

# Decision Processes Colloquia

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**Monday, January 30, 2017**

Where: 260 JMHH

When: 12:00 – 1:15 pm

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## **Workfare, Wellbeing and Consumption: Evidence from a Field Experiment with Kenya's Urban Poor (Syon Bhanot, Jiyoung Han and Chaning Jang)**

**ABSTRACT:** Workfare and vouchers are often used in social welfare systems, but little empirical evidence exists on their impact on wellbeing. We conducted a randomized experiment in Kenya, and tested two elements of social welfare design: workfare versus welfare and restricted versus unrestricted vouchers. Participants were randomly assigned to a “Work” condition, involving work for unrestricted vouchers, or one of two “Wait” conditions, involving waiting for vouchers that were either unrestricted or restricted to staple foods. We find that working significantly improved psychological wellbeing relative to waiting. Furthermore, although the restrictions were infra-marginal, partially restricted vouchers crowded-in spending on staple foods.