

CASH AND CARE: HELPING TO BREAK THE CYCLE OF POVERTY

Conditional cash transfer (CCT) programs are designed to break the cycle of poverty. Cash is used both as a mechanism to allow parents to provide for their children's needs and as an incentive for investing in their children's health and well-being.



Mexico's *Oportunidades*, one of the first CCT programs, began in 1998 in a small number of very poor, rural communities. Families receive a basic cash transfer to help meet immediate needs as long as they comply with certain conditions, such as attending preventive health-care services and attending health and nutrition education sessions. Additional money is given if children are kept in school (as of the third grade) and attend regularly.

Three to five years after the program began, assessments on children who had been enrolled since birth showed improved outcomes for physical growth, cognition and language development and psychosocial functioning. Ten years after the program's launch, researchers investigated the effects of *Oportunidades* on children ages 8 to 10, and found the benefits still held.

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"Exposure to the program early in life had lasting benefits for physical growth and behaviour," says Dr. Lynnette Neufeld, a Canadian researcher and chief technical advisor at the Micronutrient Initiative in Ottawa, who leads the nutrition component of the external evaluation of *Oportunidades*. *"This finding shows how important it is for children in these kinds of vulnerable groups to receive, from a very young age, interventions that ensure that they have adequate health, nutrition and care."*

Overall, the cumulative amount of cash transferred to households was significantly associated with improved growth, high verbal and cognitive scores, and fewer behavioural problems; effects were greatest in children of mothers with no education. However, the effect of the cash did not explain the full impact of the program. *"While the cash component is very important, it is not enough in itself. It is the integrated nature of the program that produces such a big impact,"* Neufeld explains. Today, Mexico's program has five million beneficiary families.

Michael Feigelson, program director of the Bernard van Leer Foundation in the Netherlands, which funds a variety of projects aimed at improving opportunities for children growing up in socially and economically difficult circumstances, says this type of research can help his foundation understand what works and what doesn't when deciding what types of programs or interventions to support.

However, he says, more research is needed on the causal pathways of CCT programs. *"From this study, we don't know exactly which elements or combination of elements lead to the greatest benefits – the cash or something else,"* he adds. *"This is important for us in deciding what to invest in when we are forced to make a choice. In addition, more information on other outcome variables related to our specific goals, such as reducing violence in the family, would help us even more."* He notes that while his foundation is not involved in any CCTs, many of the programs it funds do provide both financial assistance and a set of services to families. 🦋

BY EVE KRAKOW

Ref.: Fernald LCH, Gertler PJ, Neufeld LM. 10-year effect of *Oportunidades*, Mexico's conditional cash transfer programme, on child growth, cognition, language, and behaviour: a longitudinal follow-up study. *The Lancet* 2009;374(9706):1997-2005.