

Researchers

James Riddell IV
University of Michigan

Tanya Rosenblat
University of Michigan

Dean Yang
University of Michigan

Hang Yu
National Peking University

Teaching and Incentives: Substitutes or Complements?*

James Allen IV^{1,2,3}, Ariete Mahumane³, James Riddell IV⁴, Tanya Rosenblat⁵, Dean Yang^{2,3,6}, and Hang Yu^{7,8}

¹Department of Economics, University of Michigan.

²Ford School of Public Policy, University of Michigan.

³Delta Operational Research Center, National Institute of Health, Mozambique.

⁴Division of Infectious Diseases, University of Michigan Medical School.

⁵School of Information and Department of Economics, University of Michigan.

⁶Population Studies Center, University of Michigan.

⁷National School of Development, Peking University.

⁸Institute of South-South Cooperation and Development, Peking University

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Abstract

Interventions to promote learning are often categorized into supply- and demand-side approaches. In a randomized experiment to promote learning about COVID-19 among Mozambican adults, we study the interaction between a supply and a demand intervention, respectively: teaching via targeted feedback, and providing financial incentives to learners. In theory, teaching and learner incentives may be substitutes (crowding out one another) or complements (enhancing one another). Experts surveyed in advance predicted a high degree of substitutability between the two treatments. In contrast, we find substantially more complementarity than experts predicted. Combining teaching and incentive treatments raises COVID-19 knowledge test scores by 0.5 standard deviations, though the standalone teaching treatment is the most cost-effective. The complementarity between teaching and incentives persists in the longer run, over nine months post-treatment.

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