What can we learn from the Zambia evaluations?
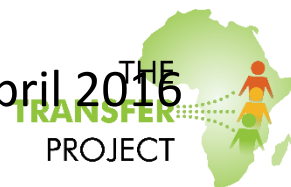

Sudhanshu Handa

on behalf of the Zambia Evaluation Team and Transfer Project

UNICEF Office of Research-Innocenti and UNC

Presented at the Transfer Project Annual Workshop: Addis Ababa, April 2016

Zambia implemented two large cash transfer evaluations 2010-2014

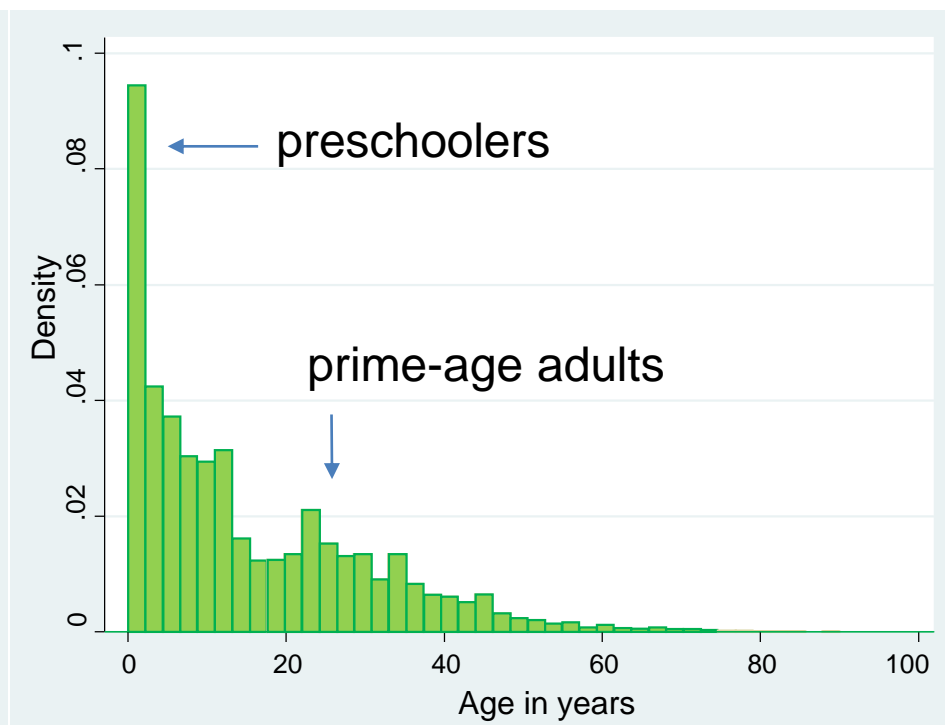|	Child Grant Program (N=2500)	Multiple Category Targeted Program (N=3200)
2010	Baseline	
2011		Baseline
2012	24m follow-up	
2013	30m follow-up (harvest)	24m follow-up
2013	36m (lean)	
2014	48m follow-up	36m follow-up

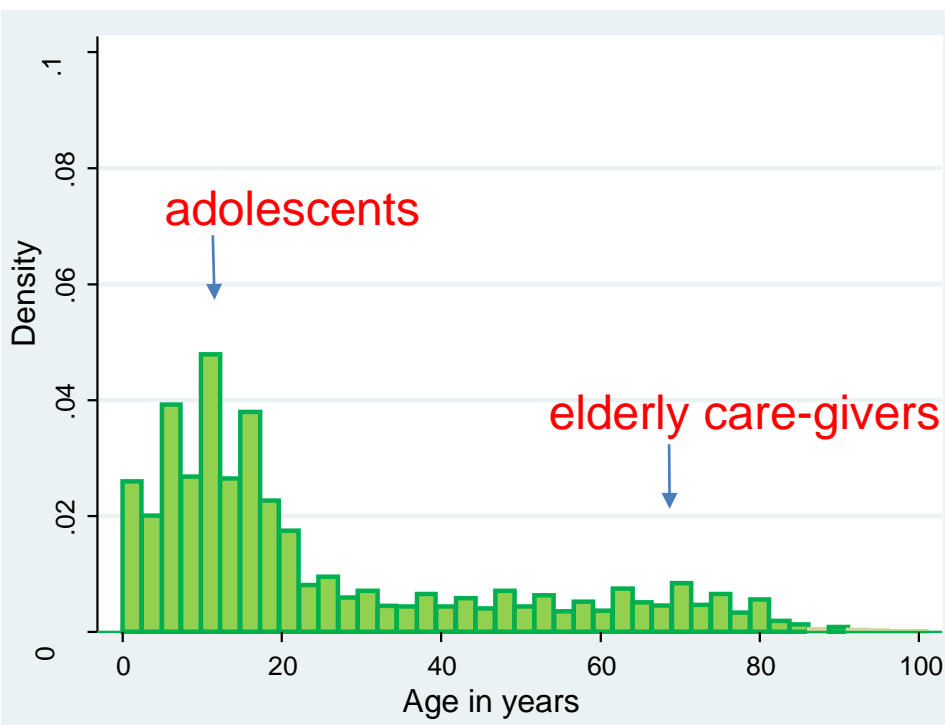Additional features
Cluster randomized control trials
Shangombo, Kalabo, Kaputa Districts (CGP)
Serenje, Luwingu Districts (MCTG)

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Very different demographic profile of households in CGP and MCTG

MCTG

Density vs Age in years (MCTG)
- adolescents
- elderly care-givers

CGP

Density vs Age in years (CGP)
- preschoolers
- prime-age adults

What bigger questions can these evaluations answer?

- Does pattern of impact vary by beneficiary type?

- Income multiplier effects of the program

- Do impacts get larger over time?

- What are impacts on women's empowerment?

- Can households be graduated?

- Does the transfer smooth consumption?

- Does the cash transfer address the 'psychology of poverty'?

Intent-to-Treat effects (CGP, 36-months)

Consumption
Total consumption pc*
Food consumption pc
Non-food consumption pc

Food security
Food security scale (HFIAS)*
Does not worry about food
Does not go to sleep hungry at night
Does not go whole day w/o eating

Assets
Domestic asset index
Livestock index
Productive asset index

Income and Revenues
Harvest value [ZMW]
Agricultural input spending [ZMW]
Operating a NFE
Revenues from NFEs

Finance and Debt
Held any savings (women only)
Amount saved [ZMW] (women only)
No outstanding debt
Reduction in amount owed
No new borrowing
Reduction in amount borrowed

Relative Poverty
Does not consider hh very poor
Hh better off compared to 12 months ago
Life will be better in the future (women only)
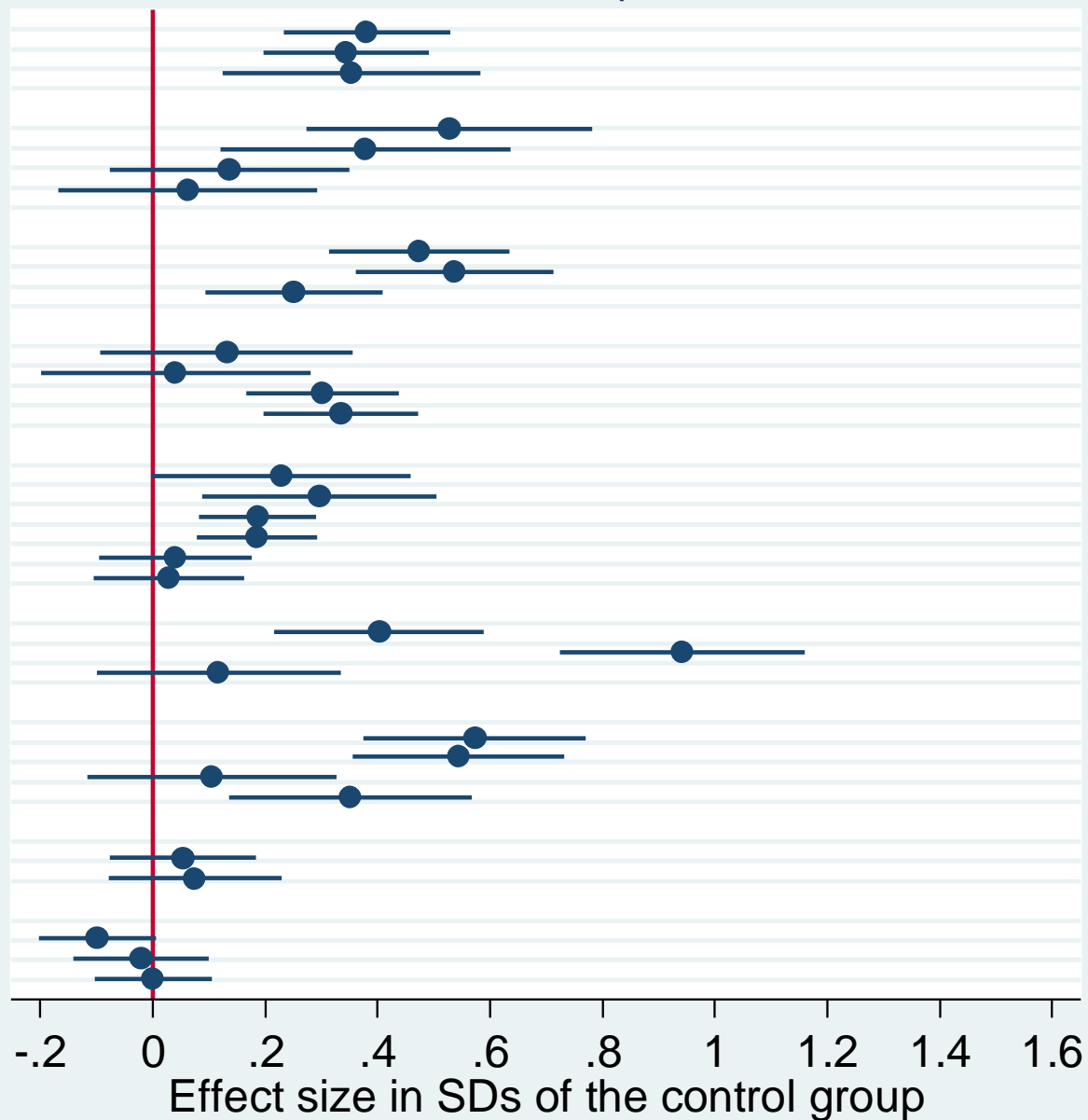
Material needs (children 5-17)
Material needs index*
Shoes
Two sets of clothes
Blanket

Schooling (children 11-17)
Currently enrolled
Days in attendance prior week

Nutrition (Young children 0-59m)
Not stunted
Not wasted
Not underweight

Effect size in SDs of the control group

Intent-to-Treat effects (MCP, 36-months)

Consumption
Total consumption pc*
Food consumption pc
Non-food consumption pc

Food security
Food security scale (HFIAS)*
Does not worry about food
Does not go to sleep hungry at night
Does not go whole day w/o eating

Assets
Domestic asset index
Livestock index
Productive asset index

Income and Revenues
Harvest value [ZMW]
Agricultural input spending [ZMW]
Operating a NFE
Revenues from NFEs

Finance and Debt
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Amount saved [ZMW] (women only)
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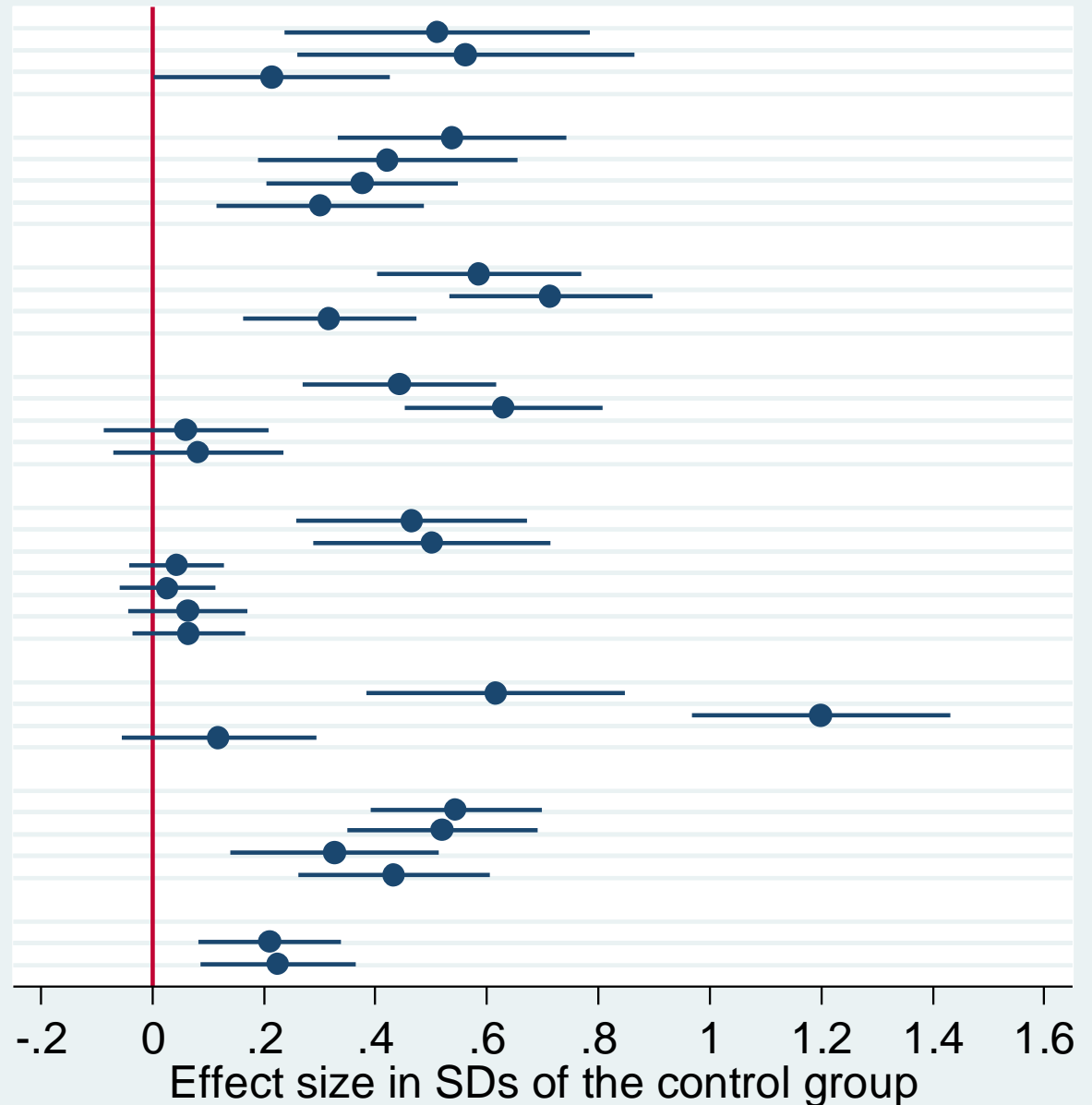
Relative Poverty
Does not consider hh very poor
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Life will be better in the future (women only)

Material needs (children 5-17)
Material needs index*
Shoes
Two sets of clothes
Blanket

Schooling (children 11-17)
Currently attending
Days in attendance prior week

Effect size in SDs of the control group
-.2   0   .2   .4   .6   .8   1   1.2   1.4   1.6

Intent-to-Treat effects (CGP vs MCP)
Endlines 2 (36-months) at a glance

MCTG
CGP

Total consumption pc
Food security scale (HFIAS)
Overall asset index
Relative poverty index
Incomes & Revenues index
Finance & Debt index
Material needs index (5-17)
Schooling index (11-17)
Anthropometric index (0-59m)

-.2   0   .2   .4   .6   .8

Effect size in SDs of the control group
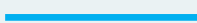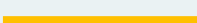
Multiplier effects of cash transfers in Zambia (Kwacha)

	MCTG	CGP
Annual value of transfer (A)	660	660
Savings	10	61
Loan repayment	23	27
Consumption	966	800
Livestock value	183	48
Productive tools value	25	50
Total spending (consumption + spending) (B)	1202	986
Estimated multiplier (B/A)	1.83	1.49

Impacts are based on econometric results and averaged across all follow-up surveys. Estimates for productive tools and livestock derived by multiplying average increase (numbers) by market price. Only statistically significant impacts are considered.
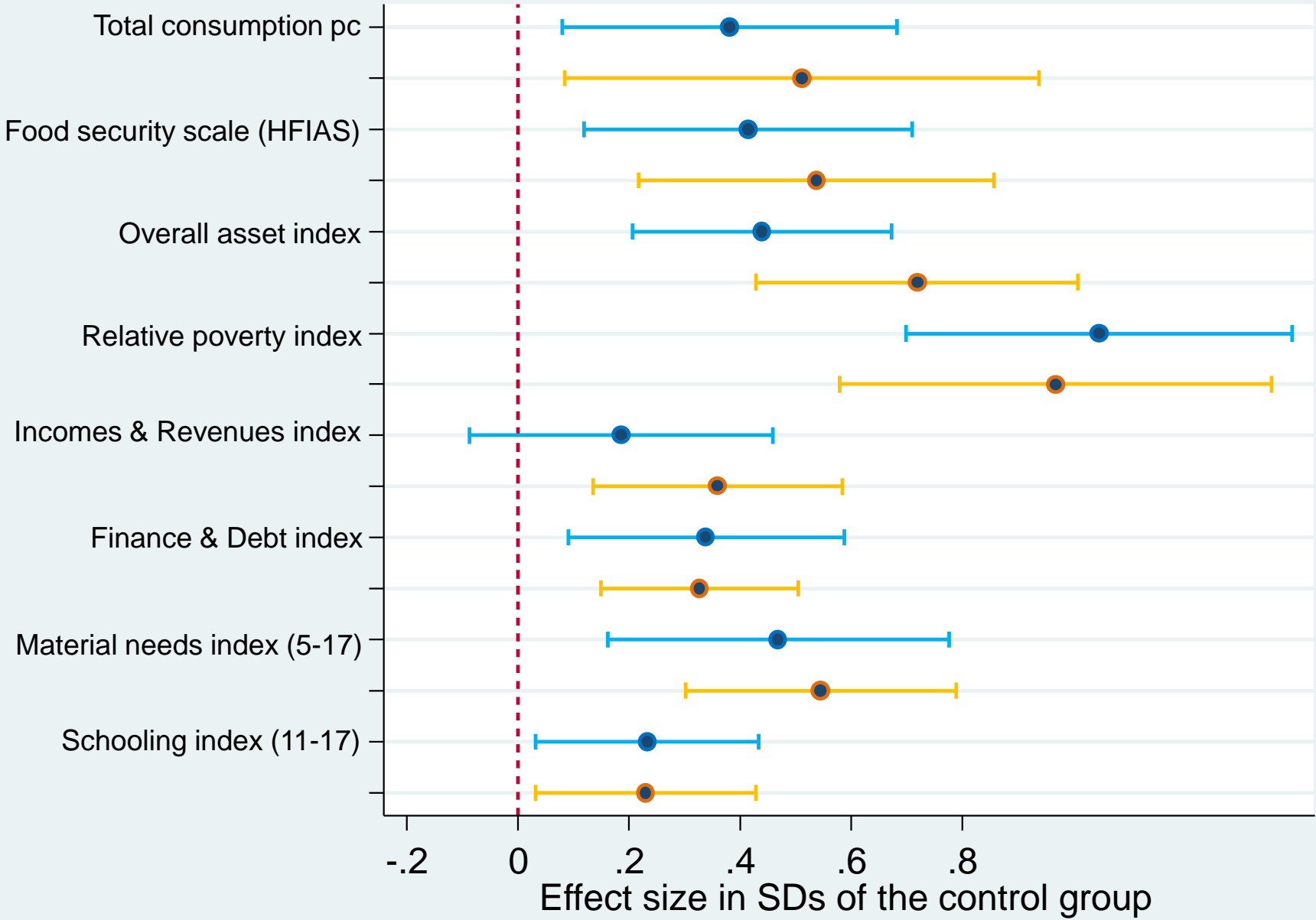
Intent-to-Treat effects (CGP) 24 & 36-months

Legend: 24m, 36m

Y-axis categories:
- Total consumption pc
- Food security scale (HFIAS)
- Overall asset index
- Relative poverty index
- Incomes & Revenues index
- Finance & Debt index
- Material needs index (5-17)
- Schooling index (11-17)
- Anthropometric index (11-17)

X-axis: Effect size in SDs of the control group

Intent-to-Treat effects (MCP) 24 & 36-months

24m
36m

Impact on intra-household decision-making

— Question: "*Who in your household typically decides XX*"

— Code indicator = 1 if women reports sole and/or joint decision-making

— Impacts on 5 out of 9 domains – child schooling, own income, partners income, children's cloths and shoes, family visits

— No impact on child health, major or daily purchases and own health

— BUT total is qualitatively small (0.34 additional decisions)

0.34 impact***

6.96

6.34

Count of sole/joint decisions

■ Treat ■ Control
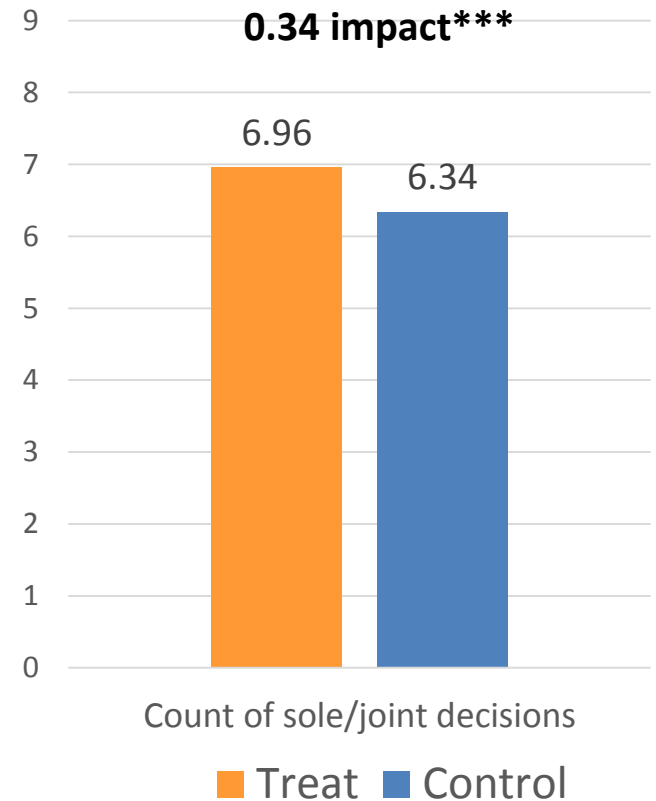
Note: Results from adjusted ANCOVA OLS models
*10% significance, **5% significance; ***1% significance.

Source: Bonilla et al. 2016

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Qualitative findings support the story

- CGP _has not_ led to massive change in relations or dynamics:

  ■ *"Even in the laws of Zambia, a woman is like a steering wheel, and us (the men) are the ones to drive them in everything."* ~Male, age 53 (beneficiary)

- Yet, there is subtle change: transfer income is under control of women, and women equate empowerment = financial standing:

  ■ *"I am very happy because I don't have to wait for him to make enough money as he puts it. I am able to suggest anything for the children now. He is in charge, but at least the money is in my hands."* ~Female, married, age 24 (beneficiary)

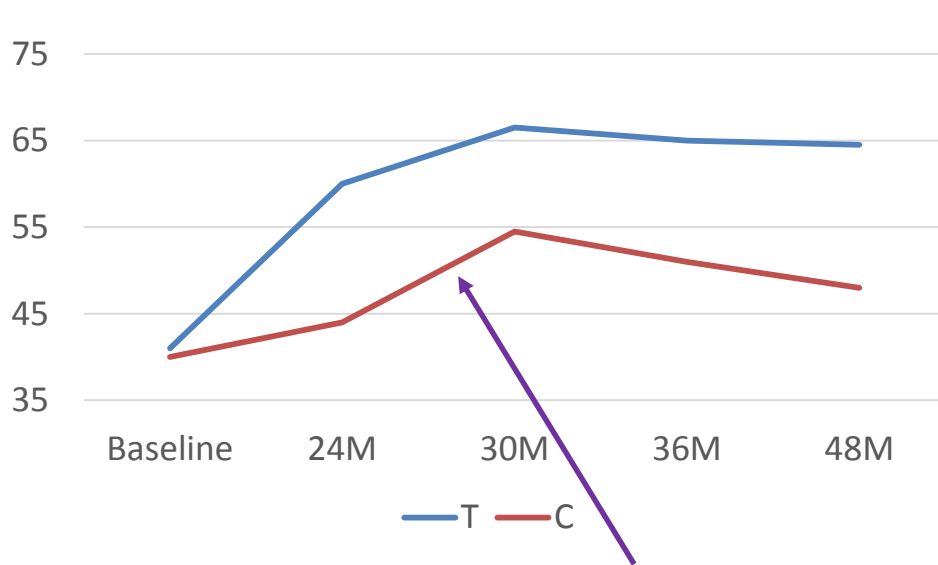# But...impacts on women's saving and businesses activity large!!!
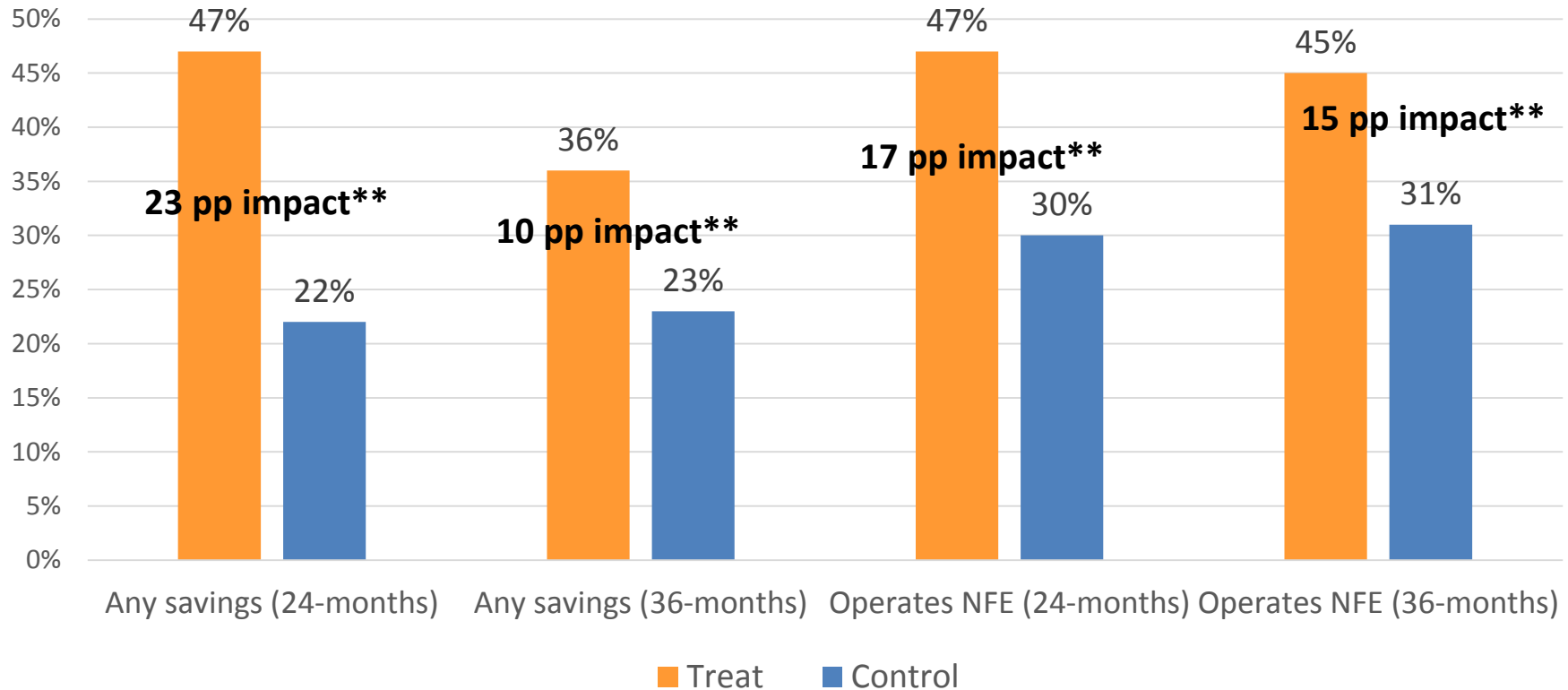
Note: Results from multivariate adjusted models difference-in-difference LPM
*10% significance, **5% significance; ***1% significance.
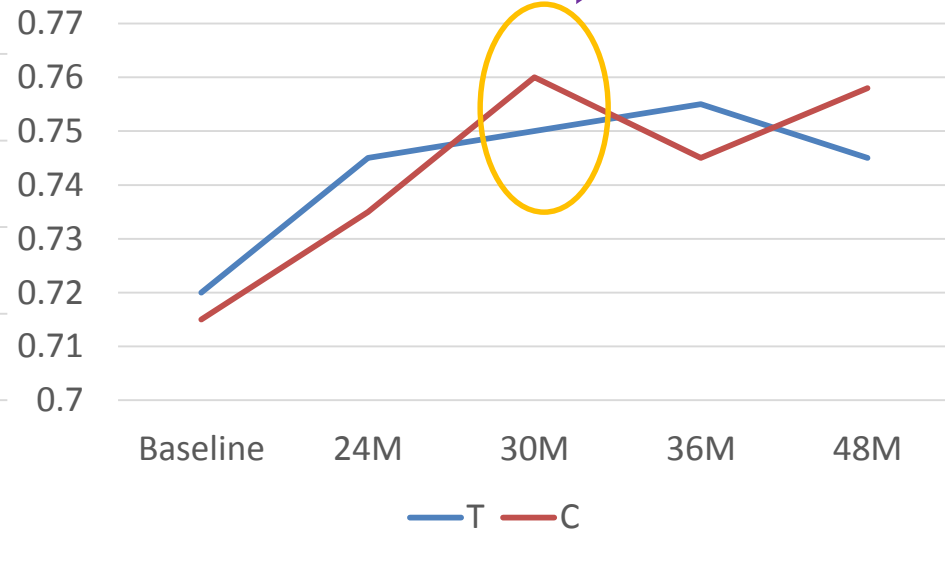
Does the CGP enable consumption smoothing? Yes!

total consumption per person

food share

Big jump for C group during harvest

Steeper increase for C group during harvest

The psychology of poverty

- Do you think of the future when deciding what to do with your money?

- Say you win ZK200 in the lottery. You can take the money now, or wait one month and take ZMX. What do you choose?

  - X=300, 400, 600, 800

CGP appears to increase future orientation MCTG only weakly

Percentage point impacts on 'psychology of poverty'

Whether will wait for future amount

Legend: CGP (yellow), MCTG (green)
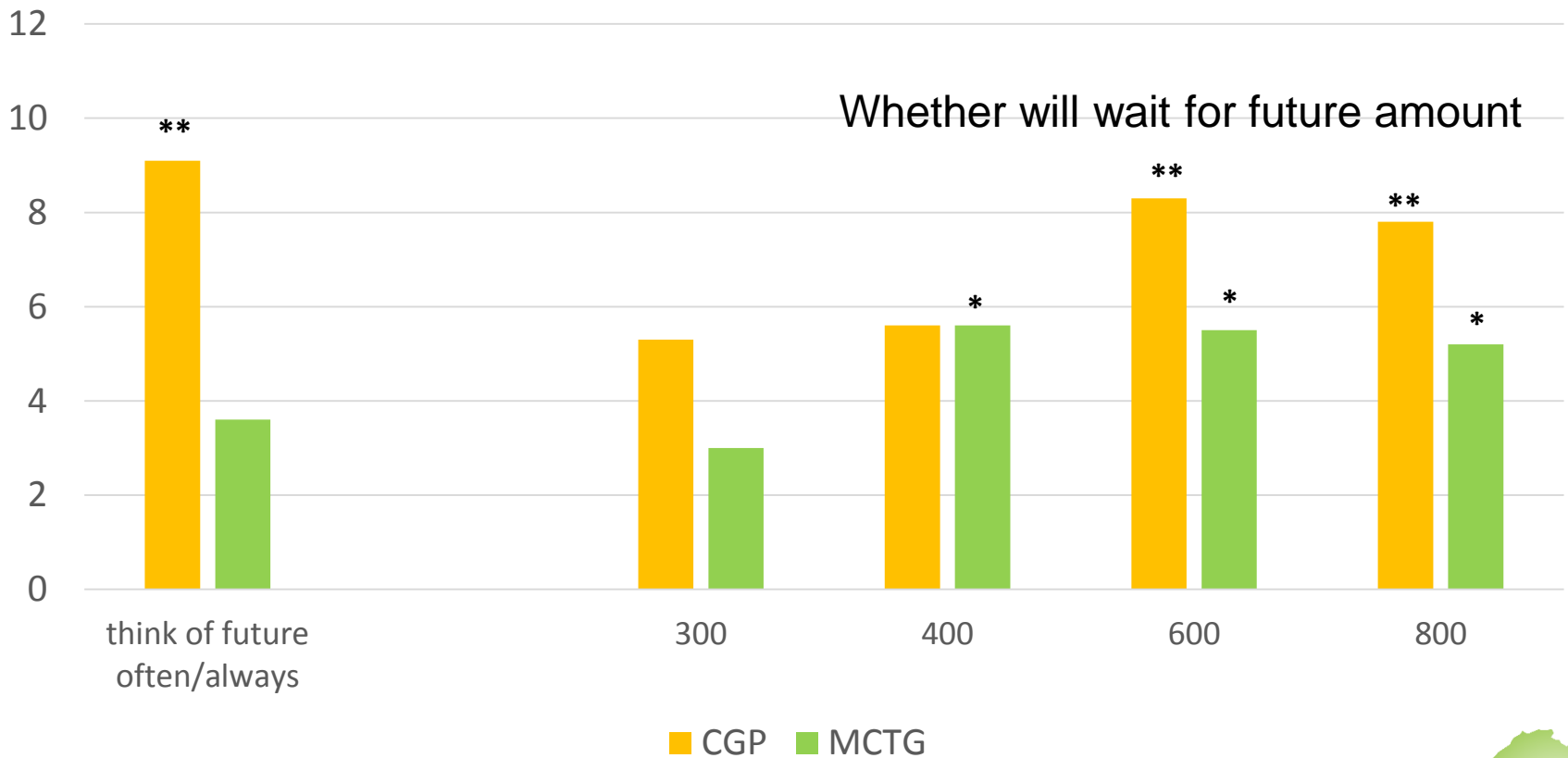
** significant at 5%   * significant at 10%

What did we learn?

- Surprises—same overall transformative effects across two programs

  – Nuances make sense, schooling impacts in MCTG, business activity in CGP (women), livestock in MCTG

- Do we need more than one 24m follow-up?

- Consumption smoothing – yes (CGP)

- Empowerment? Yes, in the dimensions that are important to women

- Psychology of poverty—CGP stimulates forward looking behavior

Official controversial comment

- BRAC compared to Zambia's UCT
  - Similar results to Banerjee et al study <u>Science</u> 2015
  - Zambia: simple, unconditional flat transfer, implemented by government
  - BRAC: complex 'intensive' package of interventions, implemented by NGO

Extra slides

Comparison of means at baseline

	CGP (2010)	MCP (2011)
Female recipient	0.99	0.75
Age of recipient	29.75	56.56
Recipient has ever attended school?	0.72	0.64
Recipient widowed	0.06	0.56
Recipient never married	0.11	0.03
Recipient divorced or separated	0.07	0.10
Household size	5.70	5.01
Number of people ages 0 - 5	1.90	0.71
Number of people ages 6 - 12	1.27	1.27
Number of people ages 13 - 18	0.56	0.95
Number of people ages 19 - 55	1.87	1.32
Consumption per capita	40.59	50.60
Does not worry about food	0.21	0.15
Food security scale (HFIAS)	8.88	9.3