



Graduate School of Development Studies

**Strategies for reducing poverty and extreme poverty in Latin America:
Can Integration Social Protection Programs follow the successful path Cash Transfer Programs have done?**

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List of Acronyms

CA	Capability Approach
CCT	Cash Transfer Program
ISPP	Integration of Social Protection Programs
RAS	Red de Apoyo Social
SCM	Social Co-manager
SISBEN	Sistema de Beneficiarios de Programas Sociales
SLA	Sustainable Livelihoods Approach

Abstract

This paper intends to contribute to the general debate on how social protection policies can be a response to multidimensional poverty through the comparison of two current sets of anti-poverty social policies in Latin America: Conditional Cash Transfer Programs and the Integration of Social Protection Programs. The comparison addresses the similarities and differences of each program as well as the main challenges Conditional Cash Transfers have faced in their implementation in order to be successful and how relevant lessons learned could be applied to Integration Social Protection Programs; also tackles the discussions surrounding Conditional Cash Transfers under the lens of the Integration Social Protection Programs. The discussions brought are: targeting/universalism; conditional/unconditional; incentives and gender. At the end the paper focuses on the Colombian experience in the implementation Integration Social Protection Program called *Red Juntos*, presenting the strategy and its main implementation challenges.

Keywords

Multidimensional poverty, Social Policies, Social Protection Policies, Coping strategy, Conditional Cash Transfer Programs, Integration Social Protection Programs, Universal, targeting, conditional, in conditional, incentives, gender, Red Juntos.

Chapter 1

Introduction

At the time I embarked on the task of writing this paper a new book with a tempting title had been released: “Just Give Money to the Poor.” Perhaps this title suggested that the path to poverty alleviation was done, which in Fukuyama’s terms would be The End of the History and the Last *poor* Man/Woman.

However, after struggling with different concepts of poverty and anti-poverty strategies that have been implemented, the question raised in the first Millennium Development Goal, The End of Poverty and Hunger, is far from being answered.

This paper intends to contribute to the general debate on how social policies can improve people’s living conditions in developing countries through the comparison of two current sets of anti-poverty social policies: Conditional Cash Transfer Programs and the Integration of Social Protection Programs.

Using Amartya Sen as a theoretical reference, in the second chapter I argue that if poverty is understood as a multidimensional human condition and the poor as people that suffer diverse deprivations, State policies should consider attacking those multidimensional factors. Nevertheless, the way the State confronts people’s deprivations and poverty nowadays differs from the idea of a general welfare State and is based on protective social policies that focus on vulnerabilities of specific groups. A main question which arises from this dichotomy is: Can Social Protection Policies be a response to multidimensional poverty? A restricted response by the State through a specific social protection policy cannot reach the multidimensional factors that prevent people’s ability to enjoy well-being.

The response to poverty in most of Latin America countries since the last decade of the 20th century has been through social protection policies, and one of them has been claimed as the policy with a major impact on poverty in times, Conditional Cash Transfers Programs. Today worldwide recognition has given it a special place in the anti-poverty strategies field. However, new studies and researches have showed that, even with successful results in improving people’s conditions, a more comprehensive approach is called for.

In the third chapter, I make a comparison between two anti-poverty strategies in the context of Latin America: these are Conditional Cash Transfer Program and Integration Social Protection Programs. The first strategy is well-known and has been implemented in almost every Latin America country. A vast body of literature exists addressing cash transfer programs and there is a debate as to whether they could be an adequate to fight the multidimensional-

ty of poverty. The second, Integration Social Protection Programs, has been implemented only in Chile and Colombia, where they work to provide a multi-dimensional answer to poverty. This includes wider state services not included in the Cash Transfers Programs.

The comparison is divided into two sections: the first part addresses the similarities and differences of each program as well as the main challenges Conditional Cash Transfers have faced in their implementation in order to be successful and how relevant lessons learned could be applied to Integration Social Protection Programs; the second tackles the discussions surrounding Conditional Cash Transfers under the lens of the Integration Social Protection Programs. The discussions brought are: targeting/universalism; conditional/unconditional; incentives and gender.

The fourth chapter focuses on the Colombian experience in the implementation of both programs. It includes background information on poverty in Colombia and then addresses Colombia's conditional cash transfer as a partial response to poverty reduction.

Finally, the paper focuses on Colombia's Integration Social Protection Program called Red Juntos, presenting the strategy and its main implementation challenges. The example shows that a more comprehensive answer to poverty requires a development of the State's institutional capacity in three aspects: targeting beneficiaries, institutional coordination and institutional respond to demand of services.

In the fifth chapter, I draw some conclusions that link the idea of the State's answer to multidimensional poverty under the umbrella of these two specific anti-poverty programs.

To be fair, the book that captured my attention '*Just Give Money to the Poor*' with its tempting name is a detailed work and an important contribution to anti-poverty policies debates made by Armando Barrientos, Joseph Hanlon and David Hulme, and the discussions included in it show the complexity of an response when embarking on the implementation of anti-poverty social policies in a country.

Chapter 2

Role of the state: Social policies and the poor

1.1 An essential concern: how to reduce poverty?

There is a general concern in governments: how to link social policies and beneficiaries. Recognizing a social necessity or problem, understanding it, looking for a possible solution and proposing an innovative way to solve it is just one side of the coin. The capacity of the State in facing the major institutional and financial constraints and also its human and technical capacity and legal aspects, among others, is the other side. Developing and implementing a social policy is without doubt a creative step preceded by uncountable ideas and studies; linking this policy with the beneficiaries is a different step and means not only reaching the beneficiaries but also ensuring that the social policy chosen has the desired effect.

In 2001, when all countries in the United Nations assembly approved the 8 Millennium Development Goals, they also gave a main place to poverty. The first Millennium Development Goal is the End of Poverty and Hunger in the world. This has been the main international Act that places poverty and the poor on the main stage and therefore in the agenda of almost all governments.

How to reduce poverty has been a major concern for academics, governments and the poor; knowing who the poor are and understanding why there are poor people is an essential part of the respond. The concept of who is poor, the explanation of why a person should be considered poor is relevant. Governmental policies directed to attack the cause will depend on how and why a person is considered poor.

Following the preceding ideas, this chapter shows two concepts: The first definition centres on knowing who the poor are and under which framework poverty can be understood. The second definition explores the role of the State: how does the government intervene and under what type of policies are anti-poverty policies framed.

Who are the poor? The capability approach

Defining who is and who is not poor is an essential and complex concept fundamental to understanding how an anti-poverty policy can be planned and developed in order to achieve its goals. Anti-poverty policy is developed to re-

duce the amount of poor people and also to keep them out of poverty in long term, hopefully the rest of their lives¹.

There are two reasons to choose the Capability Approach (CA) in this paper: First, Sen has been considered one of the most influential thinkers in economics and development last years. Sen's CA has been recognized wide world and, since 1990's has been an essential part in understanding human development and bringing about a more complex view of poverty (Gasper 2002). Second, most of the anti-poverty policies developed have been influenced by the CA and the multidimensional view of poverty. In that way, anti-poverty policies are not just directed to increase income among the poor but also try to ensure some basic capabilities and mitigate people's vulnerabilities.

The CA has its roots in Sen's earlier paper about entitlement and deprivation. In this paper, Sen explains the distortion of seeing poverty as just an income problem. He mentions that famines which occurred in different countries were usually seen as the fall in the availability of food and the people's lack of capacity to access markets, or the impossibility of buying food. Income, under Sen's perspective, can give people the entitlement to buy the amount of food that they need in order to satisfy some of their necessities and develop some capacities. However, Sen explains that this is a narrow way to see more complex approaches to understand poverty because this just explains a minimum part of the reasons some people suffer different deprivations or, in other terms, that they can be considered poor (Sen 1981).

“The entitlement approach concentrates on each person’s entitlements to a commodity bundle including food, and views starvation as resulting from a failure to be entitled to a bundle with enough food” (Sen 1981) Under this idea, each person in her context has initial entitlements that let her command some commodities. The access to those commodities, access to the market, allows that person to confront some possible deprivations as starvation. It also serves as a starting point from which to understand poverty as the idea of people that lack enough entitlements to, in the worst case, survive.

Gasper has explained that Sen's Entitlements have several constraints and confusions that must be clarified. Sen's entitlement “... is enlightening for thinking about access to food, but less helpful for thinking about access to public goods, or use of goods, or values other than goods. Entitlements analysis has lost prominence as a separate approach but has been absorbed into the Sustainable Livelihoods Approach (SLA)” (Gasper 2008). Sen's ideas have evolved and been nurtured depending on different considerations, for example,

¹ In almost all anti-poverty policies carried out in Latin America the main goal is to break the intergenerational cycle of poverty. See Figure n1

as Gasper says, for the case of SLA, and instances of natural, social and human capital.(Gasper 2008)

Even the entitlement approach has some constraints, when it is referring to social policies the following must be taken into account: The State is the main actor responsible to guarantee people's entitlement. Public policies must be linked with the causes of people's deprivations and vulnerabilities. Therefore, the State's public policy should concentrate more on guaranteeing people's entitlements and capabilities, which includes freedom of choice. Because people are free to choose the way they develop their capabilities, it is extremely difficult for the State to guarantee people's functionings. However, actions taken by states should not consider functionings; States must guarantee entitlement and capabilities and also force citizens to do some things, like children, who must be educated, not only to have access to education. (Gasper 2002)

Once the State guarantees people's entitlements, each person has a basic set of capacities and abilities (capabilities) that enables them to develop some functions, depending on each person's choice and context, in order to find or achieve her own well-being (Sen 1995). Which entitlements should be recognized by the State is a matter of the particular context², including people and communities, and they could be established by a general agreement³, by force or others methods depending on the type of regime.(Sen 1995).

Measuring poverty under social policy context

Following these ideas, the causes of poverty have to be linked/identified with different aspects of human deprivations and not merely with income. However, as Sen mentioned, to use income to define a poverty line could give a "neat and well-defined measure"(Sen 1995) in an aggregated way such that all who are under a certain income level are defined as poor. One of the reasons to use income as a measure could be the lack of governments' capacity of obtaining new and more complex population information, the difficulties in collecting and processing the data, and finally, with technical procedures, and establishing beneficiaries of the programs.

Multidimensional poverty tries to identify relevant dimensions and indicators of people's deprivations. However, as Alkire argued, it is necessary that most countries develop strategies in order to get and reproduce data of human

² " Nussbaum proposes a concrete list of capabilities, which is composed of the following 10 categories: (1) life; (2) bodily health; (3) bodily integrity; (4) senses, imagination and thought; (5) emotions; (6) practical reason; (7) affiliation; (8) other species; (9) play; and (10) control over one's environment" (Robeyns 2005)

³ National constitution or laws that are established by the state.

development and multidimensional poverty that allows international comparisons at the individual or household level(Alkire 2007). Alkire adds that there are important data that is important to collect to see multidimensional poverty “...in particular, brief modules on employment quality, empowerment, safety from violence, the ability to go about without shame, and psychological and subjective well-being...”that could be useful to standard survey instruments (Alkire 2007).

How to measure poverty matters. The way a government understands who is poor and why people are poor is a key aspect in defining social policies and in particular anti-poverty policies. Under multidimensional poverty, the poor are defined according to the deprivations they suffer, including aspects like violence, social exclusion or quality of services provided by States. The state’s answer should focus on overcome people’s deprivations.

The complexity of Sen’s theory collecting population’s information about the factors that allow or do not people to develop some functionings⁴, is an important challenge and at the same time a constraint in order to have comparable and reliable data and in that way implement innovative social policies to answer diverse problems(Wagle 2008).

In the last decade, most of the countries have advance in their capacity to improve the information about their population. Nowadays the idea of more complex indexes and information about a country’s population is more popular and regarded as necessary to develop social public policies. It requires as a first step the development of a country’s agenda in order to define what kind of capabilities should be taken into account, how to measure and improve several capacities in order to acquire and process the information for constructing specific policies.

1.2 The role of the State

Social Policies and how to help the poor

How to confront poverty from the perspective of a national public policy under Sen’s perspective

There is an interesting debate about how to confront multidimensional poverty under a social policy framework and how governments have translated these

⁴ Alkire mentions four starting points to explore: Employment, emphasizing in informal employment, empowerment or agency, physical safety, and the ability to go without shame.

ideas into public and practical actions. The main concern today is how to conceive and develop a public policy, or different public policies, that are able to respond in a positive way to the causes of people's deprivations.

Mkandawire's definition of social policies could lead to an answer to this debate. He defines social policy as collective interventions that transform social welfare, institutions and social relations; interventions that would give access to the population to a wide range of benefits from secure livelihood and income to more inclusive strategies and programs (Mkandawire 2007).

Following Mkandawire's definition, a social public policy deals not only with providing for the basic needs of the population, but also with the capacity of a State to recognize the population's deprivations, to identify beneficiaries of specific policies, and to coordinate inter-institutional actions in order to provide in a coherent way the state's services and develop innovative actions that respond in an effective way to social, economic and political challenges.

As Mkandawire explains, nowadays there are various factors that make social policies the main focus of study again. Some of these factors are the rising of discourses of poverty, the interest in growth economics and its links with economic and social development, and the interest in social security or protection due to the amount of people that are suffering severe deprivations or are exposed to vulnerabilities of economic changes, among others (Mkandawire 2007).

However, the new and more important role the developing of social policies is playing, has been translated into limited policies that support mainly populations that suffer severe deprivations. Mkandawire claims that, in order for them to seem worthwhile, social policies must be rethought as in most of the countries, and influenced by international agencies, *safety nets'* have become not only a determinant factor for social policies, but a clear solution to matters regarding poverty.

Governments would need to understand poverty the result of diverse multidimensional factors that interact with the consequences we've been living since the beginning of time. Coming to a real understanding of this would mean the development and coordination of a range of complex, innovative and, of course, multidimensional social policies. Following Mkandawire ideas, it is through sustainable interventions of agents, strategies and programs that Governments are able to fight poverty, and not under unitary and specific strategies, programs or policies, even if they are an essential part of a wider social policy (Mkandawire 2007).

Social Protection as a way to help the poor

Social Protection: Is it the right framework when dealing with multidimensional poverty?

Hirschman concluded, in *The Strategy of Economic Development*, that Governments play two main roles: one referred to as “induced” and the other “inducing”, both in reference to the dichotomy of role of the State. Usually, as Hirschman says, most of the literature and studies that focus on the role of the State are centred in the promotion of economic development, where its function is “inducing”. But it is clear that the consequences of this action, of deciding an economic path or developing process, impact the population and have to be supported by the State. The “induced” action is the second role of the State, and it is to be understood as the part where the State reacts to the consequences of the path chosen in the first place and, thus, tries to make these easier on the population (Hirschman 1958).

In the fifties, Hirschman called for an action of the State as an answer of the State’s economic activities. In his view, public actions that aim at mitigating the economic crisis should not concern only to countries that belong to the “developed world”, but also to those less developed. Advances in public and protection policies that intend to help people suffering severe vulnerabilities and deprivations, should concentrate on those areas that have greater amounts of vulnerable people (Hirschman 1958).

The “induced” action of the state is what has been commonly understood as Social Protection: “The public actions taken in response to levels of vulnerability, risk and deprivation which are deemed socially unacceptable within a given polity or society.” (Norton et al. 2001) In this sense, Social Protection is a special set of public policies that focus their interventions on two main aspects. The first one being risk and vulnerabilities: the idea is to help assist people and help them deal with risk in a way that reduces their vulnerability. The second aspect concentrates on how to support the poorest populations. (Conway et al. 2000) Social Protection was created to ease the impact economic crisis or economic adjustments have over different populations. However, now it has a wider connotation, one that goes farther than reacting to certain circumstances.

Social Protection Policies act for the “vulnerables” in two ways: people are more exposed to risk that can have severe consequences in the long term and have fewest instruments to confront these types of risks that finally have deep welfare consequences for them. (Holzmann et al. 2003)

There are three main areas where social protection works in order to help more exposed people and provide them some tools to confront adversities.

Brought from a categorization made by the World Bank, the first two main areas are focused in the prevention field, while the third focuses its action on assisting people and offering relieve: risk reduction, focused on access to markets, enhancing people skills and fighting child labour; risk mitigation that works mainly for unemployment and pensions areas; and risk coping policies that aim to assist people —including safety nets— and help them avoid risk and vulnerabilities in the future (Conway et al. 2000); this last one is clearly linked with the idea of creation of human capital.

This categorization is important because Social Protection Policies (SPP) can be focused depending on specific aspects of targeted population. However, in order to answer the necessities of vulnerable people, specific SPP should be developed under a holistic framework, where they work coordinated in order to support different population segments in different and specific ways. (Conway et al. 2000)

Coping strategies as an answer to poverty

What concerns Mkandawire the most is that, nowadays, most of the social public policies used to confront deprivations are directed to coping strategies. It seems there is no doubt about the necessity of these types of strategies in most of the countries. Since the famous famines in Africa's horn that raised international attention, strategies to support people in poor countries, who are victims of severe deprivation, are considered of primary importance in public social policies, so as to avoid irreversible consequences. However, there is still a big question about the effectiveness of the coping strategies. Studies about famines in Africa showed that coping strategies, in the figure of a safety net, could help people avoid starvation but affected people still face deep consequences that need other public policies to complement what a safety net policy does. (Dercon 2002)

One aspect to take into account when analyzing coping strategies is the importance of determining what exactly are they created for. There are different types of coping strategies, some of them are made to help people with regular incomes not to fall into poverty, usually in times of economic adjustments or crisis (Devereux 2002). However, coping policies have nowadays acquired a new direction and have become the main strategy when assisting people that have been living under severe deprivations for a long period of time.

So the main focus of this debate turns to: are coping strategies that focus their intervention in specific poverty dimensions or people's deprivations can be effective to help people overcome poverty permanently? For Devreux and Mkandawire to overcome poverty or permanent deprivations, extensive social policies more than coping strategies, should be developed and put into action in a coordinated way. (Mkandawire 2007, Devereux 2002)

Hulme shows how these strategies can have an important short and long term impact on the population's well-being and human capital accumulation, mostly on those who are in severe deprived conditions (Hulme et al. 2010). However, as Hulme and Shepperd explain, there must be different types of social policies, that are sustainable in time, to answer what they call the "Intractable nature of poverty". These policies should go farther than the traditional provision of education and health by the State. Social Policies should care about improving people's participation on public decisions through empowerment and also improve local and national governance. (Hulme and Shepherd 2003)

Coping strategies are now widespread social policies, vital in most less developed countries. However, what could be considered in some cases as merely "safety nets", have mutated into more complex schemes that involve several social policies and SPP. Why does this happen? Hulme. called them the "southern" respond to development, the new paradigm in order to fight poverty from a south-south perspective (Hulme et al. 2010). These complex programs are becoming the new answer to poverty mainly in Latin America, and their efficacy is still questionable. (Soares 2004)

Conditional Cash Transfer Programs (CCT) are the most well known of these strategies and have spread all over Latin America and the world. However, studies and researchers have claimed that reducing poverty through coping strategies can be only a partial answer and it is necessary to develop more inclusive and wider social policies. Bastagli calls for a next step in SPP "from a minimal safety net to a sustainable, coordinated system of social policies." (Bastagli 2009)

A new strategy to fight poverty started in Chile, in 2002, with the idea to coordinate different SPP around the household and give an answer wider than CCTs to people's deprivations. Integration Social Protection Programs (ISPP) have also been developed in Colombia.

Next chapter will explain and compare both strategies in the Latin America context. The comparison will show how far is one strategy from the other by focusing on two aspects: the main challenges in the implementation of CCTs and the debates surrounding them, and their applications to ISPP.

Chapter 3

Social Policies and Social Protection Policies: Antipoverty policies in Latin-America

Poverty in Latin-America: a context for new anti-poverty policies

The decade of the 80's is known as the lost decade for Latin America. The big crisis suffered by most countries had important consequences on social security systems: an increase in unemployment; decline of social pensions and deterioration of education and health systems. The general answer of governments was to cut unnecessary expenses, improving efficiency in health and administrative services. Since then the main dilemma is still unsolved: how to achieve universal coverage, financial viable and equity (Mesa-Lago 1991).

For Barrientos and Hulme, the majority of Latin America population was excluded from any social protection even before the crisis of the 80's, with the situation becoming more serious due to the liberal structural policies that followed in the 1990's. The result was an increase in vulnerabilities, poverty and inequality in the region. Different policies were carried out by governments in order to face this panorama, starting out as "safety nets"⁵ that later turned into new and innovative programs and strategies to reduce poverty and vulnerabilities (Barrientos and Hulme 2008).

These new development programs were designed with the idea of addressing short-term needs of the poorest in the population, such as proper nutrition, and in the long-term, sought to develop human capital through education and health (Barrientos and Hulme 2008).

Beginning 90's was introduced by different governments a policy strategy, that in some terms was easy to implement and found good support. These strategies were conditional cash transfers. There is a big debate about the design and implementation of these strategies, their utilities and achievements; nevertheless, it is generally accepted that they have important results among the poorest (Bastagli 2009)

In that moment, people started to say that Cash Transfer Programs was the 'magic bullet' to counteract poverty. Hulme et al. made a brief recount of the history of the state's responses to poverty. They argue that three factors converged to shape the answer from the less developed countries. A better un-

⁵ What is a safety net?

derstanding of neoliberalism policies, accepting them as adjustment policies necessary to confront the economic crisis; the increasing necessity of a social protection system that would be able to respond to the needs of poor people, which increased during the 80's and; the help coming from the developed countries in the way of aid (Hulme et al. 2010).

Besides these, two main discourses started to play an increasingly central role: first, Amartya Sen's new conception of poverty and the poor (Gasper 2002) and second, the neoliberal policies and the Washington consensus based in state's limited intervention in markets, lower state expenditure translating into cuts in social policies expenses, and efficiency and efficacy. States sought to develop an innovative social policy that would respond in a wider way the multiple factors that cause people's deprivation and at the same time would not harm public finances.

Giving an answer to Hirschman concern in the 50's, governments in Latin America started to look for alternatives that would help the poor, instead of simply blaming the poor for being poor. However, as it was said, these actions were influenced by a new context. Policies should also address efficiency and effectiveness parameters (Dunkle et al. 2004) and specific financial constraints. The solution, therefore, could not be universal for the entire population as it was at the beginning the 80's but targeted (Gindling 2005), in order to fit into the suggestions made by international organizations: whatever the solution, it should not consume a large part of the GDP. This made an extension of universal social policies, including protection policies, seem unviable. One of the answers made by governments was to give Cash Transfers to targeted people under some conditionalities. Mexico was the first to implement this policy in Latin America, followed by Brazil. After that, almost all Latin American countries had attempted to implement this type of SPP.

The new set of anti – poverty strategies: Conditional Cash Transfer and the Integration of Social Protection Programs

CCT programs are characterized by giving an amount of money, under certain conditions, to targeted poorest households. These programs cover significant part of the population during a long period of time and pursue building productive capacities. They are based on incentives, money, and conditions to access that money. Conditionalities have been seen under different perspectives that will be explained later in this chapter. Different impact evaluations have been carried out and, in general, there is a good perception about the impact of these types of programs on poverty reduction and, in some cases, on inequality.(Soares and Zepeda 2007)

Conditional Cash Transfers are almost in each Latin America country. The most well-known CCT's are those that pioneered the program: Bolsa de Familia in Brazil and Oportunidades in México. Each of these programs have become

a main part of the State's answer to poverty and inequality.⁶ The impact of this program cannot be measured only with percentage of the cash transfer in relation with household income. A major impact of these programs are conditionabilities, as a way to improve people capabilities, usually linked with education and health. As Lehmann said: "evaluations of CCT's that focus entirely on programme participants do not capture the overall community impact on poverty. Poorer, programme ineligible households indirectly benefit from the programme" (Lehmann 2009).

Also, in the Brazilian case, Hailu and Suarez argue that one of the most important factors that helped to reduce inequality is the cash transfers policy called Bolsa de Familia. Part of the reduction in Gini coefficient from 0.59 in 2001 to 0.53 in 2007 has to do also with improvements in education beginning the 90's, when Brazil consolidated a universal education (Hailu and Soares 2009). However, Brazil is the only case where CCT's are seen to have impacted inequality.⁷ The main critics of CCT's programs say they just give a partial answer to poverty and in many cases do not even achieve the main goals they were established for.(Devereux 2002, Soares 2004, De Janvry and Sadoulet 2004)

CCT seem to be the rule in Latin America. However, after what seems like the consolidation of the CCT strategy, new studies have proposed a new challenge. The idea, maybe following Mkandawire concerns, is to expand how states answer to poverty. Bastagli identifies the contribution CCT have made to the development of a poverty agenda and suggests that Latin American states should consider a transition from "...a minimal safety net to a sustainable, co-ordinated system of social policies..."(Bastagli 2009).

Now some countries in Latin America and Africa⁸ started to develop another type of strategy based on the idea of an inter-institutional coordination system that tries to integrate SPP under one umbrella, giving different answers to the factors that could bring and keep people in poverty⁹.

These set of policies focus on the idea of coordinating different SPP to reach the poorest people with a more comprehensive and multidimensional approach to poverty. This model is based on two essential points: first, there

⁶ Exemplifying the impact on poverty, Zepeda shows how Oportunidades in Mexico has impact on poverty reducing it on 19% and in Brazil between 15% and 13%.(Zepeda 2006)

⁷ In Colombia looking through Familias en Acción, the program has some small impact on poverty (almost 1% reduction on extreme poverty and 0.36% on poverty), and it does not have any effect on Gini coefficient.

⁸ The International Policy Centre For Inclusive Growth have mentioned Brazil, Chile and Colombia as the Latin America countries with these types of new strategies, while in Africa, similar strategies have started in Ghana and Kenya.

⁹ There are different factors that could keep people in poverty and they are country specific or even household specific.

must be a co-responsibility between the State and the citizens, meaning that both are part of the answer to overcome poverty. Second, there is an asymmetry of information, where the poorest people lack information about the social programs of the State and how to access them.(Palma and Urzúa 2005)

In Latin America, there are two countries – Colombia and Chile- that have implemented some similar coordination models under one strategy. In Chile and Colombia, these two strategies provide¹⁰information to each household about the State's SPP (including information about cash transfers) and how people can access them. They also give preferential access to these services. The Chilean strategy will be explained below.

Chile Solidario is an innovative program carried out in Chile since 2002, which provides personalized support to households in extreme poverty. The strategy is based on seven dimensions: registration, health, employment, income, education and intra-household dynamics. The idea is that every household enrolled in the program works with a social worker during the first six months in order to identify the deficits in each of the dimensions, and to make a plan to overcome them. The program has a Cash Transfer Program as a component in order to support some activities and provide benefits to the family. In addition, there is a cash transfer to support this activity. In the following phase, the social workers must ensure that households have access to the relevant public programmes. Minimum levels are set as targets for each of the different dimensions (common to all households in the programme). The expectation is that after households achieve these minimum levels, they would overcome extreme poverty (Palma and Urzúa 2005).

The second strategy is Red Juntos in Colombia. It is comprised of a coordination strategy that works at the household level, integrating different social protection initiatives. It also tries to coordinate them with regular social policies in different levels, national and sub-national, under three basic pillars and several dimensions. This strategy will be explained in the fourth chapter.

The documentation about CCT's programs is extensive. Many studies have looked not just at the impact of these programs, but also assessing them under different perspectives. Several discussions have been made around them and there are different points of view about the way they are planned, developed and implemented. Some of these discussions started with the change from a universal welfare state to targeted pro-poor policies, and the global acceptance to a new multidimensional poverty idea. This has brought up topics like gender, incentives and conditionalities among others. Along with them, financial, political and implementation problems have been documented.

The next part compares both types of strategies and in two ways: first part compares both strategies under design and implementation. Second part tries to see how the main debates surrounding CCT's can be understood using ISPP lens.

Comparison between CCT and ISPP: design, implementation and debates

What are the main differences between these two anti-poverty strategies? It is important to clarify that while cash transfers and conditional cash transfers have elements in common and can be considered under the same category, they differ when compared to each other. Such differences are country specific characteristic of each program and include: if they are conditional and the type of condition; who is eligible to participate in the program and who is beneficiary of the program; the amount of money given and if it is given per household or per child; who is receiving the money; how is the coordination between institutions in the national level and between national and local levels and. However, they are comparable in some ways.

ISSP also have some country specific characteristics but they share some elements in common: they are both targeted programs, they develop inter-institutional coordination strategies, they give incentives to people in order to get enrolled in the program, they give a personalized attention to the household and they try to be more comprehensive in the answer to poverty, meaning they are programs structured to try to give a multidimensional answer, among others.

Can CCT and ISPS be compared? Both are anti-poverty strategies and have some elements in common. Comparing them can be thought-provoking and can help to show where they are situated, their similarities, differences and scope.

The design and implementation of CCT and ISPP

Type of strategy

Conditional cash transfers are unitary programs that give money to the poorest households if they are eligible and if they comply to some conditionalities. ISPP are unitary strategies that try to coordinate different SPP and also some social protection policies around the household. In that way, CCTs have become a main part of a broad strategy, the ISPS.

In Brazil, Bolsa de Familia changed from a CCT to a wider coordination strategy that includes a cash transfer to the beneficiaries of the program (Draibe

2006). Chile Solidario includes the Programa Puente, which gives personal assistance to the as well as a cash transfer (Palma and Urzúa 2005). In Colombia, since Red Juntos started, Familias en Acción became an important part of the strategy as a transfer that would support household in through income.one of the dimensions.

Objectives of the strategies

CCT's differ in their objectives among countries, depending on the country, and the economic and social context. However, in general they have changed from focusing on short-term objectives, such as establishing a “safety net” to avoid people falling into severe deprivation, to long-term objectives. Almost all CCT's share some short-term objectives: complement income for extreme poor families; reduce hunger in households and stagnation in children; reduce non-attendance and drop-out rates from school or increase school attendance; improve health care practices for poor people; reduce levels of malnutrition and preventable diseases, among others. CCT's are now looking for long-term objectives, such as human capital accumulation through initiatives that focus on conditionalities like schooling and health, breaking the inter-generational cycle of poverty; and reducing poverty gaps and inequality among the population.

ISPP has two main objectives: first, it is a strategy designed to coordinate SPP in order to reach the poorest and give access of beneficiaries to those strategies improving the delivery of social services. Second, as they involve in the coordination several programs and strategies, they have wider objectives. They were created to improve the quality of life of households living in extreme poverty and in the long term, significantly reduce the amount of people living in poverty and break the intergenerational cycle of poverty.

Financial and Political aspects

One of the reasons CCT's have become a useful strategy against poverty is the low cost of implementation in relation to the amount of people covered. The two largest programs (in regards to the amount of people covered) have a low cost in relation to their respective GDP. Bolsa de Familia in Brazil covers almost 25% of the population and it cost was 0.4% of GDP in 2008. Oportunidades in México covers 20% of the population and had a cost of 0.32% of GDP in 2009. Other CCT's, like Chile and Colombia, have a smaller number of beneficiaries as well as a small impact on the annual budget. Colombia's Familias en Accion cost 0.2% of GDP in 2009 and Chile's Chile Solidario almost 0.1% in 2009 (Bastagli 2009, Barrientos and Holmes 2010)

However, a main concern for implementing a CCT program is the financial aspect. To discuss how CCT are financed, the first thing to know is why the program was implemented or what are the objectives of the program. As it

was said, most of the programs that are currently in Latin America, following the experience of Mexico's Oportunidades, "are focused on the long term objective of human capital" (Soares et al. 2007). However, some of them were implemented under specific economic conditions. For example, Colombia implemented its program Familias en Acción, trying to avoid that the poorest people take the children out of school during the economic crisis ending 90's, and in Honduras, the Programa de Asignación Familiar was a technique to face the macroeconomic adjustment of the country also in the 90's (Bastagli 2009) (Osório 2008). That is the main reason both programs were designed with a short time horizon perspective, as in the case of Colombia's Familias en Acción, which would last for just three years. Later, both programs were restructured for a long term period with broader objectives.

Financing these programs is a key aspect, particularly if they are designed with a long-term perspective (Barrientos 2007). Also, it is important to take into account the population that would be the beneficiary and the amount of transfer that would be given to each household.¹¹ What is important to mention is that long term programs cannot be based only on international donors but also must be integrated into the country's budget in order to ensure some continuity and stability for the beneficiaries. If the idea of the program is to help poor people break the poverty trap and finally have an impact in poverty, it requires a long period of coverage (Soares and Britto 2007).

As we saw, ISPP have medium and long-term objectives. If the objective is to coordinate the social programs around the household through a personal assistant, the Chile and Colombia programs have a three years perspective and the cost is associated with the number of social workers needed to assist beneficiary households. Also, like any other strategy or program, there are some administrative costs for the institution in charge of the coordination¹². None of these has a real repercussion on a country's general budget. Nevertheless, if the objective is to coordinate different social policies in order to break the inter-generational cycle of poverty or help the family to leave extreme poverty, then ISPS program could have a big impact on general budget.

ISPP works very close to the household, as it is around household that the strategy is constructed. When the social worker start her/his work with the family, the first thing to do compile information in several dimensions that include general household aspects and also some information of each member. This detailed information of each household contains not only the necessities a poor family has (in some determined dimension) but also the reasons the fami-

¹¹ Usually CCT's like Oportunidades are giving per number of children in the household that are eligible for the program.

¹² The cost for the duration of the program in Colombia is US\$25.6 million. (Barrientos and Holmes 2010)

ly cannot achieve some goals. Some of the reasons may lie in household's lack of information about some specific social SPP or how to access them, other reasons can involve severe deficiencies in the State's supply of social services.

Some programs and even regular social programs do not work well in some municipalities. Lack of infrastructure, such as in health and educational services, can be one of the reasons why people cannot access the regular services of the state. ISPS strategy could have the detailed information and three changes can be made with important repercussions for the general budget. The advantage is that regular social programs are part of the national general budget. Actually ISPS try to coordinate budget allocation but in some cases, an extra budget would be necessary.(Steiner 2010)

First, managing this information can be complicated and it would require an information system to manoeuvre it. Managing the amount of information compiled in this programs could have important associated costs. Second, if ISPS finds severe deficiencies in the supply side (in some specific municipalities or in general), they have to coordinate services supply to the household. It means ISPS program can make requirements of structural deficiencies in the supply side that could impact national budget impact. The information dug up is extremely important if ISPS program can mobilize resources, even if those resources belong to different institutions. Third, related also with the information compiled, is the possibility to introduce new strategies in municipalities that answer some municipal-specific situations.

Another important topic related to the implementation of CCT is political support. For those programs that have been designed for a long-term period, not only are finances important, but also the political support in order to meet the objectives for which they were created. As said before, some of these programs can be designed for a short-term period, to protect the poorest against economic crisis. In that sense they could be implemented during the period of one government. However, if most of these programs are actually designed to fight poverty and inequality, then the period of time must be much longer than an average government's period for Latin America.

In the cases of Paraguay with Tekopora program and El Salvador with Red Solidaria, both programs were designed to have beneficiaries – households – for three years even when the purposes of both are “short-run poverty alleviation and breaking the intergenerational transmission of poverty” (Soares and Britto 2007). Is three years enough time to reach goals like intergenerational transmission of poverty? In Paraguay's case, there were two main reasons that explain the short-run of the program: Lack of “strong institutional coordination and funds for a reasonable period of time are basic requirements for the success of CCT programmes.”(Soares and Britto 2007) Political support would help this program evolve to a longer time frame, and in that way, be able to reach their major objectives (Soares and Britto 2007).

Also, changing CCT's from short-run into long-run programs can be useful for politicians and policy makers in two senses. The first is because they can "provide evidence of accomplishments long before the desire outcome of poverty reduction occurs" (De Brauw and Hoddinott 2008) and the second is that politicians can use these transfers to show that a particular government gave monetary help to the poor. The second example could be an explanation for the design of a CCT's with a short time perspective – political and financial.

Implementation challenges

A main challenge in all anti-poverty strategies is their implementation. Institutional and technical constraints aspects must be taken into account to bring a social policy design into reality.

In the case of CCT's, Brazil and Mexico are two good examples of the implementation of the strategy. The coverage has been increasing and now both programs have enrol an important number of people. Both countries have developed a good institutional and technical capacities and can keep their programs running with a major coverage, a good targeting system and have made of this programs a central point in their governmental agendas. The good information system and a good capacity to follow indicators and keep doing evaluations of the programs, help them to make corrective actions and redirect some of the activities. But low income countries can have the same impact on poverty? Some of the examples mentioned show that there are some differences in the design and implementation of CCT programs and therefore the impact must be different. Then, what could be a good example of a poverty strategy reduction in both countries could not have the same impact in other countries.

Low income countries have shown more difficulties to implement these programs. A first major problem in a targeting strategies like CCT and ISSP is how to reach the poor. There is necessary reliable and relevant people's data. The way people's information is collected and managed is key in order to define the potential beneficiary of social programs. A robust information system is required and that helps to manage the information collected usually by national surveys. Develop this system or data base can be extremely expensive and cannot be affordable at the beginning, that one of the reason targeting can be based on geographical procedures, for example. The lack of technical capacity can leave possible potential beneficiaries out of the program and benefit people that should not be.

Also, there are institutional capacity problems, mostly with institutions in rural areas where most of the people are poor. As an example, in the case of CCT, give the transfer to every beneficiary in countries where bank enrolment is extremely low, suppose a capacity that local entities are not prepared for (usually they are public because the cost that would imply to have a private

supplier) and can lead in some cases to corruption. Try to monitor the transfers delivery in each municipality also bring other institutional capacity problem. ISPP face a different challenge and is the supply side in rural areas. Just as example, health supply services in rural areas in Colombia presents serious deficiencies and people lack of general health services.(Zambrano 2005)

A main critic to CCT that can be affect also ISPP programmes is that they usually do not take into account associated cost for beneficiaries. One of the reasons is that this can be hardly to cost: school uniforms, transportation to go to school or hospital, and even the costs to get the certificates from school and doctor and transportation to claim the money, mostly in rural areas. These costs can be prejudicial to the program's outputs and also are barriers for poor people to enrol in the program.

One big challenge in CCT program is to find the adequate amount of money the household should receive. CCT programs usually have same amount for each household (other programs are designed to give money per child in the household) in rural or urban places, or the accessibility of social services, or if in the household there is somebody with disabilities or special conditions. The targeting method because of lack of information or the complexity to give to each family the amount of money, do not take into account the particularities of the household, how they are conform and it only focuses in few characteristics to make the household eligible.

Finally is important to mention the financial support for CCT program. As we said, it depends on the objectives of the program, if they are for short run to support poor families in economic crisis times or they are a strategy to combat structural poverty. The second option without a doubt requires a long run financial support that should not depend on international grants or aid, because it would not guarantee the continuity. Long term programs must be on the country's general budget and into SPP. As Veras said " policies and programs can only be effective if they are implemented under a sustainable social protection strategy." (Soares 2009)

Main debates that surround CCT's under ISSP lens

Universal/Targeting

All cash transfers in Latin America have been implemented under a targeting scheme. The main reasons are the cost of the programs. Targeted programs have lower costs than universal coverage.

However, there are some arguments about the universalism of the CCT's programs. This vision is closer to the idea of the right of basic income. The

main concern about targeting is that in most of the developing countries where CCT's programs have been implemented, establishing income is extremely difficult for different reasons. These reasons can include technical and institutional aspects, like income fluctuation in poor people and the way a government can use a relevant proxy for income in order to choose the beneficiaries (Standing 2007a). Targeting programs have a high or low exclusion error in that way potential beneficiaries can be out of the program. Even with other targeting methods, like geographical or based on groups, most of possible beneficiaries can be excluded.

Standing also mentions a program selection third way called "targeted universalistic scheme", whose main characteristic is that all people "...belonging to a particular social group are made eligible regardless of their means" (Standing 2007b) He uses as an example the universalistic social pension in Namibia. Some of the CCT's programs have this type of scheme, where beneficiaries are targeted from eligible people, like poor women in charge of a household or children.

It seems that is a general consensus that these programs began as targeted and should not be universal. Most of the problems identified fall into the financial, technical and institutional capacity of the country and few questions are made about the possibility of universalizing the programs. Until now there is no evidence of universal CCT programs. However, ISPP can contribute a new idea about social protection, as a targeted strategy.

ISPP are targeted strategies and have used the targeting system employed for CCT's. As such, they share the same problems CCT's face trying to reach the poorest. Institutional and technical capacities are key issues in order to make all the potential beneficiaries part of the program. However, there is an interesting matter in this point to clarify: every beneficiary household of the strategy will have personalized assistance and they will have access to public but specialized information about how to access some social programs; as it was said, one of the assumptions of these types of programs is the information asymmetry between the poorest and part of population.

Critics of the targeted schemes has to be with people who can suffer same deprivations and need same type of attention but were not eligible in the program. This could happen because some country deficiencies like the capacity to access to the beneficiaries, the data the country has, among others.

The definition of who is poor and how to reach them matters because can have consequences like increasing inequalities among regions or between those who are above and under some established poverty line.

Conditional or unconditional program: the behaviour of the poor

The main reason why governments prefer CCT is that various impact evaluations have shown improvements in health, school and nutrition on the beneficiaries. The governments believe that they know the behaviour or action of the beneficiaries and these help the poor in the short and long run. From a government's perspective, "conditioning induces changes in behaviour that leads to desirable outcome" (De Brauw and Hoddinott 2008)

According to Brauw and Hoddinott, there are other major reasons why governments prefer conditional cash transfers. One is that it helps to eliminate information asymmetries, meaning that people could be unaware of some beneficial actions or policies and in that way government not just inform people about the necessity of this action but also force people to do it. Another reason discussed above is the political benefit that CCT can have. These programs direct people to do things that supposed they would not do. Because of the conditionalities, health attendance and education enrolment can increase; giving governments better performance.

ISPP do not have explicit conditionalities for their beneficiaries. However, it is interesting to see what could be called an intrinsic conditionality that ISPS has. In order to leave extreme poverty, families should complete many goals in many dimensions, more than one would expect. Chile's Solidario has seven dimensions with 55 goals; Red Juntos also has nine dimensions, and 49 goals. The ideal is that every household should complete all the goals or at least most of them. That could be a big load for extreme poverty households because one of the main activities of the social worker is to follow the achievements of these goals.

There are several critiques of conditionalities. One conclusion made by Bowles and Hwang is that some conditionalities could diminish the self-motivation of people. Some critiques relate to households and their capacities, while others are related to the institutional and financial capacities of the government, in the instance of both types of programs.(Bowles and Gintis 2002)

The first group of critiques are focused on the capacity that households have to choose their options. For Standing (2007), some of the reasons are that governments think that poor households are not rational enough to foresee the cost of their present actions, they do not think in the long run. It is a paternalistic vision, where the state knows what is best for its citizens (Standing 2007a). However, sometimes the state does not act rational. CCT's and ISPP programs may impose additional cost for the beneficiaries, such as transport to apply for money, register, or take children to the health control to educational programs. Usually these programs do not take into account that some impositions have associated costs that must be carried out by households, then the efficacy of a program is questionable. Also, some conditions are difficult for households to achieve that would lead them get out of the program.

The second group of critiques focuses on the institutional problems that conditionalities have. For instance, there is a cost associated with imposing a conditionality, as the state must have a monitoring system to know if people are complying the requirements in order to get the transfers (De Brauw and Hoddinott 2008) or to continue with the personalized assistants. Since a significant amount of poor people live in rural areas, these programs depend on local capacities to be implemented (or private delivery institutions). Low income countries usually lack good social services supply in rural areas, meaning that conditionalities or goals cannot be achieved by the families. This topic will be explained in detail in the last chapter.

Do CCT and ISPP work on incentives?

What motivation do states give to targeted people, to get them enrolled, but also to have them stay for the duration of the program? With CCT, there is a clear incentive for the beneficiaries: money. The basic idea of a CCT is to give some amount of money to the household if they fulfil some conditionalities, usually, as it was said, related with children attendance to school and some periodical health or medical evaluations. The monetary incentive makes for successful enrolment in the program and also makes people maintain their conditionalities, basic if the objective is to promote accumulation of human capital. Poor people see an opportunity to perform other activities when they have a fixed basic income (Hulme et al. 2010).

In the ISPS the incentive is different - it is not monetary. Household beneficiaries usually are part of CCT programs. There is no evidence that targeted households should be enrolled in the ISPS program in order to get the cash transfer. What, then, is the incentive to belong to the program and stay? The formula is the preferential access to the programs of the State. Two interesting questions arise from this incentive: in the case of targeted programs, how can be an incentive for elected households a preferential access to a program that anyway should cover them? And because the ISPS involves not just special social programs but regular universal social policies; how can the State promote a preferential access to social services, when the services are supposed to cover the entire population, with equal access for everybody?

In both cases, the incentive can be really useful and important if the household or people in the household are not already enrolled in some of the social programs the State offers. With the work carried by the social co-manager, it is possible to detect the different reasons why the family or members of the family do not have access to those programs should cover them and give the information required to enrol them, even encourage them to do it.

The idea of the preferential access to services or programs is that targeted people would enjoy the program before the others. Some special employment

program could be a good example to benefit people in ISPS, than those who are not enrolled.

However, it highlights an interesting issue coming from a governmental policy: the policy recognizes failures of the State providing social services. If a person or a family that should be a beneficiary of the program is not enrolled in it, it could explain different deficiencies of the State in the targeting process, in the capacity of the State supplying services or in the articulation of social policies at national or local levels. This is a good starting point in order to coordinate the supply side of the State from the household. Nevertheless, if preferential access means to benefit some households over others in services that the State should universally provide, like health and education, then ISPS can be generating inequalities in access to basic social services.

This incentive shows the recognition that the State is not a perfect supplier of social services. On the contrary, there are deep deficiencies in the supply side of the State that get deeper corresponding to if the state is less developed. The legality about the right of a group of people enjoying social services that are recognized as universal is still unsolved. Finally, if the incentive is the preferential access, once people get enrolled in those programs, even if they are targeted or universal, is the incentive not enough to continue in the program?

One of the conclusions made by Bowles and Hwang in their paper about “Social Preferences and Public Economics” is that incentives work to engage people in some activities. However, they also conclude that particular or personal self-motivation could be diminishing due to public policy intervention (Bowles and Hwang 2008). What policy makers of both strategies should be aware of is that the incentives given to the people should not interfere on self-people motivation. When the strategy is personalized to each household and set some goals in order to leave poverty, people can understand that they should assume those goals and leave aside their personal interest. The important role for the social co-manager is to help people to complete the proposed goals of the ISPP and to identify other possible techniques that would also help the household overcome poverty.

How gender is incorporated into CCT and ISPP strategies

Many studies have shown a big gap between men and women in different aspects. Poverty measure by income affects primarily women, also women suffer deepest deprivations than men across societies (Dreze and Sen 1989). Do these anti-poverty strategies consider gender? Are they made to fight gender inequalities? The first consideration is that both strategies are based on household unit and this could be problematic. A household unit can be blind to gender as decisions made inside household could itself be gender bias. Men's power dictates decisions such as expenditures, investments and participation, not only for the woman of the house, but also among the children, based on if they are

boys or girls. Gender specialists critique the household as a unit as they believe that inside the household, there are multiple interest, voices and allocation of resources that are not accounted for. The intra-household allocation of resources and decision-making is a complex unit of analysis that involves several issues. (Bolt and Bird 2003). In term of Kakwani “It has been found that as women’s contributions to household monetary income increase, they are more able to influence how household resources are allocated”(Kakwani and Son 2006).

CCT are usually designed to have a positive impact on gender inequalities. The idea is that child benefits and grants are paid to women. One assumption that is made under this logic is that women would use their money in a better way than men, spending it on food or household’s necessities. Some studies also have shown that giving money to women increases their bargaining power inside the household, influencing resources allocation decisions, and giving women the feeling that they have gained some power and autonomy (Hulme et al. 2010). However, some of the conditionalities imposed can have some gender effects: if women are taking the children to the doctor or to school in order to satisfy the conditionalities, or to go to pick up the money, this could have some opportunity costs or real costs that are not accounted for. However, Hulme et all conclude in their study that the benefits of giving the money to women (such as empowering women inside households) outweighs the costs (Hulme et al. 2010).

The way ISPP works is different. These policies also use household as an intervention unit. Nevertheless the personalized assistance through the SCM and the household’s information collected with the initial, makes a difference. If the information collected allows the government to define special policies to help fight gender inequalities in a region, then it would be a benefit. The information helps to have better information from each household. In this instance, the role of the social worker could be pivotal, identifying intra-household gender problems and giving information about the programs that could help the situation. Yet, the state has different programs and institutions whose mission is to address certain intra –family problems including gender.

Chapter 4

Facing poverty in Colombia: A partial answer from CCT and challenges for ISSP “*Red Juntos*”

Background: Poverty in Colombia

Poverty in Colombia can be formally tracked from the 70's. The poverty measure in Colombia is defined as the percentage of people with income below the price of a basic basket of goods, measured by person by month. Official data shows that poverty has a close relationship with the economic cycle, meaning that in times of economic growth poverty has decreased and in times of low economic performance, poverty has increased or kept stable. (Departamento Nacional de Planeación 2006.) Between 1978 and 1995 Colombia's GDP grew on average of 4% per year, unemployment on those years never was more than 10% and per capita income almost doubled.

According with The National Planning Department, the number of Colombians living in poverty decreased 20 percentage points, from 70% to 50%, and extreme poverty decreased from 45% to 21% between 1978 and 1995.

From 1996 to 2001, Colombia faced the worst economic recession in almost a century which had deep consequences for the population. The amount of people in poverty increased 7%, from 49.9% to 59.5% between 1995 and 2001. People living in extreme poverty also increased. Until 1996 less than 20% of the total population were living in extreme poverty and between 1996 and 1999, people in extreme poverty increased to 25.4%. That means, based on the 1993¹³ census by 2001 Colombia had almost 22 million people in poverty and 9 million and a half in extreme poverty. After 2002, economic recovery and the impact of different social policies started to show an improvement in the population's condition. Since 2002 and 2008 people in poverty decreased from 59% to 48.5% and people in extreme poverty decreased from 25% to 19.2%¹⁴. (Departamento Nacional de Planeación 2009)

¹³ According with 1993 census, Colombia had 37'127,000 inhabitants.

¹⁴ The way to estimate the poverty line in Colombia is outlined in the Gran Encuesta Integrada de Hogares – GEIH- Survey that replace an old survey called Encuesta Continua de Hogares – ECH-. The change in the survey brought different methodological problems to measure poverty in Colombia that were solve with a special inter-institutional workgroup. The poverty and extreme poverty estimations in some official documents before the workgroup showed its results, differ from the official data. With the joint of the two surveys and the recognition that the second –GEIH- has the capacity to measure in a better way people living conditions, the amount of people experience poverty and extreme poverty officially increased from ECH to GEIH measurement.

Focusing on poverty and extreme poverty in Colombia, there are big differences between urban and rural population. According to the Conpes #102 of 2006, there is a big gap between poverty in rural and urban areas. Between 1991 and 2005 people in poverty in urban areas decreased from 45% to 42.3 percent while poor people in rural areas increased from 67% to 68%. The gap between urban-rural is more than 25%. Extreme poverty shows also a big gap: extreme poor urban population decreased from almost 14% in 1991 to 10% in 2005 while the number of people in extreme poverty in rural areas decreased from 30% to 27.5%. (Departamento Nacional de Planeación 2006.)

Along with high levels of poverty and extreme poverty, inequality is also a major concern. Colombia has, according with the Human Development Report of 2009, maybe the highest Gini coefficient in Latin America and one of the highest around the world¹⁵. According with data from the National Planning Department, the good economic performance between 2002 and 2008 was not translated into a better distribution of resources. Since 2002, where the estimation of Gini Coefficient for Colombia was 0.56, the coefficient increased to 0.58 in 2008. One of the conclusions made by DNP was that the good economic performance during last six years did not have the impact that could be expected on poverty and extreme poverty. (Departamento Nacional de Planeación 2009)

The Misión para el Empalme de las Series de Empleo, Pobreza y Desigualdad¹⁶ (MESEP) concluded that even if Colombia has experienced a general reduction on poverty between 2002 and 2006, there has been a recoil in this tendency for extremely poor people between 2005 and 2008. Also, the urban-rural gap has got wider. Reduction in poverty can be seen on the 13 principal cities and not in the rural areas and Gini coefficient increased in these years from 0.56 to 0.59. (Departamento Nacional de Planeación 2009)

Social policies confronting the end of the past century

During last years of the 20th century, Colombia faced the deepest economic crisis in decades. General and social expenditure decreased during that time. Government witnessed, as a consequence, deepening of social problems. It then implemented a strategy called Red de Apoyo Social¹⁷ – RAS – in order to counteract the effects of the crisis on the poor population. RAS was de-

¹⁵ The report lacks data from some countries like Brazil.

¹⁶ This was a inter-institutional group to develop a strategy to make comparable two different surveys that measure Employment, Poverty and Inequality.

¹⁷ Social Support Network.

signed as a safety net with three main components, one was focused on young people called Youth in Action, other one in employment generation called Employment in Action, and the third one a CCT program called Familias en Acción.

Familias en Acción became one of the most important anti-poverty strategies in Colombia. It mutated from a safety net with the objective to support families with a CCT during the time of economic crisis, to a long run strategy with the objective of creating human capital. The conditionalities of the cash transfer were kept: children attendance to school and regular visits to the doctor. The program was created just for three years and later it expanded in number of beneficiaries with wider objectives.

RAS strategy worked with other social policies and institutional improvements. Health, nutrition and education played an important role during and after the crisis with a positive impact on population. New social programs started to run: health coverage increased throughout the country and inequality in the supply of health services decreased as a consequence of the change on health policies.(Flórez et al. 2007) Also, there were other policies like universalization of education, with an important increase in the amount of school spots, breakfast for poor kids, food for primary and high school students, and programs for education for poor and old people, among others. Besides this, new technical capacities for the public sector were improved or developed, like survey updates and information systems that help to focalize social expenditure. Also, new mechanisms helped institutional coordination in the national and subnational levels and improvements in local capacities in some regions or municipalities.

Despite the achievements, in 2006 Colombia was still having deep problems with relation to poverty, extreme poverty and inequality. As it was said, half of the population were in the poverty condition and around 16% in extreme poverty¹⁸ in 2002, and inequality also increased. Many studies were carried out to see the reason social policies were not contributing to decrease poverty at the same time the country was growing. Some of those were based on the impossibility for poor people to leave poverty traps, non-engagement in support networks, and low participation in the services offered by the State.(Departamento Nacional de Planeación 2009)

Also, studies showed serious limitations for social policies and SPP. Among others, the state response could attack different dimensions of poverty but it was fragmented, did not reach the beneficiaries in the proper way, the institutional offer through social programs in some cases did not answer the

¹⁸ Because of the joint of the two methodologies, there is not exact data for the year 2006.

necessities of the population, and some programs overlapped, among others.(Acosta and Ramírez 2004, Ayala 2004, Núñez et al. 2005)

The conclusion was clear: the lack of institutional coordination in objectives, scope and actions among national institutions and between national and subnational levels just brought a partial, disjointed and deficient answer to poor families.(Departamento Nacional de Planeación 2006.)(Departamento Nacional de Planeación 2009)

Familias en Acción: one answer to poverty thru a Conditional Cash Transfer Program in Colombia.

Familias en Acción was one of the components of RAS: a CCT program that was implemented to confront the economic crisis ending in the 90's. The strategy was clearly a safety net: targeted strategy to benefit the poorest. Its objectives were helping poor people with a cash transfer to keep children in school and maintain them well nourished. Initially, it was conceive as a short term strategy during the time of economic crisis. However, after some time the strategy changed in one sense: the objective. Encouraged by the popularization of the CCT's around Latin America, the positive results shown after an impact evaluation and the support offered by the government, Familias en Acción became a long run strategy in 2002.

This strategy targeted two population groups: families classified by the Information System for Social Beneficiaries (SISBEN) as first level, with a coverage by 2006 of 582.500 households; and victims of forced displacement¹⁹, of which 99,807 families were beneficiaries by 2006.

After 2006, the Colombian government decided to give strong support to this strategy. It was expanded to a 2,721,698 households, including forced displacement households (Accion Social 2010). The impact evaluation made by The Institute of Fiscal Studies and the University College of London, showed interesting results: A considerably increase in the household consumption of protein and clothes, increase in school attendance, and increase in the attendance for preventive healthcare. Children of households that have been enrolled in the program for longer time showed an improvement in the nutritional status.(Attanasio et al. 2005)

¹⁹ Forced displacement families were included as special beneficiaries of the Cash Transfer program as one of the answers by the Colombian government at the request of the Colombia's Constitutional Court. However, because of many different problems in the Information System that compiles the information of all forced displacement people, it is possible that the CCT cannot reach this group of beneficiaries.

However, the table 1 shows new estimates²⁰ made by National Government of the impact of social policies on poverty and inequality in Colombia. They showed that Familias en Acción, has had a partial and small impact on poverty, with better but modest results on extreme poverty (almost 1% reduction on extreme poverty and 0.36% on poverty), and almost no effect on inequality showed through Gini coefficient.

Social policies like education, health services, and child protection have important impact on poverty and extreme poverty. However, neither of these two programs have an important impact on inequality.

Table 1: Incidence social policies and programs on poverty and inequality

Program	Extreme poverty	Poverty	Gini	Extreme poverty reduction	Poverty Reduction	Gini Reduction
National rate	18,9	46,8	0,585			
Familias en Acción	17,9	46,4	0,581	0,99	0,36	0,004
PPSAM	18,7	46,7	0,584	0,17	0,08	0,001
Pensions	18,9	46,5	0,601	0,03	0,29	-0,016
Familias Guardabosques	18,8	46,7	0,584	0,08	0,06	0,001
Familiar subsidy CCF	18,9	46,7	0,584	0,05	0,09	0,001
Total Mone-tarios	17,4	45,7	0,594	1,5	1,1	-0,009

Source DNP 2009

The Colombian National Development Plan 2006- 2010, supported Familias en Acción as permanent strategy that would complement poor households' income of and promote human capital thru its conditionalities. However, the partial results reducing poverty and the recommendations made by MERDP, Red Juntos started under multidimensional idea of poverty and incorporating Familias en Acción as a part.

²⁰ The source of these two draws are the Colombian National Statistical Department and National Planning Department in an effort to calculate the incidence of some Social Policies in poverty and inequality.

Red Juntos: network to overcome extreme poverty

How the strategy was conceived: objectives and three implementation challenges

In 2004 Colombian State created a mission called “Misión para el Diseño de una Estrategia para la Reducción de la Pobreza y la Desigualdad en Colombia”² (MERPD) with the objective of developing a comprehensive strategy in order to determine the main the causes of poverty in the country. Framed under the Millennium Development Goals and the document Visión Colombia 2019²¹. Red Juntos was the main outcome from the project and was adopted as national anti-poverty strategy through the Conpes Social 102: Social Protection Network against extreme poverty, dated September 25, 2006.

Red Juntos is an integrated strategy, part of Colombia’s Social Protection System (SPS). The SPS was established by the Law 789 of 2002, and is defined as a set of public policies aimed to reduce people’s vulnerabilities and improve quality of life, focusing on the unprotected ones. The National Development Plan 2006-2010 expanded the definition of SPS in three points: i) ability to offer integrated public services to the population ii) develop better targeting mechanisms to prioritize assistance to the needed and iii) the possibility to be integrated with other market segments (possibility to access to assets).

Red Juntos is based on the following assumptions: i) poverty is caused by multidimensional factors and keeps younger generations trapped in a cycle of poverty. ii) lack of coordination of social policies at the municipal level is one of the causes because they are not effective for specific population groups like youth, mothers who are heads of household, etc. iii) To be effective in poverty reduction, a multidimensional strategy is required that combines macroeconomic strategies and coordinates social protection assistant to the households.

Red Juntos constitutes a coordination of social protection programs for families in extreme poverty. It allows them preferential access to services offered by the state, trying to give a comprehensive response to the multiple causes of poverty. The strategy has the following characteristics: the household is the unit of intervention and it requires the household to play an active role and be co-responsible in the achievement of the goals. Households receive personalized assistance to help them build a life plan. This plan condenses the

²¹ This document was developed by Colombian Government and it has the goals that the country has to achieve for its second centenary in 2019 and this document is aligned with the MDG document.

main commitments households acquire when they enrol in the strategy. The strategy works with the idea of promoting households empowerment and autonomy through human capital accumulation and social inclusion. It promotes community social control and accountability. The incentive for household enrollment is preferential access to social programs of the State. Finally, Red Juntos looks for the adaptation of the institutionally offered social services to meet the demands of the households and strongly requires the participation of local governments. (Acción Social 2008)

Red Juntos, in order to reach its goal, works with three different components: personalized assistance to every beneficiary household to make a Family Plan; providing key information and preferential access to social services and programs to beneficiary households; making a partnership among national and subnational level institutions with high-level coordination, promoting the co-responsibility each level has in poverty reduction.

With the first component, i) Red Juntos gives a personalized assistant to households through a social co-manager (SCM), who supports the family in identifying their strengths and deficiencies, and elaborates a family plan that involves a series of commitments for each household member, empowering them to achieve some basic goals. Also, the SCM monitors the progress made by the family according to the established plan and gives relevant information of social programs they have the right to be part of. As the family achieves its goals, the personalized assistance diminishes and finishes when the family graduates from Juntos;(Departamento Nacional de Planeación 2008a) ii) in the second component, Red Juntos coordinates and gives preferential access of specific social programs for household's members depending on their necessities. iii) the third component, institutional strengthening, contributes to strengthening the SPS at the local level through the design and implementation of actions to build capacities in municipalities that require them. In that way, Juntos works in coordination with subnational level governments and the participating families.

Red Juntos proposes to act on 9 dimensions: Identification, Income and Work, Education and Capacity Building, Health, Nutrition, House Conditions, Family, Banking and Savings, and Support to guarantee Access to Justice. Under each dimension there are several goals (45 in total) and each goal has an indicator, some of them compounded, in order to measure the achievements of each family. Colombian Government intends to reach 1.6 million households by 2010, around 7 million people, the biggest of this type of strategy in Latin America.(López and Núñez 2007)

Three implementation challenges for Red Juntos: Targeting beneficiaries, Inter-institutional coordination and institutional response to demand of services at local level.

The implementation of a multidimensional strategy with seven million beneficiaries involves significant challenges. To exemplify some of the challenges of the implementation of this complex strategy, this paper shows three relevant areas that must be taken into account: Targeting beneficiaries, Inter-institutional coordination in different levels, national and subnational; and the institutional respond of services demanded by beneficiaries households.

Targeting beneficiaries

Personalized assistance is maybe the most important part of the strategy. Each beneficiary household is assisted by one SCM that helps the family in the construction of the family plan. The family plan is the guide to reach the goals the family have to reach in order to leave extreme poverty. In order to assign one SCM to a beneficiary household, the State must know who and where beneficiary household are. That implies the country develop a comprehensive strategy to identify potential beneficiaries and select the beneficiaries of the program.

Red Juntos is a targeted strategy. The strategy focused on 1.5 million households (6.6 million people approx.) who are in extreme poverty or forced displacement conditions.²² Juntos uses the focalization made by SISBEN, the same that all social programs use in the country including CCT Familias en Acción.

Colombia has a set of laws and regulations that specify how targeted social spending should be focused on the poor and vulnerable people. Different sets of laws²³ and public policy documents have given to SISBEN the discretion to determine, identify, and select the potential beneficiaries of social programs

Technically, SISBEN is a cardinal indicator assigns values between 0 and 100 as household living conditions. This system has an interesting CA framework that supports it. SISBEN in its version II and III keeps a multidimensional view adopting a standard measure of life from a set of variables. This measure classifies poor people as people with more deprivations. The information in SISBEN is gathered on an index card that is carried out to every person in every municipality.

²² Juntos is part of the State's answer to forced displacement people condition.

²³ The Law 60 of 1993, CONPES Social 022 of 1994, CONPES Social 040 of 1997, the Law 715 of 2001, the Law 1176 of 2007.

This means that the application of this tool requires the participation and coordination with subnational level governments. DNP is in charge of SISBEN and the consolidation of the national information, which requires a high degree of coordination with the subnational levels: 32 departments and 1099 municipalities. SISBEN has several regional coordinators and one coordinator in each municipality. The role of the regional coordinator is divided into administrative aspects like coordination, training and providing technical and administrative advice to those responsible for SISBEN in the municipalities and districts and is the link between DNP and municipalities.

The most important role in this chain is the municipal coordinator. This person is in charge of the SISBEN's administration, operation and updating in accordance with DNP rules. Municipal coordinators are the face of the system at the municipal level and on them lays all the responsibility for information quality and reliability. This involves the development of strategies to enable the municipality to report timely and reliable information to the national level.

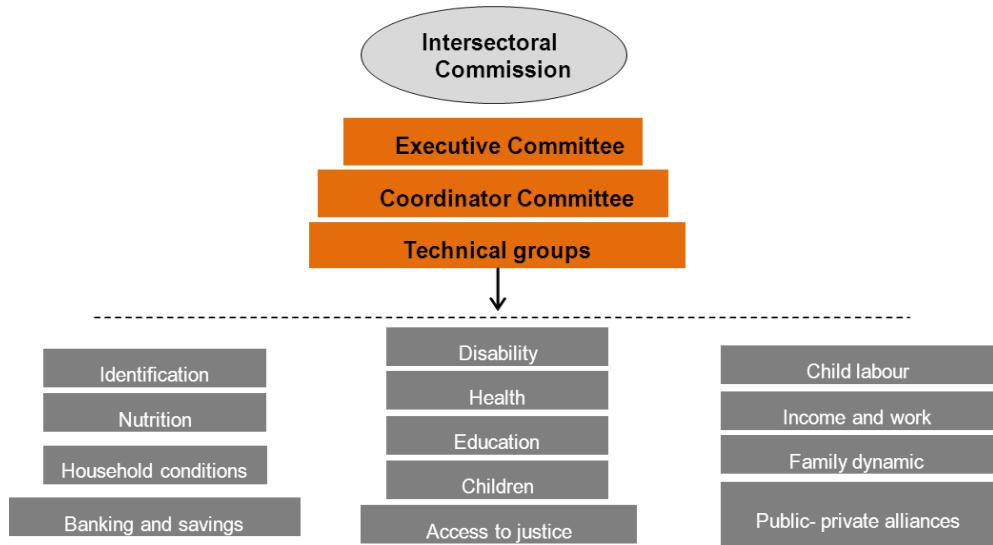
SISBEN has demonstrated deficiencies. The variables used to measure the various categories can become obsolete. People learn how to manoeuvre their answer in order to have lower score such that there has been evidence of non-eligible people being beneficiaries of social programs. Some municipalities lack of telecommunications infrastructure like continuous connection to internet or broadband, or rural areas may be difficult to reach. Social or political conditions can make an important difference. In order to ensure that system is immune to local corruption, it is important to, among other things, increase institutional strength.

SISBEN has developed different strategies in order to avoid “technical” deficiencies, that try to avoid mistakes in the inclusion or exclusion methods. The data base is contrasted against itself to see if there are discrepancies in the way the names are written, misspelling for example, and also against other information systems like Registraduria, the identification given to every Colombian, tax and income system from the Ministry of Economic, and the RUAF from the Social Protection Ministry, among others. This involves the higher technical capacities of the institutions at the national level and some infrastructure.

Inter-institutional coordination: National and subnational levels.

The strategy involves four ministries and the institutions in charge of the development of social programs. The first part is based on a complex hierarchy divided in three levels: National, Regional and Municipal level, with a high level of coordination among them. Next figure shows how it is conceived for the National level.

Figure 1: Red Juntos National Structure



Source: Manual Operativo Juntos

Red Juntos' top organization is the Intersectorial Comission of Red Juntos. The heads all National institutions which are part of Red Juntos and its main objective is to approve the general guidelines of design and intervention of the program and define the way to allocate the budget for the intervention.

The executive committee, the second level, has all the directors of social programs with participation from the Social Protection and Planning Ministries. This committee is a mid-level decision maker and defines the conceptual lines of each of the dimensions and components, approves the cost of operation of the Red Juntos, and prepares the agenda for the Intersectoral Commission.

The Coordinator committee gives technical support to the Intersectoral Commission and tracks the decisions it has made in other instances. At this level, each institution at the national level identifies or proposes programs or strategies that would help to achieve Juntos' goals and also coordinates actions inside each institution.

Finally, technical groups discuss and analyze inter-institutional policies and actions. It is a key part of the Red. These groups work with the objective of analyzing the deficiencies social programs have to respond in an adequate way to the demands of beneficiary households. This means that municipalities can supply the services and propose new strategies that would come from analyzing the information Red Juntos has.

These four instances, based on regular laws and public documents, must coordinate their work and guidelines with two other subnational level governments, the regional and municipal. In order to link all these instances, Accion Social, a social institution where key social programs are administered, is in charge of the coordination through six national units²⁴, one delegate in each region in charge of monitoring and implementing Red Juntos and one SCM coordinator in the municipal level. Next graphic gives an idea of the scaffold:

Figure 2: Red Juntos Coordination Scheme



Source: Manual operativo Juntos

A detailed operating manual has been completed with rules for the operation of the system at each level. It includes the development of capacities at each level, the commitment of all institutions participating in the program and the development of a national information system that would help to operationalize the information Juntos acquires.

Two internal evaluations carried out by Juntos about the implementation of the program show that there are deficiencies in the coordination between different committees, mainly in communication, and also show that the main bodies at the departmental and municipal levels are not working in the proper way.

²⁴ The 6 units work inside Accion Social: Institutional management, operative unit, information system, technical unit, planning and monitoring unit and territorial training unit.

A main challenge for Red Juntos: Institutional respond to demand

The main challenge for the Red Juntos is to give access to beneficiary households to regular social programs and specific SPP. Red Juntos gives information and preferential access to beneficiary households. This creates a demand for services by households to which some municipalities are not able to respond. The strategy at household level develops a family plan that includes 9 dimensions with 45 goals. Red Juntos is conscious of deficiencies in service delivery in municipalities, that is why one of the steps before the strategy is implemented is to know which services the municipality can provide.

Some of the dimensions and related goals could be considered “easy” to implement. Providing access to health or education through hospital or schools construction with doctors and teachers could be the easy part of the strategy without taking into account the quality of the services. However, dimensions such as employment and access to justice can involve innumerable circumstances that the State is not ready to address, mostly in rural areas or small municipalities.

DNP has showed the large disparity among regions in Colombia. Some of them have adequate infrastructure to address education and health, some of them are behind and show deficiencies in the provision of social programs. ((Departamento Nacional de Planeación 2008b)

Health service provision is a good example of the challenge Red Juntos is facing at the moment. It is possible that Red Juntos can help to alleviate or support some important but specific problems in health service provision but still there is an unsolved question about structural ones.

Most of the regions in Colombia have deep deficiencies in health provision. Basic deficiencies in number of beds per patient, medical drugs, medical transportation, first-aid, and doctors or specialist to treat some special health problems can be found frequently. {{119 Defensoría del Pueblo 2000}} A main task for Red Juntos is to move institutional capacities to answer to these requirements in each municipality. However, trying to coordinate a response to any particular problem in health service provision in each municipality surpasses Red Juntos capacity. Therefore, as explained before, the big challenge is to transform structural problems at the national level.

Health policy in Colombia changed with the law 100 of 1993 which structured a new decentralized health system, giving clear role to the different institutions and a role to national, regional and municipal level. In that way the Social Security Ministry, the National Health Council and the health councils in the regional and municipal levels are the responsible agencies in this system.

This decentralized system has showed some good results: coverage in Colombia increased from 20% in 1990 to a 57% in 1997 and in 2005 it was 68%

and has benefited all segments of the population, especially the poorest and rural ones. (Acosta et al 2005, pag 13) However, Acosta et al. show in their study that there is a relationship between economic development and the delivery of health services and this translates into coverage inequalities among regions and between urban and rural population.

Two important data demonstrate health coverage gaps: the new system show an important increase in the coverage of the rural population, from 8.6% in 1995 to a 59.5% in 2005, meaning that more than 40% of people in rural areas in 2005, lack of health services. While in urban areas by 2005, 30% were in the same situation (Flórez et al. 2007) Also, there are differences in the health service coverage and delivery between regions. Those regions that have better economic performance have also the best health coverage. For example, Bogotá has 20% of its population without health coverage while the Atlantic region has almost 40% of its population are without coverage.

This shows not just an economic problem but institutional and structural one. A decentralized system requires that the regions, states and municipalities have the institutional capacity in supervising and control of the public and private institutions which provide health care and also have the technical capacity to undertake good planning in order to develop strategies that can answer the main health problems of its population and through it, allocate in the best way the resources available.

If a government implements a decentralized system where local institutions are playing a key role in supervision and allocation of resources, the first step is to guarantee that local institutions have the capacity to do it.

The role of the institutions at the national or regional level, and the main economic resources necessary can be determined by Law. However, at least one structural problem is not being addressed. The weaknesses of regional and mainly, municipal institutions. If the system is based on the key roles of the governmental institutions, in this case regional ones, the role that the state must play in order for the system to work properly faces a serious problem with a really difficult solution. How can it be solved? How can a Government make strong institutions that can answer the challenges that this system offers in the 34 regions and more than a 1000 municipalities?

This shows not just an economic problem but institutional and structural one. A decentralized system requires that the regions, states and municipalities have the institutional capacity in supervising and control of the public and private institutions that must provide health care and also have the technical capacity to undertake good planning in order to develop strategies that can answer the main health problems of its population and through it, allocate in the best way the resources available.

It seems clear that specific problems can be solved in local levels with Red Juntos even they are not easy. Bring social programs to some regions or municip-

ipalities, improve delivery service, or propose new strategies and improve coordination of some services for each household. However, Red Juntos is facing structural problems of the state. Health is just a small example. Different dimensions like access to justice in Colombia, employment, family banking and savings also bring deeply structural problems that should be studied under this strategy. What is the real dimension, how far goes a multidimensional strategy that starts in the household level but ends in a macro levels?

Chapter 5: Conclusions

This paper has shown that there is a continuous search and debate about how to reduce poverty and extreme poverty. The different understandings States have of poverty affect the policies they develop.

Sen's idea of poverty goes beyond merely a minimum income that a person must have in order to avoid some vulnerabilities and deprivations, and it is based on the "failures to have the capability to achieve minimal levels of certain basic functioning..."(Dreze and Sen 1989) that would enable personal development and in that way access better opportunities to confront possible deprivations and therefore vulnerabilities. The idea of multidimensional poverty comes from the study of the factors that influence vulnerabilities in people, that is why Sen avoids the idea of categorizing people as poor or not poor and holds that it is better to see who and why a person suffers some deprivations.

Social policies can have different goals but they should be in concordance with the general agreement of the right of people's entitlements. Therefore, under Sen's perspective, they must concentrate on guaranteeing people's capabilities, this means that the State should work on the supply side, guaranteeing not only the access of social services but also obliging citizens to make use of some social services like education or health.

One of the consequences of States focusing their social policies on communal deprivation is that the solutions are directed as specific deprivations instead of wider societal or structural problems. Mkandwire raises concerns over specific responses to poverty under specific ISPP called coping strategies, which possess short-term rather than long-term solutions. As discussed, the main debate arises: can the coordination of different coping strategies be an effective answer to poverty?

Nowadays, ISPP and specifically coping strategies are essential parts of the answer to people's deprivation. However, if they are disconnected from a comprehensive and coordinated strategy, the general objective of reducing poverty cannot be reached because they would not give an integral answer to different factors that causes deprivations. In that way ISPP can be the axis articulating different coping strategies with better results for extreme poor households.

Coping strategies differ from safety nets. As it was showed, many of the coping strategies include other social policies. CCT have created a direct relation with social policies like health and education, with the final goal of build-

ing human capital among beneficiaries and therefore, help to break the poverty cycle in future generations. ISPP look for a more comprehensive approach to poverty causes, linking different types of policies under one coordination system depending on households requirements.

The main debates treated in the third chapter offer some hints about the challenges in the design of an anti-poverty policy and the general response to poverty from the State.

Choose a strategy that target population has challenges in its implementation: requires a good targeting system and also, timely and reliable information from population, in order to define who the potential beneficiaries of social public policies are. Also, once the population is identified, the next challenge is to make the program accessible. Critiques of targeted schemes have highlighted that is unavoidable to leave potential beneficiaries out of the program, therefore exists the necessity to include missing potential beneficiaries in the programs. Targeting system must be refining to minimise the types of mistakes. Define a targeting methodology that can respond to the living conditions of people through deprivations is essential and could require sophisticate information and methods of capturing.

The main reason why governments prefer CCT is that various impact evaluations have shown improvements in health, school and nutrition on the beneficiaries. Also, CCT and ISPP help to eliminate information asymmetries, people could be unaware of some social policies and in that way government inform, provide or force people to get into the programs. However, there are some reasons they would not work properly: conditionalities could diminish the motivation of people being part of the program because CCT's and ISPP programs may impose additional cost for the beneficiaries. Usually these programs do not take into account that some impositions have associated costs people cannot afford. Also, some conditions of the programs are difficult for households to achieve because of external circumstances like the conditionality is not provided by the State (lack of schools or health centres). Monitor conditionalities also implies States to develop the technical capacities mostly in local levels in order to verify beneficiary households accomplish the requirements. More complex strategies with more conditionalities in the case of CCT or goals for ISPP require advance monitoring systems, which impose greater use of state resources.

Incentives work to engage people in some activities. However, personal or community self-motivation could be diminishing due to public policy intervention. A big challenge rises in CCT and ISPP programs because the incentives given to the people should not interfere on self-people motivation. ISPP strategy establishes some goals in order household leave extreme poverty; this can cause that people assume those goals and leave aside their personal ways to leave extreme poverty. A important challenge for these strategies is to identify other possible paths proposed by communities or households that would help

them overcome poverty. In this sense, ISSP can have a negative impact on household initiatives but counts with valuable information thanks personalizes the program offer.

The monetary incentive makes for successful enrolment in the program and also makes people maintain their conditionalities. Poor people see an opportunity to perform other activities when they have a fixed basic income. Can other incentives work? ISPP gives preferential access to social programs and the success is based in the improvement of the household living conditions through social programs. There are two aspects must take into account: the time beneficiary household can access to the program and if the household feels the incentive gives it an advantage over the past situation.

Gender considerations are not explicit in CCT and ISPP. Both assume the program designed will have an impact on gender. However a first main problem is that both strategies are based on household unit and this could be problematic. Gender specialists critique the household as a unit as they believe that inside the household, there are multiple interest, voices and allocation of resources that are not accounted for. The design of CCT can empower women in the household because the transfer is given to them, however some conditionalities can have gender effects. Taking children to doctor as an example can have an opportunity cost. ISPP works on the assumption that the information collected would give a picture to gender relations inside the household. The SCM plays an important role giving information of the institutions and programs women can access. However, in the design of ISPP program in Colombia, there is not explicit evidence of gender related issues.

Anti-poverty strategies should consider relevant aspects in the design and implementation. The objective pursue in each strategy is a key element. Some of the specific objectives such as improvements in school enrolment or child nutrition are reachable through specific coping strategies. However, objectives such as breaking the intergenerational poverty cycle or ending extreme poverty can surpass the designed policy. The case of Red Juntos shows how from a broad objective, overcome extreme poverty, in practice becomes more modest objective: assist extreme poor families.

Financing CCT and ISPP programs is a key aspect, particularly if they are designed with a long-term perspective with an important amount of beneficiary households. CCT and ISPP are affordable, they have low impact on GDP and can benefit important amount of people. However, CCT and ISPP, in order to reach their objectives require institutional capacities, health or education provision for example, at the national and local levels that could be not considered in their implementation. Provision of health and education can be a structural problem, meaning that local activities or efforts would not resolve it. Solving severe deficiencies in the State's supply of social services at different levels may have a real impact on national, regional or municipal budget.

These papers raise a big debate: Can coping strategies help to overcome structural factors that have a real impact on people's deprivations and capabilities? That is the main challenge ISPP confronts. As they work on different dimensions with household co-responsibility, the strategy is aware of deficiencies in households and on the supply side. The provision of State services should go where the demand is generated, in this case where the poorest people are. Moving State responses to those segments of population is not easy because they have been, in some cases, historically excluded. A more comprehensive answer to alleviating poverty requires not only better implementation but a better understanding and incorporation of structural problems in social service provision. ISPP and CCT do not have such objectives, however this paper has aimed to show that they are valuable in terms of guiding new and better strategies, policies, and budget allocation.

CCT and ISPP present big challenges in their implementation. The crux of the argument is that more complex strategies can be a better answer to multi-dimensional poverty but more difficult to implement. Three aspects related with the implementation of Red Juntos were treated in the document: Targeting beneficiaries; Inter-institutional coordination on different levels (national and subnational); and the institutional response of services demanded by beneficiary households.

Defining target populations includes defining potential beneficiaries of the programs and developing technical capacities in order to define and reach those households with minimum errors in inclusion and exclusion...of what?. Inter-institutional coordination challenges the strategy design, committees proposed for coordination and the capacity regional and municipal levels have to implement higher level determinations. Finally, another factor besides the structural one should be taken into account: the amount of time institutional response takes place. Long periods could create disincentives in households. A timely and adequate response from the State is key in order to keep families enrolled in the strategy.

Notes

¹ As its name suggests, they are nets that support people when they are falling; nets that avoid people to get into severe deprivations

² Mission for the design of a strategy in order to reduce poverty and inequality in Colombia – Translated by me

Appendices

Next figures have been based on the Social Assistance in Developing Countries Database. Version 5.0 July 2010 made by Armando Barrientos, Miguel Niño-Zarazúa and Mathilde Maitrot from the Manchester University Brooks World Poverty Institute and Chronic Poverty Research Center.

Country	Programme Type	Programme Title	Agencies involved	Year started	Programme Description	Programme Objectives	Transfers	conditionalities	Target population and coverage	Coverage	Selection of beneficiaries	Monitoring and Evaluation	Evaluation results	Cost	Implementation Issues
Bolivia	Income transfer plus - transfer for human development	Bono Juancito Pinto	Bolivian Government	2006	Poor women get benefits during pregnancy, childbirth, and until the child is aged 2	To promote the accumulation of human capital as a way of breaking the intergenerational cycle of poverty. Also to encourage the retention and completion of primary school children in public schools; to support households to cover costs of study materials, transportation and food, and incurred by sending children to school and to lower school dropout rates	All households receive 200 Bolivianos per child and per year such as vouchers		Public school children up to grade 8. They must be registered and being attending school regularly (at least 80% attendance). In 2009, 1.8 million children in public schools received a voucher to purchase school supplies and other materials. In 2008 it was reported that about 660,165 children in rural areas and more than one million in urban areas received the grant.	in 2007:1.3million children and in 2006, one million children			Since Bono Juancito Pinto was launched, school dropouts fell from 5.3% to 2.5% in basic education (grades 1 to 8)	Estimate cost of US\$ 30 million per year (370 million Bolivianos, about 0.2% of GDP in 2008)	
Brazil	Income transfer plus - transfer for human development	Bolsa Família (absorbed Child Labour Eradication Programme, PETI in 2006 and Bolsa Escola in 2003, as well as gas and food subsidies)	Government of Brazil, central state and municipal agencies	2003	Large scale poverty reduction programme aimed at poorest households	Two main objectives: (1) to reduce hunger, poverty and inequality through an income transfers linked with educational, health and nutrition services; (2) to reduce social exclusion by facilitating the empowerment of poor and vulnerable households.	Income transfers to households in extreme poverty with children. Households with per capita incomes below US\$30 (R\$60) or a quarter of the minimum wage, receive R\$50 a month plus US\$7.5 (R\$15) per child below 16 years of age up to three children. Households in moderate poverty (with per capita household income between R\$50 and R\$100) receive R\$15 per child below 16 years of age up to three children. Income transfers are upon children aged 6-15 being enrolled in school and attending at least 85% of classes.	Children aged 0-7 and pregnant and lactating women must undertake regular health visits, have vaccination cards up-to-date and follow-up children's nutritional development.	In 2009, 12.6million beneficiary households. In 2008, there were 11 million households, (about 52.3 million individuals or 25% of population.	Targeting through means test, using a database of vulnerable households applying for support (eCadastro Unico used to collect information on income and household characteristics. Municipalities are allocated with beneficiary quotas, based on poverty estimates using Brazil's annual national household income survey. These quotas are used as a rough point of reference in the implementation of Bolsa Família at the municipal level but are not strictly enforced (i.e. actual beneficiary	Households get re-certified every 2 years (poverty status) until beneficiaries children reach age 17 (dependent on school attendance)	Effective targeting: The 40% poorest Brazilians receive 80% of grants. The programme is attributed to have contributed to reduce inequality in 21%. In 2006, benefits reached 73.7% of the poorest quintile, and 94% to poorest 40%	US\$ 3.1 billion (R\$6.5 billion) in 2005, and represented 0.33% of GDP. In 2007 the cost was about 0.4% of GDP. In 2008, the programme's budget was US\$ 5.5 billion, which represents 0.3% of Brazil's GDP.	As long as eligibility criteria are met, beneficiaries are entitled to the Bolsa Família. Legislation mandates that beneficiary recertification must be carried out every two years to determine eligibility	

Colombia	Income transfer plus – transfer for human development	Familias en Acción	Government of Colombia and Inter-American Development Bank	2001 (in expansion to urban areas since 2007)	It complements the income of poor households with small children; promotes human capital formation of poor children by increasing regular check-ups for growth monitoring and other health services, and by increasing school enrolment and school attendance. The government has expanded the program to cover the entire country as part of the National Development Plan (2006-2010). The programme has been adapted to urban settings based on pilot experiences including: (i) modified amounts and differentiated structure of payments; (ii) payment via banks and debit cards instead of cash, and (iii) use of adjusted geographic targeting to identify poorest neighbourhoods	To complement the income of extremely poor households with young children; to reduce non-attendance and drop-out rates among primary and high-school students; to increase health care provision to children aged 7 and younger; to improve health care practices and nutritional status.	Bimonthly: Education subsidy: in elementary school, Col\$15,000 per month (approximately \$8) for each minor attending grades 2-5 in high school, Col\$25,000-6,000 per month (approximately \$14-33) per minor attending grades 6-11. Monthly Health and Education subsidies: US\$8 monthly transfer for each minor attending grade 2-5 of elementary school. Health subsidy: Col\$50,000 per month (approximately \$3) per Family with members less than 7 years. Conditions— To attend development checkups	Within each selected municipality, the poorest 20% of households and with children aged 0-17 are eligible. Also, attending minors ages 0-6 that are not participating in other programs (e.g. health subsidy) and/or households with minors ages 7-17 enrolled in school, and receiving an education subsidy. In 2009 there were 1.5 million beneficiary households that represented 15% of population.	Initial four year contract with beneficiaries (w/o re-certification) until the maximum age for program participation is reached.	The programme is reported to have increased school attendance by 13% in urban areas and 5% in rural areas. It also increased household consumption by 19.5% in rural areas and 9.3% in urban areas, while reducing the incidence of undernourishment amongst children. The programme improved immunisation; increased household consumption on protein-rich food, children's clothes and footwear. It also increased school attendance amongst children aged 12-17. Participation increased	2007: 0.2% GDP in 2007. 2009: US\$ 419.1 million	The programme has been funded almost entirely from concessional credits from the World Bank and the Inter-American Development Bank. Despite the benefits of the programme, there is a large number of poor households excluded from the grants. Beneficiary households are automatically graduated out of Familias en Acción.
Costa Rica	Income transfer plus – transfer for human development	Avancemos	Ministry of Education	2006	Avancemos includes two programs. First, the system of scholarships operated by Fondo Nacional de Becas (FONABE) and second, an income transfer aimed to reduce poverty and operated by Instituto Mixto de Ayuda Social (IMAS). Avancemos thus supports poor households with young members, on the condition that youngsters attend school.	Aims to reduce poverty in the short run while fostering long-term poverty alleviation through increased educational attainment.	There is an income transfer for health and education equivalent to US\$ 5 per child aged 0-14, up to 4 children per household, in addition to an additional transfer of US\$ 10 per household. Conditions: For children aged 25-60 months, to attend centres for early stimulation. For children aged 5-14 years, to attend basic education. For children aged 0-24 months, to visit health centres for growth/development monitoring. For children aged 5-14 years, to	Children aged 0-14, including street children, and pregnant women in extreme poverty. Identification is through Sistema de Información de la Población Objetivo (SIPo)	In October 2008, Avancemos reached 130,586 children, based on information provided by Secretaría Técnica del Programa AVANCEMO S, 2008.			Data from Superémonos, the pilot program that preceded Avancemos, shows that the program presented 0.02% of GDP in 2005.

Dominican Republic	Income transfers plus – transfers for human development	Programa Solidaridad	Inter-American Development Bank (\$70 million loan) and the UNDP's Bureau for Development Policy	2005 and redesigned in 2009	Programa Solidaridad focuses on investment in health, nutrition and education among poor households	To increase school enrolment among students ages 6-16. To improve nutrition and reduce preventable diseases among children ages 0-5 years. To increase the awareness about basic health, food preparation, citizenship entitlements and rights, and promote birth registration	US\$20 a monthly per household. US\$4.5 per child (maximum 4 children) aged 6-16 to support school attendance. \$6.5 monthly subsidy for energy consumption (usually gas), and an \$8.6 monthly transfer for households with people in old age without social security. The transfer is equivalent to 20% of household expenditure and 40% of food expenditure for a family with four children.	Households with: Children aged 0- 5 for health services. Children and adolescents aged 6-16 to ensure school attendance. Children aged 0-15 who have a Birth Certificate	In December 2009, there were 461 thousand beneficiary households, an increase from 230 thousand in 2006. Targeted population: about 2 million people.	Targeting is in two stages: first, geographic targeting (a poverty map) and second, a means tested procedure to identify poor households within 'priority' areas. Beneficiaries include households that are identified as extremely to moderately poor under the eligibility criterion established in the Beneficiary Single System (SIBEN)	In March 2009 the government established an inter-sectoral technical committee to oversee the programme. The programme includes systematic monitoring and evaluation systems (Sistema de Monitoreo y Evaluación de Solidaridad, SMES). Control of 'conditionality' are monitor every 4 months, consisting on verification of requirements such as certificates of school attendance issued by the Ministry of Education; health cards stamped by the corresponding authorities, as well as; birth certificates or ID cards.	USD \$57 million in 2006; 0.34% of the GDP; 1.15% of the government's budget.	The programme consolidates two programmes: Comer es primero involving in kind and cash transfers to poor households, and Incentivo a la asistencia escolar a school attendance subsidy. By June 2007 216,106 households received the household transfer, but only 50,000 received the school attendance transfer. Registration to obtain a magnetic card which guarantees payment has proved problematic.
Ecuador	Income transfer plus – transfer for human development	Bono de Desarrollo Humano (Bono Solidario)	Government of Ecuador	2003	The programme pays monthly means tested benefits to poor households with children, elderly and the disabled	Reduce the poverty gap; reduce the levels of chronic malnutrition and preventable diseases in children up to 5 years of age; maintain enrolment and 80% attendance rates for beneficiary children ages 6-16.	Monthly income transfer conditioned on meeting education and health requirements. US\$ 15 a month per household; senior and disabled heads of household receive US\$11.50 per month. Conditions- For children aged 6-16 year old: attending school regularly (more than 80%). For children under 5: regular health post visits for growth and development checkups and immunizations	Households with children age 0-16 in the poorest 2 quintiles, and poor households with elderly and/or disabled members, represent 5.2 million people, or 1.2 million households (about 40% population). In 2009, there were 246 thousand beneficiary households. Poverty incidence: 43.0%; beneficiaries poor: 17% (2008)	Through the Sistema de Identificación y Selección de Beneficiarios de Programas Sociales	Monitoring and evaluation has been set in place for the 2004 re-launched programme, but some independent evaluation studies are available	A high positive impact on school enrolment and attendance, and a high negative impact on child labour: school enrolment increased by around 10 percentage points, whereas child labour fell by 17 percentage points. The probability of a boy or girl from any household receiving BDH working was 6.2 percentage points less than for those not receiving the bond. Boys and girls in households receiving the BDH worked 2.5 hours less than girls and boys who did not receive the bono.	0.7%GDP in 2008; US\$ 200 million in 2006, equivalent to 0.5% of GDP	Poor targeting, introduction of conditioning. In 2003: the oldest school age child must show they have attended school for most of term, and mothers must show they have attended primary health care facilities and nutrition training.

El Salvador	Income transfer plus –transfer for human development	Red Solidaria	Government of El Salvador, the Social Investment Fund for Local Development	Mar-05	Component 1: Solidarity Family Network. Income transfers targeted at households with pregnant women and children under age 15, who have not finished 6th grade. Transfer is made on condition of school attendance and basic health care activities. It also includes lifelong learning sessions for beneficiary households. Component 2: Network of Basic Services, educational programmes, through; health and nutrition, and improvements and rehabilitation of basic and strategic infrastructure, such as drinking water, sanitation, electricity and rural roads. Component 3: Family Sustainability Network: Promotion of productive projects and micro-credit schemes in the targeted municipalities.	To assist extremely poor households through short-term improvements in child and maternal health and nutrition; basic education, and drinking water, sanitation, electricity and roads improvements to the poorest rural communities of the country.	Income transfers comprise a health stipend for households with pregnant women and children under age 5, and an education stipend for households with children from 5 to 15 years old who have not completed 6th grade. Each stipend is worth US\$15 per month per family. Conditions: School enrolment and attendance to 6th grade amongst children aged 5-14. Register the family in health programmes, attend child and maternal health check-ups and ensure compliance with health regulations.	The transfer is made to mothers or another female family member in charge of children's care. In 2008, there were 80 thousand beneficiary households, about 380,000 individuals.	Poorest population of El Salvador.	Programme follows two criteria for targeting: 1) Geographic targeting, is based on poverty mapping, technique developed by the Latin-American Faculty of social sciences (FLACO), that uses a Multiple Purpose Household Survey (Encuesta de Hogares de Propósitos Multiples) to construct categories at municipality level: very high extreme poverty; high extreme poverty, moderate extreme poverty and low extreme poverty. The programme has targeted 100 municipalities classified as suffering from conflict.	Conditionality goes beyond the health care checks and education assistance to include women's training in food preparation, hygiene, and child care. The transfer is made to women, but co-responsibility is encouraged by requesting both mothers and fathers to sign the agreement. Fathers are also encouraged to participate in capacity building.	There is not available information about the budget and costs of Red Solidaria. The estimated project costs are around US\$50 million per year. Grants from EU (37 million Euros), Luxembourg (20 million Euro) and Spain (10 million Euro	Program started without predefined exit strategy and has not reached the point of dealing with program exits. The first transfer took place in 2005 in 15 municipalities totalling 13,278 beneficiary households. In 2006, 17 additional municipalities and 10,828 households were included. This completed coverage of the first group of 32 municipalities characterized by very high extreme poverty determined by the poverty map. In 2009 the programme aimed at reaching 100,000 households in 100 targeted
Guatemala	Income transfer plus –transfer for human development	Mi Familia Progresa initiated in 2008, to be expanded	Government of Guatemala	2008	Income transfer program, which provides income payments to poor mothers, upon them sending their children to school and for health check-ups.	To improve 3 MDGs (maternal health, universal basic education, and reduction in child mortality) through increased school attendance and enrolment, and increasing children's and pregnant mothers' access to health services. Programme aims at securing that poor children attend school and visit health centres regularly.	US\$37.50 / monthly family	Conditions- school attendance and regular health checkups for their children.	477,746 beneficiary households 2009 – 17 municipalities, 485,214 children between 0 and5 years old, 951,165 children between 7 and 15 years old, 281,000 beneficiary households in 2008. In 2009, the program will be expanded to reach 500,000 households. Covers 13.6% population(2008), 46.7 % of extremely poor			0.06 % of GDP (2008) or 0.8% of social spending (2008) budget US\$150 million (2009)	Weak institutional settings. Guatemala has no Ministry of Social Development and its transfer programme, Mi Familia Progresa (MFP), was launched in 2008 without sufficient coordination with the education and health sectors. Mi Familia Progresa has been hugely controversial due to the fact that it has been funded with much-needed resources diverted from the Ministries of Health and Education. Weak statistical capacity and fragile banking systems. Guatemala lacks an information management

Honduras	Income transfer plus-transfer for human development	Programa de Asignación Familiar (PRAF)	Government of Honduras, Inter-American Development Bank	1990 Phase I/1998 Phase II	The programme provides an income transfer to poor households on condition that the household invest in health and education. To promote human capital accumulation by targeting children from the poorest households and break the poverty trap.		Demand-side benefits: An education contribution to poor households with children aged 6-12 and enrolled in primary education: US\$2.5 per child a month (average US\$58 per child per year). Transfer for up to three children per household. A health contribution to poor households with pregnant women and/or children under 3 years of age. The transfer consists of US\$3.4 per household a month (average US\$46.3 per family per year) for up to two children per household. Supply-side benefits: School incentives for an average of US\$4.000.	In 2008 there were 170,000 beneficiary households, about 809,200 individuals.	PRAF is targeted geographically. Based on the average height-for-age for children in first grade, 70 out of 297 municipalities were identified as the most disadvantaged areas in 7 departments. These municipalities were then categorized into five strata and, within each stratum, municipalities were randomly allocated to four program evaluation groups. Households with children below 13 years or with a pregnant woman were considered eligible for the program and selected using means tests.	Impacts on food consumption: total calorie intake per person was improved by 7% among the poorest third of eligible households. There was an 18.7% increase in pre-natal care visits (5 or more). The implementation of supply-side components of PRAF has been limited. In terms of health, only 17% of the planned transfers to health centres materialized, and only 11 to 22% of the provision of a comprehensive health care package for children was implemented. In terms of education, 74% of the teacher training component was implemented, but only 7% of	Budget: \$20 million, 2008. Spending on both PRAF-I and PRAF-II totalled to 0.2% GDP in 2001. The total amount of the PRAF-II loan equalled almost US\$ 50 million. In 2005 cost was US\$25 million equal to 0.3% GDP	(2010) Lasting benefits: The role of cash transfers in tackling child mortality, Save the Children, Policy brief, available at: http://www.savethechildren.org.uk/en/docs/Lasting_Benefits.pdf
Jamaica	Income transfer plus-transfer for human development	Programme of Advancement through Health and Education (PATH)	Government of Jamaica, World Bank	2002	PATH is a nation-wide programme providing two types of grants: a health grant, contingent on specific health requirements and an education grant, which is contingent on children's school attendance.	Four main objectives, as follows: 1) to alleviate poverty by increasing the value of transfers to the poor; 2) to increase educational attainment and improve health outcomes of the poor by breaking the intergenerational cycle of poverty; 3) to reduce child labour, by requiring children to have minimum attendance in school; and 4) to prevent households from falling further into poverty in the event of an adverse shock.	\$6.50 a month per child. PATH households received waivers of certain education and health fees. Conditions - Children aged 0-6: visiting a health clinic every two months in the first year and twice a year thereafter. Children ages 6 to 17 had to attend school at least 85% of school days. Eligible adults are poor pregnant and lactating mothers, poor adults over 65 years of age, and poor disabled or destitute adults under 65 years of age. Benefits for adults are not conditioned. Because of food price inflation in 2008, there was an increase of 10%.	245,000 individual beneficiaries in 2007. Programme covers approximately 12% of the country's population, about 300,000 recipients, as of September 2008. In 2005, there were 220,000 beneficiaries (8% of the population). Programme scope expanded in April 2008, by 47%, from 245,000 to 360,000 beneficiaries. Programme now targets the poorest 14.3% of the population within the selected vulnerable groups (not just those below the poverty line). As of April 2009, now 318,000 registered beneficiaries an increase of 10%.	Eligibility for the program is determined through the use of a means test. Targeting is based on a score of demographic and physical characteristics of the household, calculated from beneficiary applications to the program.	Outcomes of PATH were evaluated by an external consultant. The targeting analysis of PATH in Jamaica shows that 53% of the beneficiaries selected had incomes under the official poverty line, and 79% belonged to the lowest two consumption quintiles. Given that the poverty rate in Jamaica is 20%, the program is considered to be well-targeted by the evaluators. There was a 28% increase in public clinic visits by children aged 0-6. The first qualitative assessment took place in 2004 and indicated that: (i) overall, basic	Total budget of the program for the years between 2001 and 2005 was US\$ 78 million (50% was financed by the Government of Jamaica, and 50% by the World Bank). The programme costs approximately 0.32% of GDP in 2009-2010	

Mexico	Income transfer plus – transfer for human development	Progresa renamed in 2000 as Oportunidades	Government of Mexico		1997	The programme provides income transfers to poor households on the condition that they send their children to school and attend regular health checkups. The programme began operations in rural areas but it was extended to urban areas in 2003. An extension to additional urban areas in 2009 has been made with some additional training and microenterprise support components.	Improve schooling, health and nutrition of poor households, particularly children and their mothers. Ensure that households have sufficient resources so that their children can complete their basic education.	Monthly benefits: US\$17.80 for food consumption; US\$15 as a social pension to single citizens; US\$3.31 for energy consumption, US\$10.90 for educational expenses. Registration in the program is for three years, renewable if the family still qualifies as extremely poor with children of school age. In 2008, Oportunidades increased the transfer size by M\$120 (about \$10) per household to compensate the losses in purchasing power due to the global financial crisis.	Conditions: Education: -1	The programme currently reaches 5 million households (3.5 million of which live in rural areas), representing 2.5% of Mexico's population or about 25 million beneficiaries. 72% of beneficiaries are regarded as extremely poor	A three-stage selection procedure: (1) localities are identified through a poverty map; (2) extensive household surveys are conducted in the selected localities to gather data on a number of welfare indicators; and (3) data is then used to identify the beneficiaries according to a wealth index that determines who is in a state of extreme poverty.	Beneficiary reclassification takes place for households after three years of benefit receipt. If eligibility criteria persist, they continue on the programme until completing 4 years in urban areas and 6 years in rural or semi-urban areas. After this they are transferred to the Differentiated Support Scheme for 3 years (if they continue to comply with the conditionalities).	Regarding education: 10% reduction in primary-school desertion and 24% increase in secondary-school registration; Dropout rates decreased by 24% with a corresponding rise in completion rates for secondary school in rural areas of 23%; a 42% increase in the probability of entering secondary school for boys and 33% for girls. Regarding health: a 35% increase in attendance to preventive healthcare checkups in rural areas (20% in urban areas); 11% reduction in maternal mortality, and 2% decrease in child mortality; 20% reduction in neonatal mortality.	US\$3.6 billion, equivalent to 0.32% of Mexico's GDP in 2009	Experimental evaluations launched since 1997. The program generated very impressive targeting outcomes, with the poorest quintile receiving almost three times more benefits than they would have received under a universal intervention. The programme is well targeted as the 40% poorest households receive 80% of the benefits.
Nicaragua	Income transfer plus – transfer for human development	Red de Protección Social (RPS)	Inter-American Development Bank and Fondo de Inversión Social de Emergencia (FISE)	In 2000 a two-year pilot stage was implemented and in 2003 the programme was rolled out. The programme lasted for 3 years. The programme no longer operates	The programme was transformed from a social fund established to deal with emergencies into a medium term income transfer programme. Transfers to poor households were made conditional on household investment in education and health.	To promote human capital accumulation among the very poor. Its objectives were to supplement household income for up to three years to increase expenditure on food; and increase school enrolment and attendance among children aged 7-13 to increase health care provision and nutritional status amongst children under 9, and improve pre-natal and post-natal care for women.	Yearly income transfers of US\$24 for food consumption; US\$12 for school expenditure; additional supplement of US\$21 per child conditional on school attendance. Beneficiaries remained in the programme for three years and then were subjected to a poverty reassessment to determine membership. Condoms: children aged 7-13 were required to be enrolled in school with a maximum school absence of 6 days in a 2 month period. In relation to health, children aged 5 and younger and pregnant women were requested to attend regular checkups for	Households with children aged 7-13 who had completed fourth grade at primary school, irrespective of the number of school-age children in the family. The programme targeted the poorest households. In 2004, the programme covered almost 22 thousand households that represented 2.2% of the population.	Combination of geographical- and household-level targeting: in villages with 55 rate (or more) of extreme poverty. Household targeting was carried out through means testing.	Red de Protección Social was reported to have risen household spending, especially food consumption, among the poorest 40% during the first two years of operation. The programme also contributed to a drop in stunting among children aged 1 to 5, from 42% to 37% over the same period. The programme reduced the incidence of child labour by 5.6% (age points) and increased school enrolment in 13%. Impacts studies also suggest that the total calorie intake improved by 13% among the poorest 30% of eligible households.	The total financing available to the programme since its creation was US\$38 million. In 2004 budget was US\$ 6.37 million	The pilot phase of RPS was implemented in two stages. In the first stage, the programme benefited approximately 6,000 households in 21 "comarcas". The comarcas were selected from six municipalities in the northern part of the Central Region. In the second stage, about 4,000 additional beneficiary households from different areas, but belonging to the same municipalities were selected using household-level targeting mechanisms. Due to low institutional capacity and financial market development, the transfers were			

Paraguay 1	Income transfer plus –transfers for human development	Red de Protección Social y Promoción Social	Secretariat of Social Development under the Presidential Office; Inter-American Development Bank	2005	programme aims at preventing, mitigating and overcoming the adverse effects of poverty on the most vulnerable	To reduce extreme poverty and to improve both human and social capital	US\$ 10 to 30 per family per month. A transfer of US\$10 in addition to a US\$5 transfer per child aged 0 to 14 for up to 4 children for health and educational expenses per child aged 0 to 14, for up to 4 children. Transfers are conditional on visits to health centres by children and mothers, and school attendance.	9,000 beneficiary households reported in 2006.	Geographic selection of communities and means tests for the selection of households in extreme poverty and with children aged 0-14.	Internal monitoring of performance	Budget allocated for 2006 was US\$1.7 m	
Paraguay 2	Income transfers plus –transfers for human development	Tekoporai/PROPAI SII -		2006	Transfer programme that provides payments to low-income households conditional on school attendance and health checkups.	Encourage investment in human and social capital through school matriculation and attendance, and by increasing access to health services for children.	Benefit: 30,000 Guaranies (about US\$6) per child or pregnant women, up to a limit of four beneficiaries per household. There is a base-level monthly grant of 60,000 Guaranies (US\$12) per household. Eligible households can receive a monthly transfer worth between 90,000 and 180,000 Guaranies (18-36US\$), depending on household size.	Extremely poor families with children under age 15, and pregnant women. There is geographical targeting, so only households living in priority localities, namely the poorest districts in the country are eligible to participate. There is also a household-level targeting, which is carried out through the Index of Quality of Life (ICV). ICV is a non-monetary index that measures several well being dimensions, such as access to public services, health and education outcomes, occupation of the household head, housing conditions.	Geographic targeting plus household-level targeting. Households classified as extremely poor (having an ICV below 25) or moderately poor (an ICV between 25 and 40) are eligible to participate.	Children aged 0-5 were 7% more likely to attend clinic visits 6 times or more. The incidence of child labour for the sample increased by almost five percentage points—namely, from 8.5% to 13%. The increase was larger for the control group (from 5.4 to 11.6%) vis-à-vis the treatment group (from 10.4 to 14.1%). This suggests that without the programme, the incidence of child labour would have been much higher.	2007: US\$9.6 million (0.08%GDP)	Budget constraints

Peru	Income transfers plus – transfers for human development	Programa Juntos	Government of Peru	2005	Income transfer for poor rural households	Provide beneficiary households with nutritional support, health care, education, and identification documents in order to improve maternal and child health status; decrease school dropouts; and promote registration and identification.	US\$ 30 monthly grants to poor households on the condition to attend health checkups school and register personal identification.	Poor households with children under age 14. The programme employs SISFOH-Sistema de Focalización de Hogares for targeting beneficiaries.	In 2009, about 421 thousand households (about 2 million people) receive the grant	There was a 30% increase in immunisations amongst children under age one within the first year of operation of Juntos.	2006: US\$100 million, about 0.1% GDP	The programme is currently designing an exit strategy for beneficiary households
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