FEATURED RESEARCH

Reinvigorating Democratic Systems
A number of challenges — from elite capture to corruption, clientelism, and even the increased availability of big data — are putting electoral democracy to the test. At the same time, democracy is becoming more informal, local, and technology-driven, with civil society organizations playing a larger role. In a recent Policy Research Talk, World Bank economist Vijayendra Rao discussed three approaches to reinvigorating democratic systems in developing countries: direct democracy, performance incentives, and democratizing data.

RESEARCH HIGHLIGHTS

✓ Deliberative Democracy in an Unequal World: A Text-As-Data Study
Who speaks and who doesn’t in village assemblies (gram sabhas) in India? Research using machine learning tools on transcripts finds that the discussion in the gram sabhas is not dominated by elites (officials and politicians), but by citizens. However, women are less likely to speak, set the agenda, and receive a relevant response from state officials unless the village president is a woman.

✓ When Do Development Projects Enhance Community Well-Being?
Adequately implementing and assessing community-driven approaches to development must accommodate their distinctive characteristics: building bridges is a qualitatively different task to building the rule of law and empowering minorities. Moreover, the “lessons” derived from even the most rigorous assessments of community-driven interventions are unlikely to translate cleanly to different contexts and scales of operation. Some guidance for anticipating and managing these challenges are provided.
The dominant paradigms of policy-making usually emphasize the achievement of measurable outcomes without understanding the underlying processes. This commentary makes the case for "reflectivism" in which the co-production of decisions with communities, democratic deliberation, and collective action equalizes power, voice, and agency to achieve better outcomes.

Oral Democracy: Deliberation in Rural India


This book studies the inner workings of voice in India’s gram sabhas (village assemblies) to better understand how state policy strengthens the quality of discourse and how deliberation is affected by literacy. It shows that gram sabhas can strengthen democracy even under conditions of high inequality, poverty, and illiteracy by giving citizens the ability to engage with politicians and bureaucrats and make claims on public resources.

The Anatomy of Failure: An Ethnography of a Randomized Trial to Deepen Democracy in Rural India


A randomized control trial of a citizenship participation program in rural India used quantitative and qualitative methods to assess whether the intervention improved the quality of local governance. The quantitative data show no impact, but the qualitative data provide insights into why the intervention failed: poor facilitation, lack of top-down support, and elite capture.

Promoting Democracy in Fragile States: Field Experimental Evidence from Liberia


This research uses a field experiment to estimate the effects of two democracy promotion strategies on actual voter behavior and attitudes. The civic education intervention suggests third-party actors, such as civil society organizations or foreign donors, can help overcome barriers to political expression.

Reforming Village-Level Governance via Horizontal Pressure: Evidence from an Experiment in Zimbabwe


Using a field experiment in 270 villages in Zimbabwe, this study investigates whether broadening the group of potential advisers to village chiefs can result in more inclusive decision-making in day-to-day village governance. Indeed, including a new civil society leader in governing circles results in more open decision-making, fairer food aid distribution, and increased trust by citizens in village chiefs.

Making Politics Work for Development: Harnessing Transparency and Citizen Engagement


This report shows how the selection and sanctioning of leaders who wield power in government matters for economic development and well-being in both rich and poor countries. Attempts to bypass politics when it is a problem have failed. Apolitical international organizations can leverage their non-partisan credentials to help reform leaders overcome political constraints.
through transparency. Credible information and communication about the performance of public policies, down to disaggregated levels of local government, is a powerful strategy whose potential can be further tapped.

✓ **Buying votes versus supplying public services: Political incentives to under-invest in pro-poor policies**  
Vote-buying — the direct exchange of gifts or money for political support during elections — is widespread in many developing countries. Using detailed data from a local context in the Philippines, this paper shows that where politicians purchase political support through targeted transfers, they are less likely to provide broader public services, like public health, on which poor people rely.

✓ **Localizing Development: Does Participation Work?**  
The premise of this report is that participatory development projects often fail because they do not account for social, political, historical, and geographical realities. The report cites examples that show development projects require strong central support to be effective and financial support that is flexible, long-term, and includes participatory monitoring.

To access the latest Policy Research Working Papers from the Development Research Group, click [here](#).

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**RELATED RESOURCES**

**The Social Observatory**  
[Website](#) | Video: [Democratizing Data to Empower Communities](#)  
The Social Observatory is an effort to improve the design and implementation of community-based anti-poverty projects. The Participatory Tracking initiative democratizes data by giving village communities the ability to design, collect and visually analyze their own survey data in order to make better collective decisions.

**EVENT ANNOUNCEMENTS**

**NEW! Development Policy and COVID-19 eSeminar Series**  
This [online seminar series](#) hosted by the Development Research Group brings leading economists, public health experts, and other social scientists together with World Bank Group researchers to discuss emerging research on COVID-19 and its implications for development policy. Watch recordings of earlier talks:  

**POSTPONED: Annual Bank Conference on Development Economics: Global Unrest**  
The [Annual Bank Conference on Development Economics: Global Unrest](#) (ABCDE) 2020 has been postponed from June 22-23, 2020 to September 3-4, 2020. To accommodate work in progress and the disruption caused by the pandemic, the new deadline to
**UPCOMING EVENTS**

- **April 29:** Development Policy and COVID-19 eSeminar | [Financial Sector Policies to Salvage Firms Hit by COVID-19 for East Asia](#)
- **May 4:** Development Policy and COVID-19 eSeminar | [Maintaining Finance for Firms Impacted by COVID-19: Perspectives](#)
- **September:** Policy Research Talk | [Electricity Availability and Economic Activity: Lessons from Developing Countries](#)

To see more events, please click [here](#).

**RESEARCH BRIEFS**

**Financing Firms in Hibernation during the COVID-19 Pandemic**
*Tatiana Didier, Federico Huneeus, Mauricio Larrain, Sergio L. Schmukler* | Research and Policy Brief 30 | April 2020

The coronavirus (COVID-19) pandemic has imposed a heavy toll on economies worldwide, nearly halting economic activity. Hibernation of firms could help preserve firm’s vital relationships for a quicker recovery once the pandemic is brought under control. Financing could help cover firms’ reduced operational costs until the pandemic subdues, but financial systems are not well equipped to handle this type of exogenous and synchronized systemic shock. Governments could work with the financial sector to keep firms afloat, enabling forbearance as needed and absorbing part of the firms’ increased credit risk, by implementing policies with proper incentives to keep firms viable.

[Read the Brief](#) | More Research & Policy Briefs

**How Two Tests Can Help Contain COVID-19 and Revive the Economy**
*Damien B. C. M. de Walque, Jed Friedman, Roberta V. Gatti, Aaditya Mattoo* | Research and Policy Brief 29 | April 2020

Faced with COVID-19 (Coronavirus), countries are taking drastic action based on little information. Two tests can help governments shorten and soften economically costly suppression measures while still containing the novel coronavirus (COVID-19) pandemic. This brief suggests strategies to target their use and discusses the benefits and costs of such strategies.

[Read the Brief](#) | More Research & Policy Briefs

**Macroeconomic Policy in the Time of COVID-19: A Primer for Developing Countries**
*Norman V. Loayza and Steven Pennings* | Research and Policy Brief 28 | March 2020

COVID-19 (Coronavirus) represents both a worldwide public health emergency and an international economic crisis. This brief focuses on the policy response in developing countries, considering their institutional and structural shortcomings, including low health care capacity, overcrowding in cities, large informality, reduced fiscal space, and poor governance. Ensuring continuity of public goods and services, protecting the vulnerable, and avoiding procyclicality (rather than demand-driven stimulus) should be the macro policy priorities in developing countries facing this pandemic.

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**SOCIAL MEDIA**
The impact of COVID-19 (Coronavirus) on global poverty: Why Sub-Saharan Africa might be the region hardest hit

Daniel Gerszon Mahler, Christoph Lakner, R. Andres Castaneda Aguilar, and Haoyu Wu | Data Blog | April 20, 2020

COVID-19 is taking its toll on the world, causing deaths, illnesses and economic despair. But how is the deadly virus impacting global poverty? Here we’ll argue that it is pushing about 40-60 million people into extreme poverty, with our best estimate being 49 million.

Read the blog

Coronametrics 101

Adam Wagstaff | Let’s Talk Development | April 20, 2020

Over the last month or so, we’ve all seen a lot of coronavirus charts, such as the Financial Times’ tracking of cases (and now deaths) across multiple countries, the New York Times’ map of the virus in the United States, and the Guardian’s map of the global spread of the virus.

Do we really need yet more coronavirus charts? In this blogpost, I want to go through a few issues on charting coronavirus data — pointing out some pitfalls for the unwary, broadening the coverage out to the developing world, and introducing a new type of chart that captures mortality, cases and case fatality — all in one chart.

Read the blog

How would you distribute COVID-response funds to poor countries?

Christoph Lakner, Berk Ozler, and Roy van der Weide | Let’s Talk Development | April 13, 2020

The current COVID-19 (coronavirus) pandemic is likely to negatively affect the world’s poor and many of its vulnerable. The long-term effects of this shock could be devastating for many poor and near-poor, not only in terms of immediate health risks, but also in terms of longer-term problems such as stunting and lower human capital accumulation due to increased levels of malnutrition and stress.

Read the blog

How public service surveys can support effective coronavirus response

Patricia Paskov, Daniel Rogger | Governance for Development | April 9, 2020

The Bureaucracy Lab and its Global Survey of Public Servants consortium partners have put together suggestions for a survey to gather government responses to COVID-19.

The COVID-19 pandemic is one of the greatest challenges to face society in generations. As the public sector takes the lead in responding to, mitigating, and helping resolve the crisis, we are reminded of the fundamental importance of an effective state. We need to ensure that government responses are not lacking when so much is at stake.

Read the blog
Returns to early interventions at sufficient scale are high

Sergio Schmukler, Michael Toman, Adam Wagstaff | Let’s Talk Development | April 9, 2020

On how early policy interventions at large enough scale can be highly cost-effective

Research shows that the benefits of early interventions at a scale sufficient to have real impact are large in many areas of economic development. However, behavioral, financial, institutional, and political constraints mean that interventions are not always implemented in a timely or adequate way. Uncertainty compounds the problem, as decision makers must balance the certain up-front costs of early interventions with the uncertain future benefits. These considerations lead to too late and/or too small actions by individuals, businesses, and governments. The resulting missed opportunities can be very costly for society at large.

Read the blog

Smart containment and mitigation measures to confront the COVID-19 pandemic: Tailoring the pandemic response to the realities of developing countries

Norman Loayza | Let’s Talk Development | April 7, 2020

In the World Development Report 2014 - Risk and Opportunity, we put a spotlight on pandemics. There, we warned that most countries and the international community were unprepared for a risk of this nature. The world is four months into the COVID-19 pandemic, and it is now clear that we are facing an acute public health, economic, and humanitarian crisis. What makes managing this health emergency so challenging is that if unattended, it could lead to countless numbers of fatalities—yet if drastic measures to contain the spread of the virus are imposed, it can produce a deep recession with business closures, mass unemployment, and poverty.

Read the blog

There are low-cost ways to help vulnerable health care workers fight the pandemic: Here’s what we can do

Arianna Legovini, Aidan Coville | Let’s Talk Development | April 3, 2020

One thing is clear: health systems will be stressed everywhere in the world, but frontline health care workers in Sub-Saharan Africa are going to be particularly stretched. Global statistics on basic health provisions — e.g. number of health care workers and hospital beds per country — highlight the stark contrasts.

Infection prevention and control (IPC) guidelines from the WHO provide the playbook for what health facilities should be doing to minimize the risk of patient and worker infections. Unfortunately, there’s very little data on what IPC practices are in place in developing country health facilities, which makes it difficult to work out where to focus attention.

A recent paper, Observations of infection prevention and control practices in primary health care, Kenya and policy brief, Supporting Vulnerable Health Systems Improve Infection Prevention and Control to Fight the COVID-19 Pandemic, provide valuable insight.

Read the blog

New data for development policy

Bob Cull, Dean Mitchell Jolliffe, Vijayendra Rao | Let’s Talk Development | April 2, 2020

Moving on from traditional data collection methods
Until recently, most of development economics research relied on traditional data types such as household and firm surveys and national accounts. Governments (or agents authorized by governments) have typically been central to the data collection efforts and data typically have been collected for specific purposes, often to foster development. For example, the earliest social surveys were undertaken in England by Charles Booth and Seebohm Rowntree in the 1890s to measure poverty, to describe the deplorable living conditions of the poor, and to bring about social policy reform.

Read the blog

Tax relief in a time of crisis: what countries are doing to sustain business and household liquidity

*Simeon Djankov, Joanna Nasr* | *Let's Talk Development* | *April 1, 2020*

Governments around the world are offering tax relief to address the problem of liquidity for households and businesses and to brace for the economic slowdown precipitated by the coronavirus (COVID-19) pandemic. The Paying Taxes indicator in *Doing Business* monitors tax reform trends across countries, with a view to keeping governments informed about fiscal reform efforts, and offers an overview of global efforts.

Read the blog

Projecting the trajectory of the COVID-19 pandemic: A review of available tools

*Damien de Walque* | *Let's Talk Development* | *March 31, 2020*

If current reported cases and deaths numbers are difficult to interpret, how can countries, especially in the developing world, prepare to confront the pandemic? Ideally, one would like to be able to predict the course of the pandemic over time. And we would also like to know how different sets of containment measures are likely to affect the scale and trajectory of the disease to be able to plan them ahead, trigger them as early as possible to contain the outbreak in the country before it is generalized, and modulate them as efficiently as possible given the disruptions and economic costs imposed by physical/social distancing.

Read the blog

Is there a trade-off between lives and incomes in the response to Covid-19?

*Francisco Ferreira* | *Let's Talk Development* | *March 30, 2020*

All over the world, policymakers considering how to respond to the Covid-19 pandemic appear to face a stark trade-off between saving lives and preserving jobs and incomes. This is particularly acute in developing countries where large groups of people have extremely limited savings and are especially vulnerable to “economic shutdowns” of any duration. The trade-off originates from the interaction between the epidemiological dynamics of the outbreak and the limited capacity of health systems. This is best illustrated by the “flatten the curve” diagram that has become ubiquitous over the last few weeks.

Read the blog

To read more of our blogs, see: *Let's Talk Development* | *Development Impact* | *All About Finance*

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