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Negotiating a Better Future:
How Interpersonal Skills Facilitate
Inter-generational Investment

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Working Paper 18-104

Negotiating a Better Future: How Interpersonal Skills Facilitate Inter-Generational Investment

Using a randomized control trial, we examine whether offering adolescent girls nonmaterial resources – specifically, negotiation skills – can improve educational outcomes in a low-income country. In so doing, we provide the first evidence on the effects of an intervention that increased non-cognitive, interpersonal skills during adolescence. Long-run administrative data shows that negotiation training significantly improved educational outcomes over the next three years. The training had greater effects than two alternative treatments (offering girls a safe physical space with female mentors and offering girls information about the returns to education), suggesting that negotiation skills themselves drive the effect. Further evidence from a lab-in-the-field experiment, which simulates parents' educational investment decisions, and a midline survey suggests that negotiation skills improved girls' outcomes by moving households' human capital investments closer to the efficient frontier. This is consistent with an incomplete contracting model, where negotiation allows daughters to strategically cooperate with parents.

April 28, 2018