



Information, Role Models and Perceived Returns to Education Experimental Evidence from Madagascar

Author(s)	Trang Nguyen
Contact	tnguyen16@worldbank.org
Country	Madagascar
Organizing Theme	Education and Skills, Voice and Agency
Status	Completed
Intervention Category	Information Intervention
Sector	Education
Abstract	<p>This paper shows that increasing perceived returns to education strengthens incentives for schooling when agents underestimate the actual returns. I conducted a field experiment in Madagascar to study alternative ways to provide additional information about the returns to education: simply providing statistics versus using a role model—an actual person sharing his/her success story. Some argue that role models may be more effective than providing statistics to a largely illiterate population. However, this proposition depends on how households update their beliefs based on the information the role model brings. Motivated by a model of belief formation, I randomly assigned schools to the role model intervention, the statistics intervention, or a combination of both. I find that providing statistics reduced the large gap between perceived returns and the statistics provided. As a result, it improved average test scores by 0.2 standard deviations. For those whose initial perceived returns were below the statistics, test scores improved by 0.37 standard deviations. Student attendance in statistics schools is also 3.5 percentage points higher than attendance in schools without statistics. Consistent with the theory, seeing a role model of poor background has a larger impact on poor children's test scores than seeing someone of rich background. Combining a role model with statistics leads to smaller treatment effects than statistics alone, also consistent with the theory. The key implication of my results is that households lack information, but are able to process new information and change their decisions in a sophisticated manner.</p>
Gender Connection	Gender Informed Analysis
Gender Outcomes	School Achievement, School Attendance
IE Design	Clustered Randomized Control Trial (Clustered at school level)
Intervention	<p>All participating schools organized a parent-teacher meeting. There were two different treatment arms during the parent-teacher meeting. First, in the "statistics" intervention, parents were informed about the average returns to education in Madagascar. In the "role model" program, three types of role models shared their experience at treated schools, people who started out at low income and went to medium income, people who started out at low income and went to high income, and people who started high and went high. These role models spoke about 20 minutes to share their life story and then answered questions from students.</p>



Intervention Period	39114
Sample population	The study consists of 640 public primary schools in 16 districts in rural Madagascar. Students in grade 4 were treated. On average, there are 30 4th graders per school.
Comparison conditions	There were 8 different groups that consisted of the statistics intervention, role model interventions and their combinations and a control group.
Unit of analysis	Student Level
Evaluation Period	February 2006-June2007
Results	The statistics intervention significantly increased average test scores by .2 standard deviations. Improvement was greater for students whose initial perceived returns were below the statistics. On average the role model has very small effects. The role model from a poor background had a significant impact on scores, but the role model from a rich background had no significant impact.
Primary study limitations	The paper presents only short term results. It would also be helpful to collect outcome data of other children in the same school to capture spillover effects.
Funding Source	World Bank, TOTAL Fellowship, Madagascar Ministry of Education, UNICEF, AFD
Reference(s)	Nguyen, T. (2008). Information, role models and perceived returns to education: Experimental evidence from Madagascar. Unpublished manuscript.
Link to Studies	http://www.povertyactionlab.org/sites/default/files/documents/Nguyen%202008.pdf
Microdata	