



PSYCHO-SOCIAL IMPACTS OF A PRODUCTIVE INCLUSION PROGRAM

EVIDENCE FROM TWO EXPERIMENTS IN NIGER

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based on work with Patrick Premand, Catherine Thomas, Markus Goldstein, Dean Karlan, Harounan Kazianga, William Pariente, Chris Udry, Julia Vaillant, Kelsey Wright.

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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?

Outline of the presentation

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

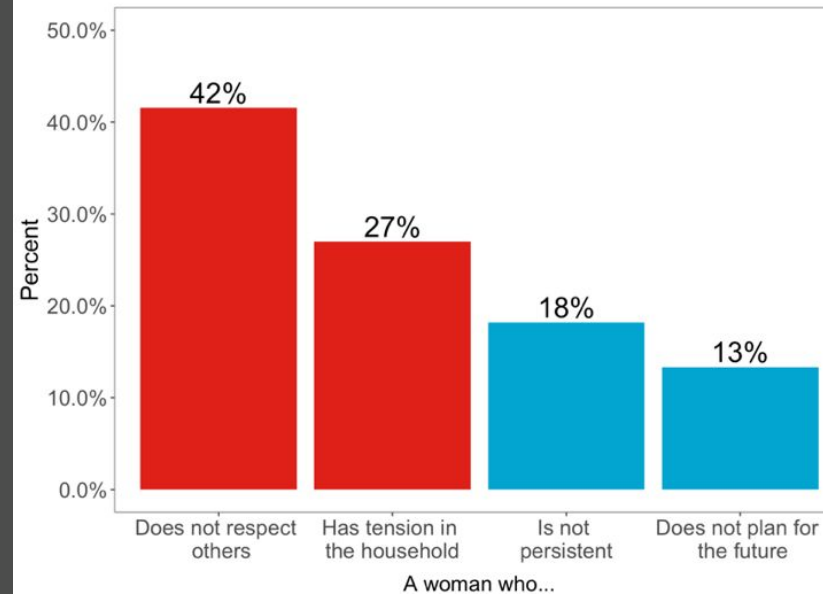
- 88% of women report that they spend their savings how their husbands tell them to.
- 1.5% of women have traveled for work, staying outside the village, in the past 12 months



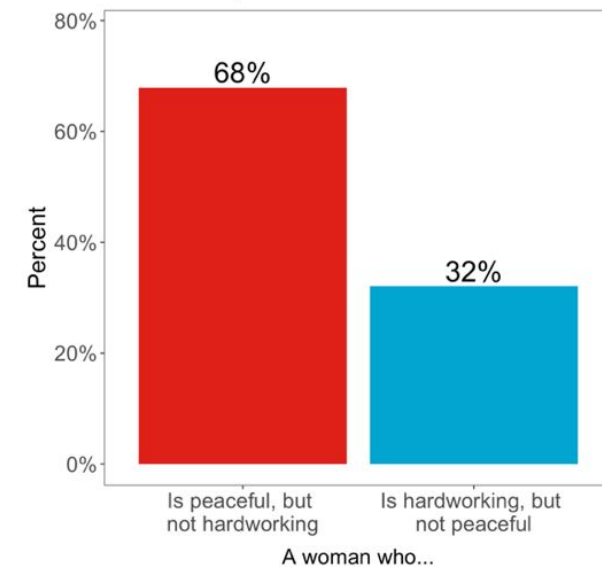
Perceived drivers of success

- 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)

Top perceived barrier to women's economic success



Prediction of which woman will be more likely to have economic success



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

Personal

Interpersonal

- 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

Mental health index

Less depression	10 questions from CESD-R-10
Less disability	4 questions from SRQ-20
Life satisfaction	1-10 ladder
Inner peace	1-10 ladder
Self-reported mental health	Standardized mental health assessment

Self efficacy

7 questions from GSE-10 and 1 from Rosenberg self-esteem

Future expectations

Expected social status	1-10 ladder
Expected life satisfaction two years	1-10 ladder
Expected social position of child	1-10 ladder

INTRAHOUSEHOLD

Intrahousehold dynamics index

Partner dynamics index	3 questions: 1-4 scale comfortable disagreeing, trusts partner, inclusiveness
Household dynamics index	3 questions: 1/0 allow family visits, 1-4 hh tensions infrequent, inclusiveness

Violence perception index

3 questions: 0-10 know women with hh tensions, 1-4 women beaten for burning food, neglecting children

Control over earnings

11 questions

Control over hh earnings

10 questions

SOCIAL

Financial support index

4 questions (count on village community help, nb people ask money, fundraising potential)

Social support index

6 questions on count of role models, activity advisors/mentees, conflict advisors/mentees, market intermediaries

Social standing index

4 questions 1-10 scale (good person, respected person, opinion followed, social position)

Social norms index

Descriptive norms index

4 questions: 1-10 scale (know women vendors, with loans, who started activities, who travel freely)

Prescriptive norms index

4 questions: 1-10 scale (men/women think women shd travel freely, have own work)

Social cohesion and closeness to community index

9 questions: trusts women, enemies, community tensions, inclusiveness, considers comm opinions, prefer being different, selflessness, respect hh decisions

Collective action index

5 questions (nb associations member/responsibilities, donations, volunteering, works with community)

Psychosocial impacts of the economic inclusion program

(Bossuoy, 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



Cash grants



Psychosocial Arm



Groups and Coaching



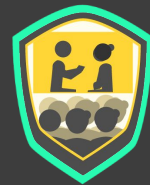
Savings and loan groups



Micro-entrepreneurship training



Access to markets



Community sensitization



Life-skills training



Full Arm



Groups and Coaching



Savings and loan groups



Micro-entrepreneurship training



Access to markets



Community sensitization



Life-skills training



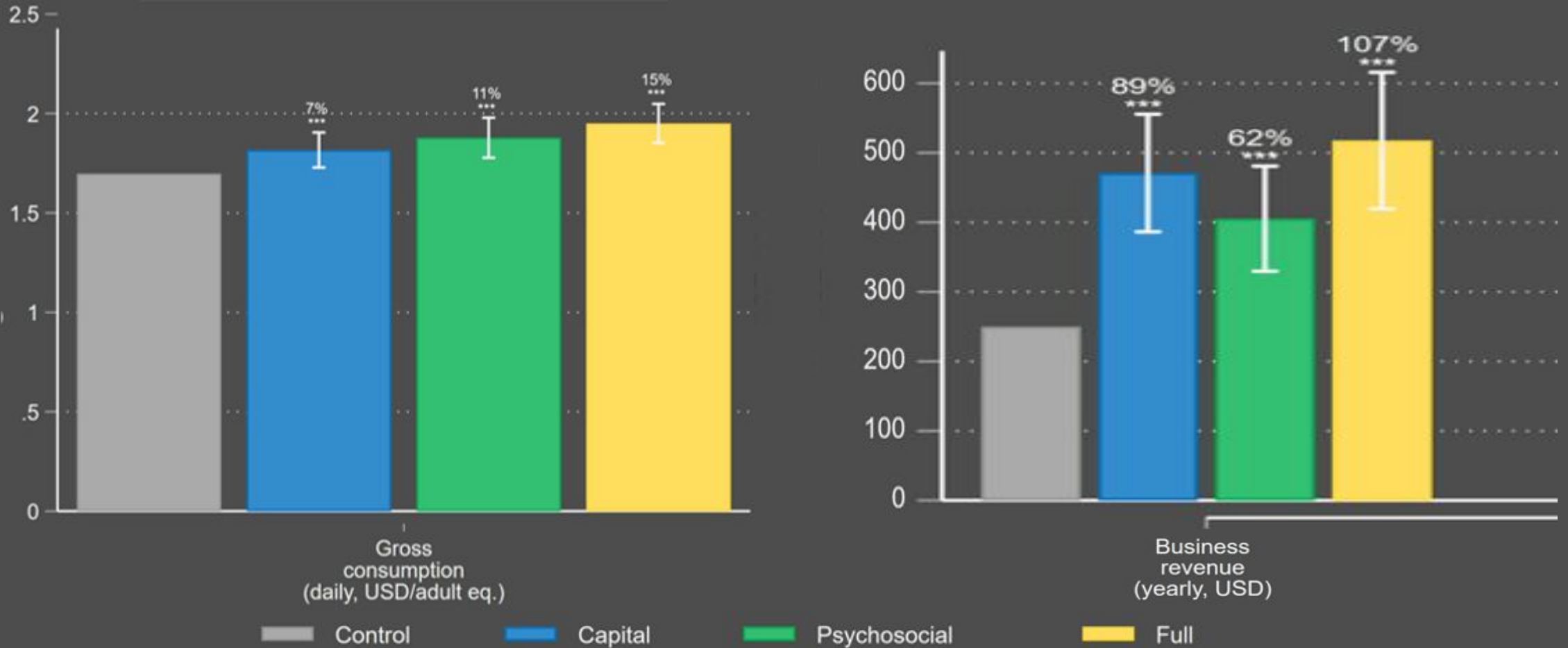
Cash grants

Full - Capital
=
value added of
psychosocial
components

Full - Psych.
=
value added of
cash grant

All beneficiaries receive regular Cash Transfers (CT).

Economic impacts



- Strong and significant impacts for all 3 packages.

Impacts on personal psychological wellbeing



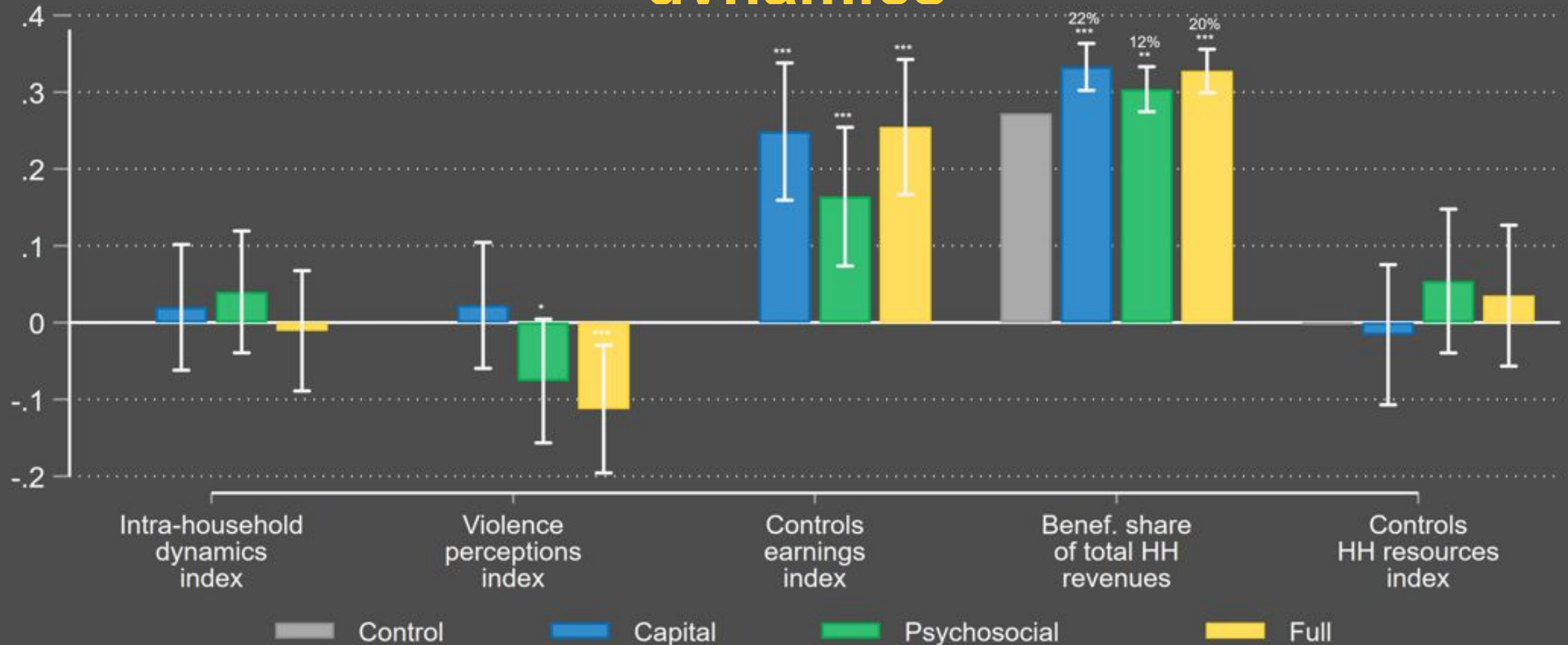
- All packages improve psychological well-being
- Differences between coefficients suggest positive marginal effects of separate components

Impacts on personal psychological wellbeing

	Mental health index	Less depression	Less disability	Life satisf.	Inner peace	Self-rep. mental health	Self efficacy index	Future expect. index	Expected social status	Expected life satisf.	Expected child status
Capital	0.15***	1.48***	0.62***	0.20***	0.22***	-0.01	0.10***	0.11***	0.23***	0.20***	0.14***
	(0.04)	(0.42)	(0.21)	(0.09)	(0.07)	(0.04)	(0.04)	(0.04)	(0.09)	(0.08)	(0.08)
Psychosocial	0.21***	1.69***	0.84***	0.28***	0.26***	0.04	0.18***	0.15***	0.36***	0.28***	0.09
	(0.04)	(0.43)	(0.21)	(0.09)	(0.07)	(0.04)	(0.04)	(0.05)	(0.1)	(0.09)	(0.08)
Full	0.26***	2.06***	0.77***	0.45***	0.34***	0.01	0.23***	0.20***	0.46***	0.38***	0.14***
	(0.04)	(0.45)	(0.19)	(0.09)	(0.07)	(0.04)	(0.04)	(0.04)	(0.09)	(0.08)	(0.08)
Observations	4175	4175	4175	4175	4175	4175	4175	4175	4175	4175	4162
R-squared	0.087	0.074	0.068	0.059	0.046	0.078	0.062	0.119	0.092	0.083	0.101
Full-Psychosocial											
(Cash grant gross ME)	0.04	0.38	-0.07	0.18**	0.09	-0.03	0.04	0.05	0.10	0.10	0.05
Full-Capital											
(Psych. gross ME)	0.10***	0.58	0.16	0.25***	0.13*	0.02	0.12***	0.08**	0.23***	0.18**	0.00

- 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

	Intra-household dynamics index	Partner dynamics index	Hhold dynamics index	Violence perceptions index	Controls earnings index	Controls hh resources index
Capital	0.02 (0.04)	0.01 -0.05	0.02 -0.04	0.02 (0.04)	0.25*** (0.05)	-0.01 (0.05)
Psychosocial	0.04 (0.04)	0.12*** -0.04	-0.04 -0.04	-0.08* (0.04)	0.16*** (0.05)	0.06 (0.05)
Full	-0.01 (0.04)	0.02 -0.04	-0.03 -0.04	-0.11*** (0.04)	0.25*** (0.04)	0.04 (0.05)
Observations	4160	3557	4160	4160	4252	4055
R-squared	0.08	0.079	0.061	0.129	0.074	0.074
Full-Psychosocial (Cash grant gross ME)	-0.05	-0.10**	0.01	-0.04	0.09**	-0.02
Full-Capital (Psych. gross ME)	-0.03	0.00	-0.05	-0.13**	0.01	0.05

- 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

	Financial support index	Social support index	Social standing index	Social norms index	Descript. norms index	Prescript. norms index	Social cohesion index	Collective action index
Capital	0.19*** (0.04)	0.13*** (0.04)	0.08*** (0.04)	0.08 (0.05)	0.03 (0.05)	0.08*** (0.04)	0.10*** (0.05)	0.27*** (0.05)
Psychosocial	0.21*** (0.04)	0.18*** (0.05)	0.13*** (0.04)	0.11*** (0.05)	0.09*** (0.05)	0.07*** (0.04)	0.20*** (0.05)	0.27*** (0.05)
Full	0.35*** (0.05)	0.18*** (0.04)	0.17*** (0.04)	0.17*** (0.05)	0.14*** (0.05)	0.10*** (0.04)	0.10*** (0.05)	0.35*** (0.05)
Observations	4252	4160	4175	4160	4160	4160	4160	4160
R-squared	0.06	0.03	0.096	0.073	0.072	0.084	0.053	0.07
Full-Psychosocial (Cash grant gross ME)	0.13***	0.00	0.04	0.06	0.05	0.03	-0.11**	0.08*
Full-Capital (Psych. gross ME)	0.15***	0.06	0.09**	0.09***	0.11**	0.01	0.00	0.08

- 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)

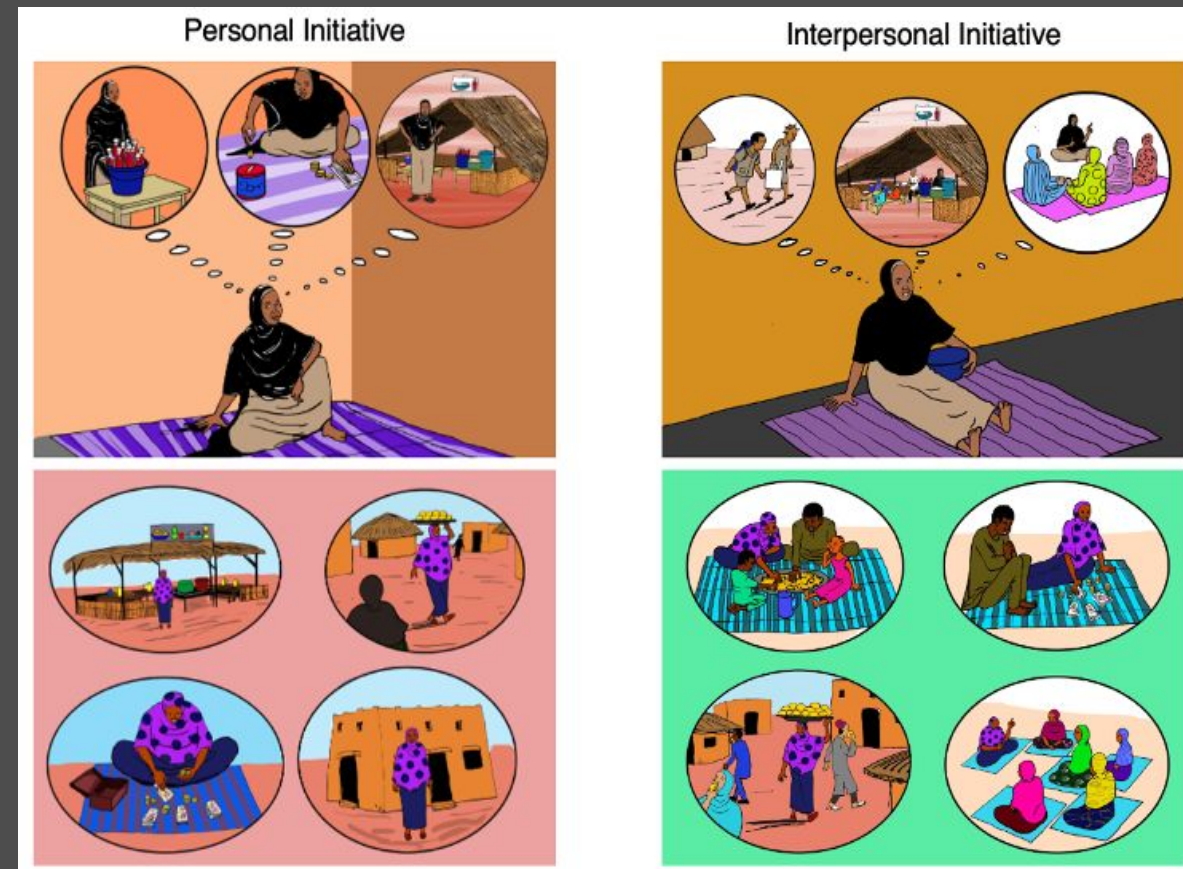
Two angles to the fiction used in the community sensitization

- Personal initiative: personal aspirations, independent motives, personal goal pursuit strategies
- Interpersonal initiative: shared aspirations, interdependent motives, interpersonal goal pursuit strategies
 - which one drove impacts?

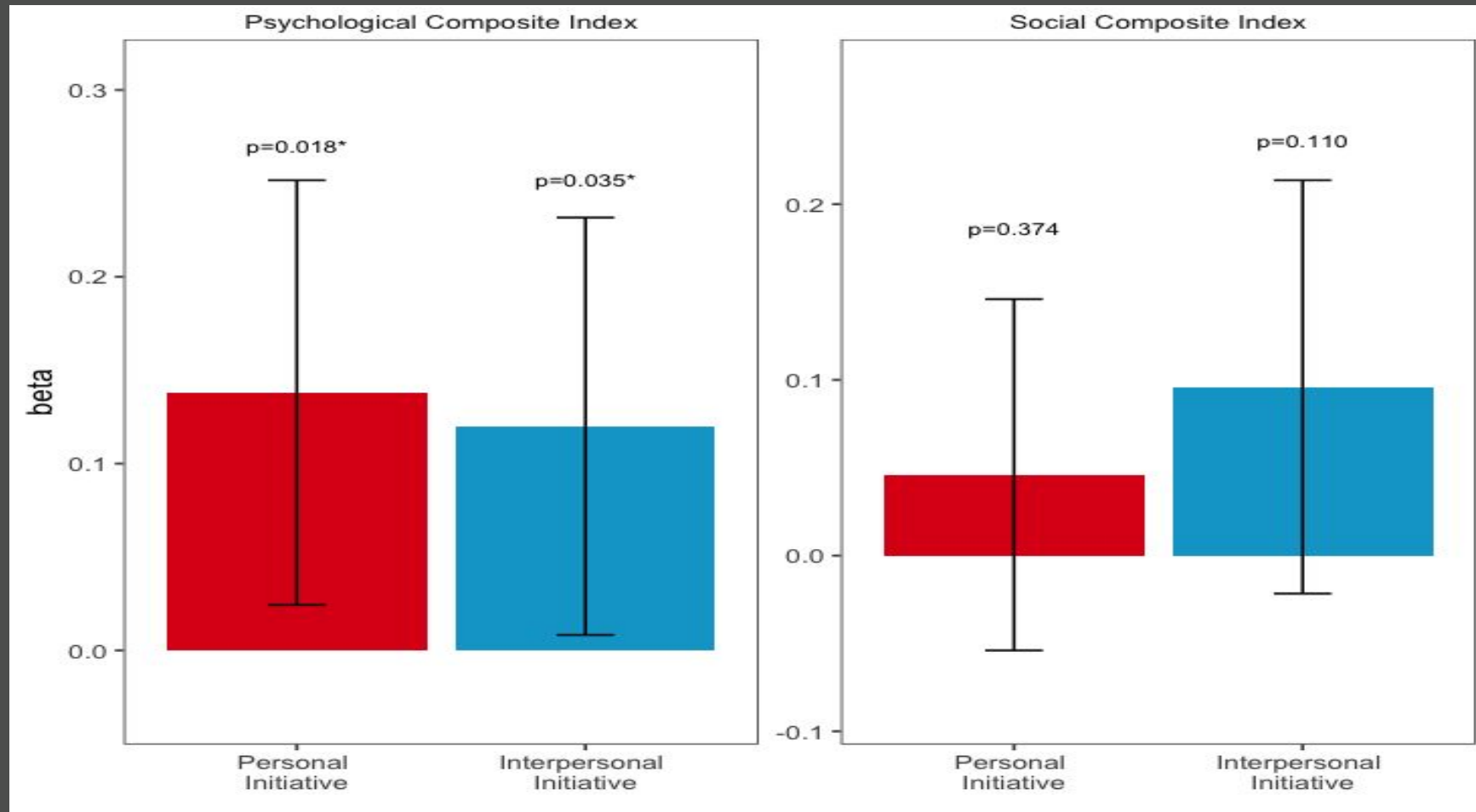
Test: additional light-touch intervention (30 min face-to-face) to prime either angle

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

Measured effect on economic and psychosocial outcomes

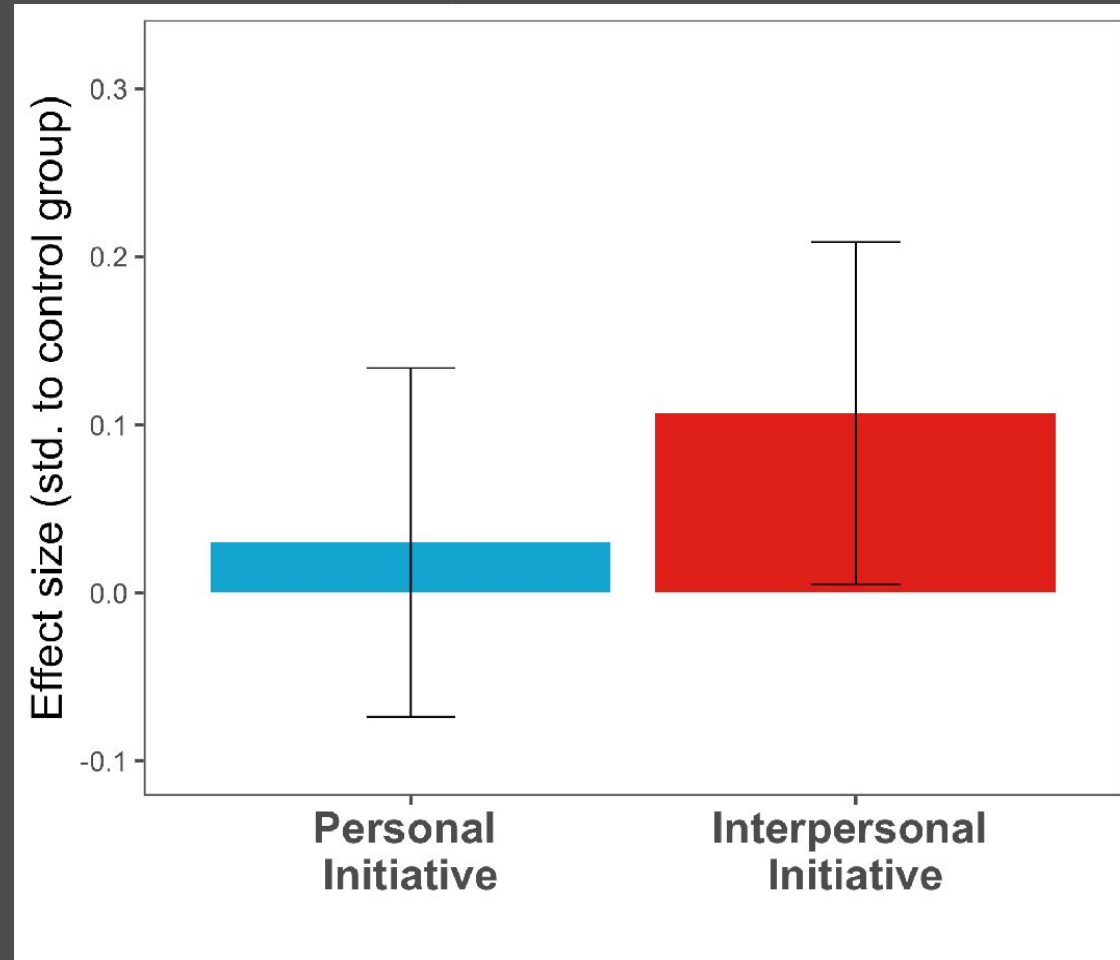


Impacts on psychosocial outcomes



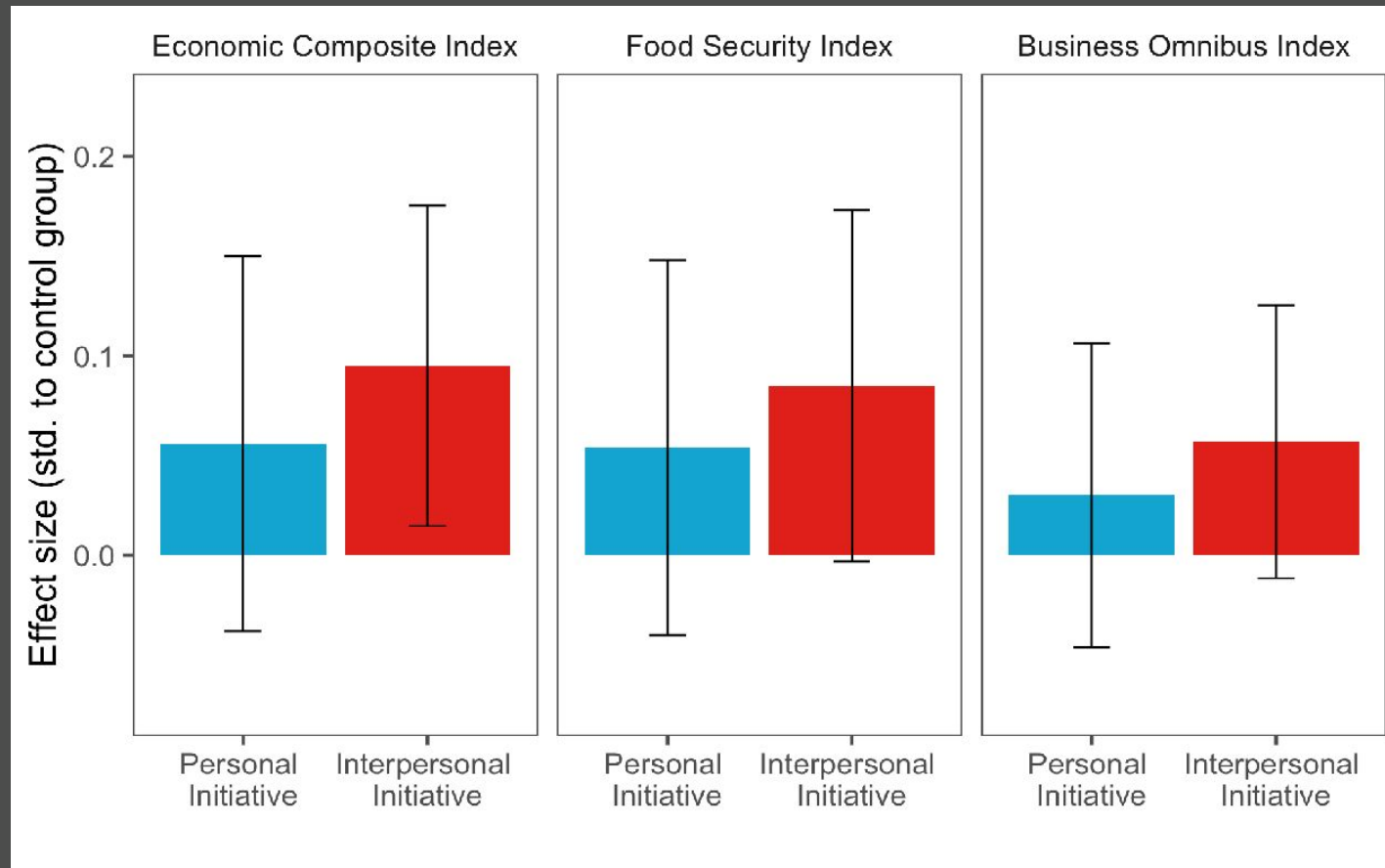
Priming on both angles improved a psychological wellbeing index. Driven by future expectations. No significant impact on social dynamics index (includes intra-hh), but higher point estimate for interpersonal priming on composite index and all components.

Zoom: impact on household dynamics index



The Interpersonal Initiative intervention fostered more supportive household dynamics

Impact on economic outcomes



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...

Supplementary

