BUILDING THE ECONOMIC CASE FOR INVESTMENTS IN SOCIAL PROTECTION IN UGANDA[1]

Data Collection, Capacity Building, and Feedback Workshop

13-24 June 2016

Data Collection

From June 13th to 17th, 2016, the supplementary data collection for research question 1 and 2 was carried out. The experiments were developed to understand and elicit the preferences for redistribution in Uganda. Therefore the research consortium designed economic experiments in which participants were asked to state their preferences regarding different income distributions and their willingness to transfer parts of their income to individuals with lower incomes. The design of the experiment followed established procedures that have been widely applied in economic science giving participants monetary incentives to state their "real" preferences. The design of the experiments was finalized during a research visit in Maastricht by Fred Matuvo and Susan Kavuma (both Makerere University) from May 23rd to June 3rd and implemented with minor changes in Kampala, Uganda.

Figure 1 Experiment with Students

A research team comprising Daniele Malerba (Manchester University), Susan Kavuma (Makerere University), Fred Matuvo (Makerere University), and Stephan Dietrich (Maastricht University) implemented the experiments at the Uganda Christian University in Kampala. The team decided to run the experiments with students as they have the numerical literacy to follow the instructions with ease and because of their willingness to participate in such exercises. For the experiments a large event tent was rented that was build up on the campus to make it easy for

students to participate during lecture breaks. To collect the information, copies of booklets were handed out that the experiment participants had to fill out after instructions and examples were explained to them. About 20 students were invited to each experiment session, which lasted on average a bit more than two hours. Depending on their decisions, the decisions of other participants, and luck, participants received a compensation for their efforts. After three pilot sessions on Monday, four sessions were implemented per day, which resulted in a total of about 350 students.

With the help of the experiment data the research consortium is able to calculate so called welfare weights to explicitly regard people's preferences in the evaluation of public policies. Building on the simulation results on the returns to social cash transfers (research question 1) the experiment data allows the team to analyze how an additional Ugandan Schilling for a poor individual is valued from a welfare perspective as compared to a Schilling for a richer individual.

Capacity Building Workshop

On June 21st and 22nd, in collaboration with the Ministry of Gender, Labour, and Social Development (MGLSD) the research team conducted a capacity building workshop on the Uganda National Panel Survey and micro-simulation methods. The workshop was held at the Imperial Royal Hotel in Kampala, Uganda, in close communication with MGLSD. 20 professionals from several local research institutions and ministries were invited. Despite several overlapping events, 12 of the invites from the Ministry of Finance, Office of the Prime Minister, Makerere University, Ugandan Christian University, and EPRC attended the workshop.

Table 1 Capacity Building Workshop Program

DAY ONE: 22, June	
8:30-9:00	Registration
9:00-9:15	Opening Remarks - Brief about the WOTRO project/SAGE
9:15 -10:15	Presentation: Introduction to Panel data & UNPS data set-Advantages of panel data, merging raw data, using STATA commands for data management & descriptive analysis
10:15 - 10:45	Break - refreshments (tea & coffee)
10:45- 11:30	Hands-on exercise on merging data sets, simple descriptive graphs using STATA
11:30-12:30	Estimating effect of social transfers on Human capital development (returns to educations)
	Lunch and departure
DAY TWO, 23rd JUNE	
8:30 -9:00	Registration
9:00 - 10:15	Presentation: Introduction to micro-simulations - Application of simulations, pros and cons of simulation modeling, procedures for simulating.
10:15 -10:45	Tea and Coffee break
10:45 - 11:30	Designing a simulation intervention
11:30 -12:30	Presentation: Implementation of simulations using STATA, tools required to perform the simulations
12:30-1:30	Lunch Break

1:30 -3:30	Hands-on exercise on micro-simulations
3:30-3:45	Tea and Coffee break
3:45-4:30	Presentation and discussion outcome of the simulation exercise
4:30-4:45	Wrap-up and closure

The workshop was held over 1.5 days as presented above. On the first (half) day an introduction to the Uganda National Panel Data set was given with a close focus on panel data and techniques to merge multiple data sets. After preparing the data set, panel estimation methods were discussed and applied to estimate the returns to education. On the second day a general introduction to micro-simulations was given and hands-on exercises carried out in class. Participants had to simulate a hypothetical social transfer scheme and calculate the cost efficiency of different program designs. Finally, a Stata add-on to create maps for a geographical presentation of outcomes was discussed. The workshop was well received and let to interesting methodological discussions.

Feedback Workshop

On June 23rd, 2016, the preliminary findings of the NWO-WOTRO Building the Economic Case for Investments in Social Protection in Uganda was presented to stakeholders and the technical review committee. The workshop program and invitation lists were developed in close collaboration with the Expanding Social Protection Program (ESP) of MGLSD. The purpose of the workshop was to update the technical committee on the progress of the research project and to engage with a broader group of stakeholders sharing and discussing the preliminary research results.

Table 2 Feedback Workshop Program

June 23nd June 2016		
Time	**Topic**	**What**
0830-0900	Arrival and Registration	• Prayer • Welcome participants • Introductions
09.00-09:30	Opening Remarks	• Summary brief
09:30-10.00	Social Protection as an Economic Investment	• Introduction to the different research questions • Progress of the Project
10:00-10:30	**Tea/coffee**	
10:30 - 11:00	Results on social transfers on human Capital development	• Present preliminary results on returns to health and education
11:00 - 11:30	Discussion	
11:30 -12:00	Return to social protection investments	• Present results from the micro-simulation model
12:00 - 12:15	Discussion	•
12:15 - 12:45	Next steps	• Qualitative research questions • Quantitative analysis • Final report

12.45-13.00	Closing remarks
1300-1400	**Lunch and Departure**

Stephen Kasaija, the head of ESP, officially opened the workshop giving an overview and outlook of the Social Assistance Grant for Empowerment (SAGE) program. Thereafter Fred Matovu (Makerere University), senior project researcher, started the presentation with an introduction to social protection in Uganda and the need for public protection. Embedded in this context, he highlighted the importance

Figure 2 Feedback Workshop

of the research project in providing evidence that can help to make informed policy decisions. This was further elaborated by a discussion of the research framework and by going through the sub-question of the research project and the potential implications of each research question. After that, Daniele Malerba (Manchester University) presented the research question 1 and 2 and gave an overview of the research results on the income effects on health and education and the returns to education and health in Uganda. Based on that, Stephan Dietrich (Maastricht University) explained the different steps of a micro-simulation model to quantify the mid-term returns to investments in social protection. He outlined the different direct (transfers) and indirect effects (returns to health and education) included in the simulation model and explained how the estimated income and health elasticities were used to quantify the returns to SAGE. Thereafter the simulation results of SAGE effects on education and health outcomes were graphically presented showing large and positive effect on school attainment and adult health. Lastly, the monetary benefits to increased schooling and improved health were presented and compared to the simulated program costs. This was followed by a constructive Q&A sessions in which particularly the concept and measurement of health returns was discussed. In the last part, Firminus Mugumya (Makerere University) gave an introduction to research question 3 that aims at gaining insights into the role local and individual circumstances play in determining positive outcomes of SAGE transfers. He explained that the analysis will use qualitative methods including in-depth interviews and focus group discussions and presented the sampling procedures for the upcoming data collection. After a discussion that mainly focused on the sample selection, Stephen Kasaija ended the workshop with closing remarks.

After the feedback workshop, the feedback committee and the research team met to discuss the findings and to give feedback and suggestions. Roland Bless Taremwa from the Office of the Prime Minister expressed the importance to regard the official public planning horizon of 5 years in the simulation framework. Diana Nabukalu from the BOS suggested using an additional health variable in the analysis

and reassured her help to clarify all pending data questions. Jane Namuddu (ESP) summarized the discussion points and closed the meeting.

Overview planned activities and timeline

After the feedback workshop the research team had a debrief meeting to discuss the next step and to allocate responsibilities.

The following activities are planned until end-2016:

Research:

1. Carry out field work for research question 3
2. Finalize fist paper on the returns to investments in SAGE
3. Start analysis of experimental data and draft document
4. Start data analysis of research question 4