

CCT Study South Africa

“Going to Scale”

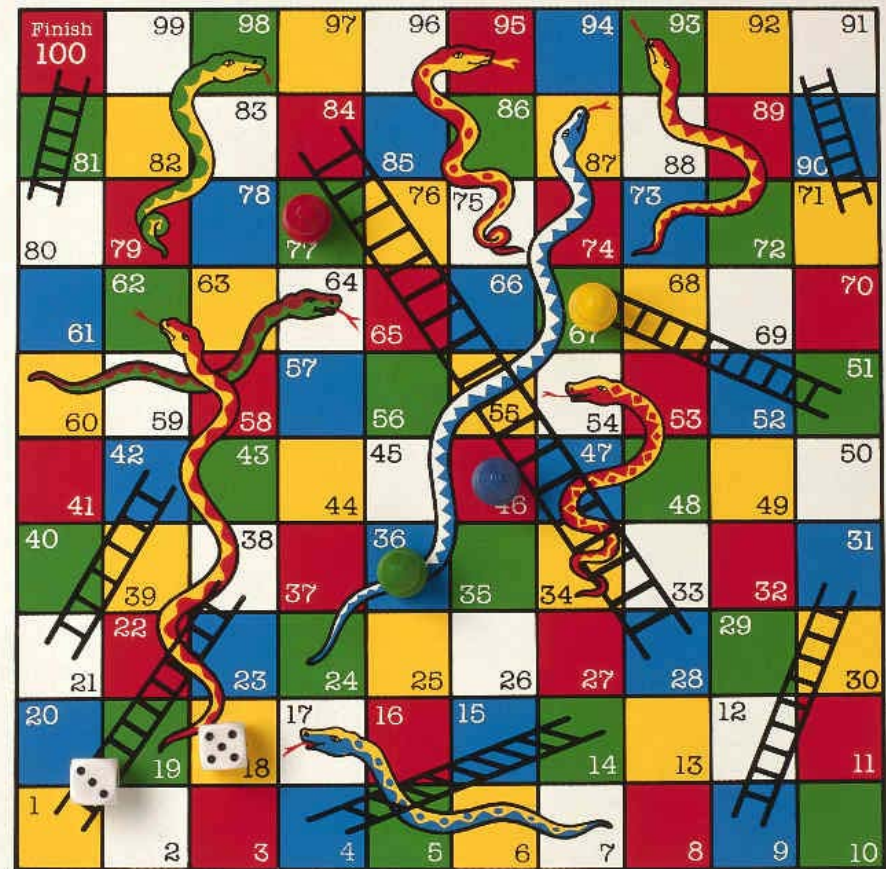
Linda Richter & Larry Aber

International CCT Conference
Bellagio, 6-10 July 2008



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Late 2004 – discussions started on a South African CCT trial for children and families affected by HIV and AIDS



Going to Scale was launched 1 April 2008 !

Presentation Summary

- ✓ Poverty and welfare
- ✓ HIV and AIDS
- ✓ Why a conditional cash transfer?
- ✓ Study design
- ✓ Challenges
- ✓ Political economy!

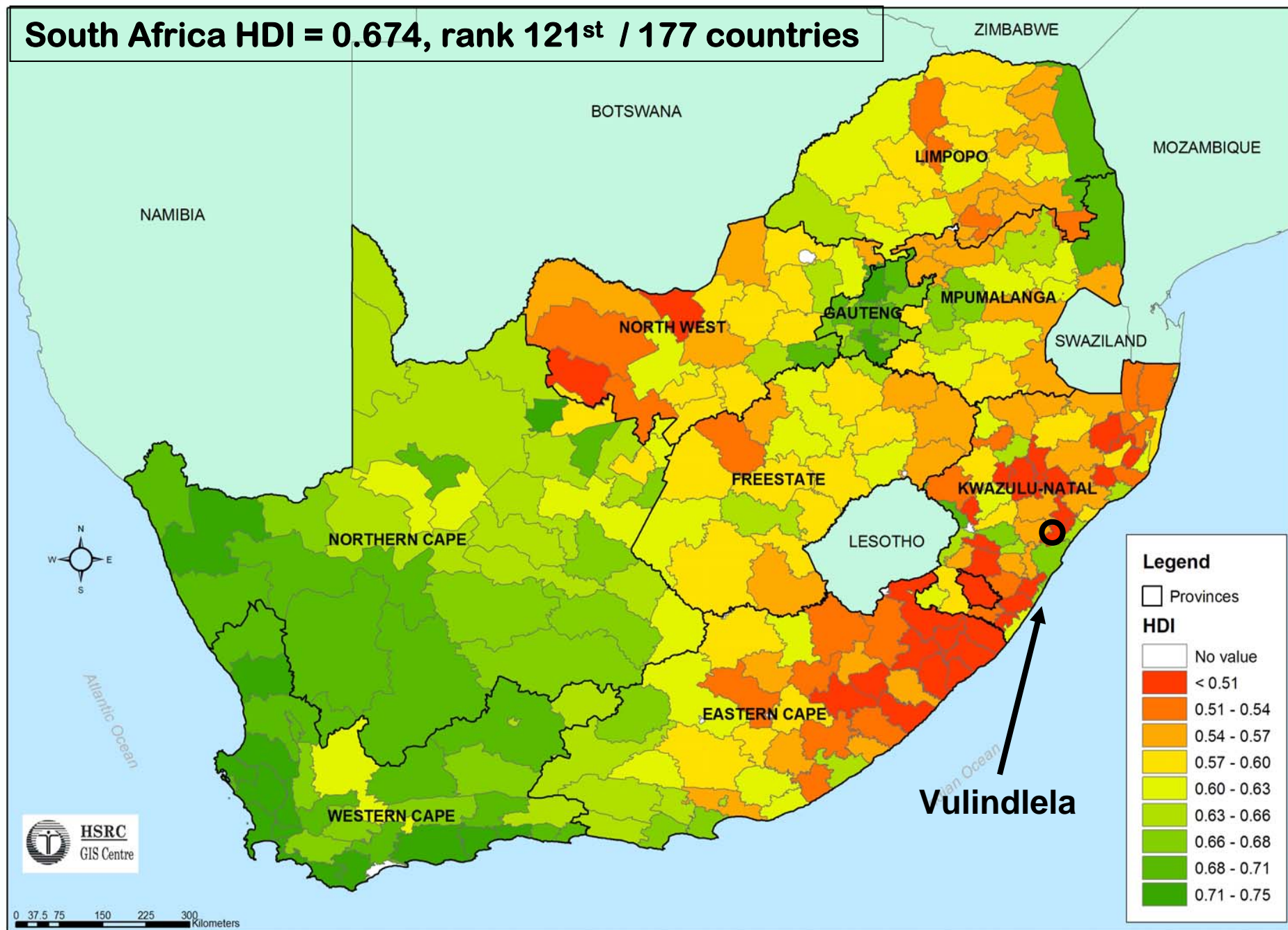


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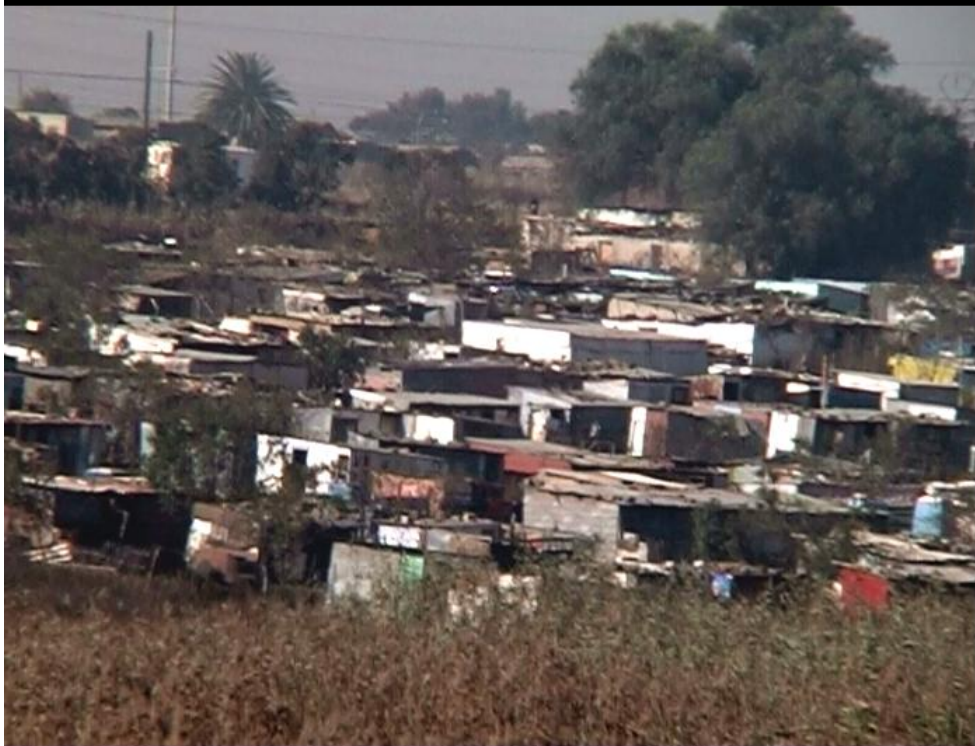


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South Africa HDI = 0.674, rank 121st / 177 countries



**Mixed settlements – rural /
urban, formal / informal**

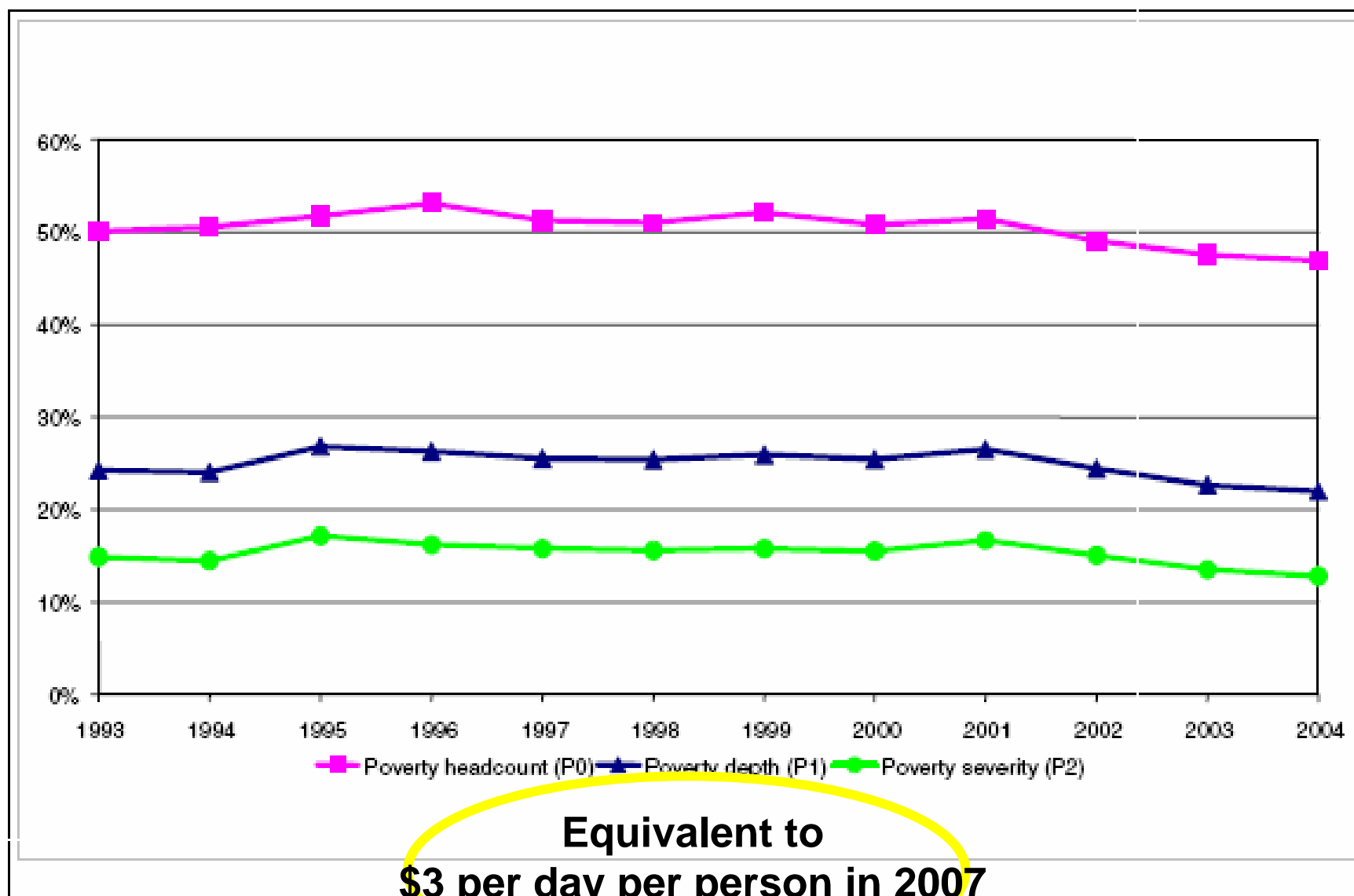


Unemployment

- ✓ Unemployment **26.4%** of the labour force (narrow definition)
- ✓ **41.3%** (expanded definition - given up looking)
- ✓ In 7 years to 2002, 1.6 million jobs created, but 5 million young people entered the labour force
- ✓ 65% without completing secondary school

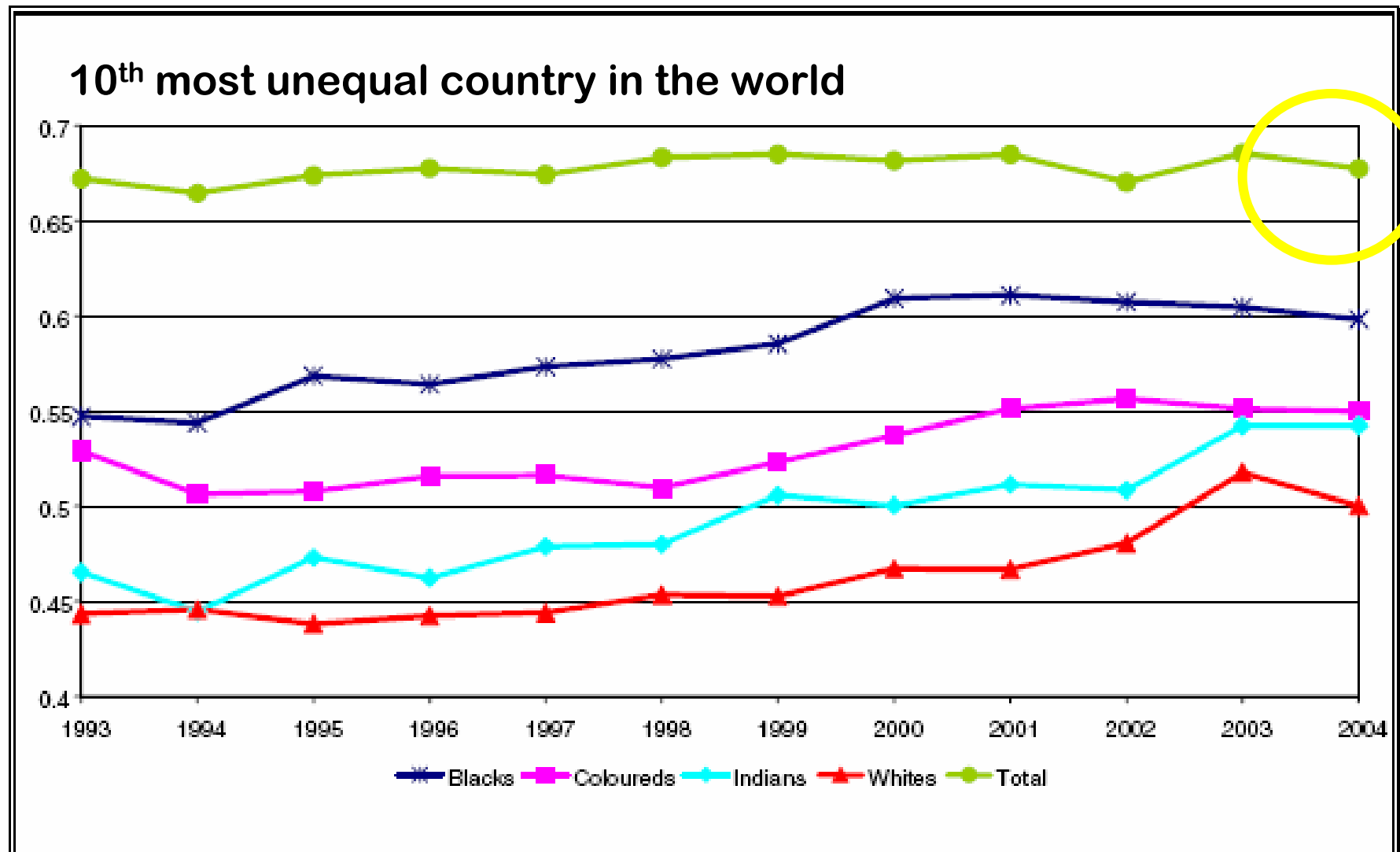
Poverty

Trends in poverty, 1993-2004



Inequality

Estimated Gini coefficients, 1993-2004

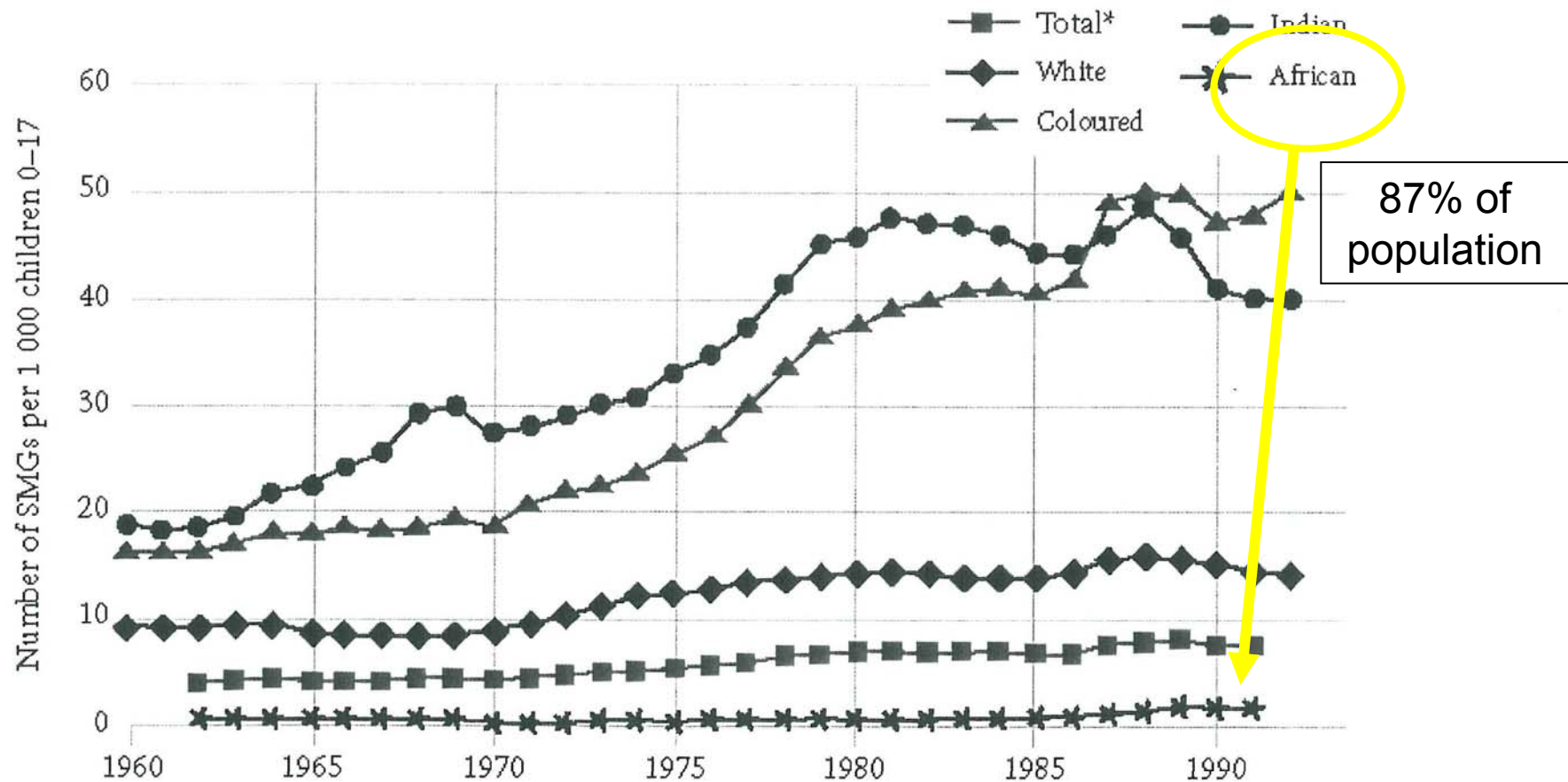


SA Social Assistance

- ✓ Social welfare & assistance for Whites since early 20th century
- ✓ *Apartheid* 1940s – Whites: job reservation, housing loans & subsidies; school feeding etc
- ✓ Children – State Maintenance Grant

No Provision for Africans

Figure 1.2 Number of State Maintenance Grants per 1 000 children aged 0–17, 1960–93, by racial classification



Source: RSA (1996: 11), based on figures supplied by Servaas van der Berg

Note: * The average rate for the whole population, all races included.

Apartheid and the Family

- ✓ Colonial then racial policies split families
- ✓ Land tax, migrant labour, pass laws, influx control, “separate” development states
- ✓ Absence of men from HHs, declining marriage
- ✓ <50% children under 7 live with both parents & drops as they get older



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Transformation

- ✓ 1993 Racial discrimination in welfare for elderly & disabled eliminated
- ✓ Currently 7 categories of grants
 1. Old age, 2. war veterans
 3. Disability, 4. care dependency (disability)
 5. Foster care (in need of care)
 6. Grant in aid – crisis
 7. Child support grant (CSG) – poor children
- ✓ 2.6 m grant beneficiaries in 1994 → **12 m in 2008 (25% of population)**

Child Beneficiaries

- ✓ Child Support Grant (CSG) phased in late 1998 - unconditional
- ✓ 2008, more than **8m** children
- ✓ R220 per mth per child (**<\$1 per day**)
- ✓ Income means-tested (**+60% eligible**)
- ✓ **Uptake $\pm 70\%$** , range 60-90%
- ✓ Eligibility criteria a significant barrier (birth certificates, employer letters etc)

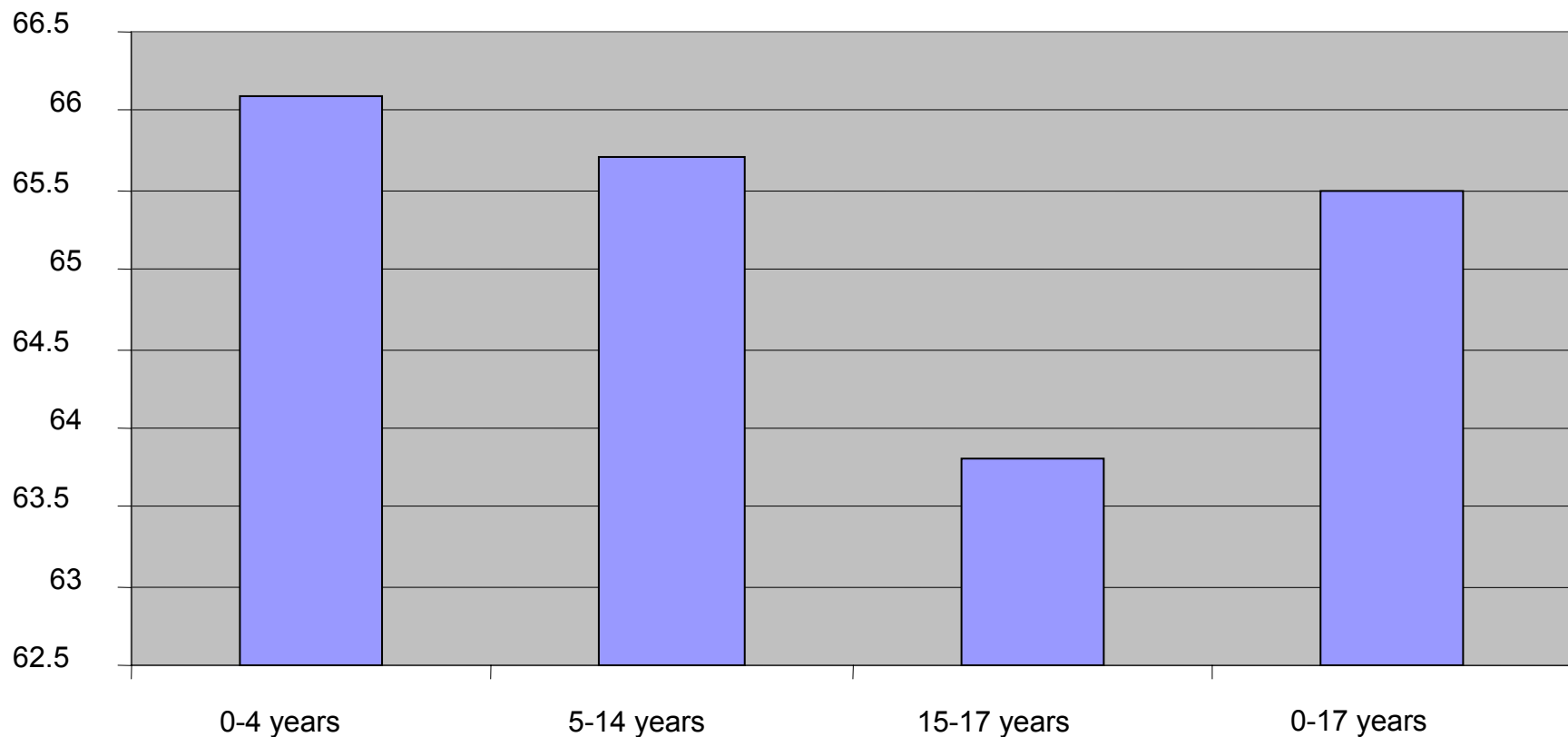
Grant Performance

- ✓ Lessens hardship – state transfers $\frac{2}{3}$ **income** in poorest 20% households
- ✓ ±R62b (±\$7.5b) per annum
- ✓ Well targeted to households in the poorest 2 and 3 quintiles – **76% to poorest 40%**
- ✓ Plateau in reaching poorest 20%
- ✓ Some corruption (officials) & fraud

Child Poverty **66%**

Child poverty headcount, by age group, income per capita, poverty line at 40th percentile

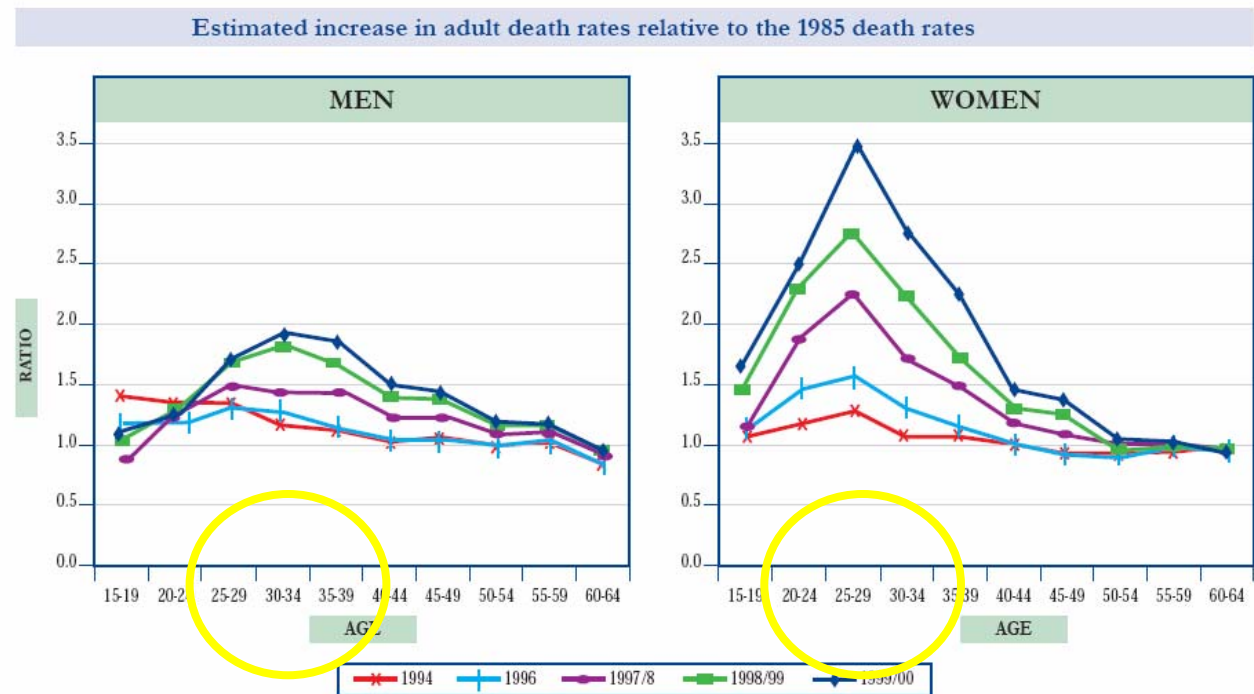
± 13 million children



South Africa: HIV and AIDS

- ✓ Hyperendemic country
- ✓ Prevalence (15-49 yrs) = **11%** (5.4m)
- ✓ Pregnant women = 29%
- ✓ Pregnant women KZN = **39%**

Mortality
relative to 1985
death rates



Vulindlela Prevalence By Age

Pregnant women – public facilities 2006

<u>Age group</u>	<u>Prevalence</u>
<20 years	27%
20-24 years	55%
25-29 years	66%
30-34 years	54%

Mortality

- ✓ **40%** of adult deaths (15-49) in 2000 due to HIV/AIDS
- ✓ **20%** of all adult deaths in 2000 due to HIV/AIDS
- ✓ Combined with deaths in childhood, AIDS accounted for **25%** of all deaths in 2000
- ✓ Now the **single largest cause of death** in South Africa



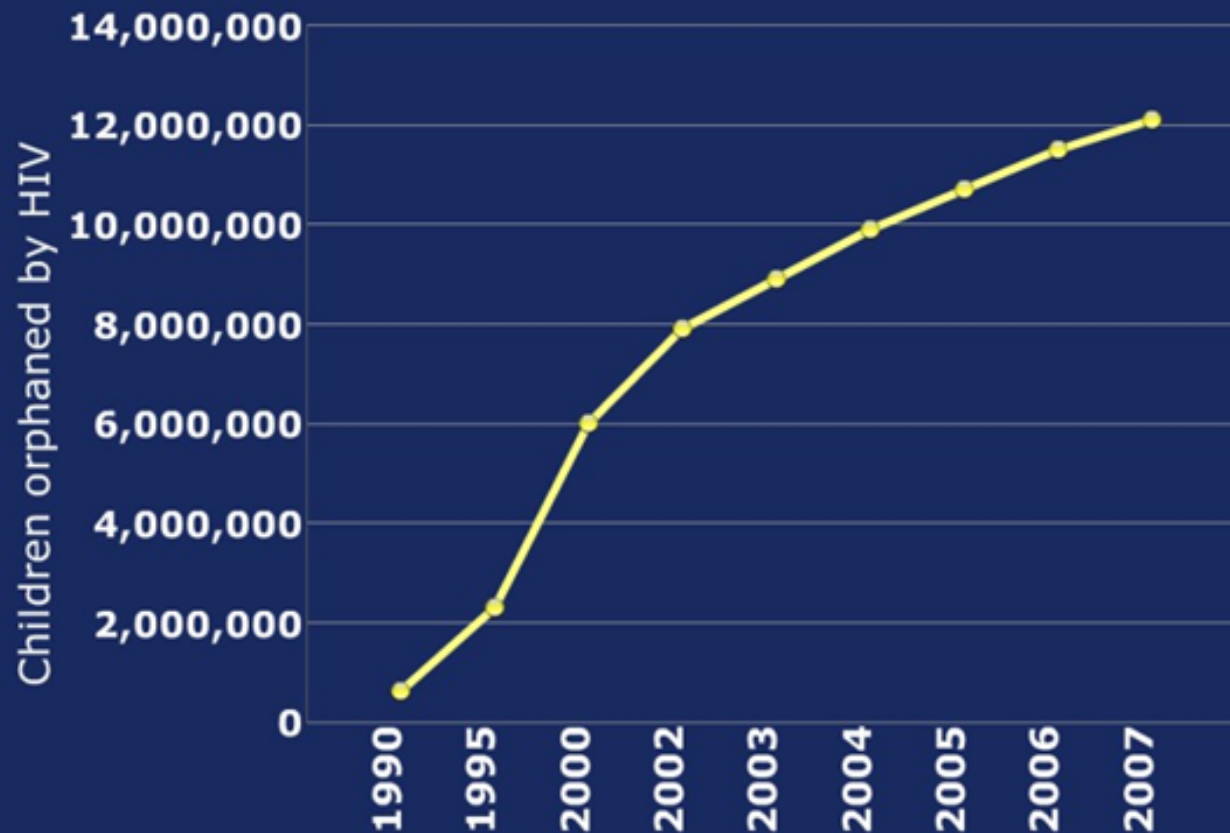
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Orphaning

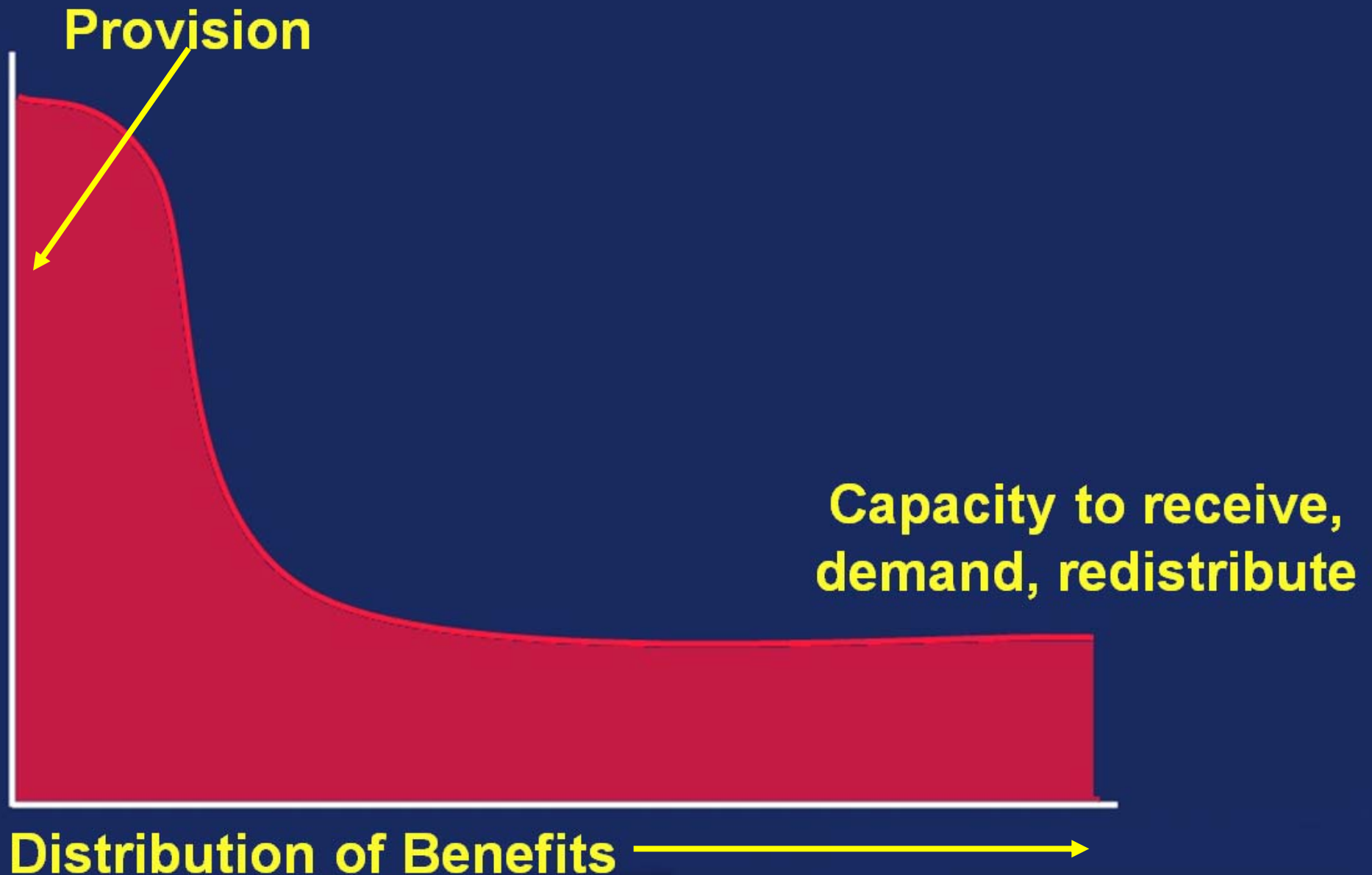
Children <18 orphaned by AIDS in Sub-Saharan Africa, 1990-2007



Why Think of a CCT?

- ✓ Problem – children & HIV/AIDS?
 - ✓ Emotional distress – home visiting?
 - ✓ Impoverishment – income supplement
- ✓ Government (Social Development) consider services
 - ✓ Large grant budget, EPWP
 - ✓ Perverse incentives
- ✓ Successes in S & C America
- ✓ Need to balance provision - demand

Provision – Demand Balance



Why Consider Conditions?

- ✓ HIV/AIDS impoverishes families
 - ✓ eat less, spend less on education (up to 50%), borrow, sell assets
- ✓ HHs under pressures to reduce expenditures on children's health & education
- ✓ Well-established impact on education – enrolment, attendance, performance, drop out, continuity
- ✓ Lower HH allocations for fostered children, orphans? – 95% affected children cared for in families
- ✓ More politically acceptable

Aim – Examine ..

Additional income interventions to:

- ✓ Reduce suffering
- ✓ Maintain and support human capital investments in children in the face of adversity (poverty & HIV/AIDS)
- ✓ Improve child & family functioning
- ✓ Contribute to prevention in the longer-term (from **affected** children to **infected** adolescents)

Overview

- ✓ Community randomised trial
- ✓ Testing **conditional** & **unconditional** transfers against a **control** group
- ✓ Among poorest 20% of households in very high HIV prevalence community
- ✓ **After** improving access to current grants
- ✓ Assess child & family before & after
- ✓ All eligible children get benefits
- ✓ Follow up only 7-10yr olds



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Why 7-10-year-olds?

- ✓ Period when parental illness & death increase
 - ✓ 16% 0-5 years
 - ✓ 36% 6-11 years
 - ✓ 48% 12-17 years
- ✓ Grade repetition in 1st 3 yrs of school = 30%
- ✓ Precision and standardization of child measurements
- ✓ Have applied to NIMH for younger children



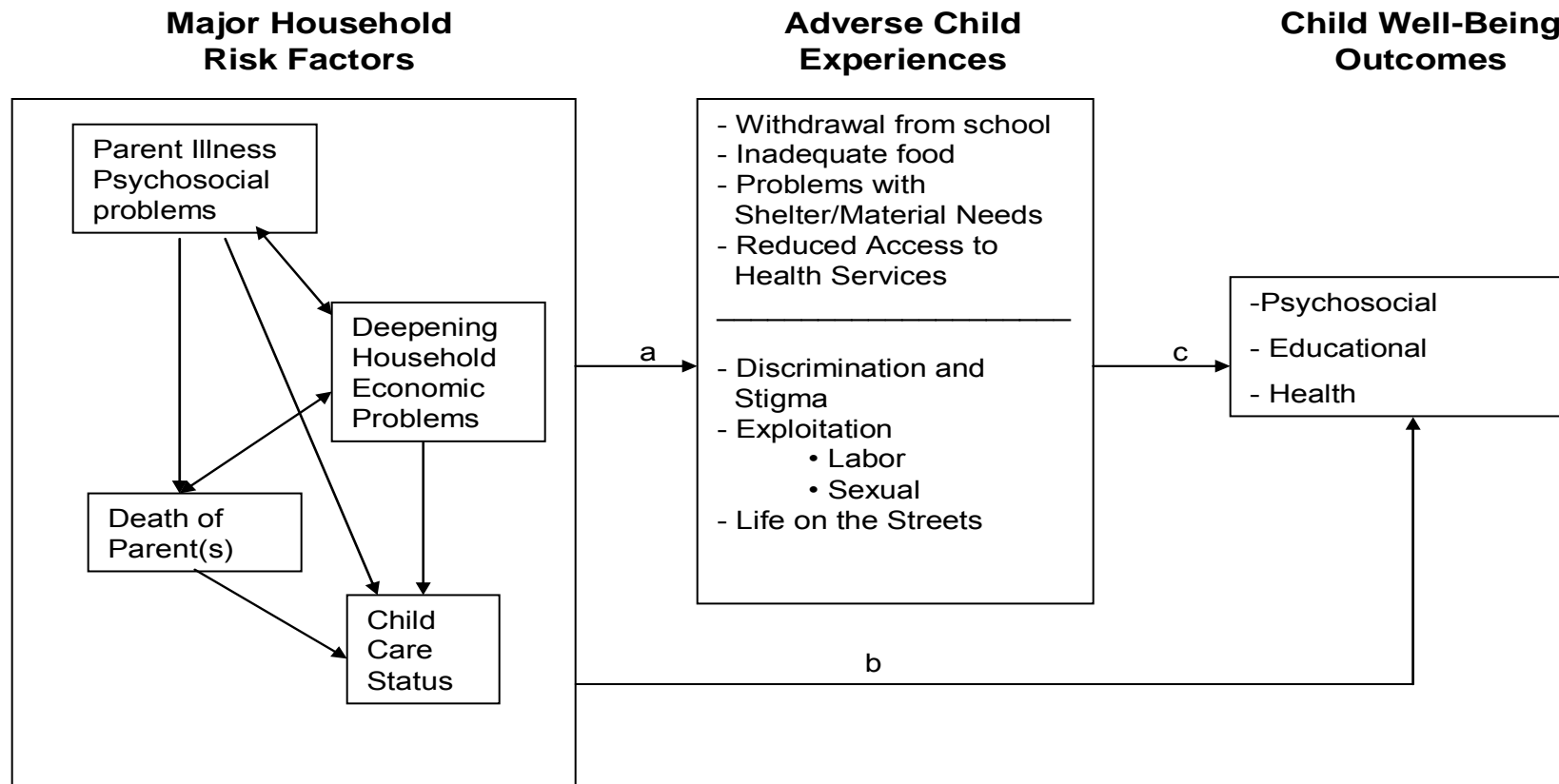
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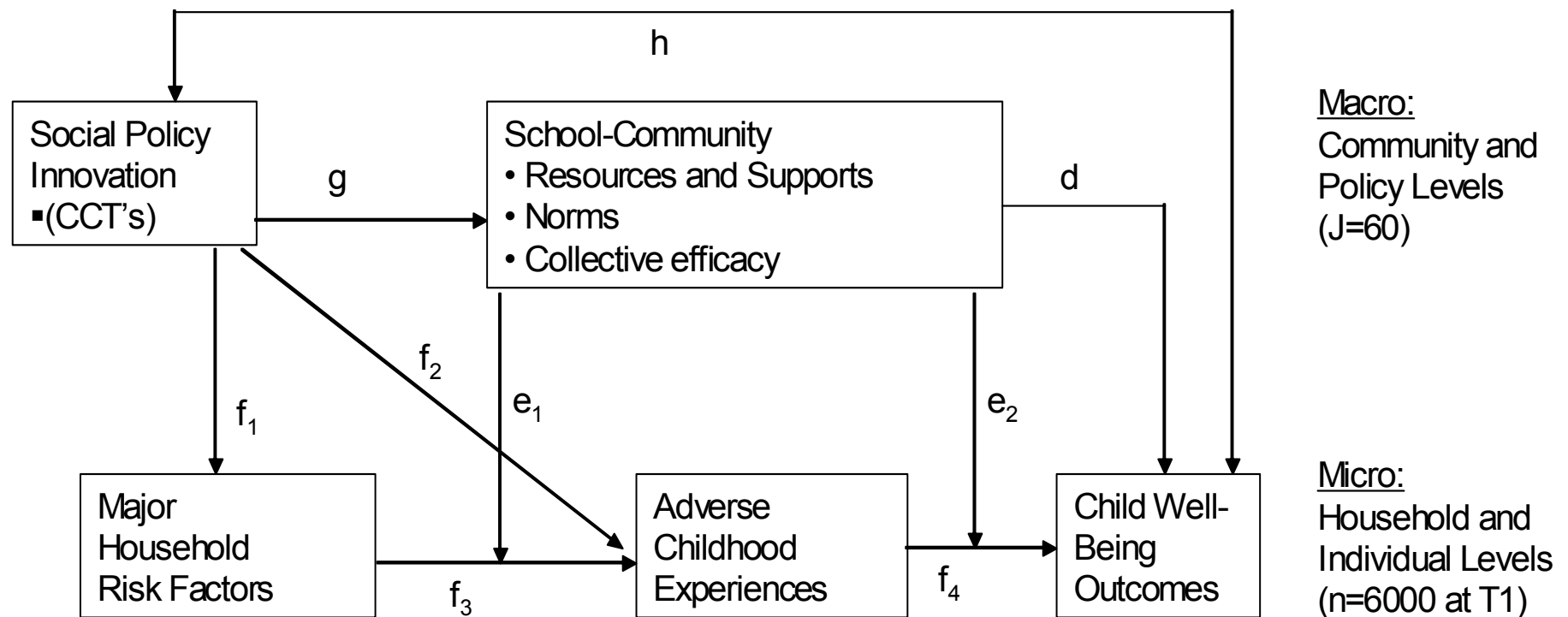
Micro-Level Model

Figure 1. Micro-Level Model of Influence of Major Household Risk Factors on Children's Adverse Experiences and Well-Being
(adapted in part from Foster & Williamson, 2000)



Macro-Level Model

Figure 2. Macro-level Model of the Influence of Policy and School-Community Factors on Household Risk Factors, Adverse Childhood Experiences and Children's Well-Being Outcomes (Reduced form Model).



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Stages

- ✓ Enumeration & selection
 - ✓ In-depth household survey
 - ✓ Baseline measures (T1)
 - ✓ Grant access strategy (GAS)
 - ✓ **Intermediate assessment (T2)**
 - ✓ CCT & **UCT** (30 communities)
 - ✓ 2 years
 - ✓ Outcome assessment (T3)
- (Not yet funded)**

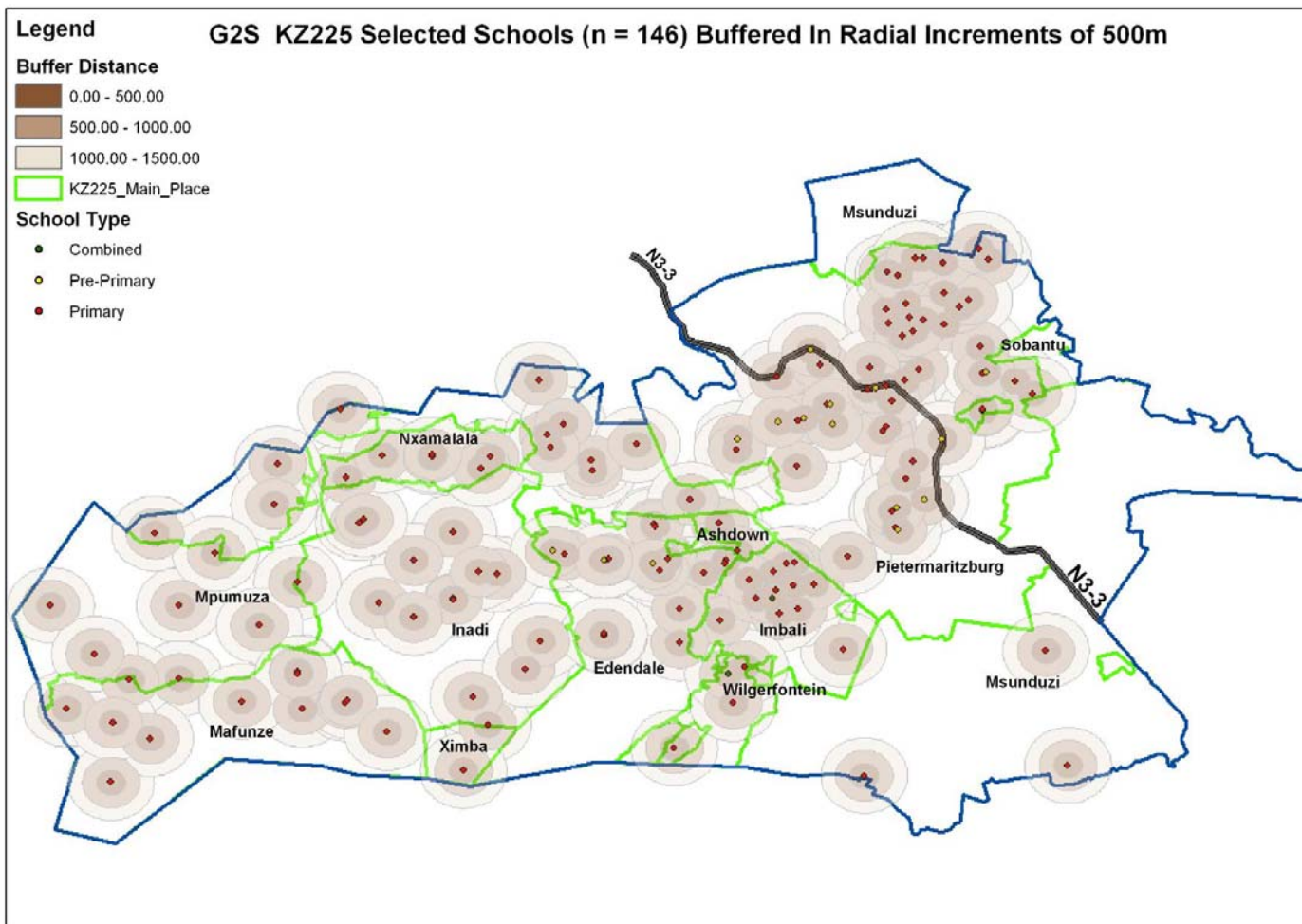


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Community Randomisation



**Community =
catchment area
of a primary
school (± 200 -
500 households)**

Enumeration & Selection

- ✓ Enumerate 300-500 households, proxy means test
- ✓ Select 20% poorest households – \pm R240pm per capita (\$1 per day per person)
- ✓ Comprises \pm 40-60% of households
- ✓ Randomly select **60** households with 7-10 yr olds for **follow-up** (0.7 of all HHs)
- ✓ Randomly select 40 other households with children for **survey** (100 HHs)

In-Depth Survey

- ✓ 100 households (60 with 7-10yr olds)
- ✓ Household dynamics, allocations
- ✓ Interdependence in extended family
- ✓ Access to grants, other entitlements
- ✓ Access to services & perception of quality
- ✓ Link between grants & services
- ✓ Feasibility, variety of conditions

Assessment (T1, T2, T3)

- ✓ **Child (n=5 400)**
 - ✓ Eg growth, cognitive, socioemotional functioning, adverse experience
- ✓ **Families (n=5 400)**
 - ✓ Eg illness, mental health, stigma
- ✓ **Schools (n=90)**
 - ✓ Eg attendance, performance
- ✓ **Communities (n=90)**
 - ✓ Eg efficacy, norms



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Grant Access Strategy (GAS)

- ✓ **90%+** CSG for eligible children
- ✓ Conducted by coalition of CSOs, government departments
- ✓ Strategies
 - ✓ Pamphlets, posters, local newspapers & radios, announcement at meetings
 - ✓ Rallies, jamborees – sign-up at schools, community halls
 - ✓ Individual HH visits

CCT, UCT & Controls

- ✓ All 90 communities get improved access to grants (GAS)
- ✓ Randomisation→
 - ✓ 30 GAS only
 - ✓ 30 GAS + conditional transfer
 - ✓ 30 GAS + unconditional transfer
- ✓ Govt (SASSA) pays grants & monitors conditions
- ✓ Amount? R70pc/pm – 30%pp/pm
- ✓ Duration 2 years



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Challenges 1

- ✓ Community not HH targeting (? $\pm 80\%$ AIDS-sensitive)
 - ✓ Community involvement / validation?
- ✓ Amount? R70 pc/pm
- ✓ Experimentally evaluate GAS?
- ✓ Terminology, marketing
 - ✗ Conditional cash transfers
 - ✓ Family health & education allowances with & without requirements

Community Participation



Challenges 2

- ✓ Children being moved into communities
- ✓ Conditions
 - ✓ **Process** – service attendance
 - ✓ **Family behaviours** – sign homework books, parent-teacher meetings, deworming etc?
 - ✓ **Outcomes** – school performance, health
- ✓ Long time to completion
- ✓ Funding



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Funding

- ✓ National Institute of Child Health & Development (NICHD)
- ✓ Rockefeller Brothers Fund (RBF)
- ✓ Anonymous donor through UCLA
- ✓ Pending
 - ✓ South African government
 - ✓ NIMH
 - ✓ Save the Children UK



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Political Economy

✓ Culture

- ✓ Strong rights, equality culture
- ✓ Constitutional challenges of govt lack of provision
- ✓ Suspicion of poor <-> universal Basic Income Grant (BIG)

✓ Politics

- ✓ Tension between Treasury & DoSD
- ✓ End of Mbeki presidency (Apr 2009)

Conditionality in the CSG?

- ✓ **Social Assistance Act 13 of 2004, 2006**
Regulations set out compliance by the primary care-giver in receipt of a CSG with a number of conditions, a.o.
 - (2) the child must have accommodation, be fed & clothed
 - (4) he/she must ensure that the child receives immunization & other health services
 - (5) he/she must use the grant for the benefit of the child
- ✓ **No direction on the monitoring of compliance or consequences of non-compliance, but work underway**

In his 2008 Budget Speech, the Minister of Finance stated that:

“The Minister of Social Development has indicated the need to review eligibility criteria or conditions, in line with practice in many countries, aimed at reinforcing the responsibilities of caregivers towards benefiting children. These might include regular school attendance, for example, or immunization, of children in keeping with health requirements. There is rightly public interest in these matters and we should ask this House to lead an active debate”.

Time Line

- Dec 2009 Enumeration, survey, T1 assessment
- Dec 2010 GAS
- Dec 2012 CCT, UCT vs control
- Complete study mid-2013



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