

# The Role of Social Identity in Shaping Economic Choices

## Evidence from women's Self Help Groups (SHGs) in West Bengal, India

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### Introduction

Development programs rely on **agents** for **last-mile service & information delivery**, e.g. frontline workers in health

Agents often use **groups as delivery platforms** e.g. women's self-help groups (SHGs), to 'scale-up' interventions

**Caste** is an important facet of identity in India; **SHGs** are generally **caste-homogenous**

⇒ This implies that the **caste of the agent relative to that of the group** could determine the effectiveness of the intervention

### Research Questions

? We use a lab-in-the-field **experiment** with existing women's SHGs to ask:

How does **provision of information** affect an individual's willingness to contribute (WTC) to a group-owned club good?

How do **shared agent-group caste identities** affect information retention and individual WTC?

### Design

We use two **cross-randomized treatments** to answer our research questions



**First**, randomly allocate SHGs to receive an **information treatment** that motivates the need for the club good

Information is **scripted**; agents intensively trained to ensure uniform delivery.



**Second**, randomize the **caste** of the agent relative to the caste of the group. Agents' caste is identified by name.

### Methods

Interviewed **2238** women from **240** groups

Each SHG member given two bags, one with beads and one empty.

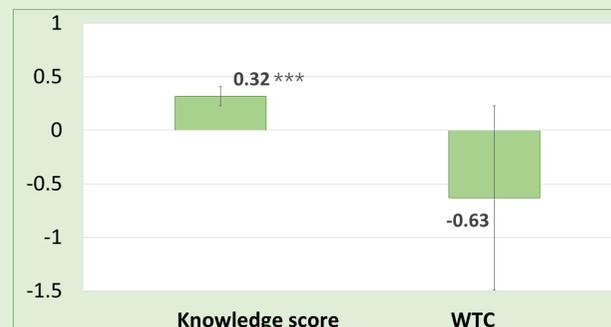
She transfers to the empty bag (privately) beads = number of hours she wants to work on the club good, a **kitchen garden**

Exit survey to collect range of information

**OLS models** to estimate impacts on **score on knowledge test** and **WTC labour hours**

### Results

Effect of Information (b/se)



Information is understood and retained; but does not impact WTC

Effect of caste identities (b/se)



Being matched to a higher agent reduces information retention but raises WTC!

Other associations :



Greater group cohesion **increases WTC**



"Better" agents **increase knowledge score**

### Conclusions

Information from lower caste agents retained better, but WTC higher when paired with higher caste agent

Why? High caste agents might be perceived as having better connections, more able to deliver on their promises.

Important to note that soft skills and group cohesion matter – and, unlike caste, can be changed!



Health & nutrition information dissemination in a SHG meeting

Agent explaining the WTC game to a SHG member



Participant with two bags after completing the WTC game

SHG member and her child in front of her kitchen garden.