

# Impact Opportunities 2: Can Social Protection Programs Build Skills and Raise Productivity?

## Cash Transfers in Tanzania

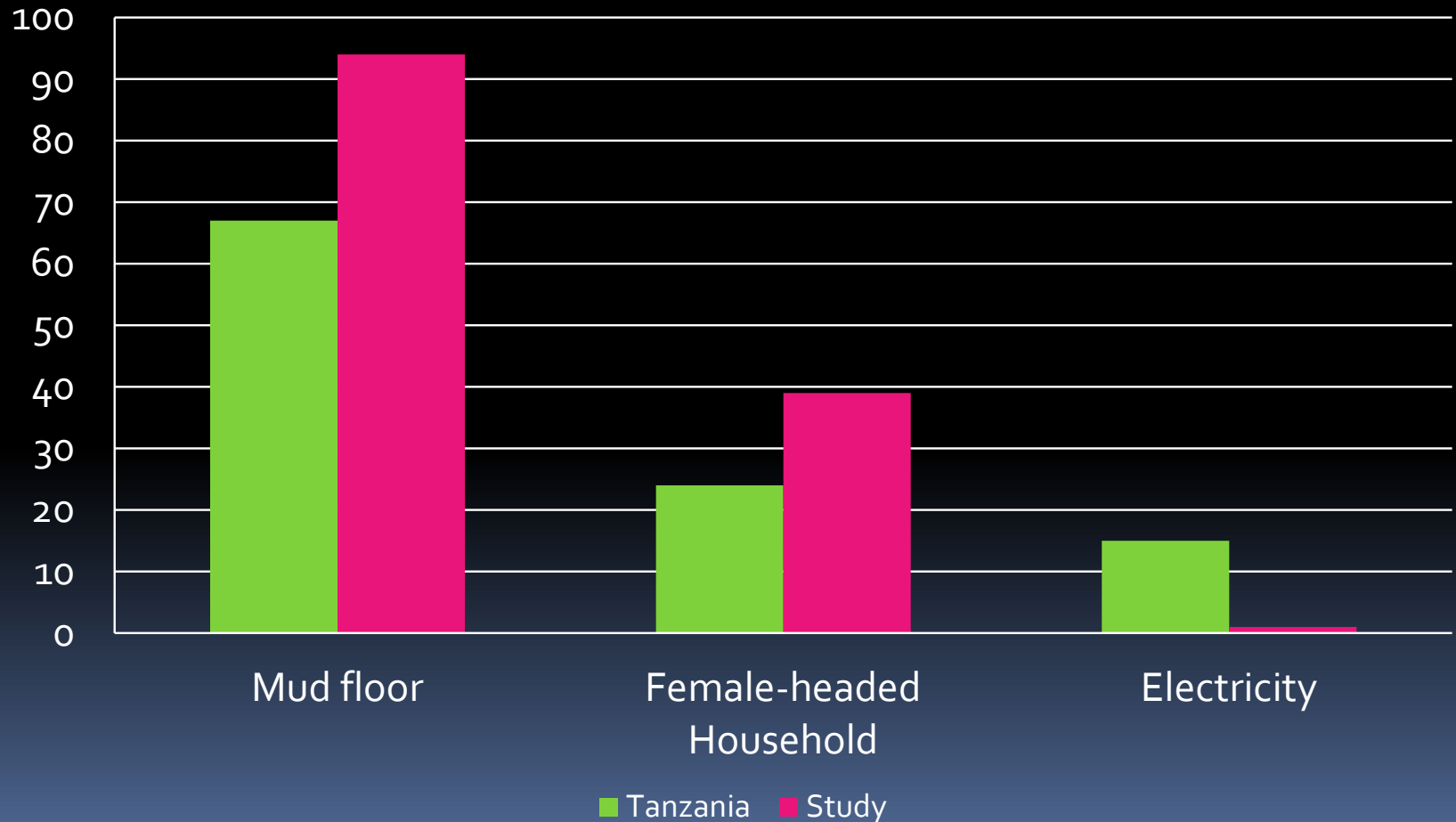
**David Evans**

**World Bank**

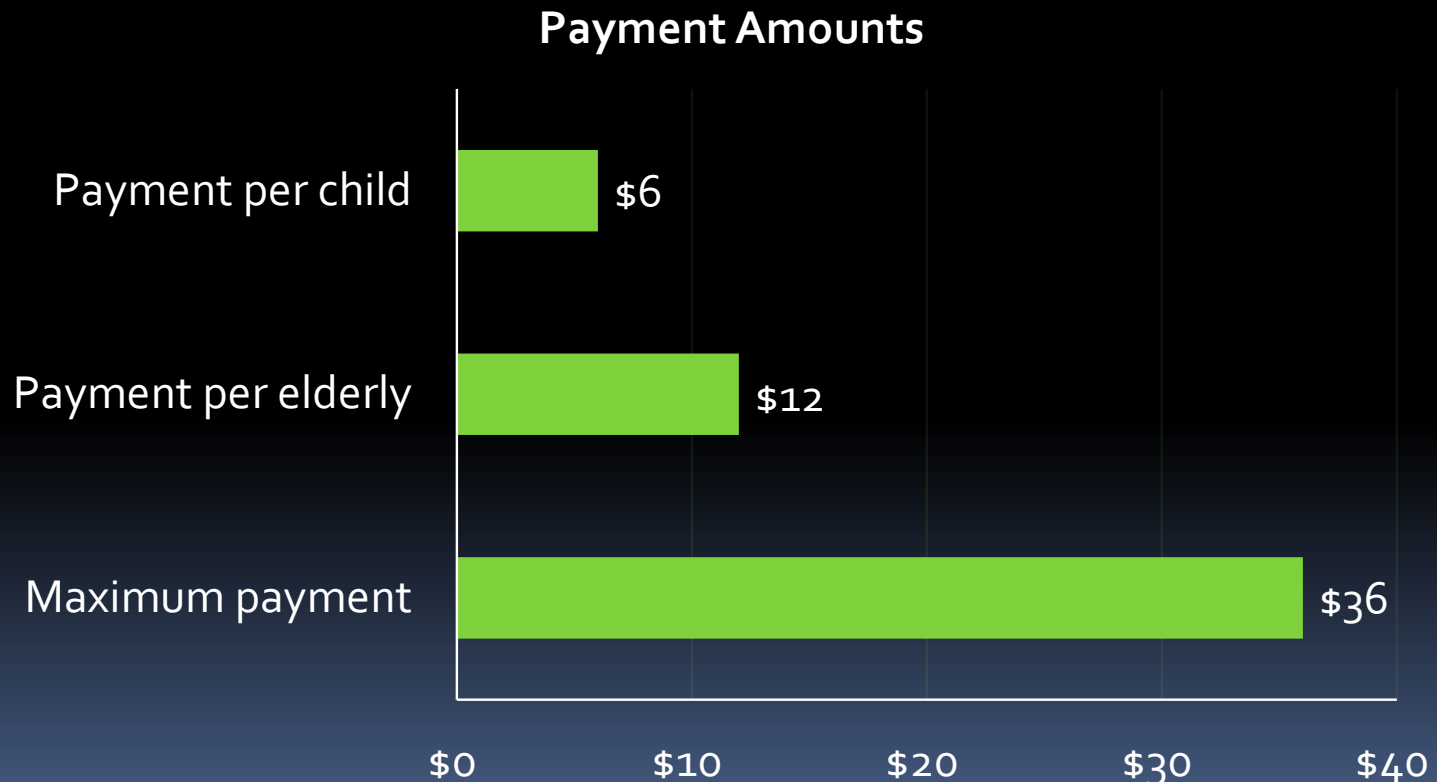
**Dakar, Senegal**

**Tuesday, October 1, 2013**

# The government wanted to assist extremely poor households.



They designed a conditional cash transfer to do that.



# They designed a conditional cash transfer to do that.

## 3 conditions



80%




3X



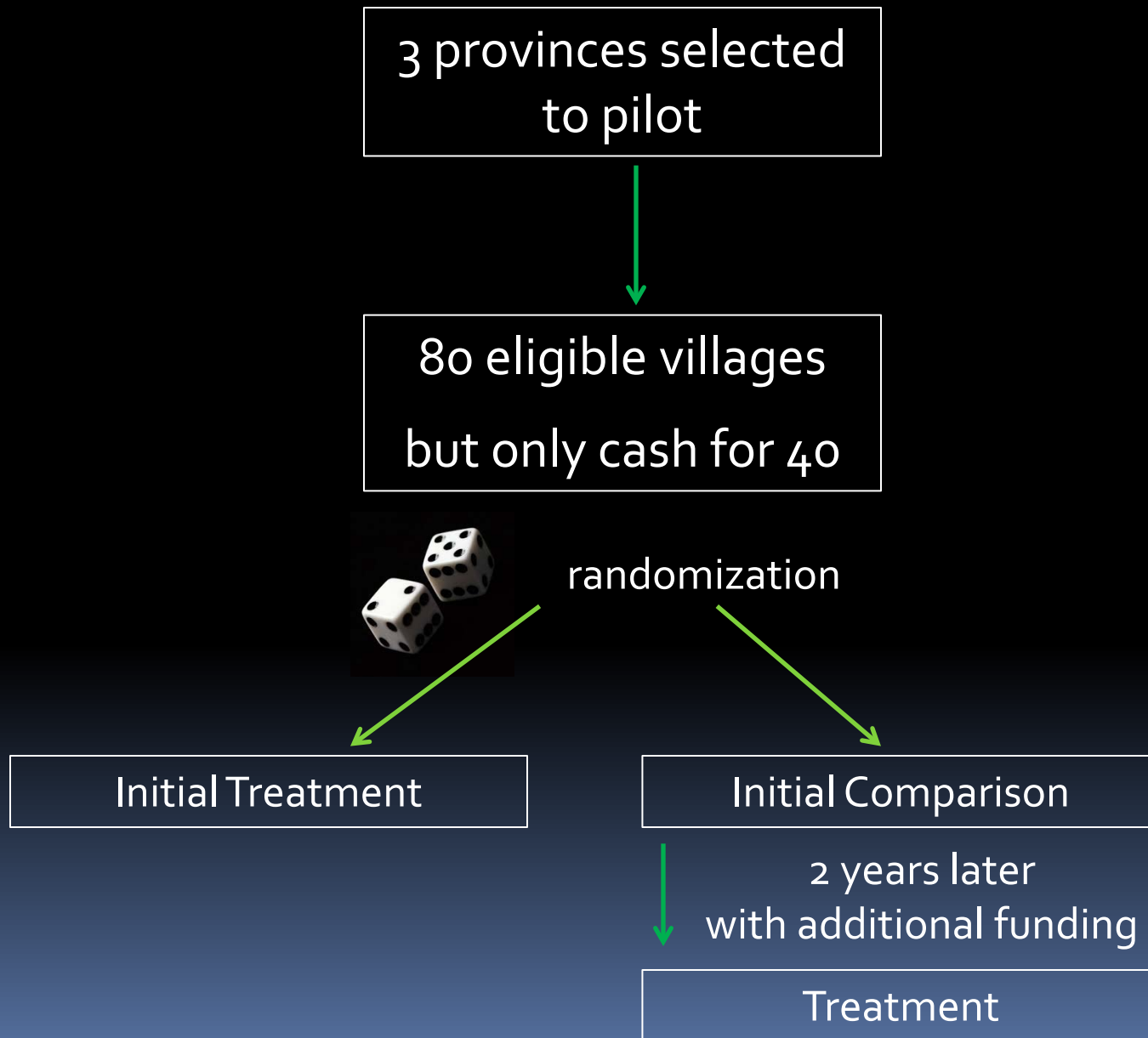
1X



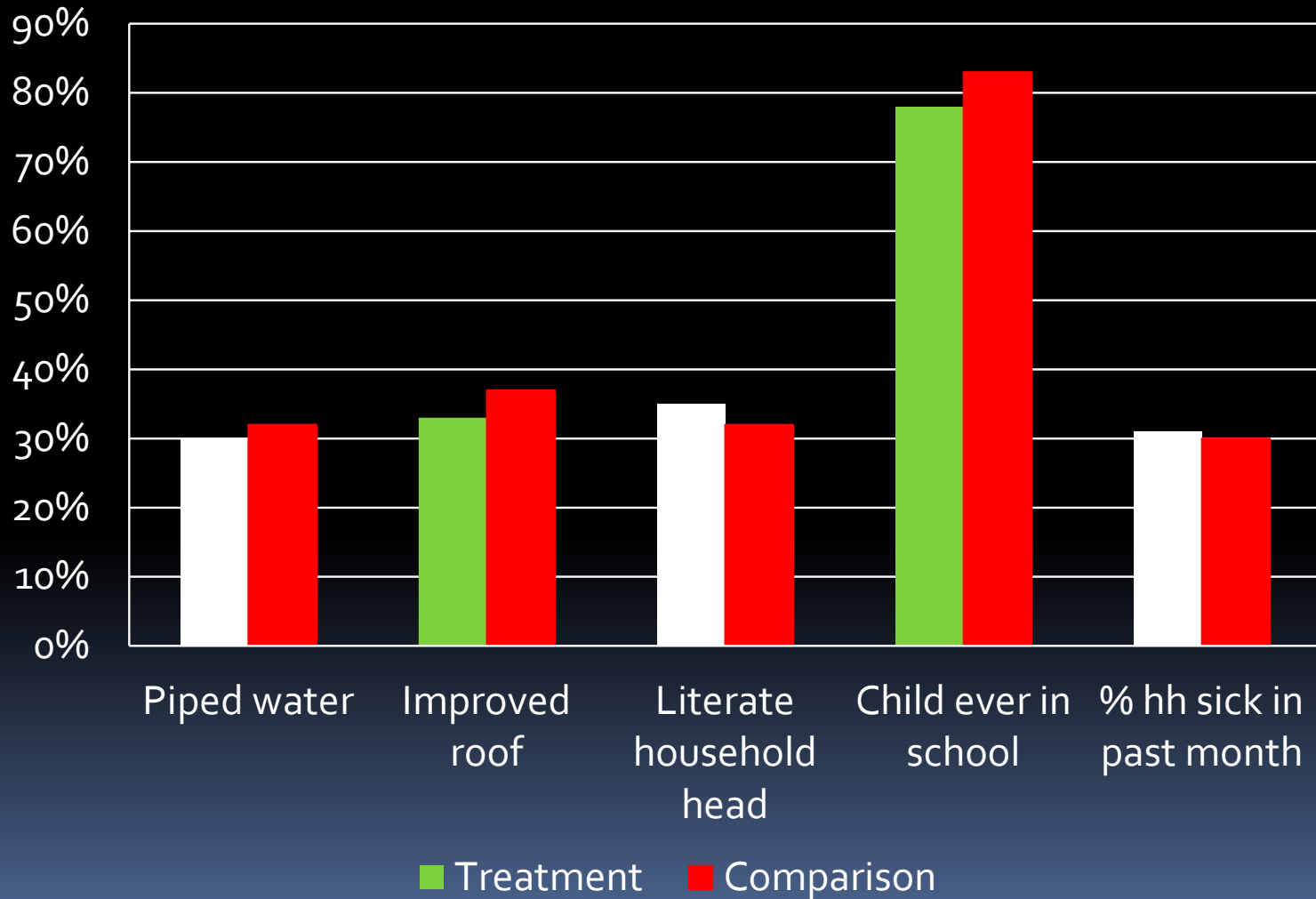
# that would work in Tanzania

- Who did the targeting?
    - The community!
  - Who made the payments?
    - The community!
  - Who verified conditions?
    - The community!
- 

# and an IE to test it

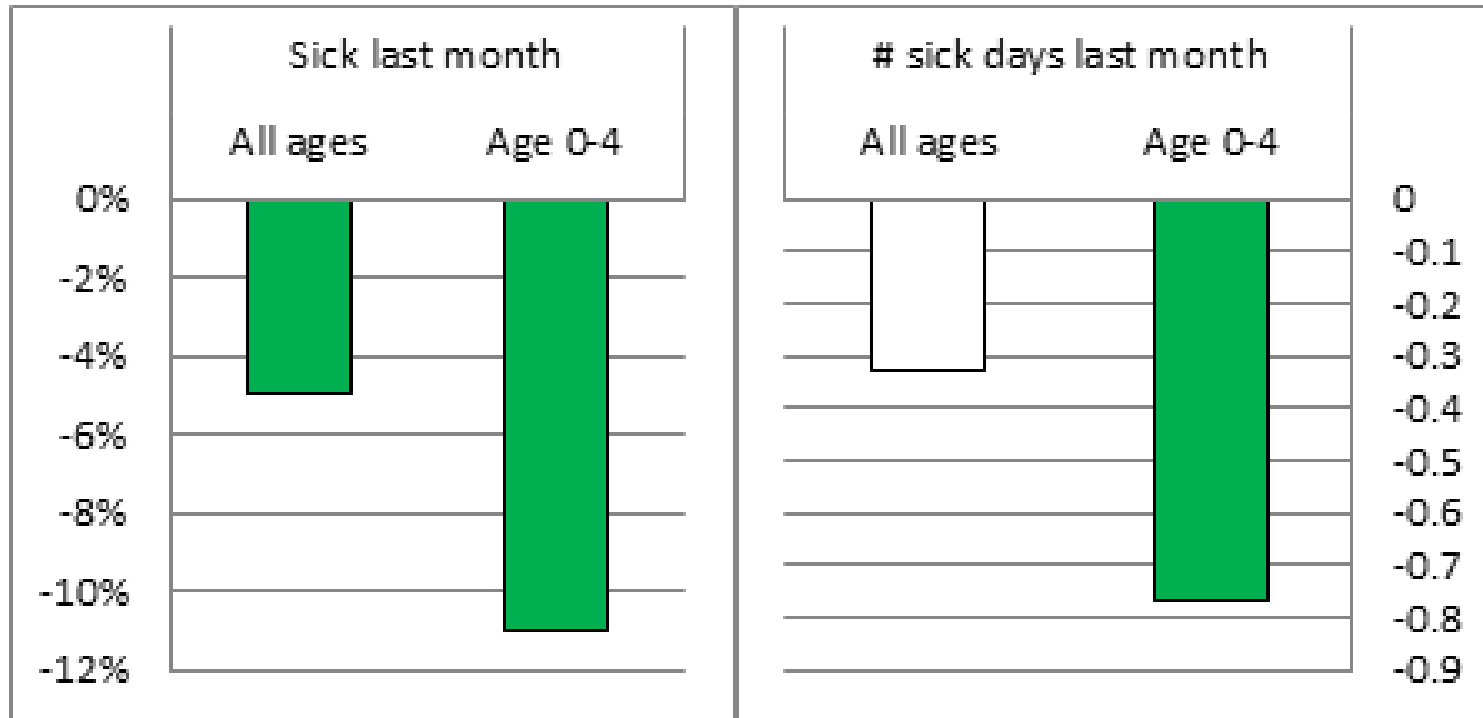


# The randomization worked!



# Health outcomes

How much less often were treatment households sick than comparison households?





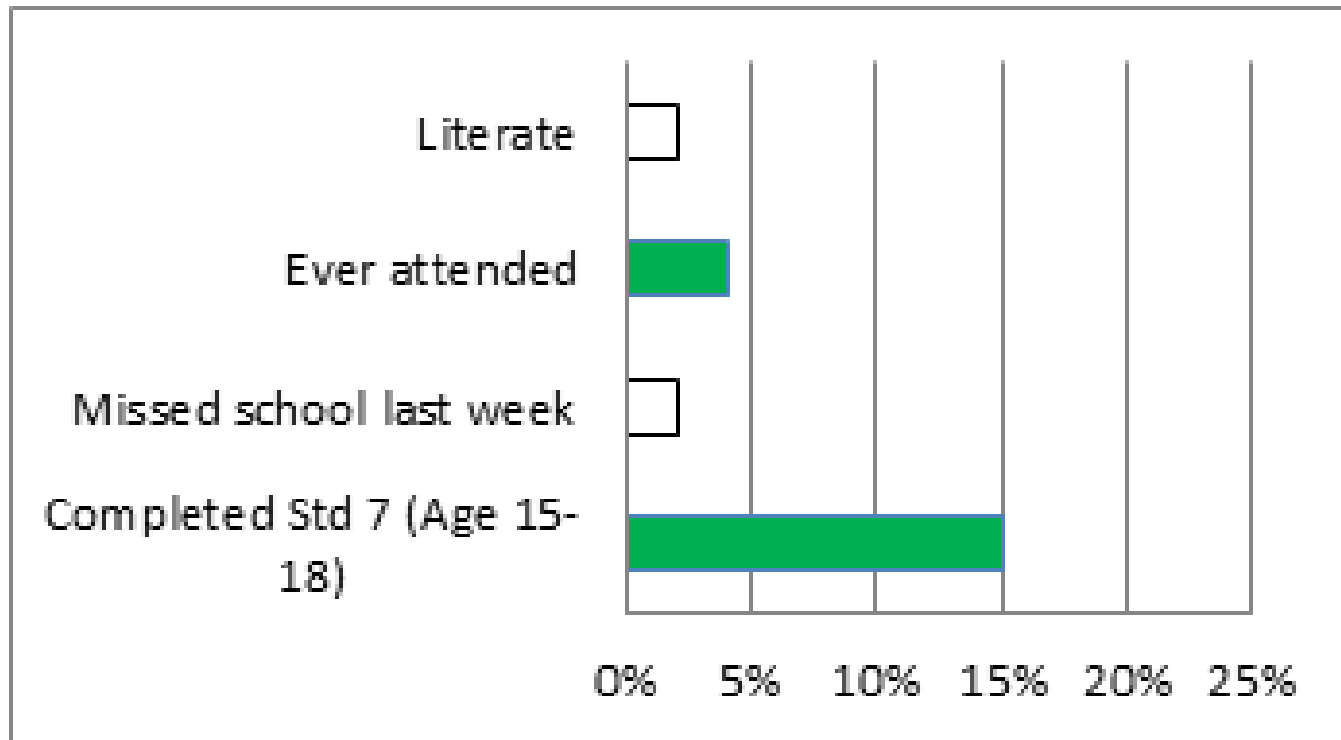
# Health for the poorest

How much less were treatment households sick than comparison households?



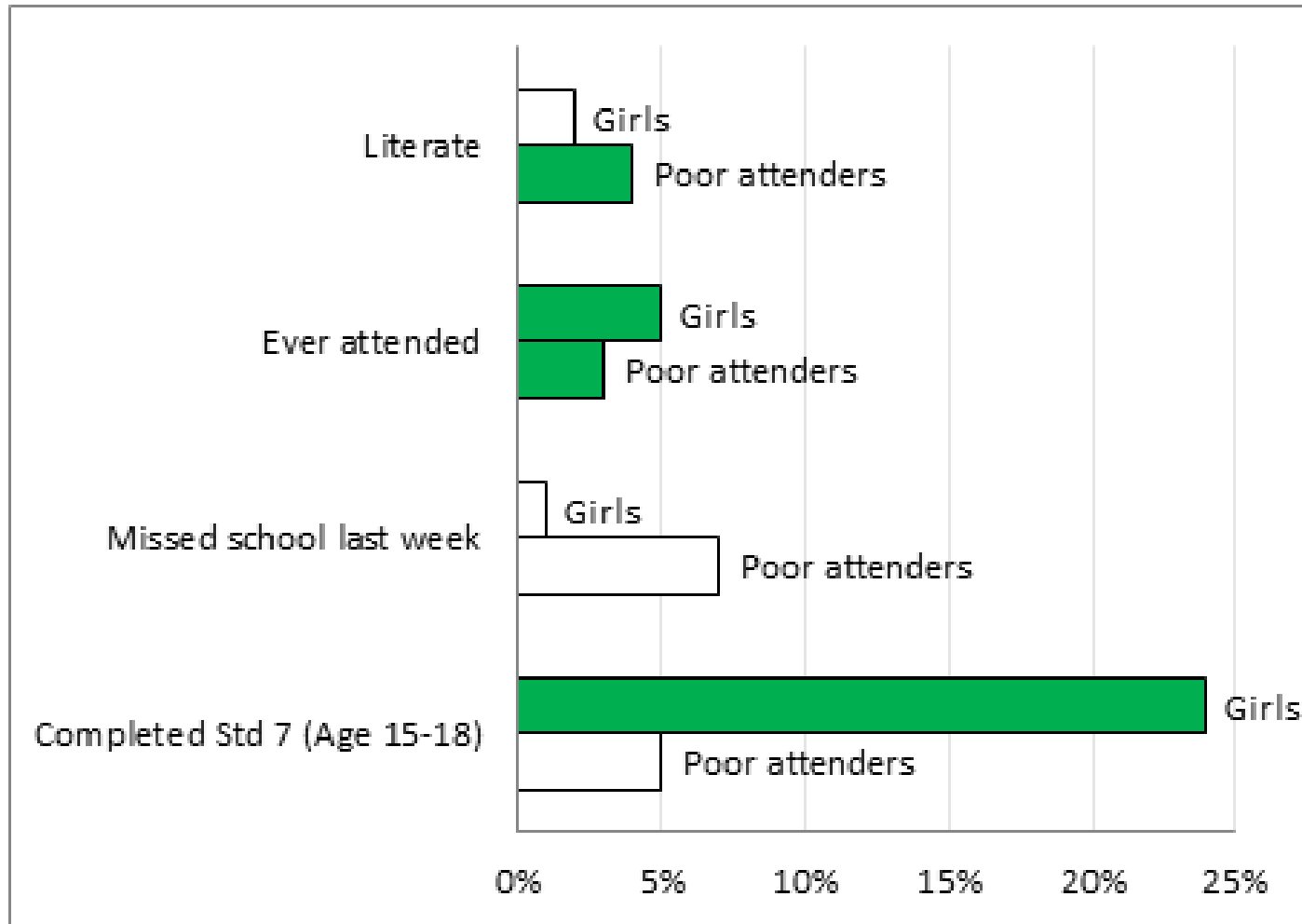
# Education

How differently did treatment children (age 0-18) fare in school than comparison children?



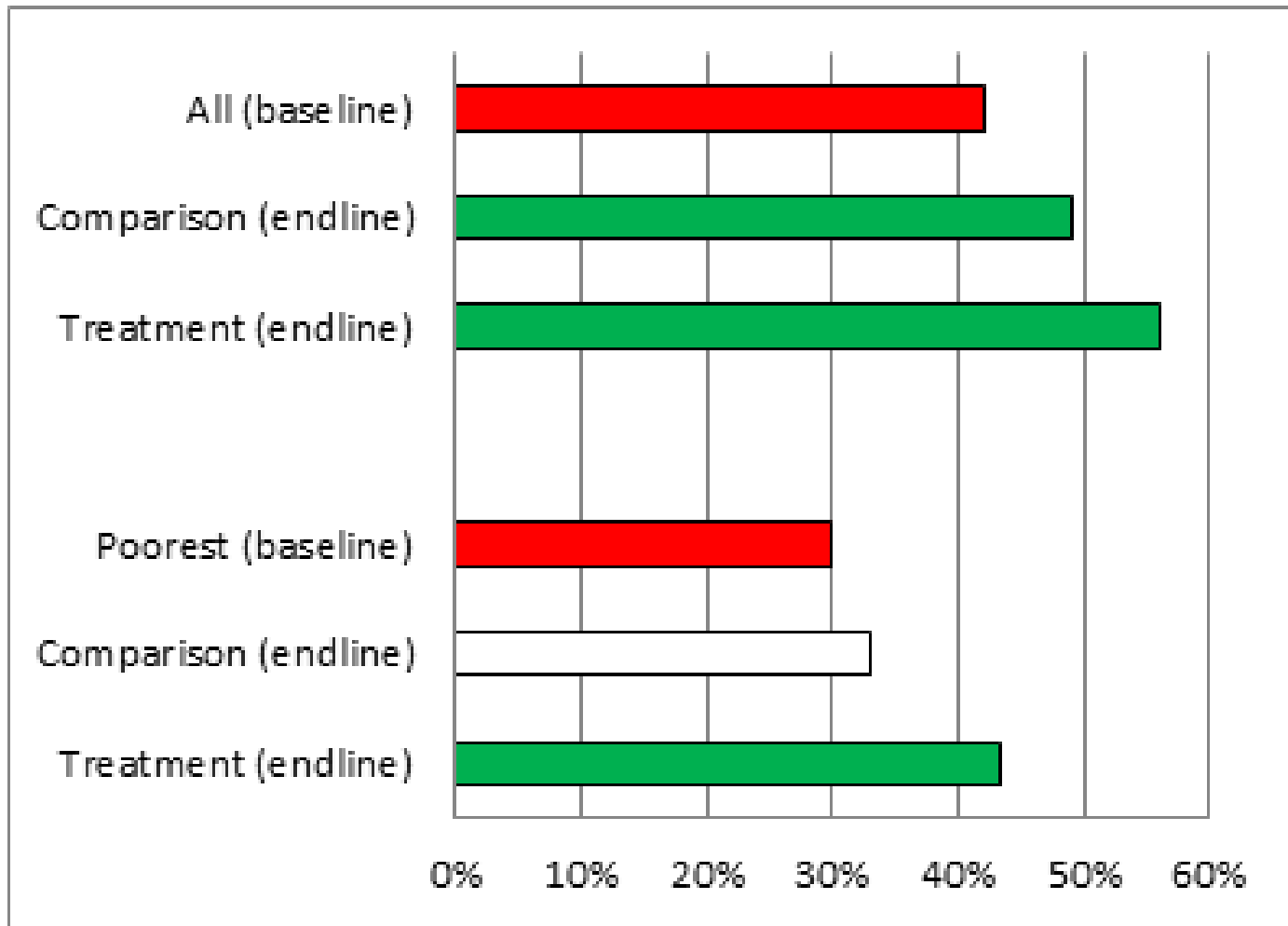
# Education outcomes for poor students

How differently did certain groups of treatment children fare in school than comparison children?



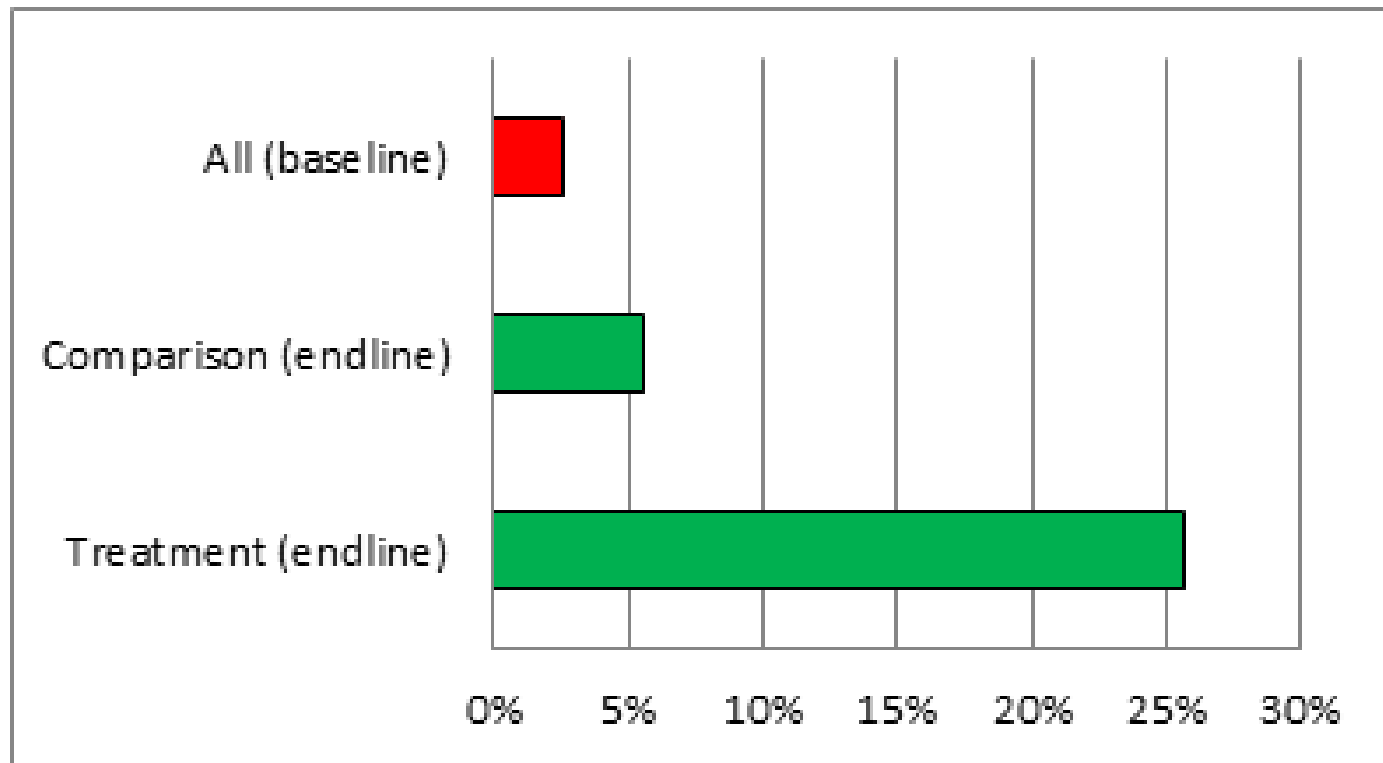
# Children's assets

Does the child have shoes?



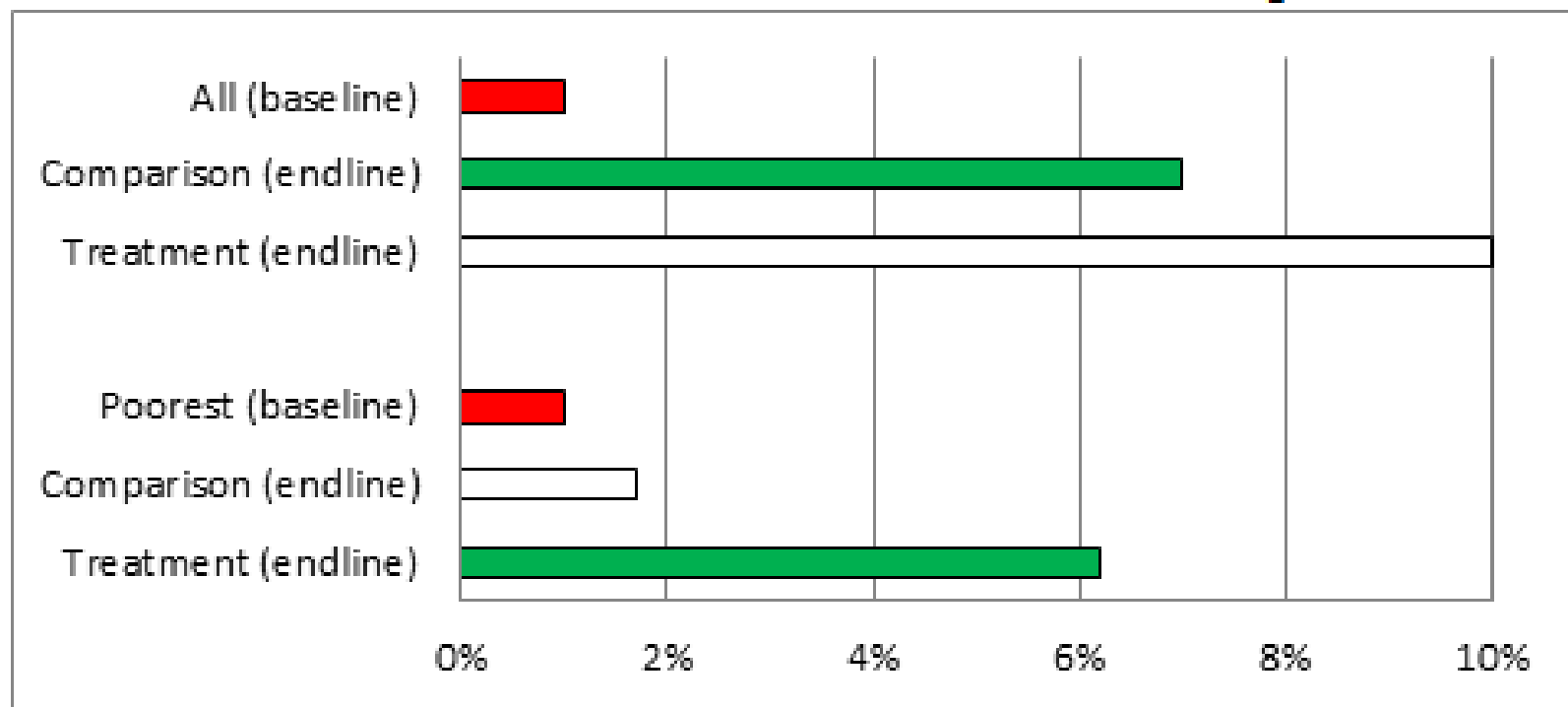
# Risk: Using health insurance

For someone sick in the last four weeks, did you finance treatment with health insurance?

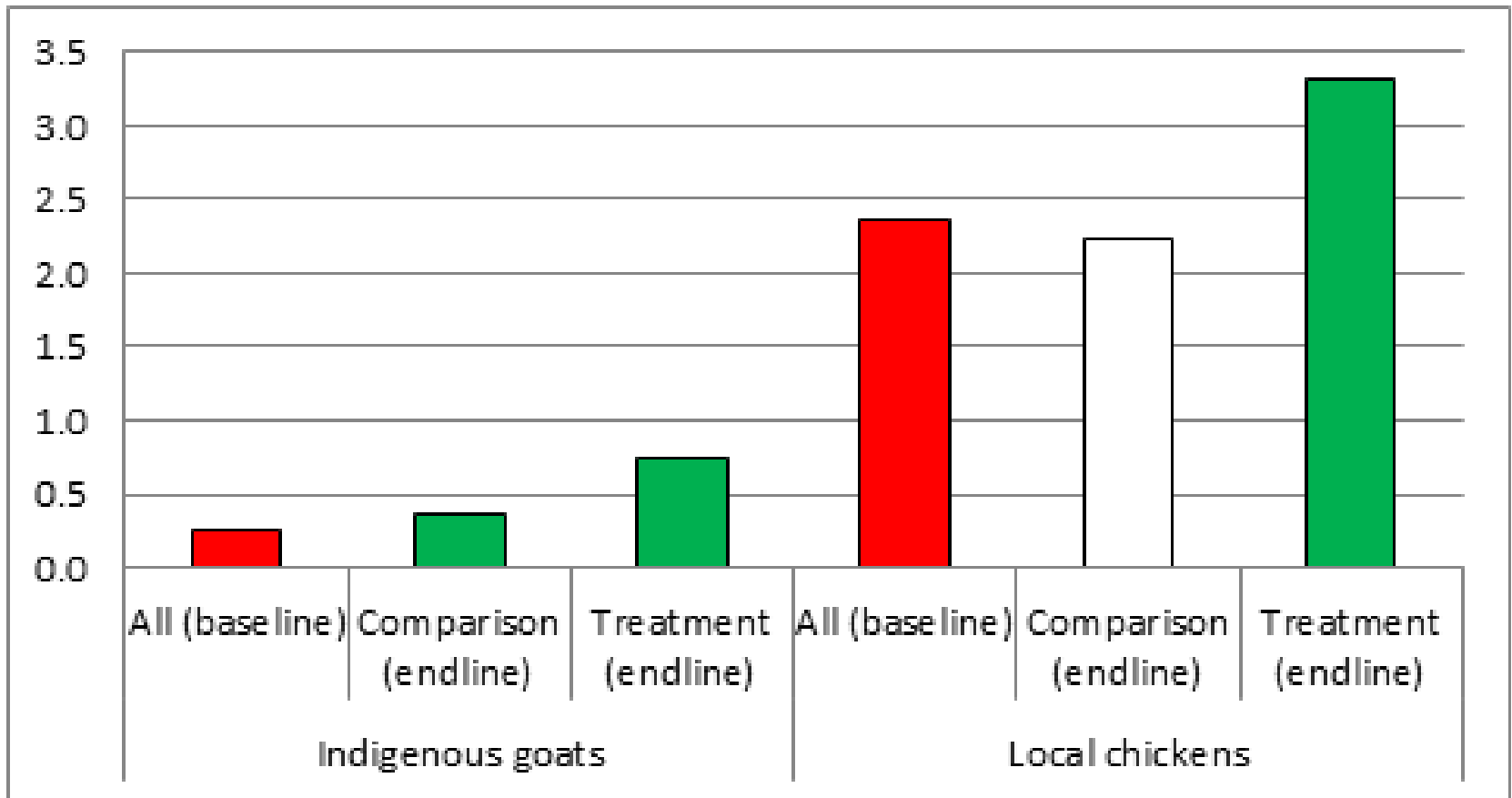


# Savings

How much did households have in non-bank savings?



# Productive Assets



# Productive Assets

## Female headed

- Sewing machine: from 1% to 2%

## Less poor

- Bicycles: 45% to 55%

## Everyone

- Chickens: 2.4 to 3.5
- Goats: 0.25 to 0.63


## If no drought

- Chickens: 2.4 to 4



# Take-away 1: CCT doesn't solve all problems

- Some surprises
  - School attendance
  - Housing infrastructure improved in treatment villages but more slowly
- Household make their own optimization
  - No measured increase in consumption (noisy!)



## Take-away 2: Even a CCT not focused on productivity can enhance that!

- Households invest in long-term productive assets: Livestock, sewing machines
    - Focus groups: Chickens as highly-liquid business
  - Households invest in long-term human capital: Health & education
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