

EVIDENCE-INSIGHTS-POLICY

PREVENTING EXCESS FEMALE SCHOOL DROPOUT IN MOZAMBIQUE: CONDITIONAL TRANSFERS AND THE RESPECTIVE ROLE OF PARENT AND CHILD IN SCHOOLING DECISIONS

CONTEXT

An enormous effort has been made by governments around the world to incentivize parents to ensure that their children regularly attend school. Ample evidence has supported the fact that cash transfers can have a positive impact on school attendance; however, there is still scarce evidence on the optimal program design for these financial incentives. Damien de Walque and Christine Valente (2018) provide experimental evidence in the context of Mozambique on (1) whether simply providing information to the parents on their child's attendance at school could improve attendance independently of any cash transfer and (2) whether financial incentives could be more effective when given directly to children or to their parents.

In Mozambique, despite large increases in enrollment rates in lower primary school grades, most children are still not completing primary education. In 2016, only 45% of girls and 51% of boys completed primary school. Only about 10% of rural children and 20% of urban

children who start school finish lower primary school at the intended age of ten years old. For upper primary schooling, the official completion rate is abysmal. In rural areas, by age 19 only about 14% of males and 8% of females have completed upper primary schooling.

INTERVENTIONS

The study conducted three interventions targeting girls in senior primary grades (6th and 7th grades) in Manica province in the Center Region of Mozambique, where the female dropout rate is particularly salient. Within this province, 173 "complete" primary schools, i.e., schools offering all 7 grades of primary education, were split randomly between one control and three treatment groups.

THREE TREATMENTS

Report Card: Girls received a weekly attendance report card at the end of each week to show to their parents. They were then brought back to school at the start of the next week. (information treatment)

Girl Voucher: Vouchers were given to girls, conditional on a 90% school attendance rate. The girls could use the vouchers to buy a selected number of items like school uniforms, shoes, a school bag, etc. The nominal value of the transfer was USD8.4 per trimester, which means the maximum annual transfer was eight times the daily wages of an agricultural laborer in the study area.

Parent Cash: Cash transfers were made to parents, conditional on a 90% school attendance rate, and the same school items were made available as in the Girl Voucher treatment arm for optional purchase at the school. The value of the transfer was the same as in the Girl Voucher treatment arm.

FINDINGS

All three interventions significantly and substantially increased school attendance. Compared to the mean attendance rate of the control group schools (65%), the report card treatment increased attendance by 4.5 percentage points, the parent cash treatment increased attendance by 6 percentage points, and the girl voucher treatment increased attendance by 8.3 percentage points. This result supported the hypothesis that providing information

alone had a significant effect on school attendance, even without any financial incentive.

The estimated effect of the report card treatment on attendance was roughly 75 percent as large as the effect of giving parents cash incentives, and this difference was not statistically significant. Moreover, rewarding children with the girl voucher was at least as effective as rewarding their parents. Although the study could not reject the hypothesis that the parents' incentive and children's incentive treatments had the same effect, the estimated effect of incentivizing children is, in fact, 38% larger than the effect of incentivizing parents.

POLICY IMPLICATIONS

Given the low cost of the Report Card treatment and the ease with which the treatment could be scaled, this is a promising policy option for the many governments lacking the administrative and budgetary capacity to implement a conditional cash transfer program. This study also finds that children have agency in the decision to attend school, which suggests that incentivizing students directly may be more effective than incentivizing their parents.