

Learning by doing

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For several decades now, the Indian government and a variety of donor agencies have promoted and implemented "livelihoods projects". These projects depend upon women's self-help groups, or SHGs, to raise living standards — particularly of the 25 crore rural poor. In 2011, the Indian government launched the Rs 38,000 crore National Rural Livelihoods Mission (NRLM), also known as Ajeevika (reportedly now being merged with the Mahatma Gandhi National Rural Employment Guarantee Scheme). It was expected to cover 7 crore BPL households in 600 districts. The scale of Ajeevika highlights a strong belief that it is an effective way to address persistent poverty and exclusion.

Such participatory interventions have seen a vast expansion around the world over the last decade. The World Bank alone has invested over \$85 billion. Much of this focus has been driven by ideological commitment and gut feel, and less by scientific, independent evidence on their efficacy.

This lack of attention to data needs to be urgently rectified. Participatory interventions, especially livelihood projects, are complex interventions because they rely on unpredictable human interactions. The best rural livelihood projects must therefore innovate as they go along — that is, constantly experiment and track success and failure with reliable evidence.

The social observatory approach to livelihoods projects is one way of addressing this issue. Drawing on a range of social science disciplines to create a culture of "learning by doing" within the project, it focuses on improved data collection, the involvement of independent outside researchers, a process monitoring system and an in-house capacity to conduct research with an openness to experimentation and learning. The aim is to balance long-term learning with quick turnaround studies that can inform everyday decision-making.

As things stand, there isn't one specific design for livelihood projects; they differ from state to state. At their core, however, they are based on the following idea: SHGs of 7-12 women are formed with an initial focus on savings and microcredit. Representatives from these SHGs are selected to form a village organisation to oversee SHG activities and, moving further up the hierarchy, into block and district level organisations. This federation of SHGs then becomes a highway upon which various "vertical" anti-poverty initiatives are rolled out.

At present, there are over 40 verticals in operation in various states. They include nutrition centres, SHG-managed PDS shops, skills and scholarship programmes, programmes for disability and mental health, systems of crop intensification and bank-linkage projects. The idea is to build a comprehensive system of participatory, women-centred initiatives to address rural poverty.

A social observatory approach is necessary to realise the full potential of this idea. The reason is that livelihoods projects hinge on the ability of human beings to mobilise and cooperate. This is not always an easy task. Villages have a fractal level of variation in their ability to foster cooperative behaviour because of differences in social norms, patterns of inequality, local politics, geographic variation and levels of literacy. Assuming that a process that works well somewhere can be adopted everywhere can be both inefficient and ineffective.

All effective attempts to mobilise people towards larger ends — from the Independence movement to the work of organisations like Sewa, for example — have worked because they were open to self-criticism and to learning from failure. Government projects, unfortunately, tend to be driven by bureaucratic imperatives with data used more to burnish the project's reputation or to respond to the external scrutiny of donors. Little, if any, attention is paid to the collection of high quality, verified, monitoring data to improve project implementation, and even less to scientifically valid impact evaluations.

A social observatory can rectify these problems. The difficult but not insurmountable challenge is to implement it within government programmes facing low levels of literacy and vast numbers of beneficiaries.

Consider two examples. The first is from **Tamil Nadu's Pudhu Vaazhvu project** where the monitoring system draws on an annual profile of SHG members that collects basic demographic and asset information. This is supplemented with monthly data on credit and savings behaviour. The data is entered into a computer within the village itself and verified by community members. It is then dispatched to a central database where it is made available for analysis via simple dashboards given to community members and project staff from the lowest to the highest level.

Decisions in **Pudhu Vaazhvu** are, therefore, made on the basis of valid, real-time data. These quantitative data are supplemented with a thorough system of qualitative process monitoring where an external firm assesses implementation challenges on a quarterly basis in a rotating sample of villages. These quarterly reports are discussed widely within the project through feedback sessions and play an important role in decision-making.

The second example is from Bihar's Jeevika project. Here, an in-house team recently assessed the extent to which the presence of SHG groups improves MGNREGA performance, and where SHG-controlled PDS shops are more likely to be consumer-friendly and efficient. In both cases, they found positive results, with some room for improvement. Jeevika is also working with a team of academics to conduct a comprehensive evaluation to test whether forming SHG groups

and village organisations empowers women and improves living standards. This evaluation is based on a randomised controlled trial, and integrates survey-based econometric research with in-depth ethnographic work. Moreover, behavioural economists are studying aspects of women's agency that are difficult to measure, such as changes in levels of intrinsic bias against women and the extent of a woman's ability to influence household decision-making. Researchers work closely with project staff to ensure that the questions being studied are relevant to the project and findings are regularly discussed with staff.

Over the years, the social observatories in these states have evolved to address the gaps in participatory development work. These projects have developed a more open and evidence-driven approach to decision-making, which has required collaboration between government staff, computer systems experts, and economists and sociologists.

Participatory development is potentially valuable if done the right way. As a non-dogmatic integration of analysis and action, the social observatory approach can help livelihood projects to have a transformative effect on rural poverty.

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