

## Examining Preferences for Inclusive Decision-Making in Bangladesh

**Sector(s):** Political Economy and Governance

**J-PAL office:** J-PAL South Asia

**Location:** Bogra, Bangladesh

**Sample:** 171 villages

**Target group:** Rural population

**Outcome of interest:** Citizen satisfaction

**Intervention type:** Community-driven development

**AEA RCT registration number:** AEARCTR-0002709

**Partner organization(s):** NGO Forum for Public Health

Strong, inclusive governance structures are an important pillar of sustainable economic development. However, there is little evidence on how participatory governance structures evolve as people gain more exposure to such inclusive institutions. In Bangladesh, researchers evaluated how temporary exposure to a community driven development program altered citizens' preferences for inclusive, participatory approaches to decision-making. In this context, exposure to participatory decision-making increased the value that communities assigned to such participatory processes but did not translate into increased adoption of inclusive institutions.

### Policy issue

Strengthening governance through the adoption of democratic, participatory institutions has become a fundamental priority for many countries worldwide as a pathway for supporting broader economic development and prosperity. While participatory approaches have been widely evaluated, important questions remain unanswered, including whether exposure to such inclusive, democratic approaches can lead to institutional changes that will impact development outcomes in the long-term. Do perceptions and the value that citizens assign to such democratic and inclusive institutions change with increased exposure to these institutions?

### Context of the evaluation

This question is particularly relevant in low- and middle-income countries that have recently shifted from non-democratic to democratic regimes. One such country is Bangladesh, which was initially colonized for a brief period before achieving independence and democratic rule. In Bangladeshi villages, decisions on the provision of public goods and services are usually taken by local government bodies. In these villages, collective actions and decision-making are uncommon. Results from the baseline study, conducted as a part of this evaluation revealed that around 63 percent of households were not typically part of any decision-making processes in their communities. Only 6 percent of households attended a village meeting in the previous six months, and only 4 percent participated in a collective action organized in the community in the last three years. Those who did participate were typically male, elite individuals, indicating that community elites likely have strong influence on community-level decision-making.

## Details of the intervention

To study whether temporary exposure to democratic processes alters citizens' preferences for community-level decision-making, researchers leveraged the rollout of a community-driven development (CDD) program that was randomly introduced to a set of villages to mitigate water contamination—a widespread issue in rural Bangladesh.<sup>1</sup> The intervention was implemented from October 2015 to November 2017 in partnership with “NGO Forum for Public Health” in villages where high levels of arsenic were reported. Out of a set of 171 villages in North-west Bangladesh, 129 were randomly selected to receive the CDD intervention.<sup>2</sup> The CDD program consisted of a combination of technical advice as well as a subsidy for installing safe sources of drinking water. Communities that received the intervention were assigned to three contribution requirements: one set of communities was required to co-fund the installation costs, the second set was required to provide physical labor support to help with installation, and the third set had the water source installed for free.

As a part of this program, community members were given complete decision-making authority to take key decisions on the number of water sources to install, their location, resource allocation, and roles and responsibilities of each household in maintaining these structures. To ensure that elites and influential community members did not dominate decisions, community meetings were held only if minimum participation requirements were met and all decisions were taken through a unanimous consensus. This component of the program enabled researchers to evaluate the impact of introducing the participatory process on beneficiaries' preferences on how collective decisions should be taken in their village.

Following the CDD intervention, researchers followed up with 96 of the original 171 communities (61 of which had received the CDD intervention and 35 of which had not) between December 2016 and May 2017 to conduct a series of lab-in-the-field experiments. These activities, which included a series of group negotiation tasks and willingness to pay exercises, were intended to measure how citizens value inclusive decision-making processes.

## Results and policy lessons

Overall, the study found that previous experience with inclusive institutions via the CDD intervention increased the value that participants attached to participatory decision-making. However, exposure to participatory processes did not translate into changes in real-world behaviors or increase adoption of inclusive institutions.

*Value of participatory decision-making:* Through a series of willingness-to-pay exercises, the researcher found that a large majority of participants preferred to make decisions via inclusive processes, regardless of whether they were exposed to the CDD intervention or not. However, those who most preferred participatory decision-making were those with greater influence over decisions (e.g. leaders and those who were more highly educated) and who faced lower costs to participation (e.g. men). The value citizens assigned to inclusive processes increased for those living in communities that had received the CDD intervention, driven by a 9 percentage point increase in the share of citizens willing to pay 8 percent or more of the Bangladeshi rural wage for participatory decision-making.

The authors analyzed possible channels through which prior experience with participatory decision-making might have affected citizens' perceptions and suggest that the following factors may be driving the results:

1. Efficiency: The researcher measured the efficiency of the CDD intervention based on experimental data on discussion dynamics and decision outcomes from participatory meetings. Exposure to the CDD program reduced the risk of conflicts and thereby may have reduced the social and psychological costs associated with face-to-face group deliberation.

2. Intrinsic motives: Learning about the intrinsic quality of inclusive institutions may lead citizens to attach a higher value to such forms of governance and decision-making. For example, the researchers found suggestive evidence that, in smaller communities where there was more active participation by the community in the decision-making process, the treatment effect was larger. This was not driven by attendance, but rather, it was driven by how actively the community participated in the decision-making process.

*Changes to participation behaviors:* To understand whether changes in citizens' attitudes towards inclusive institutions translated to changes in their participation choices, the authors collected self-reported measures on community members' level of involvement in community decision making, attendance at village meetings, participation in activities to influence policy, and participation in local collective actions. However, they found no effect of the CDD program on these self-reported behaviors.

Despite the fact that an individual's preferences can change on account of external shocks such as exposure to a participatory decision-making process, why do institutions persist? Potential reasons could include: a higher expectation of the personal benefits of participation leading to ambiguity in the overall demand for institutional reforms. Alternatively, existing social and political structures may be serving as barriers to new, inclusive reforms. Further research is needed to explore these potential channels.

In order to further explore institutional persistence and preferences for participatory decision-making outside the lab-in-field-experiment, the researchers conducted a second study, funded by J-PAL's Governance Initiative. In this follow-up study, the researchers implemented an experiment to elicit incentivized preferences over different decision-making processes for a community project and then determined whether these preferences differ in communities who have previously been exposed to the CDD intervention.

Forthcoming from JDE

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1. (World Health Organization 2018) - World Health Organization. 2018. World Health Organization. Accessed November 11, 2020. <https://www.who.int/news-room/fact-sheets/detail/arsenic>.
2. Cocciolo, S., S. Ghisolfi, A. Habib, and A. Tompsett. "How Do Community Contribution Requirements Affect Local Public Good Provision? Experimental Evidence from Safe Water Sources in Bangladesh." Working Paper (2020).