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Launching Basic Income in Madhya Pradesh

In social science, there is no perfect methodology for evaluating social policies. Some methods are better for analysing direct effects, others for considering the wider implications, and some are valuable for gaining insights that could not be anticipated adequately beforehand. The optimum is a combination of approaches. But whatever approach is adopted, the most important features are transparency and bias.

In practice, most approaches contain biases, and it is rare for even the designers to be aware of all of them or indeed to be able to describe them. All one can do is present what has been done and leave it to a process of replication and refinement by others in the wake of each project.

The pilots on which the following analysis is based began with preparatory work in 2009–10. In the end, in Madhya Pradesh, one of India's most backward regions, two pilots were implemented. The bigger pilot involved payment of a monthly basic income to every man, woman and child in eight villages, whose subsequent experience was compared with what happened in 12 similar villages, called 'control' villages. The smaller pilot involved a basic income paid to everybody in one tribal village for 12 months, with evaluation done by comparing what happened in another similar tribal village where nobody was paid the basic income.

In recent years, the idea of pilots has become globally popular. In India, some commentators or planners use the term to describe the first phase of a roll-out of a policy that has been already decided, and the term 'trial' to describe what we call a pilot.

Ideally, pilot schemes have practical advantages. They enable local governments and donor agencies to test a policy without an alarming or dispiriting cost. They can help educate observers in the potential of new ideas, and help identify administrative and design conditions that should be satisfied if the policy were to be scaled up to state or national level (Standing, 2013).

The two pilots were partially inspired by two previous pilots. They were:

The Namibian Basic Income Grant Pilot: This was a small-scale experiment. An unconditional monthly basic income was given to everybody in a rural area where over 20 per cent were infected with HIV/AIDS and 25 per cent with TB. The experiment showed improved nutrition, school attendance and performance, better health and increased economic activity. That women were motivated to capitalize on the positive impacts of the intervention was evident in their picketing liquor shops to prevent men from spending their basic income on alcohol.

The Delhi ‘Choice’ Pilot: This was a small pilot in an urban slum in West Delhi, conducted by SEWA in partnership with the United Nations Development Programme (UNDP). Respondents were given the choice of continuing to receive the subsidized ration shop produce or a monthly cash payment of equivalent value. The pilot showed that those who opted for cash tended to have better nutrition, and they increased spending on healthcare. During several rounds of evaluation, many of those who initially took the rations expressed a desire to switch to the basic income.

Building in agency

Unconditional cash transfers are usually piloted where other social policies and schemes are already running and where various forms of ‘Voice’ or agency are already operational. A pilot social policy should take account of agency effects. These vary. Always the group provided with a ‘treatment’ has some agency, which may vary in different communities. The agency may exist before the experiment or emerge during or as a result of it. In other words, agency may be exogenous or endogenous or both.

In the Namibian pilot, agency was endogenous, in that within months of starting, the villagers formed an advisory committee to advise villagers how to use their money rationally and to defend themselves against anybody inclined to take advantage of them. To what extent did that affect the outcomes? The research team believed the effects were positive, but could not tell how important they were.

Other cash transfer schemes have picked up a positive effect of agency, as in Nicaragua, where in areas with a high number of ‘community leaders’ the effects

were stronger (Macours and Vakis, 2008). That is only one type of agency that could be tested in a pilot.

When pilots are scaled up it must be recognized that the most vulnerable may be excluded or exploited. Combating vulnerability requires the capacity to exercise effective 'Voice' in their defence. This leads to thinking that a basic income would work optimally if those receiving it had individual agency and some form of collective Voice to represent and defend their interests.

In the Indian pilots, the research team adopted a rare methodology. It first identified a Voice mechanism, namely SEWA, and reasoned that the basic income would have more impact on behaviour and attitudes in areas where it was operative, other things being equal.

This allowed the team to test the hypothesis that basic income with Voice works 'better' than basic income alone. To pre-empt a concern, note that the questionnaires in the baseline and subsequent evaluation surveys allowed identification of other forms of agency that might have existed before the pilot or that emerged during it. Although SEWA was the Voice organization, and the project's coordinating body, the design of the main pilot was shaped by independent experts.

Determining entitlement to the basic income

One of the hardest tasks in designing the pilot was determining who should, and who should not, receive the basic income. Some pragmatic rules had to be applied. The main rule adopted was that all men, women and children listed in households as usually resident at the outset were entitled to it. But that was insufficient, as decisions had to be made on entitlement by anybody entering the household or establishing a household after the start of the pilot.

Any member of a recipient household who subsequently moved within the village or who set up an independent household in it continued to be entitled to the basic income. Any baby born after the pilot began was entitled, as were newly married women who came into recipient households.

However, migrants entering the villages independently were not entitled to the basic income, which meant that in a few cases households and individuals were excluded, although they were recorded as residents.

Calculating the amount

On the amount to be paid as a basic income, there is no golden rule. Some proponents would argue that it should be set to equal basic subsistence, equivalent to the official 'poverty line' income. But it was decided to set the level as enough to make a difference to living standards but not enough to improve them considerably. As such, it was set at about 30 per cent of the income of lower-income families.

The calculation was made in 2009 when the project proposal was submitted. According to figures available then, the poverty line (PL) was Rs.327 per capita, or Rs.1,635 a month for a family of five. Vulnerable families, as defined in the National Commission for Enterprises in the Unorganized Sector (NCEUS) report, were those whose per capita expenditure was less than twice the PL, that is, below Rs.3,270. The share of families below the poverty line in Madhya Pradesh was 31 per cent; the share consisting of vulnerable families was over 50 per cent. The PL figures, however, were based on the 2004–5 round of the National Sample Surveys (NSS). We estimated a 30 per cent increase due to inflation from 2009 to the start of the project. So, the estimated expenditure for vulnerable families was below Rs.4,350 per month.

The amount of the basic income was calculated to be Rs.700–800 per family (depending on the number of children and adults). For those at Rs.4,350 – that is, the maximum income in the vulnerable group – the basic income was less than 20 per cent of expenditure. But for those at the poverty line, it was about 30 per cent. So, an amount of Rs.200 per adult and Rs.100 per child was paid each month from June 2011 to May 2012. Then the monthly amount was increased by 50 per cent to adjust for inflation. The revised amount of Rs.300 per adult and Rs.150 per child was paid up to November 2012.

The modified randomized control trial

The pilot's design was intended to allow comparisons between what happened in villages and households where residents received the basic income and similar villages and households where nobody received it. Both types of village were to be selected randomly from a set of villages with similar characteristics.

It was decided not to select randomly *within* villages. If the objective is to test a medical treatment, it is feasible to randomly select individuals, who might be living next door to one another or be in neighbouring beds. And to overcome

the risk of psychosomatic effects in such experiments a placebo can be administered to a third of the sample. Then one can compare outcomes by matching pairs of otherwise similar individuals from the three groups.

However, for a social policy pilot, when moral and behavioural adaptation considerations come into play, one cannot proceed in that way. For instance, if the pilot gave cash to one household and not to its neighbour, resentment would be probable; either sharing would take place or some form of retributive justice would be exacted. This is why the pilot restricted randomization to the village level.¹

Independence of research

To respect the integrity of research, all instruments used for evaluation were designed by an independent economist, and all enumerators were recruited from colleges near Indore, without prior knowledge of the project.

The sample of villages was selected randomly from a list of similar villages and the sample was drawn by an independent body. The methodology was reviewed in workshops beforehand, at which independent specialists participated.

Finally, it was stipulated that no SEWA activity should be initiated in non-SEWA villages during the project. In SEWA villages no information was to be given to anybody about expected or desired outcomes. Apart from that, it was regarded as a part of the test of Voice to allow SEWA's normal activities to continue. After all, that was the idea behind the project.

Selecting the villages

The general village pilot and the tribal village pilot were undertaken in Indore District in Madhya Pradesh (for details, see Jhabvala et al., 2014). Eight villages were selected for receipt of the basic income, 12 others as control villages. All had to be roughly similar in size, the intention being to choose randomly from a universe of villages with similar socio-economic structures, roughly equidistant from an urban centre, Indore. All had to have close proximity to a public primary school.

It was decided to draw a sample of villages of about 100 households each, and to try to ensure that the basic income and control villages should be about the same size on average. The pragmatic reasons for selecting villages of that

size were budgetary restrictions and a view that 100 households was roughly the average for small Indian villages. The villages were designated as non-tribal, since tribal villages are more homogeneous in terms of demographics, economic activities and social hierarchy. So, villages from which the 20 were drawn were selected from those having a non-tribal share of the population of over 50 per cent.

The filtering produced a sample of 50 villages (20 SEWA, 30 non-SEWA), which were identified by an independent group.² There had to be at least ten villages for each stratum (SEWA and non-SEWA). This resulted in a cluster of 12 similar SEWA villages and a cluster of 15 similar non-SEWA villages. Ten villages were randomly selected from each cluster. The final step was to select randomly four villages from each set of ten for entitlement to basic income, leading to eight in the basic income group, 12 in the control group.

Some village differences were bound to show up. However, the 20 villages did have fairly similar structures in terms of access to amenities and services, such as schools, medical facilities and shops. The mean average distance to the nearest ration shop was 3.1 kilometres for the basic income villages, 3.0 for the control group. The mean average distance to a *pucca* road was 1.5 and 1.0 kilometres respectively.

Household identification

The concept of a 'household' is not as obvious as many commentators presume. It can be defined by usual residence or by actual residence at the time of enumeration. Neither definition is ideal. It was decided to adopt a conventional approach, defining a household as consisting of those sharing a common, independent kitchen. Membership was defined as those *usually* residing in the household, i.e. usually sleeping there for at least four nights a week.

In any project lasting a considerable time, one must allow for changes in household formation and dissolution. Again, pragmatic rules must be applied. New households were allowed after the pilot began only if members had been members of enumerated households at the outset. So, if in basic income villages, they were entitled to continue to receive the basic income. In addition, babies and newly married women entering the village were not just added to the household roster but were entitled to the basic income.

Sample size

Determining the sample size was a tricky issue, as the number living in a village typically fluctuates, so the number receiving the basic income will vary as well. Pragmatic decisions had to be made on what criteria should be used to identify who should be included in any household. In the general villages, at the outset, there were 4,874 individuals eligible for the basic income, according to the baseline survey. But others came forward at the launch, or just afterwards, saying they had been excluded. They were added, and their basic income backdated. There were 673 of those, which increased the number to 5,547 eligible to receive the basic income.

In June 2011, 3,670 people received the basic income. Of those, 2,740 received cash by hand, and 930 had the money paid into their bank accounts. That left 1,877 who were eligible but not receiving basic income in the first month, for a variety of reasons. About 220 refused to accept the basic income. The remainder received the payments for that month retrospectively. Some of the 220 who initially refused came back and asked to be included in the list. Counting recipients and control villagers, 11,231 individuals in 2,034 households were covered by the evaluation surveys, 938 households receiving the basic income.

The Awareness Day

At the outset, a baseline survey was conducted in all villages. People were not informed of its purpose. Afterwards, eight villages were randomly selected to receive the basic income, and 12 others selected as control villages. The process of informing villagers was through what we called an Awareness Day.

On the day, at a public assembly in each village, residents were informed of the purpose, with UNICEF and SEWA being named. The pilot was described as an experiment designed to understand the impact of cash transfers. The villagers were told that the payments were unconditional, and that they could be spent on anything they wished. The basic income would be transferred to bank or cooperative accounts without middlemen. In SEWA villages, the SEWA Thrift and Credit Cooperative Society team would come to open accounts for women. For others, SEWA would assist in opening accounts in the nearest bank.

The reaction of some people was disbelief. There were questions about motives, and incomprehension on the part of some about why there were no

conditions. Being careful to avoid any promises, the team explained that results would be presented to the government, and might evolve into a policy.

Financial facilitation

A feature of the larger pilot was that cash would be transferred into a bank account. The biggest challenge was to prepare conditions needed for this, which meant liaising with banks. As most households did not have accounts, this was a major exercise. It was also part of the pilot design that for women in SEWA villages, accounts had to be opened in the SEWA Cooperative. For others, including women in non-SEWA villages, accounts had to be opened in banks. It was decided that until all recipients had a reasonable chance to open an account, the basic income would be paid by hand. Three months was allowed for this. From June 2011, cash was distributed to those eligible who did not have a bank account and for others money was transferred into their accounts.

The cash transfer team faced difficulties that would dog any such effort. The first was the problem of establishing the identity of residents and gathering documentary proof that the money was going to the right person. Establishing identity proof was the main obstacle to opening bank accounts, as most villagers, certainly the poorest, rarely had documentary proof of who they were. The team overcame this by distributing the cash in the presence of a government official or *sarpanch*, who signed affidavits certifying that the cash went to the right beneficiary.

Shortly after the physical transfer of the cash began, the monsoons arrived. As cars could not reach four of the villages, the team went on foot. By August, three villages were cut off; the rest were hard to reach. One village, surrounded by a river, is particularly hard to reach in monsoons as there is no bridge; villagers cross the river on a small ferry pulled by a rope. When the water was shallow, the team carried the cash boxes on their heads and walked through the river. When the water was rough, they risked losing their cash boxes. After crossing, the ordeal was not over because the road to the village was a *kutchra* (mud-based) one.

The process of opening accounts began in May 2011, ending in August 2011. In SEWA villages, the task was undertaken by SEWA organizers; in non-SEWA villages it was done by a team appointed and supervised by an outside body.

The result was that within a few months, 98 per cent of households were receiving basic income. Though identification of household members was based

on their status as usual residents, some households felt this excluded some members. While 66 per cent of households reported that all in their households had received basic income for 12 months, 33 per cent said that some but not all members had received it.

The most common reason for not receiving the cash was that the person's name was not on the list of the entitled; 42 per cent who did not receive it gave this reason. Possibly some whose name was reported to be missing were actually ineligible, due to the definition of a household. The second most common reason was not having a bank account; over 22 per cent of those who did not receive the cash cited that reason, while over 17 per cent had banking difficulties, such as a wrong account number.

In sum, about 7 per cent of the total village population did not receive the basic income due to being unable to open a bank account and 5 per cent did not receive it due to banking difficulties.

'Door-step banking' may be the most promising mode of banking for rural dwellers. A recipient of a basic income would not need to travel a long way, or depend on efficient service, or require bank staff to be cooperative. This is the most desirable way to extend access to financial services. In that regard, SEWA's Cooperative could reach people more easily than the banks, whose much-publicized 'business correspondents' were non-existent.

Having gone through the difficulties with the banking system, in the tribal pilot, which started six months later, a different strategy was adopted. To ensure that money reached recipients' hands every month, the stipulation that money should be transferred only through a bank account was relaxed. All were given the money by hand.

Getting off the ground

Pilots that involve social change often flounder soon after they begin. Experiments rushed into effect can lead to backlashes due to misunderstandings and suspicion about motives. After all, they are not done in the controlled atmosphere of a laboratory. A new idea risks facing resistance that may be ideological or born from suspicion and fear. SEWA's Delhi 'choice' pilot faced such ideological opposition and had to deal with attempts to derail it. Other pilots, such as the government's in Kotkasim, received adverse publicity because the initial process was mishandled, and similar experiments in Bihar by private research agencies stalled due to local opposition.

The Madhya Pradesh pilot faced suspicion from some villagers who believed that nobody would hand out cash without a motive, wondering if the pilot was an attempt to dupe them and take their land. Some well-off farmers were worried that cash coming into the village would change behaviour and reduce labour supply at harvest time. The tension was more acute in non-SEWA villages, as SEWA could not intervene for the sake of the experiment.

As noted earlier, some people refused to take the basic income and needed to be individually convinced. They were mainly rich farming families, who typically said they did not need the money, did not want to open bank accounts, or that taking 'free money' was against their religion (Brahmins being unable to accept cash). However, most were persuaded to change their minds and to regard the experiment as useful. The change of mind among women is considered in a later chapter.

The evaluation process

The main way by which the impact of the basic income was assessed was through a baseline survey or census conducted before the pilot started, followed by an Interim Evaluation Survey (IES), set to be done half-way through the pilot, and a Final Evaluation Survey (FES) done at the end of the pilot. To complete the statistical approach, a Community Survey was done at the beginning and end of the pilot, and a Post-Final Evaluation Survey (PFES) was done in several villages some months after the end of the pilot. In addition, detailed information was collected for one hundred case studies of families, and specialist information was collected from designated key informants.

The baseline survey was a census of all households, in which information was gathered on household characteristics and on the behaviour and status of household members. Much of the implementation was contracted out to a research institute, which proved unfortunate. It was important to ensure that as many women as men were interviewed. Because those conducting the baseline survey focused on interviewing household heads, no less than 86 per cent of primary respondents were men. This failing was largely rectified in the evaluation surveys.

The questionnaire used for the baseline rested on three pillars – a household roster, a set of modules on key subjects and a questionnaire addressed to mothers of young children. The roster contained standard demographic and social characteristics of all household members, with a question to ensure that

all household members, including anybody temporarily away, were included. The modules covered living conditions, health, healthcare, nutrition, schooling, consumption, production, assets, and access to and use of government schemes. The questions addressed to mothers related to their children's nutrition and schooling.

In a project of this type, questions on behaviour and attitudes necessarily rely on asking respondents for actions in the past. So, a decision must be made in each case on what period to cover and what length of reference period should be chosen.

On some issues, a long reference period would raise reliability issues. For other matters, the event would be sufficiently rare or memorable that one could expect memory recall problems to be slight. Thus, one could not expect somebody to remember what he or she was doing a year ago, except vaguely. But one could be more confident that they would know when a relative died or was hospitalized.

For work activity, a one-month reference period is much better than a full-year period, since main and secondary activities vary over 12 months. In all cases, some reference period must be applied, and be presented in the resultant tables and figures.

An important preliminary in a project such as this is 'pre-piloting' the instrument to be used for collecting the information. This is sometimes overlooked. Members of the research team conducted field interviews with drafts of the questionnaire for the baseline survey, doing so in villages that were not those selected for the basic income or control villages. Pre-testing was done in stages, by the questionnaire designers, then by others to determine whether the questions worked and could be understood by enumerators.

It was regarded as important to select and train competent enumerators and supervisors. For this, a training manual was prepared in English and Hindi. For all the surveys, after the initial training, enumerators conducted one round of interviews, after which there was a review of any difficulties encountered. Initially, pairs of enumerators conducted single interviews, to ensure they understood their task and could gain confidence in undertaking it.

For the baseline and evaluation surveys, teams of enumerators were recruited from colleges around Indore. Enrolment in an undergraduate course, preferably in the humanities, was the minimum requirement. Five members of the research team conducted the training, which included fieldwork etiquette, conceptual clarification on the meaning of key terms, definitions of government schemes and related matters. Crucially, the enumerators were not

informed of the objectives of the survey, to prevent them telling respondents and to limit the tendency to be side-tracked in conducting what were lengthy interviews.

The Interim Evaluation Survey

The first evaluation was conducted via an Interim Evaluation Survey (IES), initially called the Midline Evaluation Survey, except that it had to be delayed, largely due to weather and a local health epidemic. It was conducted eight months after the start of the pilot.

Due to the logistical problems, the IES was made into a sample survey. It was also decided to add more focus on issues of implementation and financial inclusion, including challenges of take-up. The questionnaire also covered substantive issues, with modules on health, use of healthcare services, schooling, consumption and economic activity.

The IES was conducted in four basic income villages – two SEWA, two not – and in four control villages – again with two SEWA, two not. In each village, a random sample of 50 per cent of households was surveyed. Two respondents were selected randomly from each household, one man and one woman. In sample surveys, this is still a rare procedure, and it is one we recommend whenever attitudinal information is sought.

The Final Evaluation Survey

Because of concerns over the quality and comprehensiveness of the baseline, it was decided to make the Final Evaluation Survey (FES) more detailed. Built into the questionnaire was a series of *retrospective* questions. Recall dependability inevitably arises in such data. That in itself necessitates making questions more impressionistic than purists would wish. But this objection can be over-emphasized, since precise questions do not necessarily elicit better data than slightly vaguer questions.

Be that as it may, the FES became the primary evaluation instrument. It covered all subjects and questions included in the baseline, although changes were made in the formatting and in the sequencing.

After a four-day training of supervisors and enumerators and a two-day refresher course, the team went into the field. Most modules were addressed

to the main respondent, but the consumption one was addressed to the main female respondent. The survey took a little over six weeks to complete.

The Post-Final Evaluation Survey

At the end of the pilot, it was decided to re-visit several villages where the basic income had been paid, to find out the recipients' reflective views. The questionnaire for this took account of findings from the IES and FES. The Post-Final Evaluation Survey (PFES) was conducted in two basic income villages, in which all adults were interviewed, 732 in total. This was carried out in December 2012 and took two weeks of fieldwork.

Besides a household roster, the PFES questionnaire had modules of questions on perceptions of basic income transfers, debt and spending, income, work and economic activity, and access to and use of government schemes, with a special section addressed to those with disabilities or chronic illnesses.

Community Surveys

To complement the household surveys, a Community Survey was conducted in all 20 villages, at the outset and at the end. The main intended uses of community-level data were to determine whether there were structural differences between villages, which should not arise if the sampling methodology was perfect, and to create macro-level measures for use as control variables in multivariate analysis.

The Community Survey questionnaires were designed to show the socio-economic structures of the villages and changes as perceived by key informants, designated as people of authority, such as *sarpanchs*, *panchayat* secretaries, *anganwadis*, doctors and school teachers. Besides covering infrastructural matters, such as access to roads and social amenities, the questionnaires covered demographic issues, including infant and maternal mortality, women's social and economic position, and interactions between castes.

In brief, while there was some variation in population size of the villages, the average was similar. Most had primary schools nearby, with longer distances to a secondary school.

The research team also collected additional data from community figures, notably *anganwadis*, shopkeepers, *sarpanchs*, doctors, SEWA village leaders

and school teachers. These data turned out to be more useful than anticipated, particularly statistical data gathered from their records, including records of children's performance in schools.

Perhaps most importantly, data were collected from *anganwadis* on the weight and age of children in the villages. Such data are supposed to be kept by all *anganwadis*. We had to bear in mind that they might exaggerate the nutritional status of children in their charge. However, we were careful not to stipulate why we wished to collect the data and made it clear that we had collected our own data on the same subject.

Case studies

Although primary emphasis is placed on data from household and individual surveys, a supplementary part of the project consisted of case studies of families. Over a period of a year, precisely one hundred were conducted. Many families were visited several times in order to collect all the desired information.

Case studies are useful supplements to statistical evaluation, but are also valid tools for probing issues of causality and the difficulty of fungibility of money. The project undertook structured interviews of basic income recipients – a majority being women – with seven modules of discussion followed by a section on the basic income. The seven were sources of income and patterns of expenditure, food and nutrition, illness and health, education, savings and debt, and work, employment and farming. Case studies were done in 12 of the villages – including eight basic income villages.

Interviews were conducted by a team of eight enumerators hired for the purpose but not employed by SEWA. The main fieldwork was conducted in March–April 2012, nine months after the start of the larger pilot. Follow-up interviews were conducted three months after the end of the pilot, in July 2012. These showed a positive interruption effect, in that many villagers expressed appreciation for what they had gained and for what they had lost through the ending of the payments.

The tribal village pilot

After the larger pilot was launched, it was decided to conduct a pilot of one tribal village, recognizing that tribal villages are more homogeneous in terms

of social profile. This pilot was partly due to a proposal by a senior official of the Madhya Pradesh government, made in a meeting in which he expressed frustration at their inability to reach tribal areas effectively.

Accordingly, one Bhil (scheduled tribe) village was selected for receipt of the basic income, drawn randomly from a list where SEWA had been operating. Another Bhil village with similar structural features was selected as the control village. Both were in the Mhow *taluk* of Indore District. Although the resultant number of households was modest – 127 with 756 individuals in the basic income village, 97 with 817 individuals in the control village – it was felt that this could provide valuable additional analysis.

In the basic income village, almost every household owned between two and four bigha of land. The village is perched on hilly terrain near Choral dam, about 23 kilometres from Mhow and 70 kilometres from Indore city. The control village was six kilometres away.

As mentioned earlier, in order to restrict the experiment to the impact of basic income alone, the research team gave cash to individuals each month, avoiding the problems of setting up accounts. Whereas the SEWA Cooperative opened accounts for women, men were given cash in hand. This ensured that money reached every household every month.

The basic income was Rs.300 a month for each adult and Rs.150 for each child. The children's money was transferred to the mother's account. The basic incomes started in February 2012 and ended in January 2013. The number of recipients was 756, and the total transferred to the village was Rs.19.45 lakhs (nearly Rs.2 million). The average amount received by each family was Rs.15,315 annually, or Rs.1,276 monthly.

During the pilot, three surveys were done in the two villages. The baseline survey was conducted in January 2012, the Interim Evaluation Survey in July 2012 and the Final Evaluation Survey in January 2013. In addition, 20 case studies were conducted in the villages. A short Community Survey was also conducted at the beginning and end.

Concluding remarks

In sum, over the three years covered by these pilots, including the Delhi pilot, 5,850 men, women and children received monthly basic income payments for a year or more. The methodologies to evaluate the effects were exploratory in themselves. What readers must judge for themselves are (i) whether or

not the combination of methods chosen provides a convincing analysis and a convincing narrative, and (ii) that as little bias as possible is involved. One objective has been to make the analysis as transparent as possible, backed up by findings from more than one methodology, recognizing that no project such as this can ever avoid mistakes of omission or commission.

Notes

- 1 The main reason for randomization is to deal with what is called selection bias. The technique should enable researchers to control for independent effects of environmental factors common to the ‘treatment’ and ‘non-treatment’ samples. But, to reiterate, randomized control trials (RCTs) are only one of a range of acceptable methodologies, some of which are better for evaluating processes. RCTs are best for evaluating ‘low-hanging fruit’, i.e. direct treatment effects. For an excellent critique of randomization, see Deaton, 2008.
- 2 A clustering procedure used a binary similarity coefficient measure for locating matches. Taking village-level variables from secondary sources, clustering was done by using five variables – proximity of a secondary (middle-level) school, registered doctor, distance and access to a *pucca* road, bus connectivity and a PDS ration shop. A similarity coefficient gives the proportion of matches between two observations. Therefore, for each village, similarity coefficients for every other village could be obtained from the dataset. For operational purposes, a cut-off of 70 per cent on the similarity coefficient was kept, so that two villages were judged similar (hence included in the same cluster) if the value of the coefficient for them was greater than or equal to the cut-off. For further details, see the SEWA-UNICEF report (Jhabvala et al., 2014).