Impact evaluations: What, Why, and How
Suppose you need an operation and your surgeon is describing the procedure. What would you want to hear?

A. This is the first time I’m doing this. I’m really excited because I think it’s going to work so well. You’ll have great results.

B. This has worked beautifully on 10 patients in this hospital already.

C. Clinical trials suggest that patients receiving this procedure had much better outcomes than patients receiving alternative procedures.
Suppose a pharmaceutical company proposes a new drug for tuberculosis. What claim about effectiveness do you hope regulators are looking for?

A. During clinical trials, TB patients recovered faster with this drug compared to other drugs on the market, and no adverse side effects were detected.

B. A set of volunteer TB patients reported large increases in quality of life within a month of administration.

C. This drug has the potential to revolutionize TB treatment.
Double standard?

• Experiments already used extensively in medicine and industry

• Why shouldn’t social policy be subject to the same rigorous experimentation?
Impact claims are everywhere

• The information campaign is increasing take-up of health insurance.

• Increasing teachers’ salaries will improve their performance and help attract better teachers into the profession

• “Cultural backwardness” in these regions are making programs ineffective.
These claims should be evaluated....

...With the scientific method.

Why?

• Well-being of millions of lives at stake
• Opportunity costs of $$$ spent on programs is high
• Current investments should focus on activities that will generate high return
How do we know that a program or policy has had a real impact?

What would have happened without the program?
What would have happened without the program?

• Can never be observed
• Needs to be estimated
• Impact evaluations give us an estimate of how much the current situation differs from what would have happened in the absence of the program