

EVIDENCE IN ACTION

Leveraging impact evaluation to drive policy change and reduce poverty

12/13/24

2024 (LIS)2ER workshop: "Fighting poverty: Measurement and policy challenges"

Luxembourg Institute of Socio-Economic Research

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From a policy perspective, why should we care about impact evaluation?

Knowing what works is critical for decision makers to allocate the scarce resources they have in the most effective way to improve development outcomes

Two points:

- 1) Practical
- 2) Methodological

Practical: In practice, this evidence infrequently translates into actual policy changes

We have a lot of evidence on what policies work to change outcomes

Over the past twenty-five years, impact evaluations have been conducted around the world – in both developed and developing countries – on a vast array of policy issues

But we know less about when that evidence works to change policies

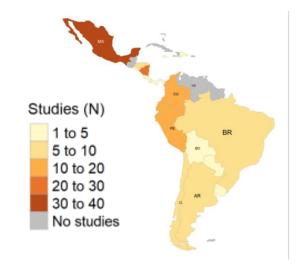
We need to better understand the extent to which this research is actually translating into policy changes (or not)

Example: How impactful have the (many) CCT evaluations been in LAC?

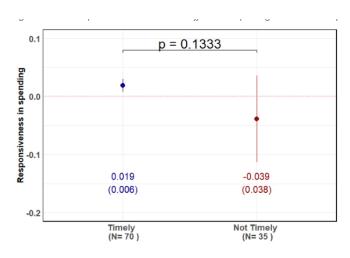
Rao (2024) looks at 128 evaluations of CCT programs (2000–2015) and finds:

- Robust and precise zero relationship between evaluation findings and policy spending
- One Exception: Spending was influenced if evaluations were conducted quickly (within 4 years of the effect year) and political constraints were low (e.g. outcome attributable to political party in power)

Number of aggregate program evaluations on CCTs in LAC countries in 2015:



Relationship between mean treatment effect & CCT spending on the evaluated program:



Source: Michelle Rao, 2024. "Program Evaluations and Policy Spending." London School of Economics. Job Market Paper and World Bank Blog Post

Methodological: "Evidence-based" policy making goes beyond impact evaluation



I will leave aside the controversy about the epistemological validity of causation in social sciences (Basu 2014)

Impact Evaluation

@ the World Bank

- Overall, the experience of impact evaluation at the World Bank has been positive
- Different approaches led at global and country levels, with applications across sectors
- This work has been expanded and scaled up with growing demand, but we can go further in reducing barriers to policy uptake

Learning from two World Bank global approaches to impact evaluation





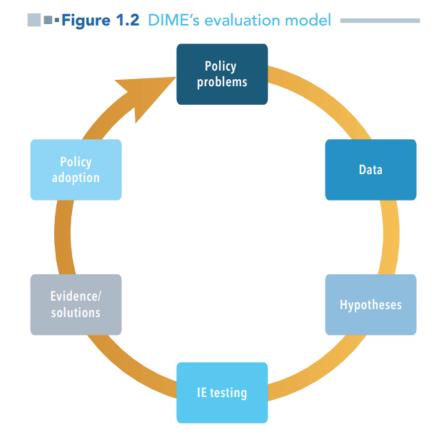




DIME Evaluation → Policy Model

Circular with co-production





Source: DIME (2019). Science for Impact: Better Evidence for Better Decisions - The Dime Experience. Umbrella Trust Fund Annual Report Washington, D.C.: World Bank Group.



Country engagement

- 200+ evaluations across 60+ countries
- Influencing \$26B in development finance
- Advising 30+ multilateral and bilateral agencies.

Global public goods

- DIME Wiki
- **Toolkits**
- Training programs

Development Impact Group Projects





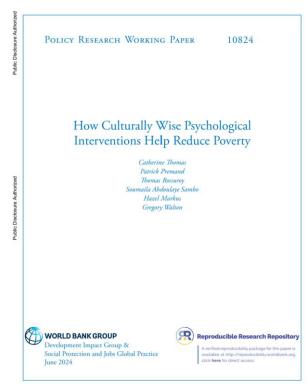
Designing cash transfers programs



Approach: Meta-analysis of 38 experimental estimates of dynamic consumption impacts from 14 developing countries

Result: Larger interventions are not necessarily better, but complementary graduation programs can be important for impact and persistence

Going beyond tangible assets

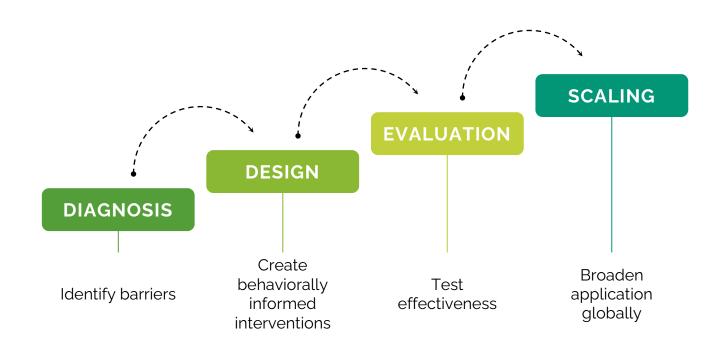


Approach: Field experiments to assess the causal impacts of personal vs interpersonal initiative training to build women's agency in rural Niger

Result: More "culturally wise" interventions (interpersonal) led to greater effects on economic outcomes

Evaluation → Policy Model

Scaling Behavioral Informed Interventions



Source: Project Completion Report, 2023



Global coverage

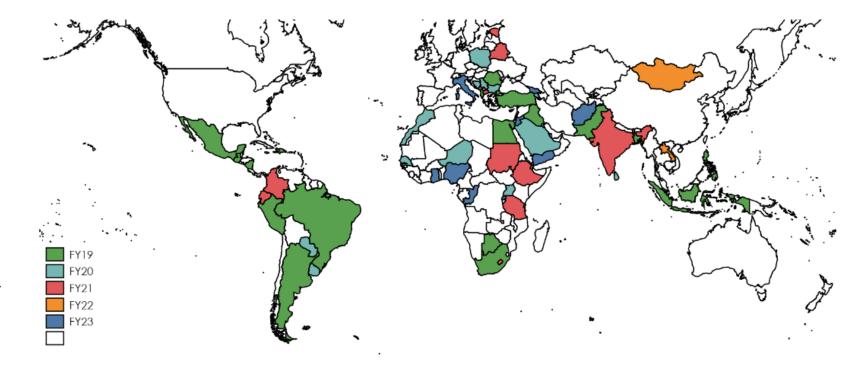
Evolution of eMBeD projects across the world:

Country engagement:

- 108 projects from 2019–2023
- Work across multiple sectors, including climate, health, and education

Global public goods

- 180 publications
- Trained 10,000+ World Bank staff and policymakers
- Publicly accessible toolkits and resources

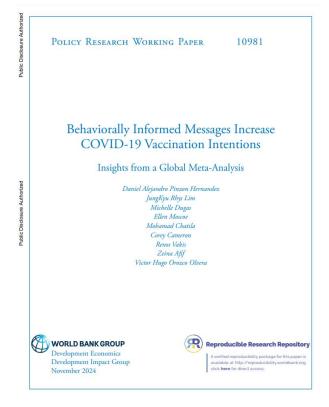


Source: Project Completion Report, 2023



Applied examples

Reducing COVID-19 vaccine hesitancy



Approach: Social media surveys and randomized experiments to understand people's beliefs about COVID-19 and vaccination intentions across 23 developing countries

Result: Behaviorally informed messages significantly increased the odds of vaccination intention by 1.28 times overall

Advancing financial inclusion

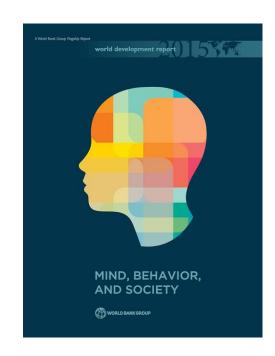


Approach: RCT using behaviorally informed text messages to promote savings among low-income individuals in Tanzania

Result: Most successful intervention (social influence) increased savings by up to 11% – but not every treatment worked to improve savings rates, and some had negative outcomes (agency)



A start-up success story











2017 2024

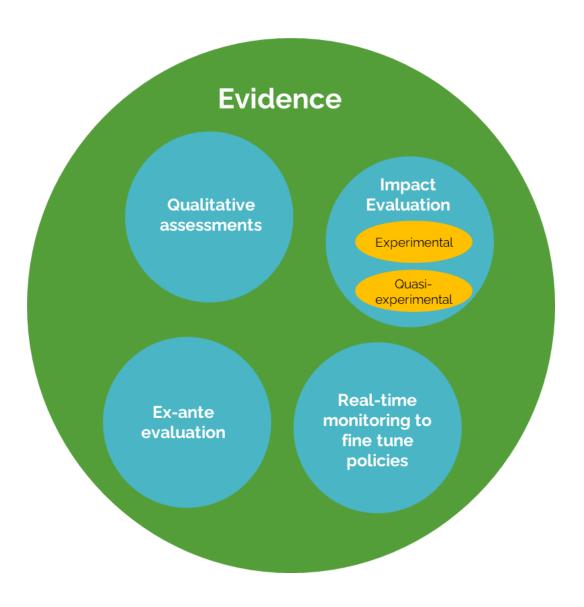
Three constraints for impact evaluation to be more widely used in policy

Timeliness

Resources

Regulatory, political, and ethical barriers

Revisiting the case for a broader approach to "evidence-based" policy making



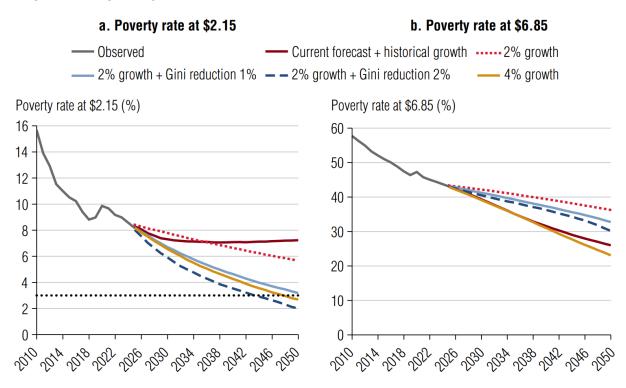
We must use all of the tools in our toolbox if we are going get back on track to achieve SDG1

This requires strengthening the impact of policies by both:

 Enhancing the evidence base of what works to reduce poverty

 But also supporting countries to use that evidence base to change policies

Projections of poverty until 2050 under different scenarios



Source: World Bank (2024). Poverty, Prosperity, and Planet Report. Pathways out of the Polycrisis.



THANK YOU

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