



Cash or Condition Evidence from a Cash Transfer Experiment

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Organizing Theme	Education and Skills, Voice and Agency
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Intervention Category	Cash Transfer
Sector	Social Protection
Abstract	<p>This article assesses the role of conditionality in cash transfer programs using a unique experiment targeted at adolescent girls in Malawi. The program featured two distinct interventions: unconditional transfers (UCT arm) and transfers conditional on school attendance (CCT arm). Although there was a modest decline in the dropout rate in the UCT arm in comparison with the control group, it was only 43% as large as the impact in the CCT arm at the end of the 2-year program. The CCT arm also outperformed the UCT arm in tests of English reading comprehension. However, teenage pregnancy and marriage rates were substantially lower in the UCT than the CCT arm, entirely due to the impact of UCTs on these outcomes among girls who dropped out of school.</p>
Gender Connection	Gender Focused Intervention
Gender Outcomes	Female school attainment, cognitive skills, decision making over family formation
IE Design	Clustered Randomized Control Trial (Clustered at Enumeration Area level)
Intervention	<p>There are two treatment arms and one control group. The first treatment arm is a standard CCT. The size of the CCT was determined by lottery and ranged from \$1-5 per month. Monthly school attendance must have been above 80%. Also the school fees would be paid in full. The UCT arm offered identical transfers but had no school-attendance requirement. The cash transfer was focused only on girls.</p>
Intervention Period	Treated girls received monthly payments for two years from 2008 to the end of 2009
Sample population	The sample comes from 176 Enumeration areas in the Zomba district in Malawi. The target population was never-married females aged 13-22. There was a total sample size of 2907 schoolgirls.
Comparison conditions	There are 3 treatment arms, CCT, UCT and a control group.
Unit of analysis	Individual Level
Evaluation Period	There was a follow up during the intervention and an additional survey 9 months after the intervention ended.
Results	Dropout rates declined in both treatment arms, however the UCT arm is 43% as large as the CCT arm. The fraction of days attended in the CCT arm is significantly higher than the



	UCT. Cognitive ability, math and English scores significantly improve for the CCT but not for the UCT. Marriage and Pregnancy Rates tell a different story. Probability of pregnancy and marriage were much lower in the UCT arm. The delays in marriage and fertility in the UCT arm are found entirely among adolescent girls who dropped out of school after the start of the intervention. Improvements in human capital for the recipients of the CCT are achieved at the cost of worse outcomes for people who drop out of school.
Primary study limitations	The paper does not discuss limitations
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Reference(s)	Baird, S., McIntosh, C., & Özler, B. (2011). Cash or condition? Evidence from a cash transfer experiment. <i>The Quarterly Journal of Economics</i> , 126(4), 1709-1753.
Link to Studies	http://qje.oxfordjournals.org/content/126/4/1709.short
Microdata	