Paid to Learn: Proposing a New Type of Social Protection based on Evidence from India

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Abstract

Public-works programmes are offered by governments in many developing countries including India, in part because this form of social protection is potentially self-targeting. However, public works can also be administratively demanding, costly and corrupt. We propose a welfare scheme designed to retain the self-targeting aspect of public works while improving accessibility and reducing operational complexity and fraud: beneficiaries are paid to solve educational micro-tasks on a smartphone. Hence, while participants in traditional public-works schemes typically build or maintain physical infrastructure, participants in the proposed scheme would build their human capital. In a randomised-controlled trial in Karnataka, South India, we recruited 114 illiterate workers with experience of India's flagship public-works scheme. The treatment group was given access to the scheme for a week. The intervention increased the number of characters recognised from the local script by 65%, and more than half the test users prefer the proposed scheme over the existing public-works programme.

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