

# **A conversation with Professor Mushfiq Mobarak, November 30, 2017**

## **Participants**

- Professor Mushfiq Mobarak – Professor of Economics, Yale University
- Elie Hassenfeld – Co-Founder and Executive Director, GiveWell

**Note:** These notes were compiled by GiveWell and give an overview of the major points made by Professor Mushfiq Mobarak.

## **Summary**

GiveWell spoke with Professor Mobarak of Yale University. Conversation topics included important gaps in development economics and Professor Mobarak's plan to establish an initiative to explore the effects of scaling up policy interventions.

## **Gaps in development economics**

Development economics does many small randomized controlled trials (RCTs) but does not conduct many trials at larger scales, which leaves gaps in our knowledge about the effects that come into play when programs are implemented at scale. Many of these gaps are decision-relevant for philanthropic actors, policymakers, and governments, and need to be studied further. Several questions regarding scale-up that are not addressed in most development economics research are:

### **General equilibrium effects**

General equilibrium effects refer to effects on entire economies. For seasonal migration, this includes changes in prices and wages in the villages of origin and in the cities to which the workers migrate. When assessing the impact of a social program such as No Lean Season (NLS), it is important to know what general equilibrium effects are at play.

#### *In the village of origin*

The NLS migrants are quite a large fraction of the rural economy in their village of origin. Professor Mobarak's team has reason to believe that this mass departure has an effect on the people who remain in the village, but they do not know the magnitude of this effect, or even if it is positive or negative.

#### *At the destination*

Migrants begin to be a significant part of the city economy when the seasonal migration program is implemented at a scale two orders of magnitude higher than the program in the initial trial. This year, NLS has reached this scale, and will begin to explore the impact of the program on the city economy.

## **Welfare**

Welfare is often not properly assessed because it is difficult to measure, because there are many factors that are relevant to people's welfare that are not captured by straightforward economic measures like consumption or caloric intake. These factors are called 'non-economic outcomes,' and include things such as family separation, spouse relationships, living conditions in the city, violence, and disease prevalence.

## **Political economy reactions**

If large numbers of migrant workers arrive in a city, this has the potential to provoke negative reactions from residents of the city, as well as from politicians. While governments generally ignore programs being evaluated on small scales, as programs are scaled up, it begins to be important to study government reactions.

NLS is interested in tracking political economy reactions in order to understand the political limits of seasonal migration, and to decide if it should spread its program out across more geographical regions in order to avoid political backlash.

### *Leverage/funging*

The NLS program might fudge against other social welfare programs, for example because the government might decide not to fund programs in a certain region if it knows that people in that region are already benefiting from an externally funded program.

On the other hand, there is also a possibility that seasonal migration might attract complementary investment, because a population of rural workers who have developed skills from working in the city may be better equipped to take advantage of other social programs than most rural populations would be.

A program evaluation of NLS should be inclusive of these indirect reactions.

## **External validity**

The results found in any RCT may not generalize to contexts that are very different from that in which the RCT was conducted. This may mean that interventions that are found to work in small RCTs may not be similarly effective at scale.

## **Plan for developing a research agenda**

Professor Mobarak's goal is to build a systematic research initiative that scales up social programs, with a focus on the questions that development economics does not usually address: general equilibrium effects, political economy reactions, and welfare.

## **Structure of the organization**

Professor Mobarak imagines the initiative as an entity similar in form to the Abdul Latif Jameel Poverty Action Lab (J-PAL) or Innovations for Poverty Action (IPA), but smaller in scale. It would make use of J-PAL's and IPA's country offices to conduct its research, rather than replicating that infrastructure.

Also, in contrast to J-PAL, the initiative would focus on scale-up rather than on smaller RCTs. J-PAL has done much to develop the science of program evaluation, and has greatly improved the rigor of the evidence base for many interventions. Professor Mobarak's initiative will focus on developing a similar science and evidence base for the scale-up movement.

## **Research process**

Professor Mobarak would like to identify three or four promising ideas, products, or technologies that are relevant to both academics and policymakers, then build a research agenda around each idea, setting up trials for each program at increasingly large scales, similar to what he did for seasonal migration. In some cases, the initial trial for an intervention may already exist, which would give researchers a starting point to find countries or sectors in which the intervention will work well. This could lead them, for example, to form partnerships with certain government ministries.

Professor Mobarak plans to have the initiative work on only one program for its first year, then increase to three or four once the organization is sufficiently established. However, before moving forward with any particular idea, Professor Mobarak feels that he needs a better understanding of what areas are currently most salient to philanthropists.

## **Finding overlap between academic and policy research agendas**

There is a tension between academic and policy research agendas in development economics, because many questions that are decision-relevant for policymakers and philanthropists – such as testing whether a new cook-stove design reduces rates of respiratory disease – are relatively straightforward to answer, but it is very difficult to publish papers on straightforward questions in top journals, so development economists are unlikely to conduct research on such questions.

There are only a few research questions that are at the intersection of what is relevant both to academic development economists and to philanthropists or policymakers, and these questions can only be reliably identified by people who understand the field very well.

## **Example: social learning as an active policy tool**

A large body of results in economics and sociology from the past ~50 years finds evidence of peer effects from social learning, meaning that a person's peers are the main people who convince him or her whether or not to adopt a new technology.

Professor Mobarak thinks it may be possible to leverage social learning in order to promote new welfare-improving technologies.

Researchers could partner with ministries of agriculture to identify farmers who they predict will be especially influential in getting their peers to adopt the new technology, and give them the task of teaching others in order to speed up the diffusion process. The researchers could then assess whether this has led to improvements in welfare or productivity.

Social learning as an intervention could produce policy-relevant tools by:

- identifying contexts where it is possible to improve product diffusion,
- identifying products and technologies that are worth diffusing, and
- studying whether or not productivity is improved in the process.

## **Practical requirements for the initiative**

### **Evidence base**

In order for a philanthropic idea to gain traction, it needs to be supported by a base of studies that show promising results. It was such an evidence base that helped to nurture conversations about seasonal migration between Professor Mobarak, GiveWell, and Evidence Action.

### **Buy-in from academics**

The academic leadership at Yale has agreed that development economics needs to shift to answering more policy questions, rather than only evaluating programs at small scales. This support is useful because Yale has the power to convene people to work in the relevant areas. At Professor Mobarak's encouragement, Yale has already hired several people to work on more policy-oriented questions.

### **Funding**

In order to attract involvement from academics, there must be grant money attached to the data collection. The majority of the initiative's funding will go to these grants. Some marginal funding will also be necessary to convene researchers one or two times per year, and to hire someone to focus on running the initiative full-time.

### **Partnership between academics and implementing organization**

The academics working on the initiative will need to form a partnership with an implementing organization, so that once they find a promising product or intervention, the organization can determine how to implement it. Like Evidence Action, the implementing organization should be willing to experiment and to implement programs at a large scale.

## **Next steps**

### **Hiring program staff**

Professor Mobarak would like to hire one or two people to work full-time on setting up the program, as he believes that doing so is not his comparative advantage.

#### *Executive director desiderata*

The person responsible for bringing together the initiative should have the right background to be able to understand what research is both decision-relevant for policymakers and sufficiently academically interesting to attract top researchers, and should also have strong organizational and management skills. An ideal candidate would be a PhD development economist who is doing serious research but is looking for a change of environment.

### **Other**

Other next steps include securing funding, and finding an organization to partner with for implementation.

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