

# Comments on: Public vs Private Mental Accounts: Experimental Evidence from Savings Groups in Colombia

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Impact Evaluation Network-LACEA, March 2016

## Overall Comment

- The paper is very clear at explaining what are the research questions and hypotheses the author wants to address.
- The author well explained the identification strategy and how the randomization took place
- The results provided in this paper are interesting, and provide important inputs for program design
- The use of a mixed-methods approach is also quite valuable

## Comments (1)

- ATE estimation: What is the **participation rate in the private setting?** It is also 100%?
- The balance test reported in Table 3, should also include **VSLAs characteristics** such as, number of female/male members, share price, interest rate, value of the contribution to the social fund.
- The characteristics of the **facilitators** seem to be important. However, there is no info on who they are. In Table 11, the author controls for facilitator, but we do not know what the 12 facilitator dummies represent.

## Comments (2)

- The author includes in Eq. 7 a set of controls (eg. Number of shares purchased in the 1st meeting and facilitators dummies). It'd be interesting in estimating a specification with a larger set of **BL controls**, particularly those in which differences were observed in Table 3
  - ▶ Members in the public setting are more likely to be CCT recipients, wouldn't it be the case they have received more info on financial literacy as being part of the CCT?
- Heterogeneity by intrinsic ability to save:
  - ▶ In Eq. 8: Do the author include the "**Initial condition variables**" without any interaction with Private or Public treatment?
  - ▶ What determines that an individual starts saving a large number of sharings?

## Comments (3)

- In meeting 1, VSLAs members have to decide on the savings purpose and the **weekly saving goals**:
  - ▶ Why not to follow the frequency of the meetings (eg. bimonthly)?
  - ▶ Members could not change the "weekly savings goal" during the 9m of the cycle?
  - ▶ Members commit to a savings amount (shares bought) per week. But we see, in Figure 1a, that shares bought before meeting 9 are higher. How do you explain this?
- Power calculation/sample size: **How many VSLAs are in a block?**
- Attrition: The attrition rate is quite low (5%). **Do attrition rates change across they 3 groups?**

## Comments (4)

- Table 4:

- ▶ Given the difference observed in "Biweekly savings" in private and public, it seems the share price is higher in public.
  - ★ The share price doesn't affect the # shares bought in the 1st meeting, but does it affect the total amount saved over the cycle?
- ▶ If the information on "savings" goals was asked for all members, what is it the case that you only have information for 118/448 in private, and 117/455 in public?
- ▶ One could think that the difference is driven by a the share prize
  - ★ In Table 5, the authors show the results when the share price is 5,000 COL. It'd be good to know the distribution of share price across the 3 treatment arms

## Comments (5)

- To facilitate the interpretation of the results and how they allow to test the hypotheses the author has, **it'd be important to specify which are the parameter in Equation 1 that will help answering to each of the 3 main hypothesis.**
  - ▶ In H1 the author wants to compare Public vs Control; while in H2 and H3, the authors wants to compare Public vs Private
- For the FG:
  - ▶ When did the FG take place, before or after the BL?
  - ▶ *In few situations the group penalized members who were not making regular contributions.* But in the conclusions the author says: "This could be explained by the fear to be punished by other members of the VSLAs if they fail to meet their promises" **How do you reconcile these 2 arguments**