

# Mexico



Innovations for Poverty Action (IPA) is a research and policy nonprofit that discovers and promotes effective solutions to global poverty problems. IPA brings together researchers and decision-makers to design, rigorously evaluate, and refine these solutions and their applications, ensuring that the evidence created is used to improve the lives of the world's poor. Since our founding in 2002, IPA has worked with over 575 leading academics to conduct over 650 evaluations in 51 countries. IPA has worked in Mexico for over a decade, and re-opened our permanent office in Mexico in 2017 to respond to a demand for evidence in the areas of security, crime, and violence.

## More Evidence

In Mexico, we have continued our global tradition of rigorous, applicable research by building foundational research capacity and conducting evaluations in areas of pressing national concern. Examples of our work below offer promising insights into everyday issues that affect the lives of people in Mexico.

### FINANCIAL INCLUSION

**Can SMS reminders help overcome cognitive biases against saving for the future?** While saving for retirement is essential for the future well-being of working age people, saving for the future is difficult and voluntary contribution levels tend to be low across the world. The objective of this project is to investigate ways to increase voluntary retirement contributions in Mexico, by conducting three waves of rapid-fire randomized evaluations that will

measure the impact of text messages on retirement savings behavior.

### PEACE & RECOVERY

**Can organizational changes make police departments more effective, resilient and trusted?** Few debates are more urgent in Mexico than the question of how to design local police forces that can rise to the challenge of reducing violence, increasing institutional legitimacy and trust in institutions, and strengthening the rule of law. IPA researchers are evaluating how organizational changes to police departments can help them build citizen engagement, participation, and trust through their protocols, practices, and interactions with citizens.

### SMALL AND MEDIUM ENTERPRISES

**Subsidized consulting services for small and medium enterprises**

**IPA MEXICO**  
Since 2017

**FOCUS SECTORS**  
Financial Inclusion, Governance, Health, Peace & Recovery

**RESEARCH PROJECTS**  
4 in progress, 14 completed

**KEY PARTNERS**  
Ministry of Public Security (SSP), National Commission of Security (CNS), National Commission for Retirement Savings (CONSAR)

**KEY RESEARCHERS**  
Rodrigo Canales (Yale University), Laura Chioda (World Bank), Paul Gertler (University of California, Berkeley), Dean Karlan (Northwestern University), Jonathan Zinman (Dartmouth College)

**(SMEs) increased their productivity and hiring.** Compared to their counterparts in high-income countries, SMEs in low-and-middle-income countries are often less productive, grow slower, and hire fewer workers. In Mexico, IPA worked with researchers to test if this lagging productivity could owe to lower managerial capacity. They found that providing subsidized managerial consulting to Mexican SMEs led to better marketing and accounting practices and boosted their productivity and hiring.

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## Better Programs & Policies

IPA evidence has already contributed to improving millions of lives. Now, with 16 years of evidence to build on, our programs are increasingly focusing on government and partner collaboration to translate evidence into better programs and policies.

### GOVERNANCE

**IPA is partnering with the Ministry of Public Security and the National Commission of Security to evaluate organizational design and improve security.** For the randomized evaluation currently in progress, the IPA Mexico team is engaging closely with government partners building buy-in to use rigorous evidence to improve policing practices in Mexico City. Within the framework of this project, the Ministry of Public Security has requested technical and intellectual input to analyze and improve the Ministry's Compare Statistics (CompStat) system, to more effectively track crime and improve police effectiveness.

### FINANCIAL INCLUSION

**IPA's microfinance research has changed the debate on finance for the poor.** Mexico was one of six countries where researchers worked with IPA to carry out randomized evaluations of microloans. The results showed that while microloans can increase small business ownership and investment, the small, short-term loans generally do not lead to increased income, investments in children's schooling, or substantial gains in women's empowerment for poor borrowers. The evidence provided pathways forward for the microfinance industry, changing the debate and helping to propel the sector in new directions. The sector has since moved away from a single prescription—credit—now embracing a more holistic financial inclusion approach and further experimentation to better understand how people respond to different product design features and behavioral nudges.



## Our Future

At IPA Mexico, we are positioning ourselves to provide top-quality research, translate it into implementable programs and policies, and build long-term relationships with the government, academic institutions, and other relevant organizations in Mexico. As we grow, we are focusing on three main goals:

- » **Reinforce IPA's status as a known source of high-quality research.** We continue to bring our expertise in high-quality impact evaluations to Mexico, providing the capacity to run rigorous evaluations across sectors. We work together with knowledgeable government and academic partners through the concept and design stage to ensure that the evidence provides rigorous, meaningful results for decision-makers.
- » **Contribute to informed policy decision-making.** IPA Mexico aims to become the source in Mexico for policymakers interested in creating rigorous evidence and translating that evidence into effective policies.
- » **Ensure individualized and context specific projects.** Building on the technical capabilities of our government counterparts and implementing partners, IPA Mexico will guarantee personalized attention to its stakeholders, including researchers, funders, and governments, in addition to ensuring cost-effective and trustworthy data collection and services tailored to the needs of its clients.

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Building a world with **More Evidence** and **Less Poverty.**

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