In January 2017, you were appointed as the new regional manager of the Pomeranian voivodeship. You know that the ESF has an envelope of EUR 6 billion for the Youth Employment Initiative, and you are willing to submit a proposal to increase youth employment in the voivodeship.

Through a World Bank presentation, you’ve heard about the Staneva et al. (2015) study on the impact of youth ALMPs, and you want to implement a wage subsidy program: the WOW program Wage Opportunity in the VoiVoivodeship.

Through that same World Bank presentation, you learned that Impact Evaluation is very important and you want to estimate the impact of your program.

You decided that you wanted to implement a Randomized Control Trial at the gminas level, but the Ministry of Labor decides against randomization.

**Question 1**

Can you still evaluate the WOW program? What would your concerns be?
Case Study: Counterfactuals and Quasi-Experimental Methods

Objective: answer the question “does the WOW program reduce youth (15-24 y.o.) unemployment rates?”

You decide to call Beata, from UK’s New Deal for Young People’s (NDYP) program, and she tells you that she would implement the program on the whole voivodeship, and compare youth (15-24 y.o.) to jobseekers who are (25-30 y.o.).

Is that a problem for your evaluation? Why? Can you construct a counterfactual group?
Objective: answer the question “does the WOW program reduce youth (15-24 y.o.) unemployment rates?”

You decide to call another friend of yours, Ania, who works for the Ministry of Local Development, and she tells you that she would implement the program in the whole voivodeship and find a similar voivodeship where the program is not available.

Is that a problem for your evaluation? Why?
Can you construct a counterfactual group?
Can you improve that counterfactual group?