

EGC Voices in Development Podcast, Episode 6: Orazio Attanasio and Costas Meghir

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Meghir: “From the perspective of an economist, we would like to think of how it would fit in an overall strategy where you fight poverty in an intergenerational context. If you think there's a vicious circle of poverty where low-income parents end up with kids who have very low levels of skill, and then you perpetuate poverty in that way. If we can take the tools that we learn from the child development literature and fit it into a policy context where we design scalable policies, where this can be entered into a virtuous circle. That's our contribution.”

Attanasio: “Show your daughter this picture and say the word, say that this is a dog. Say perro, perro. And so the mother was a little bit skeptical. And but then she tried it out a few times. And miraculously, the girl uttered the word perro. That's the way children learn to talk. But the mother was completely amazed. This is something that I heard repeated so many times in India and China, in other places in Colombia. You know, you talk to the mother and say, oh, you should talk to your child. And often her reaction is, why would I talk to her if she doesn't understand what I say? And it really changed the way I think about how parents make decisions. So, we need to get information about their beliefs and their attitudes toward the growth process.”

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Cheney: Why do some countries advance while others fall behind? Who benefits from economic growth and who doesn't? How do inequality and climate change affect people, especially the most marginalized? And what role can data play in answering questions like these and informing policies that promote economic justice? Let's find out on Voices in Development.

Hello and welcome to our podcast. I'm your host, Catherine Cheney. We're coming to you from the Economic Growth Center at Yale University, which is focused on economics and data-driven insights for equitable development. Today we're joined by Costas Meghir and Orazio Attanasio, two professors of economics at Yale University. Costas and Orazio have collaborated around a shared interest in early childhood development in low- and middle-income countries. This conversation provides a unique opportunity to bring two experts together to discuss the important intersection between poverty, early childhood development, and human capital.

Cheney: “We are all shaped by interactions that begin very early in our lives, but there are huge gaps in early childhood development depending on the context. Poverty combined with caregiver stress can prevent kids from reaching their full potential. So how can parents, childcare programs, and preschools support the cognitive and socio-emotional development of children? We'll dive into that in our discussion. You'll hear about some pioneers in this field like Sally Grantham MacGregor. She developed a low-cost early childhood home visiting intervention in Jamaica that has since been implemented in countries around the world. Our guests today will share more on their joint work in countries spanning from Colombia to Tanzania to India. And Orazio will also discuss his work in Ghana, where he and coauthors are working with Lively Minds, an NGO supporting parents and preschools. Lively Minds has now partnered with the Government of Ghana to expand the program to the entire northern region of the nation by the end of 2023, reaching all rural districts in northern Ghana. It's effectively becoming part of the government's early years policy in rural Ghana, a transformation that Orazio and co-authors are studying closely. Now on to the conversation.”

00:04:00:25 – 00:05:51:09

Cheney: “Orazio and Costas, thanks so much for joining us.”

Attanasio: “Thank you.”

Meghir: “Thank you.”

Cheney: “I'd like to start by understanding how you got into this work. So Costas, can you tell us a little bit more about that?”

Meghir: “In my early research, I was very interested in the role of skills in developing people's careers and standard of living and of course, how skills are a key factor in determining the income distribution. So I was working on various projects, including training projects, and the thing that became apparent quite early on was that these programs were not transformative, were not able to change the direction of people's lives. They had some kind of positive returns. But one thing that we quickly discovered, looking both at adult training and looking at interventions in schools, that if there were any effects, these effects tended to be higher for people with a better background. Even if we were in a very poor context. So this drove me to want to look to younger ages to try and understand how is it that some people end up in a better position and consequently more responsive to positive interventions like good school quality and better environments. And this kind of led toward early childhood. And at the same time, I was involved in developing evaluation methods and actually evaluating programs that were introduced at that time by the British government that had to do with education. So all of this came together with both the logical toolkit, if you like, and as well as the motivation to look at very young people. And at that point, I kind of started talking with Orazio, who was from a different direction coming into that. And there was clearly a complementarity from our early work there.”

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Attanasio: “I started a little bit different from Costas. I was starting to do my early work is mainly on household consumption and saving decisions over the life cycle, and I was looking at micro data and then from that I started looking into models of informal insurance that households, possibly poor households, use to smooth out income shocks. And then at that point, I stumbled into a really interesting data set from Mexico, which was very fit for the sort of ideas that I was trying. This was I happened to be the celebrated data that was collected to evaluate a progress at the conditional cash transfer program. And I got to know the director of the program. And given that I was asking so many questions, he said, Look, why don't you come over and you spend a week in the villages? So I went there and started interacting with people. And to me, there were lots of really interesting aspects to be looked at. And so later on in this way, it cost us that to participate into that. The evaluation of the the CCT, the conditional cash transfer program in Colombia. At that point we start looking at various effects of that program, not just on the family as a whole, but on children, and then looked at the young children and what they were doing. And that was a transformative moment.

At the same time, I was collaborating with colleagues in London. I was based in London at the time and I in 1 Michael Marmot told me about a Sally Grantham McGregor, one of the papers that she wrote to present the results of a simulation intervention in Jamaica. And so I read that paper and I was really amazed. And I remember very vividly we were walking down the street with Costas and I told Costas, look, this is a paper we should read – it's just incredible. And so the paper was the results of Sally's work in Jamaica, where she had initiated this program for malnourished kids, trying to improve the stimulation through home visits and reported the impact of that program. You know, 15, 20 years after the intervention was finished and achieving amazing results on those on those kids.

At the same time, I learned that Sally had moved to London from Jamaica. So I contacted her and that was how all this started. We started talking to Sally at the beginning. She was very skeptical. She said, You know, you're an economist. Why do you want to talk to me? Are you going to do a cost benefit

analysis or what? So it took some convincing on our part, and that's when I first learned that interdisciplinary collaborations are very, very useful, can be very fruitful, but they can be difficult because we speak different languages and different jargons if you wish.”

Cheney: “I want to hear more about that initial skepticism that Sally had. How did you manage to convince her to collaborate with you?”

Meghir: “Yes, so from the perspective of child development specialist like Sally Grantham MacGregor, who comes from a medical background, the research question they are asking is a little bit more specific. It's, you know, how can I affect the cognitive development of a child who is in a high-risk environment. From the perspective of an economist, we would like to take this and think of how it would fit in an overall strategy where you kind of fight poverty in an intergenerational context. In other words, if you think there's a vicious circle of poverty where low-income parents end up with kids who have very low levels of skill, and then you perpetuate poverty in that way. If we can take the tools that we learn from the child development literature and fit it into a policy context where we design scalable policies, where this can be somehow entered into a virtuous circle, that's, you know, that's our contribution. And I think eventually, you know, talking with Sally and bringing her into an environment full of economists, the conversation actually became very rich because on the one hand, we have the broader context of the economy and on the other hand, you've got somebody like Sally who, of course, understands both the micro-level developmental issues of the kids, but also the all the difficulties that have to do with designing this, the scaled-up context, which is, of course, the current challenge and the and the great difficulty that all of us are trying to address.”

00:10:19:12 - 00:15:31:29

Cheney: “I think all of our listeners understand how important early childhood development is, but stories always bring these issues to life. So I'm wondering, can you share some examples from your work about the impact that effective interventions can have?”

Attanasio: “We've been working quite a bit on trying to understand parenting practices, and I think now there is quite overwhelming evidence that parents living in disadvantaged conditions might not be fully aware of the details and the usefulness of stimulating children. And to me, there is an old episode at the beginning of our piloting in Colombia that really stuck with me and initiated me to push me towards thinking about parenting choices in a different way.

And so, you know, the idea is that parents might not be aware of the usefulness of certain things. So we're there in a little town rural in Colombia, near Medellin. And we were piloting our intervention. And this lady came with a two-year-old daughter. And she was obviously very worried about our child, who at the time was about two. And she was worried because the child had very few words. And so she thought that there was an indication of a slow development, was obviously carrying a lot about her daughter and worried about that. And so the visitors start took some of our material that among which there was this little book with pictures that we used to stimulate the child and say, Look, show your daughter this picture and say the words say that this is a dog. Say perro, perro. And so the mother was a little bit skeptical. And she but then she tried it out a few times. And miraculously, the girl uttered the word perro. And which, you know, that's the way children learn to talk.

But the mother was completely amazed. She was very happy. But it was a eureka moment for her. And to me, that made it clear that we were dealing with somebody. It's not that she didn't love her child – she was extremely affectionate to the child, but she didn't realize that this simple thing of talking to the child and saying the words could make a difference, change. And afterward, this is something that I heard repeated so many times in India, in China, in other places in Colombia. You know, you talk to the mother and say,

oh, you should talk to your child. And often her reaction is, why would I talk to her if she doesn't understand what I say? So, you know, this led me to think that this is an important issue. And it really changed the way I think about how parents make decisions. So we need to get information about their beliefs, then their attitudes toward the growth process.”

Cheney: “I love that example. Costas, is there a similar story for you?”

Meghir: “What I've learned is that there are important cultural barriers to child development, and this this links up both with an experience I'm going to talk to you about, and something that Sally mentioned when we were first working together. So she said, you know, if you go to a nursery in Jamaica, there are some kids that are very explorative and look as if they are a nuisance because they're getting off their chair all the time and looking into things. And there are other children whose parents just keep them in a chair, they don't do anything and so on, and they look very obedient. So it's counterintuitive, you know, which are the ones come from environments that are more useful for child development? It's the curious kids that get up all the time and make a nuisance of themselves. So having this in mind, I was looking into a childcare centre in India called Anganwadi Centres and I was with our other colleague Jerry Burman there and we were not intervening, we were just learning about the context before we designed our child center intervention. And there was this little child that at some point came to us full of enthusiasm to show us a picture he had drawn.

So as he was doing that, the childcare worker disciplined the child and told him off and basically asked him even to bow to us in apology that he would disturb us in our in our wisdom by showing us his picture. And that's exactly the point, that the culture sometimes intervenes in the development of the child because clearly the interaction that the child was seeking is developmentally very important. It is this interaction with adults, a bit like Orazio was also saying, it is this ability to express oneself and to talk and sometimes for possibly very good intentions these processes in environments that are very deprived are discouraged. That is one of the barriers that we're trying to break with our intervention. One of the things that our intervention is doing is actually promoting this interaction and changing the culture that in some sense perpetuates poverty.”

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Cheney: “So, your work in early childhood development has expanded to a growing number of countries. How do you select the geographies where you work?”

Meghir: “Let me say something about India. To me, India is an obvious place to work in. Why? Because it's an absolutely massive country with an emerging, strong middle class and excellent professional opportunities in the cities. But at the same time, increasing inequality. Millions of children at risk of suboptimal development. And it's this inequality that you're trying to address. You're trying to in a country that's clearly growing and clearly going places to actually create the conditions where everybody can benefit from this growth. And you don't have a large left behind population that cannot take advantage of this and at the same time cannot provide the skills that are required for the for the investments that are going to take the country out of poverty and into higher levels of income.”

Atanasio: “In my case, I can tell you the story of Ghana because in the first few years I said, okay, we can work in Latin America. By the way, Latin America is not not homogeneous. There are very different realities across the continent. But, you know, the fact that I can speak Spanish, the communication is easier. All that. And then the India project started. And as Costas said, India is just incredibly interesting. So we started working there. Personally, I thought I would stop there, but then I was contacted by this person running an NGO in Ghana called Lively Minds, and she came to talk to us.

First of all, she came with an extremely brave attitude. She said, look, I've been doing this thing for seven, eight years. I've been running this NGO that does interventions in established child centers, in rural villages in Ghana, and they're also working in Uganda now. And she said, I'm convinced that we are doing the right thing, but I would like you guys to evaluate us, which is, you know, coming from an NGO person is an extremely brave attitude. And so at that point, we started looking for funds to run this RCT. It took us about 2 or 3 years to find the grants to do it. But then eventually a few years back we did it and we showed that, you know, with a minimal amount of resources, you know, \$37 per child per year, they can they obtain pretty good impacts on child development. And to the point that when they and us presented the results to the government of Ghana, they decided to expand this thing to half the country, all northern Ghana is now being expanded as part of the intervention.

And at the same time we got a grant from USAID to evaluate the scaling up that is going on right now. So, you know, in a way it's a little bit accidental because I told you the episode that led to that. But the fact that we were able to do that and now we are doing the scaling up and all trying to address all the challenges that poses is incredibly fascinating and interesting.”

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Cheney: “Let's talk a little bit more about the scale-up. What does that look like right now and what are some of the learnings?”

Meghir: “We've been trying to design our interventions to mimic something that could be scaled up immediately. For example, when we work with kids in villages, we always use women from the villages themselves to deliver the intervention. So we don't use, say, graduates from university or other skilled childcare people. We literally recruit capable people within the community and we don't even train them directly. We actually train the kind of people who will be training them themselves. We create what we call a network of mentors. They are college graduates, but you need much fewer of these. And we train these college graduates in our interventions, and then they go out to the communities and they train those who are going to deliver them. The problem with scaling up are multiple. First of all, you know, if you talk to any economists, they will tell you, oh, well, you're going to increase the supply of skills, that's going to reduce the price of skill. That's, of course, one thing that is very difficult to counteract. But then there are also practical problems. You know, how do you maintain the enthusiasm for the program, the people we work with in India? Pratham for example, which is a major education NGO, if not the biggest one in India, the people working for Pratham are just amazing and they are full of enthusiasm and they are out there to get things done.

Will that continue if some people from the Ministry of Education take over? I don't know. And these are questions that we haven't really resolved. So, you know, basically there is a question of governance here. You know, how do you implement a policy in such a way that you preserve its integrity and its dynamism in the long run, right? When I'm just posing a question here, I really don't know. And I think that's, you know, one of the one of the scary things and, you know, there's a bit of a hint, a negative hint here with integrated child development services in the Anganwadi Centres in India, which are, you know, one of the most comprehensively designed programs for kids in lower income communities. And I can tell you if you go and see how they operate in practice, you would not be very happy. So yeah, a big question mark here.”

Atanasio: “Following on what Costas was saying, I think it's crucial for scale up, especially when we are when you are designing and implementing interventions that try to change individual behaviours like parenting, it is crucial that is delivered by community people and it's crucial that the community takes ownership of the intervention. And there I think the mindset at the implementation level becomes really, really central. As Costas was saying, we try to always run interventions with local people.

The Indian experience has been amazing because of Pratham has got an incredible network of people in the villages that can do that. When we did that for the first time in Colombia, what we did there in Colombia, as many other countries, was a conditional cash transfer program. And in each village, the beneficiaries of the conditional cash transfer program elect, who are all women, by the way, elected representatives, which are called the Madre Líder. And we soon realized because we had done some work on the conditional cash transfer program, we soon realized that the Madre Líder are different.

You know, I could walk into a room with with 50 women and I could identify within ten minutes who were the Madre Líders, because they have leadership, they are smarter, they are more entrepreneurial. And so the idea we did there in Colombia was to train the Madre Líder to be their home visitors for the program, and that these are local women. They are they are known in the community. They are recognized, they have leadership, and they have easier access to the beneficiaries and they can convey the important message. I think that that is crucial for scaling up.”

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Cheney: “In addition to looking at parenting interventions, I know you've also looked at improving the functioning of nurseries and childcare facilities. For example, you've found that providing material resources to preschools can actually fail to achieve benefits or even have negative consequences if teachers don't have sufficient training. Can you tell us more about that work?”

Attanasio: “There was a government intervention that we evaluated with an RCT where the nurseries were given additional resources to hire untrained teaching assistants. And then there was another arm in which the same thing was complemented with training for the teachers. And what we saw is that, first of all, from a pure impact point of view, the second one had positive impact. The first one zero or negative impacts. And the way we explain it is through a reallocation of teachers' time.

In the first case, basically the teachers were reallocating all their activities to the teaching assistants, including what we call learning activities, and that was not good. On the other hand, the training probably improved the teachers, but also made them more aware of what are the important things. So there we see that the teachers delegate more nappy changing and things like that to the TAs and they spend the same amount or even an increased amount of time on learning abilities. You know, by the way, the difference in cost of the two interventions is minimal because the training of the teachers was very cheap, while the hiring of the teaching assistants was quite expensive. Even small differences can make a huge difference in terms of impact.”

Meghir: “Can I pick up on a point here? Because one of the things that we've been learning – sometimes a bit of a difficult lesson for economists – is that there is no necessarily linear relationship between the resources you put into something and the outcome. Number one, it's not about necessarily how much you spend, but how you get things done. And that's an awkward lesson for economists because, you know, we need to understand better why people behave in certain ways. I think Orazio was mentioning that. It's not just an issue of resource constraint. It's also culture. It's also attitudes and sometimes, of course, aspirations as well. So another example of this is the intervention we run in India where we actually delivered the parenting with two different ways. One was individual face to face parenting, where the home visitor would visit the family and deliver the intervention and so on. And the other was to bring people into groups.

And, you know, once a week there'd be a facilitator and there'll be 8 mother-child pairs. And you know, the various materials that we introduce and the curriculum and they would play and like a playgroup kind of thing. The amazing thing is that this had equal if not more of an impact on the children. And we think

that's because you bring people together and you create networks, you create support for what's happening. And at the same time, this approach, which seems to be actually more effective per treated child, is about a fourth of the cost. So that's why I was saying before, the devil's in the details. And even as economists, we need to learn how to implement properly these kinds of interventions.”

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Cheney: “You each talked about your paths into this work, and so I'm curious – what's next for you? What are the big unanswered questions that remain in early childhood development that you might like to take on?”

Attanasio: “I have three big things. First of all, I think we still need to learn more about the process of child development. And I think, you know, the child development people would agree with me on that. You know, when I talk to Sally, there are still things that we don't know. For instance, is it better to start an intervention at six months, at nine months, at 12 months or 18 months? We don't know that. How intensive and how long the intervention should be – the parenting one? We don't know. It's probably context specific, but we don't know the answer. And the reason, the general reason we don't know is because we still don't fully understand what drives parenting, what effect parenting has, and how people transit to nurseries and childcare centres, and what inputs are more important than others? Number two we discussed at length already is the scaling up. How do you make the beneficiaries owners and agents in this process? I think that's fundamental. How do you use existing infrastructure, existing programs to push this agenda? And number three, which sounds very nerdy, but important, is management.

Measuring the development of a child who is seven months old is not easy, let me tell you. It takes very sophisticated tools, especially if you want to implement those tools in the field. And same applies to child development is the only thing that you need to measure. You need to measure attitudes, you need to measure social norms. You need to measure individual beliefs in certain practices. And so, the development of the measurement agenda is really, really important. If we want to promote this policy effectively.”

Meghir: “And to do that, I'd like to add and one kind of bigger picture question, which is I've always been asking, how is it that these practices that we take as given in better-off societies, how do they diffuse in a population? How does that interact with the culture? How do parents make choices, and how does that interact with the prospects of economic development? So, for example, if you have a growing economy like India, where opportunity is starting to become much more prevalent, does that feedback into how parents invest in their kids? And does that help get us out of this intergenerational loop of poverty? Obviously not completely because, you know, we can go to the wealthiest country in the world, say, like the United States, and you can find pockets of poverty with exactly the same problems and as in all lower-income countries. So that's not completely the answer. But still, it might be part of the answer. So the kind of big picture question of how parental practices and attitudes towards child development beliefs diffuse in the population and how they interact with overall economic development is a big question that it would be great to know how to answer.”

00:30:13:14 - 00:33:07:21

Cheney: “You've both spoken to the value of interdisciplinary approaches, and I know that initially, you had to convince Sally, for example, that you as economists had something to bring to this. And it sounds like you've definitely proven the case. Anything more to say about what this work demonstrates about the value of interdisciplinary approaches?”

Meghir: “Yeah, I think there's a very, very important interaction. First of all, what we're doing now just can't be done without collaborating with child development specialists. But you might say, why don't we

just let them go on and use that as an input? Well, one thing I've learned from all of this is the kind of economic models we would typically write down. They try and explain the interaction between parents and children are just deeply inadequate because they don't capture well enough the actual process of child development. So, on the one hand the child development people get the link to policy from a broader economic perspective.

So they kind of take something out of that and how we view the generation transmission. We take out of them a much better understanding of the kind of choices that parents make and don't make. And consequently, we ask big questions about our economic modelling which might have to escape certain traditional constraints that we that we would never see if we just kept on pen and paper and computer in some kind of dry data.

So, for example it is the thing I was saying before that, you know, the choice of the parent is not necessarily whether to spend \$10 or \$20 and somehow this is going to improve things. It's about, you know. How you spend time with the kids. What do we mean, investing in a child? And then trying to understand what are the constraints that parents are facing or which could be knowledge constraints, belief constraints. They're not necessarily just resource constraints. So it kind of broadens your view of a model of economic choice as well. So it's a two way street, I think. Sally, I was very proud to say in a recent conference in her honour in Jamaica, told me that, you know, working with economists gave me a new lease of life. She actually said that in these words, because she actually saw all her work morphing into something that's, you know, central for policy. So she clearly saw that as extending all the work that she and her team did. And we have learned, of course, sometimes the hard way that. When we put all this in the context of an economic model, we need to think more broadly than we used to think about.”

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Cheney: “Orazio and Costas, thank you both so much for your time and looking forward to following your continued work in this important space.”

Attanasio: “Thanks for having us.”

Meghir: “Thanks for the time.”

00:33:24:01 - 00:34:05:17

Cheney: For more on this topic, you can review “Promoting Early Childhood Development Globally Through Caregiving Interventions.” That's a supplement article for Pediatrics, which is the official Journal of the American Academy of Pediatrics. Costas and Orazio work together with collaborators to produce that. To learn more about improving educational systems for the poor beyond the early years, take a look at affiliate Chris Nielsen's research. All of that and more is available on the Economic Growth Center's website, which you can visit at egc.yale.edu. That's all we have time for in this episode of Voices in Development. Look for the next installment of Voices in Development on our website or on Apple Podcasts, Spotify, or wherever you get your podcasts.