

## **Effets à long-terme d'un programme de transferts monétaires conditionnels, au Nicaragua**

### **Researchers:**

Tania Barham

Karen Macours

John A. Maluccio

**Sector(s):** Éducation, Genre, Protection Sociale

**Fieldwork:** Centro de Investigación de Estudios Rurales y Urbanos de Nicaragua (CIERUNIC)

**Location:** Nicaragua

**Sample:** 2 709 ménages

**Target group:** Children Parents Women and girls Youth

**Outcome of interest:** Dropout and graduation Enrollment and attendance Student learning Age of marriage Fertility/pregnancy Long-term results

**Intervention type:** Cash transfers Conditional cash transfers

**AEA RCT registration number:** AEARCTR-0001572

**Données:** <https://github.com/oscardiaz/b/Replication-Package-Second-Generation-Effects-Ni...>

**Partner organization(s):** Inter-American Development Bank (IDB), International Initiative for Impact Evaluation (3ie), National Science Foundation (NSF)

### **Policy issue**

Conditional cash transfer (CCT) programs, which offer families cash grants conditional on attendance at school or preventive health visits, have expanded rapidly over the past decade, and currently operate in more than 30 countries worldwide. There is substantial evidence that, by increasing incentives for parents and helping to offset the costs of schooling, CCT programs can significantly increase participation in school in the short term. There is also a large literature showing substantial impacts of CCTs on poverty reduction, nutritional outcomes and health. Together with education, these short-term impacts correspond to the primary objectives of most CCT programs, including the program studied in this evaluation. However, due to the high cost of providing cash transfers to families, when compared to other programs increasing short-term enrollment, CCT programs can appear relatively expensive. There is little evidence to date on whether their short-term educational impacts eventually translate into longer-term educational benefits, like improved performance on standardized tests. Comprehensive assessment of such longer-term impacts, in addition to the short-term gains in various domains, is important for more accurate cost-benefit of these programs.

### **Context of the evaluation**

In 2000, the government of Nicaragua launched a national CCT program, called Red de Protección Social (RPS), that incentivized parents to invest in their children's health and wellbeing. The program lasted six years and reached over 30,000 poor rural households. The cash transfers, which were delivered every other month to a designated female caregiver within each household, came in two forms. The first was a fixed 'food security transfer,' which was given to all households in the program. The second transfer was a 'school attendance transfer,' which was available only for households with children ages 7–13 who had not yet completed fourth grade, and was contingent on those children's enrollment and regular school attendance. For each eligible child, the household also received an annual cash transfer at the start of the school year, which was intended to cover the cost of school supplies. The RPS program included two phases. In May 2000, 42 localities in central and northern Nicaragua were randomly assigned to either the first phase (the 'early treatment') or the second phase (the 'late treatment'). The 21 early-treatment localities became eligible for the program and received their first transfers in November 2000. Households in these localities were eligible for cash transfers for three years, receiving the last transfer in late 2003. Meanwhile, the 21 late-treatment localities were phased into the program starting in the beginning of 2003. Households in the late treatment localities were also eligible to receive three years' worth of cash transfers.



Children write in notebooks in Nicaragua.

Photo credit: Gonzalo Bell, Shutterstock

## Details of the intervention

Between 2009 and 2011 (9-11 years after the start of the program in the early treatment group), researchers conducted a long-term follow-up survey with 1,330 households in the early treatment group and 1,379 households in the late treatment group. Researchers focused on the cohort of children who were between 9 and 11 years old in 2000. Because only children between 7

and 13 were eligible for education transfers during the program, children in the early treatment group who were between 9 and 11 years old in 2000 benefitted more intensively from the education transfers than the same age group in the late treatment group; many of the children in the late treatment group would have been too old to be eligible for the education transfers by the time the late-treatment localities were phased into the program. Furthermore, for boys, this age cohort encompasses the ages where the risk of school dropout, without the program, is high, further increasing the potential impact of the program. The survey included information on primary school enrollment and years of education for all household members, household demographics and basic assets, and individuals' labor market history and economic activities. In addition, in order to determine whether the original increases in years of schooling were accompanied by increases in longer-term learning outcomes, the survey included a number of tests to assess cognition and learning achievement. Data collection efforts in 2010 included extensive tracking of migrants throughout the country and to Costa Rica, paying off in a minimum level of attrition.

## **Results and policy lessons**

*Short-term impacts:* Short-term estimates confirm previous research, indicating that by 2002 the program had led to a half year increase in the years of schooling completed among treated students, as well as a 13.5 percentage point increase in the enrollment rate, and a 3.7 day reduction in the number of days missed of school in the past month. By 2004, the 9-11 year old cohort of boys in the early treatment group still had 0.62 years of education more than the same cohort in the late treatment group, despite the fact that they were no longer receiving program benefits. This indicates that, at least by 2004, the program had led to a sustained increase in the number of years of completed education for the early treatment group. *Long-term impacts:* By 2010, seven years after the early treatment group stopped receiving the transfers, boys in the early treatment group still had nearly half a year more schooling than those in the late treatment group. The increase in years of schooling was accompanied by gains in learning. In particular, individuals in the early treatment group saw an average improvement of a quarter of a standard deviation on standardized tests in math (speed and problem solving) and Spanish (reading and spelling), compared to those in the late treatment group. However, no significant impact was found on cognition, as measured by the Raven test, consistent with cognitive development taking place mostly during early childhood.

Barham, Tania, Karen Macours, and John A. Maluccio. "More Schooling and More Learning? Effects of a Three-Year Conditional Cash Transfer Program in Nicaragua after 10 Years." IDB Working Paper Series No. IDP-WP-432, July 2013.