This value is then regressed on indicators from GD's *village-level survey* to measure the predictive power of these indicators. A list of the 13 indicators from this survey is below.

| | |
|---|---|
| Village population | School floor material |
| Number of bore holes | School roof material |
| Is there a primary school? | Average distance from a market center |
| Is there a secondary school? | Distance from a paved road |
| Number of rooms in primary school | Distance from Lake Victoria |
| Number of rooms in secondary school | Distance from Kisumu |
| School wall material | |

Each of these variables addresses GD's desire to minimize changes to its current operating/ business model. More specifically, GD can measure each variable in this list without an actual field visit to a village. This saves both time and money in identifying new villages to receive cash transfers.

## Regression Results

After removing variables from this list that were under represented across the sample of 60 villages, this report assesses the predictive power of 8 variables on village income using two regressions. The regression table below summarizes these results

Regression Table 1

| | (1) HHS Consumption | (2) HHS Consumption |
|---|---|---|
| Population | 0.11 | 0.074 |
| | (0.63) | (0.47) |
| Water Sources | 27.611 | 31.1 |
| | (0.49) | (0.1) |
| Primary School | 88.645 | 75.65 |
| | (0.60) | (0.56) |
| Secondary School | 301.442 | 385.02 |
| | (1.56) | **(2.11)**** |
| Distance from Paved Road | -19.674 | |
| | (-0.48) | |
| Distance from Lake Victoria | -7.228 | |
| | (-0.66) | |
| Distance from Kisumu | 10.377 | |
| | **(1.77)*** | |
| Avg. Distance from Market Center | 5.831 | |
| | (0.44) | |
| > Median Distance from Mkt. | | 54.03 |
| | | (0.42) |
| > Median Distance from Paved Rd. | | 160.56 |
| | | (1.21) |
| > Median Distance from Kisumu | | 467.11 |
| | | **(3.59)***** |
| Observations | 45 | 47 |
| R-Squared | 0.21 | 0.35 |
| Mean of dependent variable | 2211.75 | 2222.66 |

*t* statistics in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$