



Istituto per la Ricerca Valutativa sulle Politiche Pubbliche

IRVAPP Annual Activity Report 2010

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1. Introduction

The Research Institute for the Evaluation of Public Policies (IRVAPP) was established in April 2008 by the Fondazione Bruno Kessler in Trento (Italy). IRVAPP aims at carrying out policy evaluation research to measure the effects of local, national and international policy interventions. The scientific mission includes the evaluation of public policies as well as the dissemination of findings from this research, the promotion of a culture of impact evaluation and the training of policy evaluators. The methodological paradigm underlying IRVAPP's empirical work is the counterfactual model of causality. That is, the effects of public policies are measured as a difference between the expected policy outcomes and what would have occurred in the absence of the intervention. Although some progress has been made in recent years, in Italy the lack of a culture of impact evaluation and the difficulty to access both administrative and survey data remain major problems in policy evaluation. Therefore, promoting a culture of impact evaluation through training activities, research dissemination, and the establishment of a policy-relevant data archive are key activities for the Institute.

IRVAPP's research activity focuses mainly on labour market policies, welfare and education policies, industrial policies and social and economic programmes in the least developed countries.

Since May 2010 the number of IRVAPP research projects as well as the number of evaluation exercises undertaken at the Institute has continued to grow.

The aim of this document is twofold. On one hand, a brief overview will be given on the composition of staff and on the partner Institutions. On the other hand, a more detailed description of the projects will be presented, organised by the geographical context under investigation: local, national and international.

This Annual Report summarises IRVAPP's activities (research, training, seminars/conferences/workshops) for the period between May 2010 and May 2011.

2. Staff

At the end of May 2011 IRVAPP research staff is composed of an interdisciplinary team of eleven researchers in Economics, Sociology and Statistics, one deputy director and one administrative secretary.

Antonio Schizzerotto (professor of Sociology at the University of Trento) is Director of IRVAPP and together with *Ugo Trivellato* (professor Emeritus at the University of Padova), *Enrico Rettore* (professor of Economic Statistics at the University of Padova) and *Erich Battistin* (Director of research and associate professor of Economic Statistics at the University of Padova) is part of IRVAPP's team of senior researchers. *Daniele Checchi* (professor of Economics at the University of Milano) has become part of the team of Seniors in February 2011.

Silvia Girardi, *Gianluca Mazzarella*, *Alvaro Martinez Perez*, *Loris Vergolini*, *Nadir Zanini* and *Slavica Zec* are resident researchers of IRVAPP.

Paola Antonicelli (former personnel manager of the University of Trento and consultant of the Ministry of Education, Universities and Research) has taken over from *Ilaria Covizzi* as deputy Director of IRVAPP.

Anna Stenghel is IRVAPP's administrative secretary.

Carlo Barone (assistant professor in Sociology, University of Trento), *Roberto Leombruni* (assistant professor in Economics, University of Turin), *Adriano Paggiaro* (assistant professor in Economic Statistics, University of Padua) and *Alessandro Sembenelli* (Professor of Econometrics, University of Turin) are Senior research associates of IRVAPP who collaborate with the Institute in relation to specific research projects.

Because of the increasing number of research projects the Institute is taking up, IRVAPP is planning a progressive reduction of external collaborations and a concurrent enlargement of its team of resident researchers.

3. Scientific Advisory Board & Associated Institutions

IRVAPP relies on advice and recommendations from a Scientific Advisory Board chaired by *Paolo Sestito* (Director, Research Unit, Bank of Italy, Rome) and composed of:

- ▶ *Rodolfo Bogni* Senior Independent Director of Old Mutual plc, Chairman of Medinvest Intl, Director of Kedge Capital, Alinghi Holdings, Prospect Publishing and a trustee of the Fondazione Bruno Kessler
- ▶ *Marco Caliendo* Director of Research, Institute for the Study of Labor (IZA), Bonn, Germany
- ▶ *Peter Fredriksson* Director, Institute for Labor Market Policy Evaluation (IFAU), Uppsala, Sweden
- ▶ *Alberto Martini* Professor of Economic Statistics, University of Piemonte Orientale and Director, PROgetto VAutazione, Turin, Italy
- ▶ *Chiara Saraceno* Research Professor, WZB, Social Science Research Center, Berlin, Germany
- ▶ *Chris Whelan* Professor and Head of Sociology, School of Sociology , University College Dublin, Ireland

Associated Institutions

In 2010, IRVAPP has strengthened its research and institutional networks with its associated members: Consiglio Italiano per le Scienze Sociali (CSS, Rome), Economics Department “S. Cagnetti De Martiis” (University of Turin), Fondazione Bruno Kessler (Trento), Fondazione Istituto Carlo Cattaneo (Bologna) and the Istituto Regionale di Studi di Ricerca Sociale (IRSRS, Trento).

4. Research

Between May 2010 and May 2011 the number of IRVAPP research projects has considerably grown. Specifically, over last twelve months, IRVAPP carried out additional work on the activities already in place during 2009 and completed an important research project on the effects of monetary incentives on industrial innovation processes. In addition to that, IRVAPP has strengthened important collaborations with World Bank, Fondazione Giovanni Agnelli and, through the latter, with the Ministry of Education, Universities and Research (MIUR).

Specifically, in 2010 IRVAPP has completed 4 short-term research projects and accomplished some important steps of other long-term projects. All of them are listed here below:

- The Effects of Remedial Exams on Student Achievement: Evidence from Upper Secondary Schools in Italy, IRVAPP PR 2010-01.
- Firm Subsidies and the Innovation Output: What Can We Learn by Looking at Multiple Investment Inputs?, IRVAPP PR 2010-03.
- An Analysis of the Implementation of the Programme "Buoni di Servizio" in the Trento Province, IRVAPP PR 2010-04.
- Merit-based financial aid to students from low-income families and its effects on university enrolment, IRVAPP PR 2010-05.
- Evaluation of the 2001 reform of higher education in Italy (ongoing).
- Reconciling paid work and family responsibilities: The role of 'service vouchers' in the Province of Trento (ongoing).
- Changes in the Italian unemployment insurance scheme and estimation of their effects on unemployment duration and transition to a new job (ongoing).

The working papers regarding the above projects are available on the IRVAPP website:
<http://irvapp.fbk.eu/publications/progress%20reports>

4.1 Evaluation of local policies

Evaluating the impact of a Minimum Income Guarantee programme in the Province of Trento

The Guaranteed Income programme (Reddito di Garanzia) was introduced in October 2009 in the Province of Trento with the aim of tackling poverty by providing a guaranteed amount to household whose income falls below the poverty line (equivalent to 6,500 euro per year for a single person household), as well as 'activation' measures for people able to work. The programme represents a major innovation in the context of the national welfare system, which lacks a non-categorical 'safety net' programme.

The purpose of the project is to produce a timely ex-post evaluation of the programme, mostly with respect to its:

- a) effectiveness, and therefore its effectiveness in reducing poverty;
- b) impact on labour supply, both in terms of labour market participation and of hours worked;
- c) impact on household consumption of particular good and services: e.g. health care, education, and expenditure for children items.

The evaluation will be based on data from an ad hoc longitudinal survey of low-income households in the Province of Trento. The survey covers the subject areas of household composition, housing, durables, consumption and financial wellbeing, children, care of elderly and disabled components; while at the individual level it covers the areas of education and training, health and disability, social inclusion, intra-household income allocation, work, income and assets.

The fieldwork for the first wave of data collection was carried out in two steps. The sampling frame was the universe of households with fiscal income below 15,000 euro in 2006, living in 21 representative municipalities of the Province. From this universe, a random sample of 3,982 households was drawn by the local Statistical Office and a first round of interviews took place between October 2009 and January 2010.

As interviews were successfully completed for 1,897 households only and among them only about 90 households appeared to have claimed the benefit, it became immediately clear that the sample size of the recipients subgroup was too low, by considering both the actual number of recipients of the Guaranteed Income and the sample size needed for any sensible impact evaluation analysis to be attempted. Therefore in February 2010 IRVAPP commissioned a leading survey-based research company (DOXA) to carry out the same survey on an additional representative sample of households to be sampled among those known to be in receipt of the Guaranteed Income from administrative records. The questionnaire for the 'add-on' survey covers the same subject areas as the previous questionnaire, and includes retrospective questions so that the same time period as the one relevant to the previous fieldwork is covered. The questionnaire has been administered between May and July 2010. At the end of the data collection process, an internal note was produced describing key summary statistics for consumption expenditures and labour market condition, as well as the response rate variability across the demographic indicators considered. Also a first attempt to estimate the take-up rate was carried out using survey and administrative data to simulate the eligibility condition of untreated interviewed households.

At the end of 2010 IRVAPP staff set up a short questionnaire which will be administered in 2011 to the universe of programme beneficiaries at the moment of their benefit claim to monitor their perception of the programme and its impact on material wellbeing.

Furthermore, in order to allow more advanced analysis, a merged database with data from both baseline surveys and some administrative information was produced at the end of the 2010. Exploiting this dataset we aim at providing more detailed comparison between treated and untreated households as well as preliminary estimates of the differences in consumption behaviour and labour market attachment of the claimants before and after the introduction of the programme. Nevertheless, in order to perform a rigorous timely ex-post impact evaluation of the effects of Guaranteed Income programme, the second wave of data collection will be carried out in autumn 2011 with the aim to provide preliminary results on the effects of the programme in the first two years of its introduction.

Merit-based financial aid to students from low-income families and its effects on university enrolment

In Autumn 2009 the local government of the autonomous Province of Trento started to play a leading role in encouraging students from low income families to obtain higher education. A local government's disposition has assigned merit-based financial incentives to students from low income families. The monetary aid is awarded based on both the demonstrated need and merit of students. Specifically, the scholarship is paid to those who have successfully completed the last year of secondary school (diploma di maturità) obtaining a final score which fell above 93/100 and whose family income is below a predetermined income threshold (about €15,000 of equivalent disposable income). In addition, students are expected to have been residing in the Trento Province for at least 3 years. The amount of the scholarship varies depending on family income and geographic location of the chosen university. Students enrolling in universities located within the Trento province are entitled to a financial aid ranging from € 1200 to € 4800 per year; while students enrolling in universities outside the Province and moving there are offered scholarships from € 1800 up to € 6000 per year. The monetary aid is renewable upon determining whether or not a student is still eligible to qualify for help from the programme from both an economic (means-tested) and a school achievement point of view.

In general, students from low-income families are at greater risk than other students of not enrolling or completing university. Evidence from the US indicates that student decisions to enrol college respond positively, and non-trivially, to public financial. Furthermore, substantial literature on the impact of tuition levels on enrolment decisions has shown that such decisions are sensitive to the amount of tuition. More generally, several studies have found that there is a direct effect of family income on child's attainment, although there is substantial variation in the strength of the identified effect.

The purpose of this project is to assess whether such financial support does have a direct positive impact on disadvantaged children's chances to successfully attend university. The evaluation design exploits a regression discontinuity design (RDD). The underlying idea is to detect potential discontinuities in the university enrolment rates at different thresholds (family income and graduation mark).

To do this, IRVAPP has carried out an ad hoc survey in order to collect information (family background characteristics such as parental education, parental occupation, parenting styles and home environment) relevant to the evaluation exercise. The survey was conducted in collaboration with the Opera Universitaria (Student Support Office), the Statistics Office of the University of Trento, and the research laboratory (LaboR) of the Department of Sociology and Social Research of the University of Trento. The fieldwork was carried out in November and December 2009. In order to achieve an adequate sample size, we chose to interview the universe of upper secondary graduates (3,168) in the Province of Trento in the school year 2008/2009. We obtained a 70%

response rate. After the fieldwork, we have proceeded with the data cleaning and the coding of parents' occupations following ISCO.88 rules.

In 2010 data on transitions from higher secondary school to university were collected, exploiting CATI and CAWI procedures. A working paper reporting the main results of the survey was produced together with an executive summary containing some practical suggestion that will be adopted (in 2011) by the Province of Trento in order to adjust and make more effective the intervention. In 2011 the process of data collection, regarding both the university enrolment of students who achieved a higher secondary school diploma in 2010 and the performances of university students enrolled in 2009, will continue. Hence, a longitudinal data archive will be produced. These longitudinal data will allow us to evaluate the effects of the measure on the transition rate to university, on the decision to enrol outside the place of residence, as well as its impact on the drop-out rates and the academic achievements of university students from lower class families who benefit from it.

Currently the research group is proceeding with the drafting of a further essay to be submitted to Labour Economics.

Reconciling paid work and family responsibilities: The role of 'service vouchers' in the Province of Trento

This research project analyses the implementation of the Programme "Buoni di Servizio". This is a new programme of the Province of Trento which sets up a 'service voucher' scheme (co-founded by the European Social Fund) to help women reconcile paid work and family responsibilities. The cost of child care has been recognised as one of the largest regular expenditures within the household. Therefore, the voucher programme has been introduced to help ease the financial burden of eligible households and allow mothers to participate to the labour market. More specifically, financial aid is offered in the form of a cash coupon, the amount of which varies between € 900 and € 1500 depending on household income, and is valid for twelve months. The vouchers are subject to a 10% copayment by the recipients.

Based on the research carried out by IRVAPP on local administrative data, the study argues that some of the eligibility rules of the programme as well as some decisions taken at the implementation phase may well be hindering its scope and the potential positive effects in terms of work and family-life reconciliation. Specifically, eligible individuals are not only women with dependent children, precisely those facing larger trade-offs to reconcile the family and work spheres, but parents with dependent children. On the implementation side, even though the original design of the policy targeted individuals who were either 1) employed, 2) about to start a job, 3) about to return to work after a leave, the duration of which is at least 3 months (e.g. maternity leave, sick leave), or 4) dismissed workers attending training/requalification courses aimed at promoting active job searches, it has turned out that all the actual recipients of the programme, and their spouses – in the case of married individuals – are active in the labour market. This makes it not

possible to isolate the likely effects of the programme in activating the labour market careers of, for instance, those unemployed women who wants to return to the labour market after childbirth or measure whether the vouchers help reducing the length of the maternity leave as it was originally planned in the IRVAPP research proposal.

The main goal of the project is, thus, to provide evidence that may allow re-evaluating both the design and the implementation streams of the programme in order to better accomplish its stated goals of work-life balance for women. In this vein, an intermediate progress report made available in 2010 proposes a number of policy recommendations especially targeted to introduce changes in the beneficiaries of the policy and the rules of eligibility. In particular, the research report recommends establishing mechanisms that guarantee that women with dependent children are the main beneficiaries of this policy. The current implementation with so many fathers claiming the vouchers limits the leverage of a policy particularly design to facilitate work and family reconciliation. The report also suggests a more comprehensive consideration of the overall difficulties to reconcile work and family responsibilities that women face. For instance, considering, together with the time spent in the labour market, the amount of time spent doing housework and providing care to the family members. In addition, the re-formulation of the programme “Buoni di Servizio” should consider establishing some sort of affirmative action in favour of single mothers, but also those single fathers that request the vouchers. Single parenthood, either in women or in men headed families, should be especially targeted by the programme “Buoni di Servizio” guaranteeing that when their income is clearly below the average of the partnered claimants, they get larger amount vouchers. Single fatherhood, should, therefore, be the only case in which men could be beneficiaries of the voucher.

Over the last year IRVAPP has produced two reports to disseminate the results of analysis based on the administrative data of recipients of the vouchers. Recently, the policy-makers of the Province of Trento announced their intention of reconsidering the policy in the light of the results of the analysis.

Incentives for networks of firms in the Region of Tuscany

This research project, commissioned by Istituto Regionale di Programmazione Economica della Toscana (IRPET), was aimed at defining an innovative methodology to evaluate the economic impact of public incentives to promote and support forms of alliances and networks between firms. The methodology is targeted to analyse a specific subset of calls that IRPET asked to evaluate but can be extended effectively to all calls in which subsidies are granted to firms in a similar manner and for similar purposes. The results of the analysis are reported in the following paper: Gianelle, C., *Metodologie per la valutazione delle politiche di sostegno alle reti di imprese nella regione Toscana*, IRVAPP Internal Note No. 2010-04.

4.2. Evaluation of National public policies

Evaluating the impact on students achievement of the introduction of ICT in Italian lower secondary schools

CI@ssi 2.0 is a project launched by the Italian Ministry of Education on a small scale basis; its specific purpose is to evaluate the impact of providing lower secondary school students and their teachers with Information and Communication Technologies (ICT). The impact evaluation is supported by two Italian foundations, Fondazione Giovanni Agnelli and Fondazione per la Scuola della Compagnia di S. Paolo – with IRVAPP playing as the scientific advisor in charge of designing as well as analysing the data.

Specifically, 155 schools in the country are involved in the project. In each school one class of students freshly enrolled in the first year has been chosen to receive € 30,000 to buy ICT which they will use over their three years at the lower secondary school. To evaluate the impact of ICT enhanced teaching on students achievement a comparison group has been selected by school chairmen by including one class - for each of the 155 school involved in the programme - as similar as possible to the class receiving ICT in that school. To check how similar the comparison and the treatment groups are, a benchmark survey has been run in March 2010 on student achievement level as well as on family background of all the students attending the classes involved in the project. The results indicate that the evaluation design is appropriate given that the treated and control classes across Italy have a very similar performance once one controls for individual and family characteristics of students. The next step will be to analyze the impact of ICT enhanced teaching on students' achievement in comparison with achievements of students with similar characteristics in the control classes. This will be done by running a follow-up survey on the same classes already included in the project by the end of the third year of lower secondary school, i.e. spring 2012. The integrated dataset resulting from the benchmark and the follow-up surveys will be the empirical basis for estimating the impact of Classi 2.0 on student's achievement.

The Effects of remedial exams on Student achievement in upper secondary schools in Italy

Starting from school year 2007/08, upper secondary schools in Italy are required by the Ministry of Education to implement remedial education programmes to help low-achieving students. Until school year 2006/07 students who did not meet proficiency expectations were given a *debito formativo* ('educational debt'), which is a final mark signalling student's failure in one or more subjects. Such lack in achievement was to be recovered in the following years with no clearly defined deadline, resulting in a de facto 'social promotion' practice passing students to the next grade regardless of their performance. With the new progression system, low-performing students are compelled to recover their educational lacks by passing a remedial exam before the beginning of the new school year.

IRVAPP, with the support of the Education Department of the Province of Trento, has carried out an impact evaluation to assess whether a crucial feature of the reform, which is the threat of grade retention, has had any effect on student proficiency. The study exploits the quasi experimental variation that results from geographical discontinuities in the implementation of the reform. Unlike the rest of the country, schools located in a well defined area in Northern Italy (Trento Province), which enjoys some degree of autonomy regarding education policies, opted out of the new progression system.

Field work was carried out in 2009. During 2010 the project team has presented the results of the evaluation in a variety of seminars and national and international conferences to gather feedback about the methodological aspects of the research. With the objective of publishing the results in a top level international econometrics journal, the research team has preferred to discuss the evaluation further with the scientific community nationally and internationally. This activity has led to a substantial revision of the initial report, which is still ongoing, but, at the same time, gave greater visibility to the results obtained. The evaluation results were presented in Leuven (Belgium) at the end of April 2011 and in Bressanone (Italy) at mid-May 2011. In June 2011, the reviewed work will be presented in Brussels at a conference organized by the EU to which the senior researchers of the institute will participate along with a small number of European and American scholars. After these presentations, the research team will be drafting the final version of the scientific article for publication. The main results of this research activity are reported in Battistin, E., Covizzi, I. & Schizzerotto A., *The Effects of Remedial Exams on Student Achievement: Evidence from Upper Secondary Schools in Italy*, IRVAPP Progress Report No. 2010-01, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

Evaluation of the 2001 Higher Education reform in Italy

This research project aims to assess the effects of the reform of Higher Education (HE) approved in 1999 in Italy and implemented in 2001. The reform was aimed at increasing access to university and at decreasing the traditionally high drop-out rates as well as the long duration of tertiary studies in our country. Its main strategy was replacing the former one-tier structure of HE with a two-tier structure, in the context of the so-called Bologna process. The reform was also presented as an effort to reduce social inequalities in Italian HE, characterized by a strong selectivity in favour of upper class students. This research project assesses whether the reform has achieved its two-fold purpose of increasing access and reducing inequality in HE. Previous efforts to evaluate the effectiveness of the HE reform in Italy are mainly restricted to single-case studies focusing only on one University. The assessment is based on information from national surveys on graduates conducted by ISTAT in 1998, 2001, 2004 and 2007. These investigations are carried out on large samples of individuals who graduated three years before that in which each survey has been conducted. Graduates have been investigated over the conditions in the labour market and higher education. The analysis that IRVAPP researchers conducted on data collected in the surveys are designed to assess whether the reform has raised rates of transition from upper secondary to university, reduced the chance of unequal access to university studies related the social origins and

produced a decrease in dropout rates of the university. To this end, in 2010 was built a data base containing the harmonized versions of the four ISTAT surveys within which were included contextual information from other ISTAT surveys. Propensity score matching techniques were used to determine the degree of heterogeneity among individuals exposed to the effects of the reform and those who were not. Robustness analysis was carried out using time series. The main findings were presented at an international conference: Barone, C., Schizzerotto, A. & Vergolini, L., *The Bologna Process in Italy: An Empirical Evaluation of Its Effects on Social Inequalities in Higher Education* discussed at the ECSR Conference, Bamberg, 30 Settembre-2 Ottobre 2010.

Currently the research group is proceeding with the drafting of an essay to be submitted to the European Sociological Review.

The Italian labour market programme *Liste di Mobilità*: An analysis of the impact of its “passive” component

Liste di mobilità (LM) is an Italian labour market programme introduced in the early '90s to handle redundancies in the labour market. The programme includes both a “passive” and an “active” component. The duration of eligibility depends on the age of the worker at dismissal, while the benefits the worker is entitled to depend on the size of the dismissing firm.

Crucial to the analysis, the eligibility for the passive component – a monetary benefit with a high replacement rate – depends only on the size of the dismissing firm. Workers dismissed by firms with up to 15 employees are not eligible for the monetary benefit, while those dismissed by larger firms are. Since the aim of the overall programme is to bring dismissed workers back to work, checking whether providing them with an income maintenance bears any impact on their subsequent labour market history is an essential ingredient for an assessment of the programme. The central issue to anyone willing to identify the causal effect of the passive component is how to disentangle it from the firm size effect, given that firm size is the only variable relevant for the eligibility to the passive component.

The causal effect of receiving the monetary benefit is identified making use of the so called Regression-Discontinuity Design (RDD), i.e. by comparing the post-treatment labour market history experienced by subjects marginally above the firm-size threshold to the corresponding history experienced by those marginally below it. In this specific instance the validity of this design is exposed to the threat that employees of small firms could be different from those of large firms with respect to characteristics relevant for the outcome (risk aversion, for instance) due to the process driving the matching between employers and their employees. This process is likely to feature a discontinuity at the 15 employee threshold due to the regulations of the Italian labour market, including – but not limited to – the provisions of the *Liste di Mobilità* programme. To test for the existence of this threat we are exploiting the long pre-treatment labour market history we have available, checking whether workers eligible for the passive component are comparable to those ineligible. A second threat to the validity of the design which we are currently investigating

on is due to measurement errors affecting the available information on firm size. It is pretty likely that the firm size we have available (see below for details on the source of data) is not the one relevant to establish which employees are eligible for the monetary benefit. As a result, a contamination of both the “treatment” and the “control” groups is likely to occur calling for a correction of the standard RDD estimator to purge it from the contamination bias.

The analysis was conducted on data from the INPS (National Social Security Agency) administrative archive which have already been linked to the register of all workers entering the programme over the years 1995-1998 for the Veneto Region. The labour market history of all these workers has already been coded on a month by month basis over a time window from six years before the enrolment in the programme to three years after. Besides, information on their monthly gross wage is available for all the months in which they have been at work. Pre-programme histories are those we are using to test the identifying assumptions of our evaluation design. Post-treatment histories provide the outcome with respect to which we evaluate the impact of the passive component.

In 2011 an analysis will be carried out to identify and estimate the causal effect of the passive component of the programme.

WHIP4Policy

Following a research agreement with the Department of Economics, University of Turin, it was agreed to develop a new database - Whip4Policy - specifically suitable for the evaluation of policies on public pensions and unemployment benefits. The purpose of WHIP4Policy is the creation of a database “banca dati normativa” containing information about the changes in the eligibility rules on pensions and unemployment benefits in Italy since the nineties to the present. In addition to legal references, the “banca dati normativa” contains algorithms to determine eligibility for various benefits and to calculate the amount. The ultimate goal of this activity is to enrich the original archive WHIP (Work Histories Italian Panel) which refers to a large national sample of subjects drawn from the archives of INPS and processed by the Department of Turin. In fact, the “banca dati normativa” contains a significant set of procedures that will facilitate the use of WHIP for research in the assessment of passive labour policies.

In 2010, the activity focused on building the frame of “banca dati normativa” and developing the algorithms. The testing of the correct functioning of the algorithms which verify the eligibility for a pension is currently underway.

Changes in the Italian unemployment insurance scheme and estimation of their effects on unemployment duration and transition to a new job

The aim of the project is to evaluate the effect of different unemployment insurance (UI) schemes on subsequent labour market histories. The research exploits some of the recent changes of the Italian legislation on the topic in order to estimate the effects of higher and/or longer UI on the length of unemployment spells, the probability of transition to a new job, and the 'quality' of the new job. The overall methodology approach is Regression Discontinuity Design (RDD), applied to different thresholds for different variables (age, time, eligibility conditions).

In 2010, after preliminary analysis conducted on a small sample of the WHIP dataset (1/90 of the population employed in the private sector), the activity concentrated on the setting up of an expanded sample which combines information from the IDO archives and an Enlarged WHIP (which contains information from the "Statements" INPS) and the identification of two types of segments of work histories: (i) standard and (ii) seasonal, where "seasonal" means segments of work histories with a clear sequence of Seasonal episodes of employment and unemployment. It should be noted that this seasonal pattern is inconsistent with the scope and purpose of the ID, as specified in the legislation. The research activity should be completed in 2011.

Firm Subsidies and the Innovation Output

The research investigates if and how firm subsidies foster investment in fixed capital and R&D and by doing so they contribute to the innovation output. Existing literature so far has mostly focused on the effects of public subsidies on specific innovation inputs. The research examined the impact on investment in R & D of financial support aimed at small and medium-sized Italian industrial enterprises (which are, notoriously, the vast majority of companies in Italy). The survey used this measure of impact to assess the effectiveness of the incentives in supporting the technological progress of the country. Specifically, the research consisted primarily in setting up a dataset which was then used to estimate the intensity of the relationship between investment subsidised by public funds and innovations, both in terms of product and process, implemented by the companies studied.

The survey results are reported in the following work: Cosconati, M. & Sembenelli, A., *Firm Subsidies and the Innovation Output: What Can We Learn by Looking at Multiple Investment Inputs?*, IRVAPP Progress Report No. 2010-03, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

4.3 . Evaluation of International public policies

Impact evaluation of the Nigeria Commercial Agriculture Development Project (CADP) – WORLD BANK

The Commercial Agriculture Development Project (CADP) aims at strengthening agricultural production systems and supporting the dissemination and adoption of new technologies, for targeted value chains among small and medium scale commercial farmers in five participating states in the country. The impact evaluation will quantify the effects of the roll out of various project components in five pilot states of the country. The data collection process, which is due to start in early December 2010, will soon call for the development of the sampling scheme across pilot areas, and – later in 2011 – for the analysis of key economic and demographic indicators at baseline (i.e. before the programme roll out). During 2011 IRVAPP will be involved in the development of the follow up survey, which will allow the research team to draw causal inference on the effects of the CADP during 2012.

4.4. Other research activities

Power calculations for the Minimum Detectable Effect

The aim of the project is to review the existing literature on the optimal design of social experiments considering statistical problems of longstanding concern in agricultural, biological, educational and social policy research, and to look into the possibility of addressing the same problem for non-experimental designs. In 2010 was conducted a thorough review of the literature on the social experiments in order to systematize the knowledge acquired so far. In 2011, the research team will examine the possibility of extending these designs to best non-experimental research designs typical of the evaluation of public policies, such as matching, regression discontinuity design, difference in differences. Preliminary research results should be available by the end of 2011.

5. Training courses

In February 2011 IRVAPP, in collaboration with the Istituto Veneto di Scienze, Lettere ed Arti (IVSLA) and under the partnership of the Centro Interuniversitario di Econometria (CIdE) & the Italian Econometric Association (SIdE), organized the Winter School on “Fundamentals and Methods for Impact Evaluation of Public Policies”. The course, is the third edition of an initiative designed to be of particular benefit to Ph.D. students as well as researchers in the Social Sciences, Economics, Statistics, willing to know how to use micro data to inform policy making.

The School presented: 1) the fundamental principles of impact evaluation with a specific focus on the counter-factual theory of causal inference and 2) a variety of statistical tools for counterfactual analysis (including difference-in-differences and matching methods, regression discontinuity designs and quasi experimental/natural experiments settings).

Extensive laboratory sessions will provide the opportunity to apply the various techniques to specific labour market, education and industrial policies.

The School ran over 6 consecutive days of theoretical and practical sessions from 14 to 19 February, 2011. Training required previous knowledge of basic principles for quantitative methods that correspond to those taught in introductory courses of statistics and econometrics at the undergraduate level. At the very least a working knowledge of OLS regression and multivariate analysis is expected. Although the exercises were guided, basic familiarity with Stata was strongly recommended. The number of participants was 29. The scientific coordinator of the IRVAPP Winter School was Ugo Trivellato. Instructors of the School were Erich Battistin, Enrico Rettore and Ugo Trivellato and Tutors: Loris Vergolini and Nadir Zanini. The programme is available at the following address: http://irvapp.fbk.eu/en/winter_school

6. Publications and research reports

2011

Martínez Pérez, A., *Un'analisi comparativa dei costi dei corsi di formazione gestiti dall'Ufficio del Fondo Sociale Europeo e dall'Agenzia del Lavoro della Provincia autonoma di Trento*, **IRVAPP Internal Notes No. 2011-01**, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

2010

Progress reports:

Covizzi, I., Vergolini L. & Zanini, N., *Gli effetti degli incentivi monetari a favore degli studenti universitari: una valutazione d'impatto*, **IRVAPP Progress Report No. 2010-05**, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

http://irvapp.fbk.eu/sites/irvapp.fbk.eu/files/IRVAPP_PR2010-05_final_3.pdf

Martínez Pérez, A., *An Analysis of the Implementation of the Programme “Buoni di Servizio” in the Trento Province*, **IRVAPP Progress Report No. 2010-04**, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

<http://irvapp.fbk.eu/sites/irvapp.fbk.eu/files/IRVAPP-PR2010-04.pdf>

Cosconati, M. & Sembenelli, A., *Firm Subsidies and the Innovation Output: What Can We Learn by Looking at Multiple Investment Inputs?*, **IRVAPP Progress Report No. 2010-03**, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

http://irvapp.fbk.eu/sites/irvapp.fbk.eu/files/IRVAPP_PR2010-01.pdf

IRVAPP Annual Activity Report 2009, **IRVAPP Progress Report No. 2010-02**, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

http://irvapp.fbk.eu/sites/irvapp.fbk.eu/files/IRVAPP_AnnualActivityReport_2009_ENG.pdf

Battistin, E., Covizzi, I. & Schizzerotto A., *The Effects of Remedial Exams on Student Achievement: Evidence from Upper Secondary Schools in Italy*, **IRVAPP Progress Report No. 2010-01**, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

http://irvapp.fbk.eu/sites/irvapp.fbk.eu/files/IRVAPP_PR2010-01.pdf

Reprint series:

Trivellato, U., *La valutazione degli effetti di politiche pubbliche: paradigma controfattuale e buone pratiche*, **IRVAPP Reprint Series No. 2010-02**, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

Bison, I., Rettore, E. & Schizzerotto, A., *La riforma Treu e la mobilità contrattuale in Italia. Un confronto tra coorti di ingresso nel primo impiego*, **IRVAPP Reprint Series No. 2010-01**, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

Internal Notes:

Gianelle, C., *Metodologie per la valutazione delle politiche di sostegno alle reti di imprese nella regione Toscana*, **IRVAPP Internal Notes No. 2010-04**, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

Girardi, S., Mazzarella, G., Vergolini, L., Zanini, N. & Zantomio, F., *Il Reddito di Garanzia*, **IRVAPP Internal Notes No. 2010-03**, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

Martínez Pérez, A., *A Follow-up Analysis of the Implementation of the Programme “Buoni di Servizio” in the Trento province*, **IRVAPP Internal Notes No. 2010-02**, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

Covizzi, I., Bozzon, R. & Martínez Pérez, A., *Impact Assessment of FBK Researchers’ Night 2009*, **IRVAPP Internal Notes No. 2010-01**, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

2009

Progress reports:

Bison, I., Rettore, E. & Schizzerotto, A. *The TREU Reform and Contractual Mobility in Italy. A Comparison Between Labour Market Entry Cohorts*, IRVAPP Progress Report No. 2009-02, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

http://irvapp.fbk.eu/sites/irvapp.fbk.eu/files/IRVAPP_PR2009-03.pdf

Paggiaro, A., Rettore, E. & Trivellato, U. *The Effect Of Experiencing a Spell of Temporary Employment vs. a Spell Of Unemployment On Short-term Labour Market Outcome*, IRVAPP Progress Report No. 2009-03, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

http://irvapp.fbk.eu/sites/irvapp.fbk.eu/files/IRVAPP_PR2009-02_ENG.pdf

IRVAPP Annual Activity Report 2008, IRVAPP Progress Report No. 2009-01, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

http://irvapp.fbk.eu/sites/irvapp.fbk.eu/files/IRVAPP_rapporto%20annuale_2008_ENG.pdf

Discussion papers:

Trivellato, U. *La valutazione degli effetti di politiche pubbliche: paradigma e pratiche*, IRVAPP Discussion Paper No. 2009-01, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

http://irvapp.fbk.eu/sites/irvapp.fbk.eu/files/IRVAPP_DP2009-01.pdf

Reprint series:

Trivellato, U., *La valutazione degli effetti delle politiche del lavoro: perché farla e come farla*, **IRVAPP Reprint Series No. 2009-04**, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

Paggiaro, A., Rettore, E. & Trivellato, U., *Il programma Liste di mobilità: il mix di componenti attive e passive e gli effetti della diversa durata di ammissibilità nelle liste*, **IRVAPP Reprint Series No. 2009-03**, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

Martini, A., Rettore, E. & Trivellato, U. *Valutare gli effetti delle politiche attive del lavoro: la logica controfattuale*, **IRVAPP Reprint Series No. 2009-02**, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

Paggiaro, A., Rettore, E. & Trivellato, U., *The Effect of a Longer Eligibility to a Labour Market Programme for Dismissed Workers*, **IRVAPP Reprint Series No. 2009-01**, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

Internal Notes:

Martínez Pérez, A. *An Analysis of the Implementation of the Programme “Buoni Di Servizio” in the Trento Province*, **IRVAPP Internal Notes No. 2009-01**, Istituto per la Ricerca Valutativa sulle Politiche Pubbliche, Trento.

7. Seminars and conferences

7.1 IRVAPP Seminar Series

For the year 2010 IRVAPP has set up a series of monthly seminars which aims at contributing to the promotion of a culture of impact evaluation. The seminars are held at the Fondazione Bruno Kessler, Trento.

24 February 2011

Evaluating Material Deprivation and Well-being: From Compound Indicators to Partially Ordered Set Techniques

Marco Fattore (Assistant Professor of Economic Statistics at the University of Milano-Bicocca)

20 January 2011

Perception and Retrospection: The Dynamic Consistency of Responses to Survey Questions on Well-being

Steve Pudney (Professor of Economics and Director of the ESRC Research Centre on Micro-Social Change at ISER, University of Essex)

7 October 2010

Short and Long-run Effects of World War II in Italy and Germany

Sascha Becker (SIRE Professor of Economics and external Research Professor at the Ifo Institute at Ludwig-Maximilians-University Munich)

23 September 2010

Measuring the Well-being of Individuals and Society

Enrico Giovannini (President of Italian National Statistics – ISTAT)

10 June 2010

Locus of Control and Job Search Strategies

Marco Caliendo (Director of Research, Institute for the Study of Labor (IZA))

19 April 2010

A New Framework for Relaunching the European Development Policy

Fabrizio Barca (Director General at the Italian Ministry for Economics and Finance)

25 March 2010

Developing and Refining a Social Class Schema for the European Research Area

David Rose (Professor Emeritus of Sociology, ISER, University of Essex) & Eric Harrison (Senior Research Fellow in the Centre for Comparative Social Surveys, City University London)

7.2 IRVAPP Conferences

On June 8, 2010 IRVAPP organized a conference on “The Effects of Remedial Exams on Student Achievement in Upper Secondary Schools in Italy” at CNEL, Roma.

Antonio Schizzerotto (IRVAPP & University of Trento) presented the research carried out by IRVAPP, with the support of the Education Department of the Province of Trento, on an impact evaluation of the “Decreto Fioroni” to assess the effectiveness of “remedial exams” vs. the so-called “educational debts”. Sergio Ristuccia (President of the Consiglio Italiano per le Scienze Sociali) and Andrea Zanotti (President of the Fondazione Bruno Kessler) gave the introductory presentation. The invited discussants were: Valentina Aprea (President of the VII Culture, Science & Education Commission of the House of Representatives), Giovanni Bachelet (Member of the VII Culture, Science & Education Commission of the House of Representatives), Piero Cipollone (President of the INVALSI), Chiara Saraceno (WZB – Social Science Research Center, Berlin), Clotilde Pontecorvo (CSS & Università degli Studi di Roma La Sapienza), Beppe Tognon (Università di Roma LUMSA & Fondazione Bruno Kessler).

7.3 Other conferences / seminars / workshops / visiting

IRVAPP researchers have attended the following conferences/seminars on policy evaluation, normally presenting papers or playing an active role.

13-16 April 2011 | ISER – Institute for Social and Economic Research, Essex University
ISA RC28 spring 2011 Meeting

Loris Vergolini and Nadir Zanini attended the conference organised by the Research Committee 28 on Social stratification and Mobility where Loris Vergolini presented the paper “Does Aid Matter? The Effect of Financial Transfer on University Enrollment”.

23 November 2010 | Bonn University, Bonn
Bonn University

Ugo Trivellato and Enrico Rettore presents a paper entitled “Testing for True State Dependence in Poverty Dynamics” at the Bonn University in Germany.

16 November 2010 | Bamberg University

Ugo Trivellato presents the IRVAPP paper “The Effects of Temporary Job Experiences on Short-term Labour Market Outcomes in Italy” at a seminar held at Bamberg University, Germany.

5-6 November 2010 | IAB – Institute for Employment Research, Nuremberg
IAB Conference

Ugo Trivellato presents a paper entitled “Another Look at the “Stepping Stone vs. Dead End” Issue about the Impact of Temporary Employment. What Can we Learn from Recurrent Labour Force Surveys?” at the IAB conference in Nuremberg, Germany.

30 September - 2 October 2010 | ECSR, Bamberg

ECSR Conference

Carlo Barone, Antonio Schizzerotto and Loris Vergolini presented the IRVAPP paper “The Bologna Process in Italy: An Empirical Assessment of its Impact on Educational Participation” at the European Consortium for Sociological Research conference held in Bamberg, Germany.

23-24 September 2010 | ISER – Institute for Social and Economic Research, Essex University

Microsimulation Workshop

Francesca Zantomio presented the paper "Older People Participation in Welfare Programmes in the UK".

27 August 2010 | University of Trento

Equalsoc and ECSR Joint Summer School 2010

Nadir Zanini and Francesca Zantomio have been invited to hold a lecture on “Programme Evaluation: Putting Techniques into Practice” at the Summer School jointly organised by EQUALSOC and the European Consortium for Sociological Research in Trento.

17-21 August 2010 | ESWC, Shanghai Econometric Society World Congress

Ugo Trivellato presented the IRVAPP paper “The Effects of Temporary Job Experiences on Short-term Labour Market Outcomes in Italy” at the Econometric Society World Congress.

10 August 2010 | ASA –American Sociological Association, Atlanta

ASA Annual Meeting 2010

Loris Vergolini presented a paper “The Determinants of Interpersonal Trust in Italy” at the annual meeting of the American Sociological Association.

14-15 May 2010 | CESifo Conference Center, Munich

CESifo Area Conference on Employment & Social Protection 2010

Ugo Trivellato presented an IRVAPP paper “The Effect of Experiencing a Spell of Temporary Employment vs. a Spell of Unemployment on Short-term Labour Market Outcomes” at the CESifo conference on “Employment and Social Protection”.