SHORT AND MEDIUM-TERM IMPACTS OF PUBLIC WORKS ON YOUTHS IN COTE D’IVOIRE

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Cote d’Ivoire Public Works Program: Objectives

- Emergency Youth Employment and Skills Development project (PEJEDEC) set-up in 2012 following the post-electoral crisis
  - Includes a public works component

- Employment as main objective of public works component:
  - Provide temporary employment opportunities to youths (short-term)
  - Facilitate transition into more productive employment upon exit from the program (medium-term)

- Secondary objectives:
  - Reduce youths’ risky behavior in post-conflict setting
  - Contribute to infrastructure/roads rehabilitation
Benefits and Targeting

- **Target group and coverage:**
  - 12,000 Youths (18-30)
  - 30% women
  - 16 localities throughout Côte d’Ivoire (urban areas)

- **Main Benefits:**
  - 6-month job, ~6h per day, 5 days a week
  - Youths work on road maintenance (‘brigade’ of 25 youths)
  - **Salary is minimum official daily wage:**
    - 2500 FCFA or US$ 4.5/day,
    - Approximately 55,000 FCFA or $US 100 per month
    - Paid on bank accounts

- Test of complementary training to facilitate exit from the program:
  - No complementary training (40 brigades)
  - Basic entrepreneurship/self-employment training (~100h) (45 brigades)
  - Training on jobs search and sensitization on wage employment opportunities (~ 80h) (45 brigades)

Impact Evaluation Design: 2-step Randomization (for 3rd wave of the program)

Public lottery to select participants among applicants

Randomized assignment by brigades
In the short-term…
(4-5 months after the start of the program)
In the short-term, little increase in overall employment… but strong shift into wage employment

- Small impact on overall employment (from 86% to 98%, +12 pp)
  - Only very small reduction of unemployment or inactivity
- Strong impact on **wage employment** (from 53% to 97%, +44 pp)
- But small decrease in self-employment and other types of employment (-9 pp)
In the short-term, significant increase in earnings… but only by a relatively small share of transfer amount

- Total monthly earnings increase from 60,000 FCFA to 81,000 FCFA (+21,000FCFA)
- Earnings gain as a ratio of transfers 21,000/55,000 = 37.5%
- Earnings gains contribute to higher expenditures (~+15,000/month) and higher savings (~+6,000/month)
Earnings increase much more for the vulnerable… but the less vulnerable benefit as much in terms of psychological well-being.
In the medium-term…
(12-15 months after exit from the program)
In the medium-term… there are no impacts on the level or composition of employment

![Bar chart showing employment levels and compositions for control and treatment groups.](image-url)

- **Employed**: Control and Treatment groups are nearly identical, with a small impact bar.
- **Wage Employed**: Similar to Employed, with slight variations.
- **Self-Employed**: Minor differences between groups, with minimal impact.
But medium-term impacts on earnings are observed

Significant increase in earnings: 5,600 FCFA, or 12% increase
Significant and substantial increase in self employment earnings: 6,200 FCFA, or 32% increase
Former participants are self-employed in slightly larger-scale activities
Increases in earnings come mostly from the group who participated in public works and self-employment training...

Caveat: differences in earnings between different treatment arms is not significant. Cannot formally say that one type of training is more effective than another.
The most vulnerable who gain most in the short-term also benefit the most in the medium-term...

Impacts on earnings

- Control
- Treatment
- Impact

Impacts on psychological well-being

- Control
- Treatment
- Impact
Did the program achieve its objectives?

▪ In terms of employment:
  ▪ Limited to changes in composition of employment in the short-term, no effects in the long-term
  ▪ Increase in earnings in the short-term (35%), but only small share of transfer (~37.5%)
  ▪ 12% increase in earnings in the long-term
  ▪ Program has more ‘safety nets’ characteristics than employment program characteristics?

▪ Secondary objectives:
  ▪ Youth’s risky behavior in post-conflict settings: Gains in psychological well-being, socio-emotional skills.
  ▪ Infrastructure rehabilitation: benefits not measured

▪ Main implications:
  ▪ Need to clarify core program objectives
    ▪ E.g. relative role in employment vs social protection policies
  ▪ Scope to improve the targeting
    ▪ Official minimum wage is too high for effective self-targeting
    ▪ The vulnerable benefit the most in the short and the medium-term. No trade-offs.
  ▪ Self-employment training seems to be the more promising “graduation” mechanism
    ▪ No value-added of jobs search training
    ▪ Medium-term earning gains come mostly from group benefiting from self-employment training