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Deutsches Institut für
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Nobel Prize in Economic Sciences 2019

**The commendation of experimental
designs are well-deserved yet there is
still a lot to do**

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The Current Column

of 9 December 2019

The commendation of experimental designs are well-deserved yet there is still a lot to do

Bonn, 9 December 2019. Yesterday, Abhijit Banerjee, Esther Duflo and Michael Kremer held their Prize Lecture in Stockholm after being awarded the Nobel Prize in Economic Sciences. The Royal Swedish Academy of Sciences honoured them “*for their experimental approach to alleviating global poverty*”. These scholars are at the forefront of an experimental revolution and have had an undisputable impact on development, as a research and policy field. However, the nomination has stimulated a heated debate in the broader public and development community.

The laureates are particularly well known for advancing the use of a specific approach for evaluating the impacts of policy interventions, namely randomised controlled trials (RCTs). Widely applied in medical science, its distinguishing feature is that it exploits ‘randomness’ to assess impact. In its most basic design, potential beneficiaries of an intervention are randomly assigned either to a treatment or a control group. Persons in the treatment group are then exposed to an intervention, for instance, receiving a social cash transfer or a malaria net, while the control group is not. Assuming that there are no other significant pre-existing differences between the groups, the diverging outcomes between them after the treatment can be attributed to the intervention. The rise of RCTs has been crucial to base development policy on more rigorous evidence in various fields, so the Nobel Prize is certainly well deserved.

Mixing methods to know *if* and *why* it worked

Methodologically, however, RCTs’ ability to answer important policy questions has limits. In order to measure the effect of more complex development programmes or their underlying mechanisms, it is necessary to apply mixed methods approaches. Additional qualitative insights can e.g. shed light on *why* a programme had an impact or not, rather than simply stating *whether* it had one. Additionally, it is important to consider systematically if the alleged impacts hold true beyond the context of the study and in the long term.

Increase the direct and indirect impact of RCTs

The potential impact of RCTs is commonly underused. On the one hand, this refers to their direct impact on decision-making. On the other hand, also indirect effects which can arise during implementation (such as capacity-building spillovers for partners) are often not fully exploited. Although very

successful examples exist, there is a broadly shared sense among practitioners and researchers that, on average, RCTs do perform below the expectations they generate. To fully harvest the potential of RCTs, researchers should engage more systematically and strategically with policy early in the process. This requires researchers and policy-makers to jointly conceptualise and plan RCTs. Moreover, they must openly discuss expectations and reservations towards the method to assure that there is a common understanding and vision of the project including planned use of the evidence.

Develop and apply ethical standards

The ethical complexities associated to RCTs in development studies have not yet received sufficient attention. Randomisation, as a method, has been ethically contested: At first glance, randomly assigning people to treatment and control groups seems fair. However, such a procedure fails to consider need due to individual vulnerabilities within the target population (such as poverty or existent illnesses). Randomisation also implies that a treatment – expected to be beneficial – is intentionally not provided to a group, which can be deemed unethical. While attention to ethical dilemmas with regard to safeguarding and protecting study participants is increasing, the issue is certainly not resolved. Particularly, ethical challenges faced by local and international research staff, such as threats to physical and emotional well-being, are often ignored and do not receive the attention they deserve.

Overall, Abhijit Banerjee, Esther Duflo and Michael Kremer have championed a remarkable shift in development research. They initiated a methodological revolution in development economics by applying RCTs to development questions. They also contributed to institutionalise and professionalise the practice of rigorous impact assessments, by setting up organisations such as the Abdul Latif Jameel Poverty Action Lab. They have also not shied away from the policy world, but instead have proactively approached and engaged with it. This has been rightly recognised with the Nobel Prize. Still, as it is always the case with great ideas, there remains room to improve RCT practice. The aspects we indicate here are the areas we consider most pressing and promising. It is our task as development community to continue building jointly on the contribution of the laureates and address these gaps.