

# **Can cash transfers play a role in reducing risky behaviors and empowering female adolescents?**

Carolyn Heinrich  
Vanderbilt University

**November 18, 2105**

**Center for Global Development**  
Small Changes, Big Impact: Creating Conditions  
for Women and Girls to Thrive

# Theory/evidence on role for cash transfers in reducing risky behaviors

- Perceptions of lack of economic opportunity, powerlessness in poverty lead youth to heavily discount costs of risky behavior (Medlin and de Walque, 2008)
- Direct cash transfers can offer a substitute (immediate cash benefits) or incentive (reward for declining risks) that alters adolescent valuations of benefits and costs
- Growing evidence that risky behaviors vary with household consumption and income shocks
  - Increases in household income protect females from early sexual debut, risky sex and pregnancy (Dinkelman et al., 2008; Baird et al., 2011; Kohler and Thornton, 2012); reduce risk of HIV infections in adolescents (Baird et al., 2012; Pettifor, 2012)

# “State of emergency” for South African and other sub-Saharan African adolescents

- Adolescents living in poverty at significant risk for negative outcomes associated with risky behaviors (e.g., early sexual activity, alcohol and drug use)
  - Young people (15-25 years) at greatest risk of HIV; in S. Africa, 10% HIV prevalence rate in population, with highest rates for females ages 18-24 years: 20.8% (Pettifor et al., 2011)
  - Alcohol use consistently associated with sexual risk taking, sexual coercion and elevated risk of HIV
  - Poverty increases female youth involvement in transactional and intergenerational sex
  - Substantial negative consequences associated with early sexual debut

# What role can cash transfers play?

## South Africa's Child Support Grant

- Social cash transfer program introduced in 1998
  - Means-tested benefit; caregiver applies on behalf of child
- Early take-up slower, with many program changes:
  - Age of eligibility extended: in 2003 (to 8 years), 2004 (to 10 years), 2005 (to under 14), 2009 (to under 15); 2010 (to under 16), to under 17 in 2011 and under 18 years in 2012
  - Unconditional cash transfer, but Dec. 2009 amendments added “soft” caregiver obligations to enroll children in school
    - 69% of households responded that proof of school attendance for school-age children was required in CSG application

# DSD-EPRI-IDS-IFPRI-OPM-RDC-TNT impact evaluation of CSG

- Integrated qualitative-quantitative study of program process, mechanisms of change, and impacts
  - Variability in timing and length of CSG enrolment used to analyze impacts associated with differing CSG dosages
  - Impacts on health, education, early child development, adult/child labor, consumption, social welfare, risky behavior, intra-household, unintended impacts
- Sample: adolescents between ages 15 and 17 years
  - Early vs. late enrolment ( & only recently able to enrol)
  - 5 provinces: Eastern Cape, Gauteng, KwaZulu-Natal, Limpopo, and the Western Cape

# Household and adolescent reports of how the cash transfer is spent

- 90% of households report that the CSG is spent on the eligible child, although about one-third believe the grant should benefit the whole family
- Top reported expenditure is consumption (76%), followed by schooling/education-related expenses (17%)
- 69% of female adolescents are given some CSG “pocket money” to spend (about 1/3 of CSG benefit amount)
  - 82% of female adolescents report spending their pocket money on food, and another 5% on drinks or sweets
  - Less than 5% spent cash on beauty supplies (hair, cosmetics)

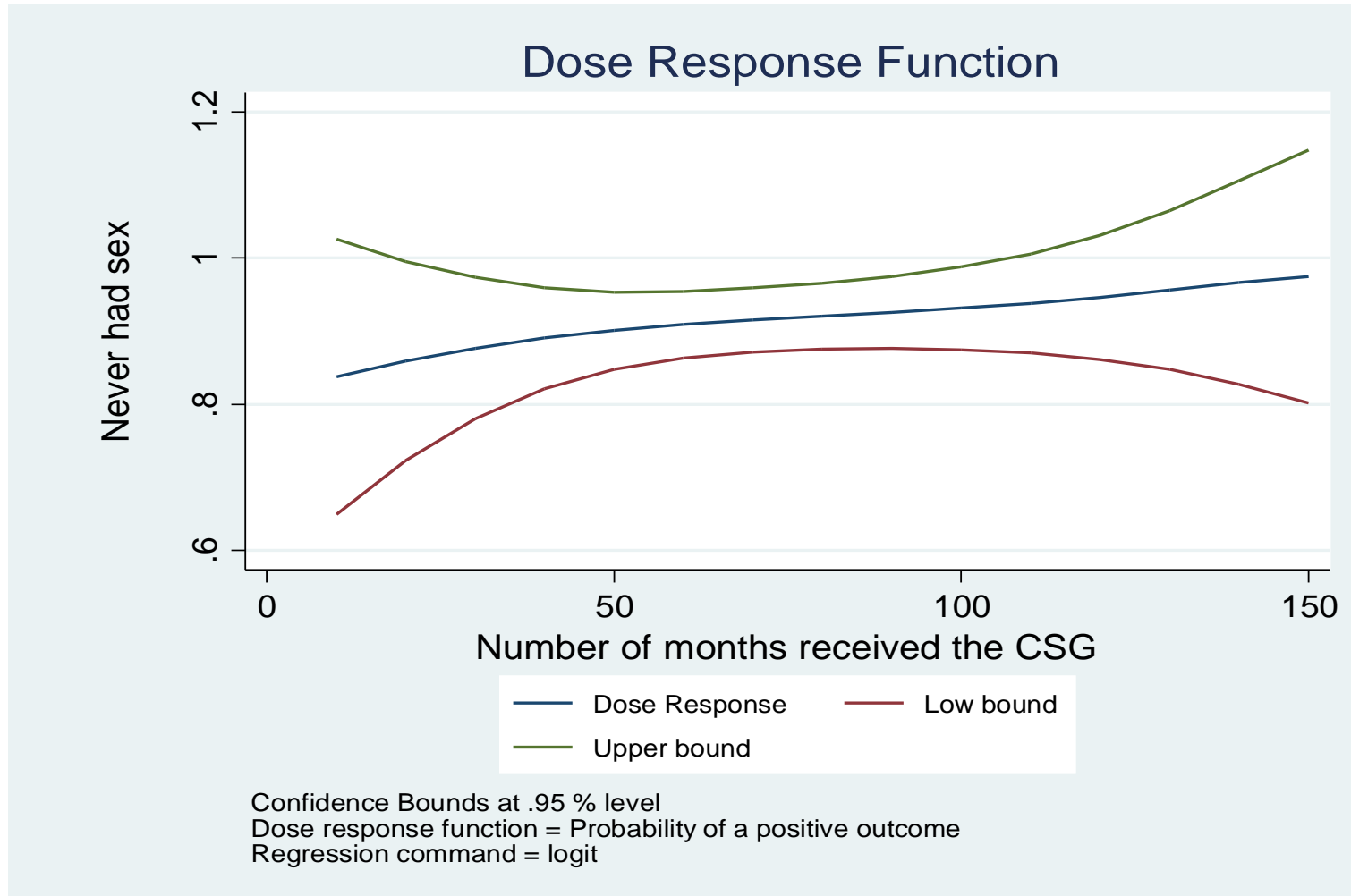
# Outcomes of interest and sample averages

Female adolescent outcomes		
Never had sex	371	0.906
Never used drugs	422	0.791
Never drank alcohol	432	0.704
Age at first alcohol use <sup>†</sup>	386	0.777
No criminal activity <sup>††</sup>	394	0.766
No gang activity	390	0.964
Number of sex partners	346	0.234
Ever pregnant	282	0.067
Highest grade attained	465	9.241

Max=6

<sup>†</sup>Lower value=lower age at first alcohol use;<sup>††</sup> criminal activity includes stealing, “housebreaking,” rape or sexual assault, selling drugs, assault

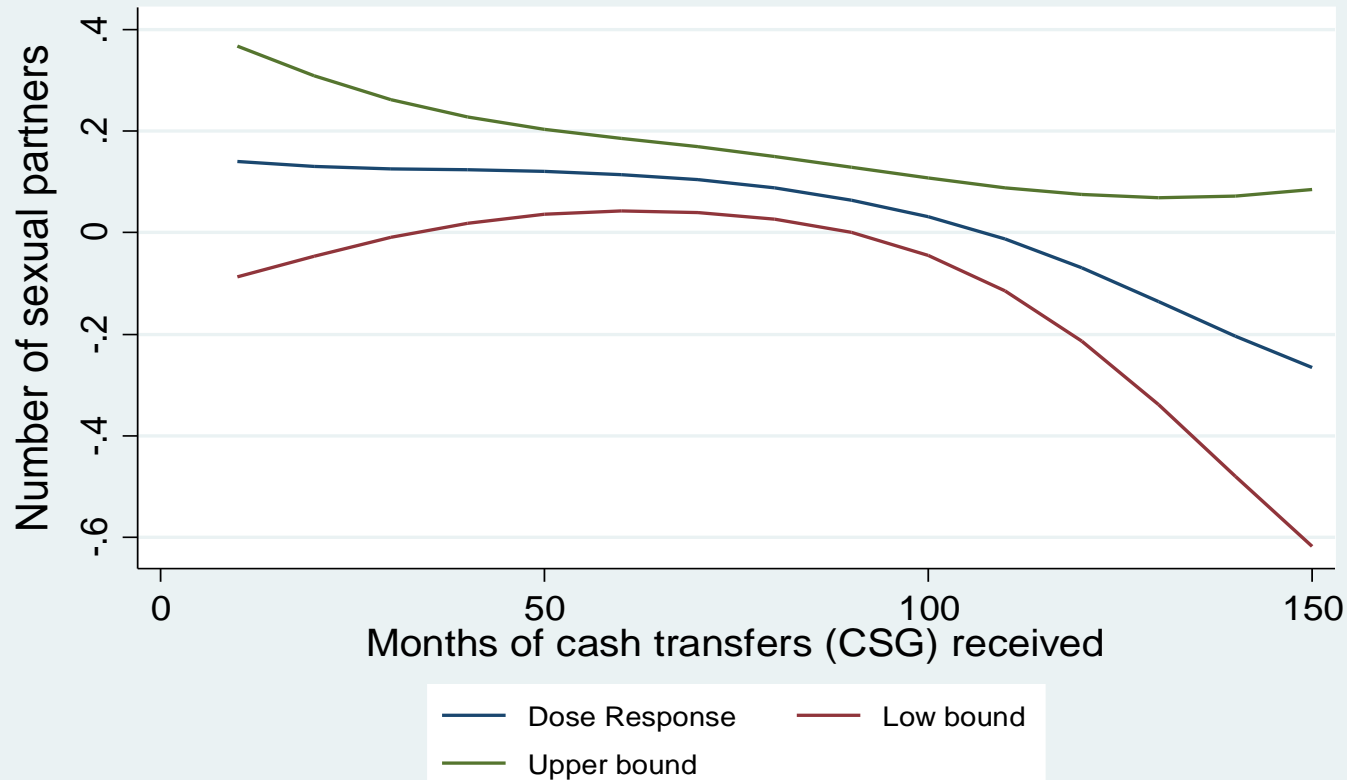
# Relationship between months of cash transfers and female abstinence from sexual activity





# Relationship between months of cash transfers and number of sex partners

Dose response: CSG dosage and number of sexual partners, females



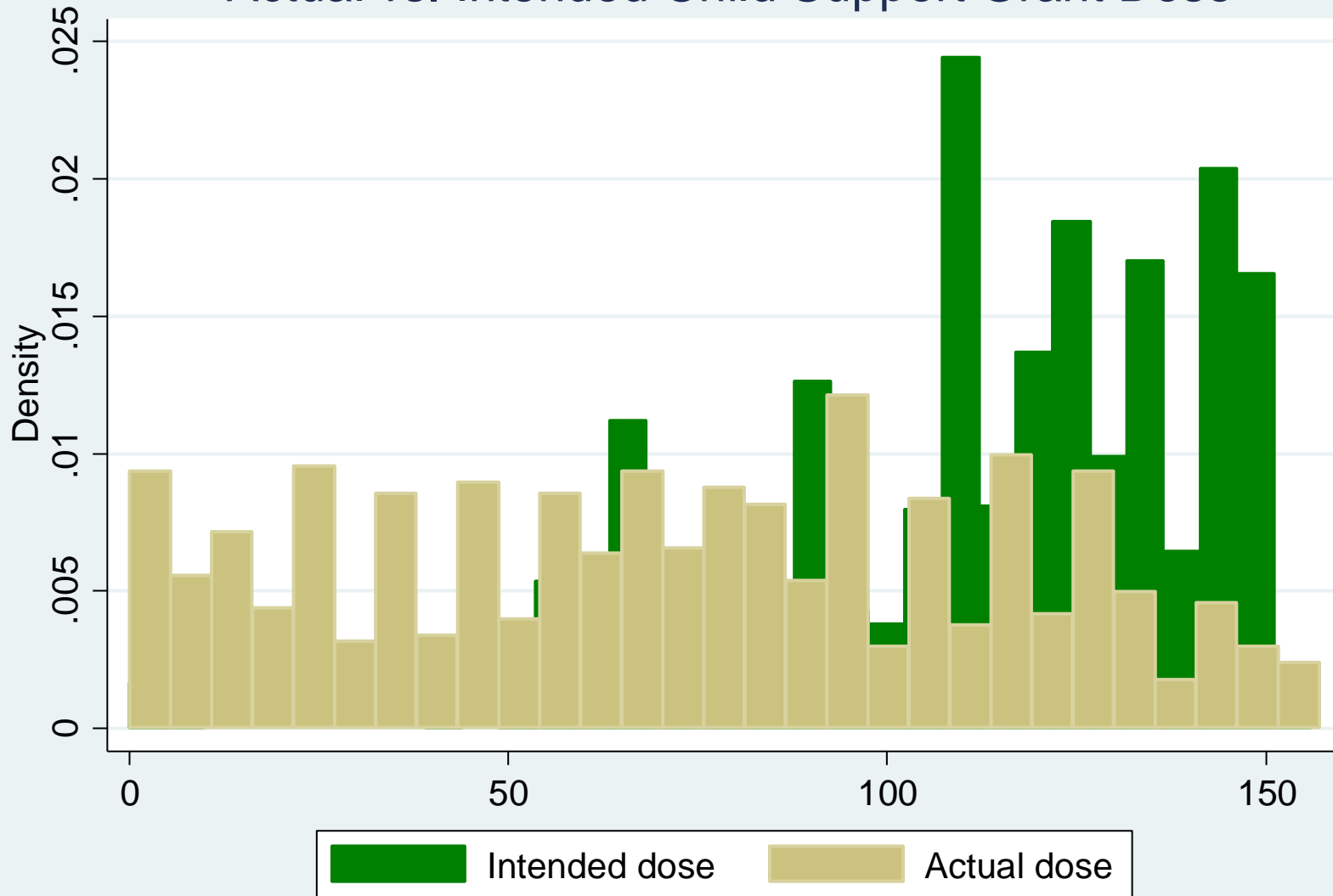
Confidence Bounds at .95 % level  
Dose response function = Linear prediction

# Impacts larger with CSG receipt in adolescence

<b>Effects of Receiving the CSG in Adolescence on Adolescent Risky Behaviors</b>			
<b>Exact matching on CSG dose</b>	<b>Treatment: adolescents received CSG in adolescence</b>		
<b>Outcome (females)</b>	<b>Difference (ATE)</b>	<b>Standard error</b>	<b>p-value</b>
Never had sex	<b>0.111</b>	<b>0.043</b>	<b>0.010</b>
Number of sex partners	<b>-0.337</b>	<b>0.136</b>	<b>0.013</b>
Ever pregnant	<b>-0.105</b>	<b>0.043</b>	<b>0.014</b>
Never drank alcohol	0.049	0.054	0.366
Never used drugs	0.039	0.050	0.447
Ever sold drugs	-0.021	0.026	0.403

Results from propensity score matching

## Actual vs. Intended Child Support Grant Dose



# Impacts larger if CSG receipt was never interrupted

Female adolescents exact matched on intended dose	Never interrupted		
	Difference (ATE)	Standard error	p-value
Never had sex	<b>0.055</b>	<b>0.030</b>	0.071
Number of sex partners	<b>-0.235</b>	<b>0.090</b>	0.009
Ever pregnant	-0.046	0.030	0.129
Never drank alcohol	0.017	0.048	0.720
Age at first alcohol use	0.099	0.195	0.612
Never used drugs	0.009	0.044	0.830
No criminal activity	<b>0.134</b>	<b>0.045</b>	0.003
Highest grade completed	<b>0.197</b>	<b>0.102</b>	0.054

# Implications for gender equality and women's empowerment

- Early cash transfer receipt and receipt during teenage years are particularly important in protecting female adolescents against early sexual debut and in reducing number of sexual partners and early pregnancy
- Survey responses and qualitative research suggest that cash transfers empower female adolescents to make their own consumption decisions and reduces their dependence on older boyfriends and the draw of transactional sex
- Delay of sexual activity and pregnancy could have longer-term effects in empowering women and promoting gender equality

# Findings and implications (cont.)

- Increase in educational attainment and greater protective effects against risky behavior when cash transfer receipt is not interrupted or stopped early
  - Youth in poorer areas less likely to be reached at an early age and to stay connected with transfers in teenage years
- Findings support policy changes to extend cash transfers to older children, to reach them at earlier ages and to improve program administration and outreach and simplify application processes to fully realize the potential benefits of cash transfers in supporting the education and empowerment of women
  - Hard conditions or targeting of particular behaviors not necessary to generate effects