td>
<td>Expected social status 1-10 ladder, Expected life satisfaction two years 1-10 ladder, Expected social position of child 1-10 ladder</td>
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### SOCIAL

<table>
<thead>
<tr>
<th>Index</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>Financial support index</td>
<td>4 questions (count on village community help, nb people ask money, fundraising potential)</td>
</tr>
<tr>
<td>Social support index</td>
<td>6 questions on count of role models, activity advisors/mentees, conflict advisors/mentees, market intermediaries</td>
</tr>
<tr>
<td>Social standing index</td>
<td>4 questions 1-10 scale (good person, respected person, opinion followed, social position)</td>
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<tr>
<td>Social norms index</td>
<td>Descriptive norms index 4 questions: 1-10 scale (know women vendors, with loans, who started activities, who travel freely)</td>
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<td></td>
<td>Prescriptive norms index 4 questions: 1-10 scale (men/women think women shd travel freely, have own work)</td>
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<tr>
<td>Social cohesion and closeness to community index</td>
<td>9 questions: trusts women, enemies, community tensions, inclusiveness, considers comm opinions, prefer being different, selflessness, respect hh decisions</td>
</tr>
<tr>
<td>Collective action index</td>
<td>5 questions (nb associations member/responsibilities, donations, volunteering, works with community)</td>
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### INTRAHOUSEHOLD

<table>
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<tr>
<th>Index</th>
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<tr>
<td>Intrahousehold dynamics index</td>
<td>3 questions: 1-4 scale comfortable disagreeing, trusts partner, inclusiveness</td>
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<tr>
<td></td>
<td>3 questions: 1/0 allow family visits, 1-4 hh tensions infrequent, inclusiveness</td>
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<td>3 questions: 0-10 know women with hh tensions, 1-4 women beaten for burning food, neglecting children</td>
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<tr>
<td>Control over earnings</td>
<td>11 questions</td>
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<tr>
<td>Control over hh earnings</td>
<td>10 questions</td>
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Psychosocial impacts of the economic inclusion program
(Bossuroy, Goldstein, Karlan, Karimou, Kazianga, Pariente, Premand, Thomas, Udry, Vaillant, Wright)

Control
(No productive measures)

Capital Arm
- Groups and Coaching
- Savings and loan groups
- Micro-entrepreneurship training
- Access to markets

Psychosocial Arm
- Community sensitization
- Life-skills training

Full Arm
- Community sensitization
- Life-skills training

Full - Capital = value added of psychosocial components
Full – Psych. = value added of cash grant

All beneficiaries receive regular Cash Transfers (CT).
▪ Strong and significant impacts for all 3 packages.
Impacts on personal psychological wellbeing

- All packages improve psychological well-being
- Differences between coefficients suggest positive marginal effects of separate components
### Impacts on personal psychological wellbeing

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<tr>
<th></th>
<th>Mental health index</th>
<th>Less depression</th>
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<th>Life satisf.</th>
<th>Inner peace</th>
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<td>0.18**</td>
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- Psychosocial components have positive significant marginal effects on the main indices
- Cash grant generally has positive ME but only significant on life satisfaction
Impacts on interpersonal intrahousehold dynamics

- No impact on intra-household index, but negative impact (good!) on violence perception for Psychosocial and Full arms
- Mechanical impact on control over own earnings, not on control over hh resources (share of total revenue still too low?)
## Impacts on interpersonal intrahousehold dynamics

<table>
<thead>
<tr>
<th></th>
<th>Intra-household dynamics index</th>
<th>Partner dynamics index</th>
<th>Hhold dynamics index</th>
<th>Violence perceptions index</th>
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<td>(Cash grant gross ME)</td>
<td>-0.05</td>
<td>-0.16**</td>
<td>0.01</td>
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<td>(Psych. gross ME)</td>
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<td>-0.05</td>
<td>-0.13**</td>
<td>0.01</td>
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- Negative ME of cash grant on partner dynamics index, positive on control over own earnings
- Positive ME of psychosocial components on violence perception
Impacts on interpersonal social dynamics

- All packages improve social dynamics
- Capital package marginally (in-)significant on social standing and social norms indices
### Impacts on interpersonal social dynamics

<table>
<thead>
<tr>
<th></th>
<th>Financial support index</th>
<th>Social support index</th>
<th>Social standing index</th>
<th>Social norms index</th>
<th>Descript. norms index</th>
<th>Prescript. norms index</th>
<th>Social cohesion index</th>
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<td>0.10*** (0.05)</td>
<td>0.27*** (0.05)</td>
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<td>0.35*** (0.05)</td>
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</table>

- Both components have positive significant ME on financial support
- Psychosocial components have positive significant ME on three social indices, cash grant does not
- Cash grant has negative impact on social cohesion
Impacts on components of psychosocial wellbeing

- Strong impacts of the program across various dimensions of psychosocial wellbeing. More mixed on intrahousehold dynamics.

- The cash grant improves life satisfaction, financial support and women’s control over their own earnings – but shows negative effects on social/couple cohesion.

- Psychosocial components have positive marginal effects on most components, both on personal and interpersonal dynamics.

What angle of the psychosocial intervention was most impactful in driving behavioral change?
The additional “salience” experiment (Bossuroy, Premand, Thomas)

Two angles to the fiction used in the community sensitization

- Personal initiative: personal aspirations, independent motives, personal goal pursuit strategies
- Interpersonal initiative: shared aspirations, interdependent motives, interpersonal goal pursuit strategies

- Which one drove impacts?

Test: additional light-touch intervention (30 min face-to-face) to prime either angle

- Randomized 2600 beneficiaries into
  - “Personal initiative” recap + discussion
  - “Interpersonal initiative” recap + discussion
  - No additional intervention

Measured effect on economic and psychosocial outcomes
Impacts on psychosocial outcomes

Priming on both angles improved a psychological wellbeing index. Driven by future expectations.
No significant impact on social dynamics index (includes intra-hh), but higher point estimate for interpersonal priming on composite index and all components.
The Interpersonal Initiative intervention fostered more supportive household dynamics.
Both approaches showed directional improvements but only the Interpersonal Initiative intervention produced statistically significant improvements on economic outcomes.

Very light-touch intervention shows the potential of addressing interpersonal dynamics alongside personal wellbeing and initiative.
Key take-aways

Results show the value of addressing psychosocial constraints directly and focusing on interpersonal/social dynamics

- Clear marginal effects of psychosocial constraints (+ improves cost-effectiveness). Contrasts with ME of cash grant, more limited and sometimes less favorable
- Psychosocial interventions work best when they build personal assets as well as improve social dynamics (whether community or household).

The value of evidence-based and context-responsive diagnostic and design

- Norms vary across social groups, contexts (e.g. rural vs urban), age...
- Gathering evidence on key contextual features and choosing/adapting programs accordingly

Economic inclusion: fostering social support

- Relevant for other aspects of social protection programs: Group-based delivery of accompanying measures (schooling, birth registration, hygiene...), Youth employment and women’s economic empowerment...