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FAMILY AND CASH TRANSFER PROGRAMS IN LATIN AMERICA

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FRAMEWORK

- 1. Cash Transfer Programs in Latin America (CTPs), Poverty and extreme poverty in LA, goals, scope, budget and evaluation of CTPs
- Qualitative evaluation of Mexican (Oportunidades) and Chilean (Chile Solidario-Puente) Programs
- 3. Concept of Family in CTPs
- 4. Some proposals

1. CASH TRANSFER PROGRAMS

Goals

- •to alleviate poverty through direct income transfers.
- •to provide incentives for investment in human capacity-building.
- •to bring the target population into the social protection and promotion networks.

Scope

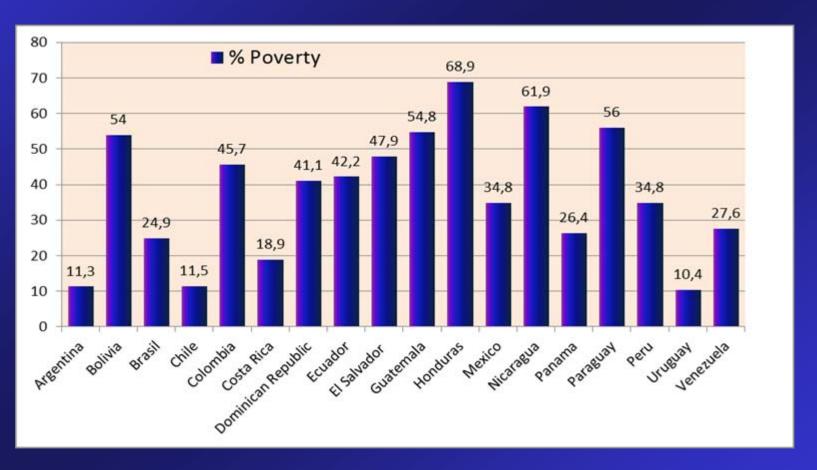
•18 countries of the region, serving more than 25 million families or some 113 million individuals: 19% of the population of Latin America and the Caribbean.

Budget

•There are not expensive programs, their budget range from 1.17% of GDP of Ecuador Bono of Human Development to 0.02% GDP of El Salvador Rural Solidarity Communities. Source of financing governmental and non-governmental.

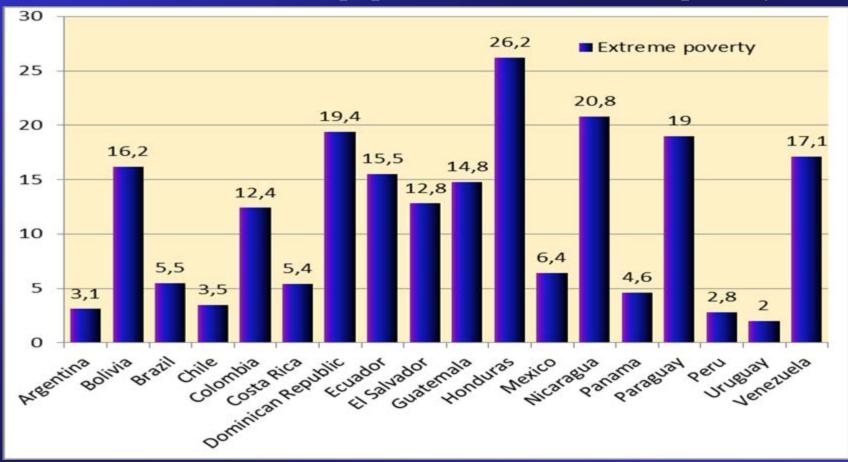
Poverty in Latin America

Latin America 2009: Total population below poverty line



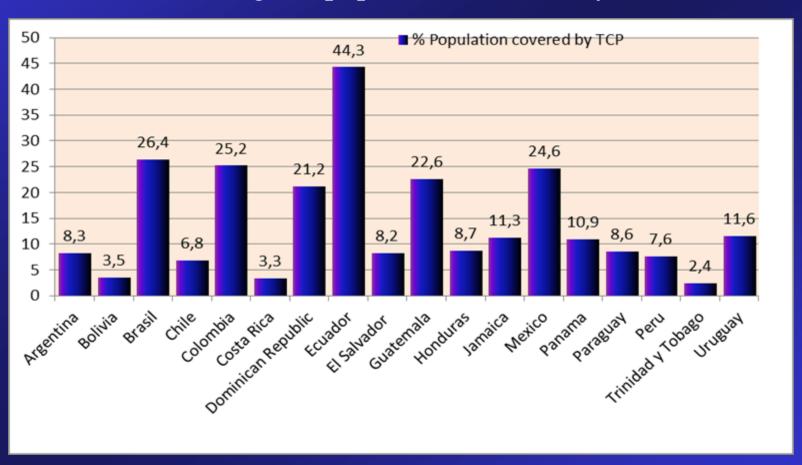
Extreme Poverty in Latin America

Latin America 2009: Total population below extreme poverty line



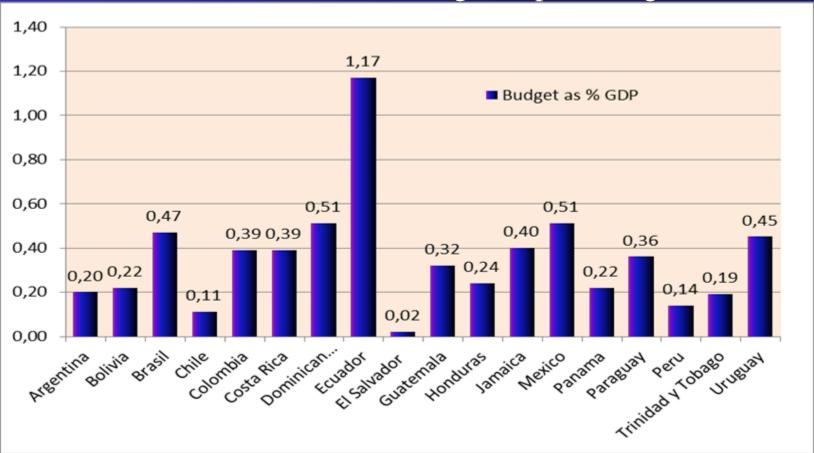
CTPs in Latin America

Percentage of population covered by TCPs



Budget of CTPs

CTPs in Latin America 2009: Budget as percentage of GDP



IMPACT EVALUATION OF CTPs

Impact evaluations of CTPs have shown positive results:

- Positive impacts on education and health outcomes.
- •Positive impacts on nutrition, mainly when the CTPs have been accompanied by the distribution of food supplements.
- •No major negative impact on labor supply has been observed (despite criticisms that CTPs foster dependency).
- •Large-scale programs have had impressive results in reducing inequality and some impact on poverty measures, especially by narrowing the poverty gap and lessening the severity of poverty.

Source: Hailou and Soares, 2008

2. MEXICAN AND CHILEAN PROGRAMS

PROGRAMS	OPORTUNIDADES	PUENTE
Started in:	1997	2002
Population covered	24.6	6.8
Budget (% GDP)	0.51	0.11
Social Investment (%)	4.52	0.87
Source of Funding	Government, World Bank & Int.Development Bank	Government
Goals	To reduce poverty and extreme poverty through health, education and food	To reduce extreme poverty through psycho-social measures, access to social protection, bonuses.
Means	Transfer of cash to mothers	Transfer of cash to mothers
Selection of the families	Through scores of survey of SEDESOL	Through a Social protection index of MIDEPLAN

Source: Arriagada and Mathivet (2007)

3. FAMILY CONCEPT IN CTPs

The concept of family in the programs

- •Social programs tend to consider the existence of a single model of a "happy" family: the man as the economic provider and the mother as housewife.
- •That traditional model of family corresponded to only 20% of the total number of households, and to 24% of urban families in 18 Latin American countries.
- •Poor and extreme poor families are mainly woman-headed.
- •Adolescent mothers, extended families, double-income and other types of families are not considered.

3.SOME PROPOSALS FOR CTPs

Some proposals derived from qualitative analysis of two programs:

- •To incorporate within the design, the diversity of needs of family members and ways of relating inside the family.
- •To give the opportunities or stimulate poor groups to organize themselves and develop their social capital.
- •To take into account the diversity of poor Latin American families.
- •To develop strategies in order to change the subordinate position of women inside families. Gender awareness is needed.
- •To clarify the mechanisms of selection to enter and leave the programs.
- •To educate and raise awareness in the families over their rights and duties are sine qua non conditions for the success of the program.