CONDITIONAL CASH TRANSFERS AND EDUCATION:

UNITED IN THEORY, DIVORCED IN POLICY

by

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ABSTRACT

As a strategy to reconcile poverty reduction with human capital development, Conditional Cash Transfer programs (CCTs) provide cash to poor families upon the fulfillment of conditions related to the education of their children. Even though CCTs aim at improving educational attainment, it is not clear whether Ministries or Departments of Education have internalized CCTs into their own set of policies. Along those lines, the first research question is: What factors contribute to CCTs being embraced (or not) by education policymakers? Another important question is: What factors prevent or enable CCTs to induce new policies for improved education quality? Furthermore, the dissertation looks at CCTs' political sustainability by asking: How have conditional cash transfers been politically sustained?

Those questions are examined through a comparative study of three CCT programs: Opportunity NYC (New York City), *Subsidios Condicionados a la Asistencia Escolar* (Bogota, Colombia), and *Bolsa Famila* (Brazil).

The adopted theoretical framework is based on a combination of political science and education theories: punctuated-equilibrium theory, the advocacy coalition framework, civic capacity, and the literature on policy borrowing and lending.

It is a qualitative study that uses interviews, policy documents, and press materials as its main data sources. Sixty-six interviews were conducted during fieldwork in each of the three research sites.

First, case studies have shown that CCTs enjoy considerable political sustainability. They have had a strong and positive policy image, some level of civic capacity, and no mobilized opposition against them.

When it comes to policymaking, the link between CCTs and education policies has been weak, contrary to what one would expect. In all three cases there has been no coordination between CCTs and policies concerning education quality. At the same time, education policymakers, education scholars, teachers, and school principals have not taken part in CCT policymaking.

If CCTs are expected to make an educational contribution that goes beyond improving access, the policymaking divorce between them and education policies needs to be considered. Otherwise, expectations will have to be kept low and CCTs' limits to building human capital should be recognized.

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LIST OF ABBREVIATIONS AND ACRONYMS

ABC	*Agência Brasileira de Cooperação* (Brazilian Cooperation Agency)
AIG	American International Group
CAB	Citizens Advice Bureau
CCT	Conditional Cash Transfer
CEO	Center for Economic Opportunity, Mayor's Office
CIDER	*Centro Interdisciplinario de Estudios sobre Desarrollo* (Development Studies Interdisciplinary Center)
DFID	Department for International Development
DOE	Department of Education
EdLabs	Education Innovation Laboratory
Enade	*Exame Nacional de Desempenho de Estudantes* (National Assessment of Student Performance)
Enem	*Exame Nacional do Ensino Médio* (National High School Exam)
Fedesarrollo	*Fundación para la Educación Superior y el Desarrollo* (Foundation for Higher Education and Development)
FODESEP	*Fondo de Desarrollo de la Educación Superior* (Higher Education Development Fund)
Fundeb	*Fundo de Manutenção e Desenvolvimento da Educação Básica e de Valorização dos Profissionais da Educação* (Fund for the Maintenance and Development of Basic Education and the Valorization of Education

	Professionals)
IDB	Inter-American Development Bank
Ideb	*Índice de Desenvolvimento da Educação Básica* (Index of Basic Education Development)
IGD	*Índice de Gestão Descentralizada* (Index of Decentralized Management)
IPC-IG	International Policy Center for Inclusive Growth
IPEA	*Instituto de Pesquisas Econômicas Aplicadas* (Institute of Applied Economic Research)
LDB	*Lei de Diretrizes e Bases da Educação Nacional* (National Educational Bases and Guidelines Law)
MDRC	Manpower Demonstration Research Corporation
MDS	*Ministério do Desenvolvimento Social e Combate à Fome* (Ministry of Social Development and Fight Against Hunger)
MESA	*Ministério Extraordinário de Segurança Alimentar e Combate à Fome* (Especial Ministry of Food Security and Fight Against Hunger)
MIT	Massachusetts Institute of Technology
MoE	Ministry of Education
NIS	*Número de Identificação Social* (Number of Social Identification)
NPO	Neighborhood Partner Organization
NYC	New York City
OSI	Open Society Institute
PSAT	Preliminary Scholastic Assessment Test
PDT	*Partido Democrático Trabalhista* (Democratic Labor Party)
PNAD	*Pesquisa Nacional por Amostra de Domicílios* (National Household Survey)
PPP	Purchasing Power Parity
PSDB	*Partido da Social Democracia Brasileira* (Brazilian Social Democratic Party)

PT	*Partido dos Trabalhadores* (Workers' Party)
SECAD	*Secretaria de Educação Continuada, Alfabetização e Diversidade* (Department of Lifelong Learning, Literacy and Diversity).
Seedco	Structured Employment Economic Development Corporation
SENARC	*Secretaria Nacional de Renda de Cidadania* (National Department of Citizen's Income)
UFT	United Federation of Teachers
UnB	*Universidade de Brasília* (University of Brasília)
UPZs	*Unidades de Planeamiento Zonal* (Units of Zoning Planing)

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Chapter I

INTRODUCTION

Since 1995 developing countries have witnessed the dissemination of poverty reduction programs that are based on the direct transfer of cash to families when they fulfill certain activities, some of them of an educational nature. Those programs came to be internationally known as conditional cash transfers (CCTs). The first CCTs, such as *Progresa* in Mexico and *Bolsa Escola* in Brazil, made transfers conditional upon school enrollment and attendance. That was an attempt to reduce the number of out-of-school children and to reduce student absenteeism by providing a cash incentive that would counterbalance the direct costs and opportunity costs of going to school.

As CCTs spread to at least 40 countries,[1] they also underwent various innovations in their provisions and eligibility requirements. Older and more recent programs alike have sought to identify the ideal balance between cash incentives and conditions that would maximize the kind of behavior that is believed to enhance poor families' human capital (i.e. sending their children to school as often as possible, participating in their

[1] Considering only targeted cash transfers aimed at improving the education attainment of children and adolescents. See Appendix A for a complete list of those programs and some of their basic characteristics.

school life, making sure that they will not drop out in the middle of the school year, having them complete secondary education, etc.).

Traditional welfare programs used to be – and many still are – based on unconditional direct transfers or subsidies to food, housing, and transportation. Their focus was on meeting basic needs and allowing for some minimum subsistence in the short-run. CCTs, however, went beyond those traditional welfare practices and proposed to simultaneously tackle immediate and future poverty. Besides providing cash to assist with daily needs, CCTs are expected to help poor families in the long term through their built-in requirements. They demand that families invest in their own human capital, both by looking after their health and by investing in the education of their children. CCTs' education requirements, also called conditionalities, were conceptualized as the mechanism that will help break the inter-generational cycle of poverty, allowing poor families' children to be more educated and hopefully less poor than their parents.

Additionally, some argue that CCTs' conditionalities have allowed them to win political support among taxpayers (Fiszbein and Schady, 2009), especially those who oppose traditional social assistance programs by claiming that they are patronizing and create dependence. Those taxpayers value that CCTs do not just give money away and rather require that families do their part to 'deserve' cash benefits.

Currently, as a result of the world financial crisis, CCTs are also seen as an effective strategy to protect the poor against the domino effects of financial shocks. Since payments are disbursed on a regular basis (provided that there is compliance with conditionalities), poor families are not as vulnerable to economic contractions and instabilities in the formal and informal economies. They can minimally count on cash payments by the government.

As much as education may look intertwined with CCT programs through their education conditionalities, it is not clear to what extent education policymakers, scholars and professionals have been truly involved in the design and implementation of those programs. Even in the cases where the education sector is in charge of the program, it is not clear what the 'adoption' of a CCT has meant for education policies and for how the program itself has been conceived and implemented.

One could reasonably ask: why does this matter? The answer is twofold. First, CCTs have been designed and evaluated on the basis of their impact both on reducing poverty and inequality and on improving education and health indicators. Second, when it comes to education, that impact has been assessed not only in terms of basic indicators such as enrollment, attendance and dropout, but also in terms of CCTs' contribution to improving academic performance and graduation levels. According to Fiszbein and Schady (2009), impact evaluations for most programs indicate a positive effect on enrollment and attendance, but mixed and inconclusive results for CCTs' impact on learning outcomes. Thus, understanding how immersed the education sector has been in the policy design and implementation of CCTs is a crucial step for a better understanding of impact evaluations' results. It is also fundamental for the formulation of a clear idea of what CCTs' limits and possibilities are when it comes to building human capital. Thus, when reading this dissertation, the reader should be aware that CCTs here are not assumed to be educational programs or policies as some documents presume (i.e. Castro, 1999; Araújo & Aguiar, 2002; Yonemura, 2005).

Bearing those issues in mind, this dissertation will be dedicated to exploring the following research question: **What factors contribute to CCTs being adopted (or not) by education policymakers?** The adoption or internalization process by education agencies can be observed when a CCT is institutionally placed – partially or completely – within an education body of government. Varying degrees of internalization can be observed, from the complete management of a CCT program by an educational body to the mere existence of a focal point that is responsible for liaising with the agency that is responsible for the CCT outside of education. It is important to emphasize that even though the question is posed in terms of CCTs' adoption by the education sector, there is actually a two-way institutional relationship. In other words, such adoption does not only depend on the education sector itself, but also on the sector in which the CCT originated, be it social development, social assistance, or human services.

A second and complementary question is: **What factors prevent or enable CCTs to induce new policies for improved education quality?** Empirically, that induction process can take on a variety of forms. It can correspond, for instance, to the creation of a new policy aimed at improving teaching and learning in the schools where CCT beneficiaries study. It can also take the form of increased budget allocations to those schools. Inter-ministerial or inter-agency task forces, working groups, or seminars to discuss the issue can also be a hint of concern for the quality of the education provided to CCT beneficiary children and adolescents.

Empirically, different scenarios may exist when it comes to the institutional linkages between education and CCTs. This research started with the following possible scenarios to analyze the case studies that will be later presented:

Scenario 1.: CCT has not been adopted by the Ministry of Education/Department of Education[2] and yet induces new policies for improved education quality;

Conditional Cash Transfer Program → Education policies

Scenario 2.: CCT has not been adopted by the Ministry of Education/Department of Education and has no impact on policies for education quality;

Conditional Cash Transfer Program | Education policies

Scenario 3.: CCT has been adopted by the Ministry of Education/Department of Education and induces new policies for improved education quality;

Education policies ← Conditional Cash Transfer Program

Scenario.4.: CCT has been adopted by the Ministry of Education/Department of Education and does not induce new policies for improved education quality. CCTs are added onto existing education policies to legitimize them.

Education policies | Conditional Cash Transfer Program

Scenario 5: CCT has been adopted by the Ministry of Education/Department of Education and does not induce new policies for improved education quality. CCTs are adopted primarily in response to international pressure or to obtain international funding.

Education policies + Conditional Cash Transfer Program

[2] That means the CCT program is under the auspices of a non-education body, such as a social assistance agency.

A last and equally relevant issue is that of political sustainability, which is of major relevance when one identifies the "policy churn" (Hess, 1999) that has characterized education reform in both developed and developing countries. It is impressive that in some places of Latin America CCTs have existed for more than ten years, even with the high political and administrative turnover that characterizes the region. One might wonder what political factors have allowed CCTs to continue existing against all the odds. In only a few countries, CCTs were not as lucky and ceased to exist in their original format. That is the case of Nicaragua's *Red de Proteccion Social (RPS),* where priority was given to meeting donors' requirements and not enough efforts were dedicated to securing political support at home. As a result, attempts to secure the government's authorization for a third international loan failed. RPS had to be severely reduced and most of its operating structures were dismantled (Moore, 2009).

In light of the above, this dissertation's third research question is: **How have conditional cash transfers been politically sustained?** Following the theoretical framework herein adopted, CCT's sustainability can be analyzed in terms of their overall policy image and whether they belong to a established policy monopoly. It can also be analyzed in terms of how much civic capacity has been built to support it. Based on incentives-for-behavior or rewards-for-effort, conditional cash transfers have brought into education an economic-based rationale that is not adopted or even accepted by many educators. So how have different education coalitions (Sabatier and Jenkins-Smith, 1993) reacted to that? Have they posed strong opposition to CCTs? Or have they been simply indifferent to them? Do CCTs count on a positive policy image? Those are the issues research question 3 is designed to explore.

In order to contextualize the above questions, especially in the framework of the international diffusion of CCTs, chapter 2 presents an overview of several countries' conditional cash transfer programs and compares some of their basic features. As part of this research design process, an appraisal of all existing CCTs was prepared (see appendix A). Several sources were used, including the appraisal made by UNDP's International Policy Center for Inclusive Growth (IPC-IG); information available on the World Bank's website; the Bank's latest publication on CCTs (Fiszbein and Schady, 2009); and various studies of individual programs. Programs were classified as a CCT if they: i) involve a cash transfer; ii) target poor families with school-age children; iii) and condition payments upon the fulfillment of education-related activities. The appraisal resulted in a list that is close to comprehensive – it presents 43 programs spread across 40 countries.

Such a considerable number of CCT programs under implementation, many of them funded by multilateral banks and bilateral donors, has allowed for the formation of an extensive literature that is solely dedicated to analyzing CCTs. It is a professional rather than an academic literature, and is available through the websites of international organizations and think tanks. It involves evaluation reports, comparative studies, and case analyses that aim at assessing the performance of individual programs and generating lessons to inform policymaking in other countries. Throughout those papers a common theme is the assumption that CCTs and education are intrinsically intertwined, and that, therefore, those programs ought to contribute to improving educational outcomes. For instance, it is common practice to evaluate CCTs' performance on the basis of their contribution to improving school enrollment and attendance (as a consequence of built-in conditionalities) but also final outcomes such as learning indicators and school completion (Fiszbein and Schady, 2009). Examples of the latter include Behrman, Sengupta, and Todd (2000), Behrman, Parker, and Todd (2005), Ponce and Bedi (2008), and Filmer and Schady (2009b).

Besides assuming a direct policy link between conditional cash transfers and education, that literature has not ventured into deeply analyzing the political sustainability of CCTs. As a matter of fact, there is almost an assumption that they survive because they work.

This dissertation intends to make a direct contribution to the international CCT literature. In order to do so, it makes use of a theoretical framework comprised of four bodies of theory, two of them from political science and two with an education focus: Advocacy Coalition Framework; Punctuated-Equilibrium Theory; Policy Borrowing and Lending; and Civic Capacity. Chapter 3 introduces the concepts and rationale drawn from each of those theories.

Rather than trying to use data to reject, confirm or add to any of those theories, this dissertation makes use of their conceptual tools (which do not yield competing explanations) to interact with the existing knowledge base on CCTs. In other words, the dissertation uses broad policy theories as a support to better understand the reality of conditional cash transfers around the world, especially since a CCT theory has not been developed yet.

Chapter 4 explains the research design and the rationale for studying and comparing three CCT cases: Opportunity NYC, *Subsidios Condicionados a la Asistencia Escolar*[3] (Bogotá, Colombia), and *Bolsa Família*[4] (Brazil). The chapter outlines the methods used for data collection in each of the three research sites, as well as the procedures adopted for data analysis.

Chapters 5, 6, and 7 present data collected for each case study. Each chapter offers an account of the design process behind the creation of the CCT program. It also details program operational features as well as those of other related CCTs that co-exist in the corresponding city or country. Making use of the conceptual tools provided by the adopted multi-theory framework, chapters 5, 6 and 7 also address the dissertation's research questions in the context of each case and draw corresponding conclusions.

From there Chapter 8 takes on the task of comparing the three CCT cases. At first the chapter presents findings that are common to all three programs. Then it explores features that are common to two of them, but not to a third. Last it highlights characteristics that are singular to one program but that even so are worthy of mention.

The closing chapter, chapter 9, gathers conclusions that are relevant in light of the adopted theoretical framework and in relation to the existing CCT literature. It attempts to go beyond the three studied CCT cases, generating a discussion that extends to other cash transfers in other countries.

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[3] *Subsidios Condicionados a la Asistencia Escolar* has been translated as Conditional Subsidies for School Attendance (Barrera-Osorio et al., 2008).

[4] *Bolsa Familia* translates as Family Stipend or Family Grant.

Chapter II

CONDITIONAL CASH TRANSFER PROGRAMS

> Improving access to and quality of basic education for all children is a primary concern of policymakers throughout the world. Expanding access to basic education is still needed in many developing countries, and doing so while raising the quality of schooling has proved to be a challenge. Just which policy reforms are most effective at expanding access and improving school quality is still an open question (Gordon and Vegas, 2005, p. 151).

With few exceptions, most countries witness poverty go hand-in-hand with lack of educational opportunities. Poor families often cannot afford the direct and indirect costs of sending their children to school and, when they can, children face adverse conditions that hinder their performance and their motivation to remain enrolled. As in a vicious cycle, poor children's limited access to schooling prevents them from accumulating human capital (Schultz, 1961) and from taking advantage of the liberating potential of education (Freire, 1970). Empirically, the correlation between income poverty and lack of schooling is strong, as demonstrated by Fiszbein and Psacharopoulos (1995).

Scholars acknowledge that breaking this vicious cycle is not an easy task. On the one hand, as concluded by Levin and Kelley (1994), education cannot do it alone. On the other hand, even if immediate reduction of income poverty by means of handouts helps the poor cope with the challenges to daily survival, it does not assure that they will escape the poverty trap. In the mid-1990s, conditional cash transfers were conceptualized in Brazil and in Mexico to deal exactly with this dilemma.

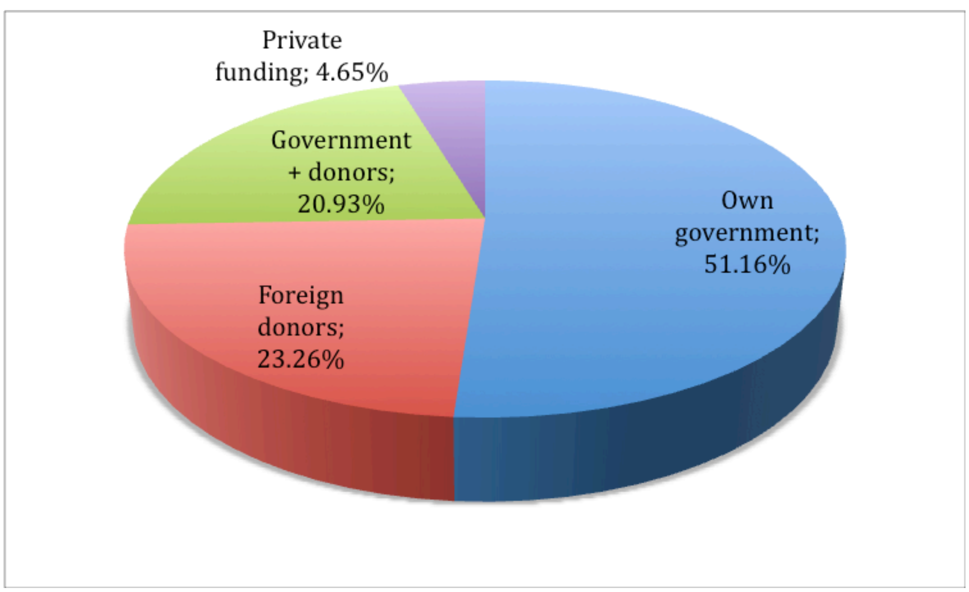
The idea of giving poor families a certain amount of cash on the condition that they send their children to school or frequently visit health clinics was a strategy to reconcile short-term needs with long-term human capital development. In the wake of structural adjustment programs and the deteriorating social conditions that followed in developing countries, CCTs arose as an alternative to universal and unconditional social programs, especially food subsidies. Different from government subsidies, which benefit anyone who purchases a certain good or service, conditional cash transfers are only provided to a targeted population. As targeted programs, they can represent a more efficient utilization of government resources and still constitute a safety net for the poor (at least those whose family complies with pre-established conditions). According to Grosh et al. (2008), "the last 20 years have seen a marked move away from generalized, universal food subsidies toward more targeted programs, and from the use of food toward the use of cash" (p. 254). Besides, CCTs are not only cash grants to reduce income poverty. They also work as incentives or 'rewards' for people to look after their education and health. From an education perspective, CCTs are a step beyond the elimination of school fees in attempts to universalize basic education (UNESCO, 2008). Besides eliminating the direct barriers to enrolment, they serve as a financial support so that students can remain in school and eventually graduate.

General Features of Current CCTs

As indicated in appendix A, there are currently 43 CCT programs spread across 40 countries. Interestingly, most of them share some basic characteristics, making CCTs resemble a global model at first sight. For instance, 35 out of those 43 programs (81.3%) have a national scope. Being national programs, their number of beneficiaries certainly varies. In the case of Brazil, for instance, Bolsa Familia reaches about a quarter of the country's total population. Additionally, from their predominantly national scope one can infer that they are implemented by central governments, rather than by regional, provincial or city governments.

Even though programs appear not to be as homogenous when it comes to funding, variation is pretty much concentrated around four categories: 22 programs (51.16%) are exclusively funded by the government, 10 programs (23.26%) are exclusively funded by multilateral organizations or bilateral agencies, 9 (20.93%) have a mix of government funds and foreign loans, and 2 (4.65%) are based on private funds.

Figure 1. CCT Funding by Source



The above figures signal the considerable presence of foreign donors when it comes to CCT funding. Adding up the programs that are externally funded to those that receive both government and foreign funds, the international presence reaches 44.18% of all catalogued CCTs. That finding testifies to the fact that those programs have been globally promoted as 'best practices' by various international organizations, such as the World Bank, the Inter-American Development Bank (IDB), the United Nations Development Program (UNDP), the United Nations Educational, Scientific and Cultural Organization (UNESCO), and the UN Children's Fund (UNICEF). The World Bank alone has organized three international conferences for the exchange of experiences among CCT countries (World Bank, 2006). Also, those programs have been featured every year on UNESCO's EFA Global Monitoring Report, which has portrayed them as successful strategies in "expanding equitable access" to education (UNESCO, 2008, p. 108). Just recently, private philanthropies have also joined the legion of CCT supporters. The most compelling example is the Rockefeller Foundation, which has taken the lead in supporting, both financially and politically, the adoption and implementation of New York City's CCT program – Opportunity NYC[5]. The influence of those advocates, who usually have funding on their side to make the case for CCTs, is an important factor for the understanding of how those programs achieved their current global reach.

Additionally, in the majority of programs (35 out of 43) transfers are made conditional upon school attendance. Exceptions include some African countries, where minimum attendance is not required[6]. In a few other countries, more ambitious conditions

[5] See http://www.rockfound.org/efforts/nycof/opportunity_nyc.shtml
[6] In most cases, the reason why minimum attendance is not required even though the program has

and goals have been added to the attendance-only conditionality, including the requirement of grade completion (i.e. Colombia) and improved performance in standardized tests (i.e. US).

Despite their educational conditionalities and goals, most CCT programs are managed by non-education government institutions, most of them in the field of welfare and social development. In only 5 of the 40 countries are CCTs under the responsibility of the Ministry of Education or of a city's Department of Education. Those exceptions are the city of Bogotá (Colombia), New York City (US), Bangladesh, Cambodia, and Mozambique. That observation triggers some important questions, such as: are CCTs connected with education reforms at all? Are they outside programs that are running parallel to education reforms such as those in curriculum and teacher training? Or have they, even from the outside of education, had an impact on education policies? For instance, have they triggered new policies aimed at accommodating and better serving the increased number of students they get to enroll and remain in school? Those questions have not been tackled yet by existing studies and evaluations since, as pointed out by Reimers et al. (2006), most research conducted on conditional cash transfers have approached education as a 'black box'.

It is a fact that since the first CCT programs were implemented in Brazil in 1995 and in Mexico in 1997 (Britto, 2008b; Yaschine and Davila, 2008), studies about them have proliferated, especially with the increasing emphasis on evidence-based policymaking. Scholars, researchers and consultants have been devoted to measuring and analyzing whether CCTs can hold their promise of reducing poverty and inequality. But

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educational goals is that countries lack the administrative capacity to verify attendance and enforce compliance.

most efforts have been channeled towards evaluating their impacts on money-metric dimensions. Little research attention has been devoted to CCTs' integration with education policies.

Studies that do look at educational variables (i.e. Attanasio, Fitzsimons & Gomez, 2005; Attanasio et al, 2006) do it mostly by assessing beneficiaries' compliance with conditionalities (enrolment and attendance rates) or by measuring efficiency indicators (graduation and dropout rates). On those aspects, CCTs have been found to perform quite well (Grosh et al, 2008). In the words of the 2008 EFA Global Monitoring Report, "in general they have helped increase participation in primary school, improve attendance and reduce grade failure and drop out rates" (UNESCO, 2008, p. 114). But, overall, there is a lack of studies that look at CCTs from both an educational and political science perspective[7].

Research on CCTs and Education

In one of the few works on CCTs from an educational perspective, Reimers et al. (2006) argue that CCTs are politically rewarding, since they can be used as a sign of politicians' commitment to education but do not entail political costs such as those involved in traditional education reforms. Also, Reimers et al. suggest a trade-off between CCT expenditures and investment in the supply-side of education. But is there really such a

[7] The few exceptions are the works of Yonemura (2005), who looks at how the Bolsa Escola program got to the Brazilian policy agenda, and Moore (2009), who draws attention to political variables in analyzing the fate of Nicaragua's Red de Proteccion Social.

trade-off? What if the introduction of CCTs has encouraged the development of initiatives to enhance quality? What if increased demand has triggered efforts to improve educational provision? This research proposes to look at this policy linkage between conditional cash transfers and education policies.

Previous works tackling pro-quality reforms have not taken into account the ‘CCT factor’ in countries where these programs are implemented. In other words, they have not considered CCTs as a variable at the education policymaking level. For instance, Vegas and Umansky (2005) analyze the impact of different policies on teacher incentives in Latin America, but do not factor in CCTs’ effect on teaching and learning (i.e. by increasing the pupil-teacher ratio). CCTs are not even mentioned by those authors, even though, as made explicit in appendix A, Latin America is the region where conditional cash transfers are most widespread.

CCTs are first and foremost poverty-reduction programs that predominantly carry an economic rationale of incentives-for-behavior. So, at the core of this research’s interest is the exploration of how these programs relate to education policymaking. By attempting to get more children to enroll in school, to attend classes more often, to graduate or to raise their performance, CCTs act upon the demand-side of education. But how do they interact with those reforms geared towards improving education supply or the “core of educational practice”[8] (Elmore, 1996)? Have they triggered new policies towards improved quality? At a more basic level, has the education policymaking arena even let them in?

[8] Elmore (1996) defines “the core of educational practice” as the triangular relationship between teachers, students and knowledge.

Those issues, to be addressed by research questions 1 and 2, are at the heart of current debates on CCTs and education. In listing the advantage of CCTs as safety nets, Grosh et al. (2005) affirm that "they have created a bridge between social services by trying to realize synergies in human development through their focus on the complementarities between investments in health, nutrition, and education" (p. 322). But the same authors, in identifying CCTs' disadvantages, point out that "they may raise service use, but children's learning and health will only improve if the quality of services they receive is adequate, and CCT programs do not inherently address this" (p. 322). Furthermore, some criticize CCTs for providing incentives to increased education demand but draining funds that could be used for improved supply (Morley and Coady, 2003; Reimers et al., 2006). Others rather see this issue as a 'question for further research'. Ribas et al. (2008) stated that "a current challenge is to determine how CCT programs could interact with other educational programs in order to improve school quality and student performance". A very few raise the possibility that "more and better schools could be the result of a rising demand for services" (Hirata, 2008).

The analysis herein proposed is timely in the framework of international debates about whether or not there is a trade-off between access and quality, particularly in developing countries. Various governments that put in place policies to promote access – such as by abolishing school fees – have seen their pupil-teacher ratios multiply and their already questionable school systems become severely under pressure. On the one hand, that satisfied part of the international goals for universal basic education, especially when progress was still measured in terms of enrolment rates, as expressed in the Education for All goals. But when donors shifted their focus towards outcomes in the form of completion rates, the task became even more daunting. That is reflected both in the criteria used by the Fast Track Initiative (FTI) and in the 2005 EFA Global Monitoring Report, where UNESCO questions quantity-driven education policies by affirming that they are useless in the absence of education quality (UNESCO, 2005). But even though the distinction between access and quality is clear when it comes to statistics and indicators, it is not unreasonable to think that both elements may interact at the policymaking level, with one inducing the enhancement of the other.

In the case of CCTs, which are programs that act mostly by increasing access and demand, it would be interesting to investigate whether that interaction occurs and how it occurs. This dissertation proposes to accomplish that task with the support of concepts provided by theories in education and political science. These concepts will be introduced in the next chapter, which presents and discusses the dissertation's theoretical stand and the set of theories that have been found to provide useful constructs for the analyses herein developed.

Chapter III

THEORETICAL FRAMEWORK

Scholarly work on public policies or what some have called the "policy sciences" (Stone, 2002) have departed from a range of different assumptions in striving to better understand policy-related matters. Different positions as per the role of politics, institutions, rationality and other variables in the world of policies have culminated in different theoretical streams. Many attempts have been made at arriving at a typology of theoretical perspectives on public policies. For instance, Kraft and Furlong (2007) differentiate between elite theory, group theory, institutional theory, rational choice theory, and political systems theory. Others see the main cleavage lying between the works of pluralists and those who conceptualize policymaking as being first and foremost conflict-laden (Baumgartner and Jones, 1993). In his most recent work, Henig (2008) makes a typology of the different views regarding the use of scientific evidence in policymaking. He sees the most contrasting difference between those who adopt a political perspective according to which research is a political tool and those with a more administrative perspective, which preaches that it is possible to "speak truth to power" (p. 18).

‘Best practices’ like CCTs are favored by the ‘administrative perspective’ of public policy, which promotes the notion of policymaking as an objective and technical process in which expertise is put at the service of finding remedies for societal malfunctions. That perspective has become mainstream in the current era of the “post-bureaucratic state” (Pons & van Zanten, 2007; Steiner-Khamsi, 2008), which emphasizes scientifically-based research and the search for the “killer study” (Hess and Henig, 2008). The prevailing expectations are that research findings will define what policies work best, those being called best practices.

However, this dissertation will not be informed by mainstream administrative lenses. It will rather adopt a ‘political perspective’ of public policies, one that is interested in the embedded politics of policymaking processes and their “policy paradoxes” (Stone, 2002). This political look at a cherished policy solution can provide greater understanding of what that policy means.

To some extent, this research is also based on the premises of conflict theories, signaling out the unequal power resources of different groups and the conflictive nature of politics. The adoption of a conflict theory perspective is reflected in the relevance given by this dissertation to issues of political support to the public policy in question. It is also reflected in the adopted methodology, since a wide array of actors were considered in order to capture views that are outside of the circle of government officials.

This study also belongs to current debates in the field of public management, which has been dominated by the “New Public Management” proposal in the framework of the idea of a “post-bureaucratic State” (Pons & van Zanten, 2007; Steiner-Khamsi, 2008). The literature on New Public Management emerged as a consequence of frustrations with the Welfare State and the rigid bureaucratic model that dominated it. Having first emerged in the United Kingdom and in the United States, advocates of a new public management have argued that public institutions and civil servants need to be assigned greater autonomy and flexibility and should be assessed in terms of the results they deliver, rather than of the rules they comply with. In the framework of those debates, it has been also pointed out that the complex policy problems of the 21st century demand efforts and solutions that depend on a wide array of actors, rather than on single institutions (Martins, 2009). Issues such as climate change, food security, and poverty reduction are just a few examples of those multidimensional and multi-sector problems. Consequently, adequate coordination and integration between different sectors and institutions became a *sine qua non* condition for the effective performance of public policies. In the case of conditional cash transfers, their design expresses in itself the recognition that poverty is a multidimensional problem (Levy, 2006). However, the fact that CCTs overcame traditional poverty programs by incorporating educational and health measures does not mean that the three sectors – social work, education, and health – are in practice working closely together in the planning and implementation of those programs.

Going hand-in-hand with the New Public Management debate is the idea of a 'network state' operating in a 'network society' (Castells, 1998). On the one hand, the network-state operates as a network itself, with its various bodies being horizontally interlinked and sharing tasks and responsibilities. On the other hand, the network state is part of a broader network that is also comprised by private and non-governmental actors, both at the national and transnational levels. Conditional cash transfers are a good example of a policy that demands inter-governmental coordination of the kind that would be present in an ideal network state. Additionally, at the international level, this multitude of actors is already present and there is much interaction between governments implementing CCTs, international organizations, bilateral aid agencies, think tanks, and private foundations, to mention just a few.

According to Saravia (2007), public policy analyses may have at least one or a combination of the following foci:

1. Political content: involves analyzing how the policy was politically adopted and developed;
2. Policy process: looks at some or all phases of the policy cycle;
3. Policy products: entails looking, among other things, at costs and benefits;
4. Policy analysis geared towards providing inputs to decision-making and policymaking;
5. Policy process analysis with the goal of helping perfect the policymaking process;
6. Policy analysis with the goal of influencing the adoption of a specific alternative or perspective.

Bearing that in mind, this dissertation will be focused partially on the policy process and partially on the political content of CCTs' adoption, implementation, and maintenance in some countries.

Within policy studies, this research belongs to the theories of the policy process, specifically those that have dedicated efforts to studying policy change and continuity. In education, this research relates to scholarly works in urban education that are interested in better understanding how education reforms are sustained. Also, it relates to comparative education research that has examined the impact of globalization on education practices and provided explanations for international processes of policy borrowing and lending.

Among the various theories of the policy process, two of them stand out as most useful for this research: the "advocacy coalition framework" (Sabatier and Jenkins-Smith, 1993, 1999; Sabatier, 1999), and "punctuated-equilibrium theory"[9] (Baumgartner and Jones, 1993, 1999, 2002, 2005). As explained below, the advocacy coalition framework, different from other frameworks, explicitly assigns importance to the relationship between different policy subsystems. That is particularly useful for the examination of research question 1. Additionally, it provides a clear theory of action for the explanation of policy change, which is at the core of research question 2. Specifically, its conceptual model provides elements for the investigation of the conditions under which scenarios 1, 2 or 3 would be observed in practice.

In contrast, the "borrowing and lending" scholarship from comparative education argues that there are always political and/or economic reasons behind the adoption of policy models from other countries (Steiner-Khamsi, 2004; Steiner-Khamsi and Stolpe, 2006). It particularly argues that international policy models are adopted either to legitimize policies that already existed in the borrowing country (scenario 4) or to attract international funding and pay lip-service to donors (scenario 5). Using the categories of "policy talk", "policy action", and "policy implementation" (Tyack and Cuban, 1995), borrowing and lending scholars argue that imported policies may be embraced at the

[9] Even though both theoretical frameworks were developed to address the policy process in the US, some of their concepts are equally useful for policy studies in other democratic countries.

level of policy talk, sometimes at the level of policy action, but very rarely at the level of policy implementation (Steiner-Khamsi, 2004).

Concerning research question 3, punctuated-equilibrium theory looks into stability and change in the policy process and argues that the continuity of a policy is assured by a policy monopoly. In education, the 'civic capacity scholarship' has used the concept of civic capacity to address the survival of an education policy over time. What triggered the development of the civic capacity framework was the observed lack of continuity in education policies. For those scholars, if there is bottom-up, broad-based support to a policy, it is then able to survive for longer periods.

The following sub-sections review the literature from each of those four bodies of theoretical work: the advocacy coalition framework, the policy borrowing and lending framework, punctuated-equilibrium theory, and the civic capacity scholarship. Each sub-section presents the conceptual tools and the explanatory models that each framework offers to this dissertation.

Advocacy Coalition Framework

The advocacy coalition framework (ACF) is an explanatory model according to which policy change is a function of three processes: 1) competing coalitions who seek to gain control over policies in a given subsystem; 2) external changes in "socioeconomic conditions, system-wide governing coalitions and output from other subsystems that provide opportunities and obstacles to the competing coalitions" (Sabatier and Jenkins-

Smith, 1993, p. 5); and 3) changes in the social structure or in constitutional rules. Some of these processes, when combined, can then lead to policy change.

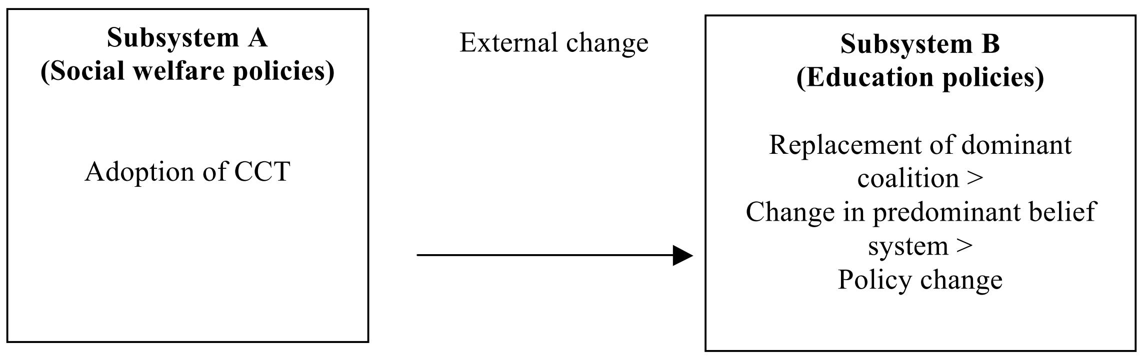
Specifically, the framework predicts that "changes in core elements of public policies require the replacement of one dominant coalition by another, and this transition is hypothesized to result primarily from changes external to the subsystem" (pp. 5-6). Of central relevance for this work is the importance that the ACF assigns to external change, especially in terms of change in other subsystems. In this regard, considering that CCTs are novel poverty-reduction programs that have altered the subsystem of social welfare policies in various countries, of interest here is whether they have induced change in the education subsystem, either after being integrated or not into education. In order to accomplish that it would be necessary to "affect the constraints and opportunities of subsystem actors" (Sabatier and Jenkins-Smith, 1999, p. 120) and allow for the replacement of the coalition that dominates education policies either at the federal, state or city level. The importance of external factors for policy change in a given subsystem is attributed to the fact that external change may favor the policy arguments and beliefs of the 'opposition' coalition to the detriment of those of the 'dominant' coalition.

A differential aspect of the ACF and one that has important implications for research is that policy actors or policy elites are not clustered according to their position or institutional affiliation. Rather, they are understood as members of different advocacy coalitions. According to Sabatier and Jenkins-Smith (1999), advocacy coalitions are "composed of people from various governmental and private organizations that both (1) share a set of normative and causal beliefs and (2) engage in a nontrivial degree of coordinated activity over time" (p. 120). The bonding element of a coalition is their 'belief system', which is comprised by "value priorities, perceptions about causal relationships, perceptions of world states (including the magnitude of the problem), and perceptions of the efficacy of policy instruments" (pp. 119-120). Thus, a first step in the use of the advocacy coalition framework involves mapping out the competing belief systems, what actors subscribe to each of them, and what coalitions form around them and compete to gain control over the policy subsystem. It should be mentioned that the ACF expands the definition of policy actors beyond government officials to also include researchers, journalists, and any other non-traditional actors who actively participate in an advocacy coalition.

Belief systems, which are the 'soul' of each advocacy coalition, have three main components that maintain a hierarchical relationship. First and at the broadest level, belief systems have a deep core that defines what the coalition's main values are (i.e. viewing education as valuable in itself or as an instrument to achieving economic development). Then, policy core beliefs represent policy priorities, such as investing in primary education or in higher education. Finally, there are secondary aspects, which are specific and concrete policy preferences that are reasonable in the framework of the deep core and the policy core beliefs (Sabatier and Jenkins-Smith, 1999). Support to the adoption of CCTs, for instance, could be one of the secondary aspects of a coalition's belief system.

Vis-à-vis this dissertation's first two research questions, the advocacy coalition framework would indicate that scenario 1 - CCTs are kept external to education and even so are able to induce policy change - would materialize in the event that the adoption of a CCT by the subsystem of social welfare has the effect of favoring a competing education coalition, which will enact new policies, including in the field of education quality. Thus, scenarios 2 and 3 would be the falsification of that prediction. In scenario 2, change in one subsystem has no impact on the other subsystem. In scenario 3, policy change occurs, but as a consequence of the internalization of the other subsystem's new policy.

Figure 2. Scenario 1



<u>Policy Borrowing and Lending</u>

In the framework of the debate between different approaches to globalization studies in education, the borrowing and lending literature intends to contribute to the existing debate by telling the stories behind 'learning from elsewhere'. The borrowing and lending literature establishes a dialogue with approaches such as World Culture Theory, the anthropological perspective and the socio-logical perspective (Steiner-Khamsi and Stolpe, 2006). The following paragraphs will present some of the main concepts that form the base of the argument developed by borrowing and lending scholars.

First, the borrowing and lending literature rests on the idea of "externalization" (Schriewer and Martinez, 2004), according to which countries resort to external models to justify reform processes that are internally induced. Countries borrow from other countries as a certification strategy for reforms that are controversial at home and therefore need some legitimacy, which is provided by reference to the best-practice model from abroad. The use of policy borrowing as a certification strategy has been identified in cases such as the borrowing of outcomes-based education from Australia/New Zealand by South Africa (Spreen, 2004) and the borrowing of the *Escuela Nueva* model from Colombia by Brazil (Luschei, 2004). Thus, borrowing and lending scholars draw special attention to the politics behind processes of international policy transfer. That rationale is represented here by scenario 4.

The externalization concept connects with the idea that globalization is 'imagined'. In other words, its impact on education occurs only at the level of policy talk or at the discursive level. On that note, the borrowing and lending literature adopts the distinction between policy talk, policy action and policy implementation, developed by Tyack and Cuban (1995). The discursive convergence identified by the borrowing and lending literature is influenced by what Schriewer and Martinez (2004) call the 'semantics of globalization'. Steiner-Khamsi (2004) elaborates on that concept by calling attention to the external pressure created by the semantics of globalization and, at the same time, how policymakers have made use of those semantics for their convenience. A clear example of the latter is given by Silova (2004), which describes how the "language of the new-allies", especially in terms of multiculturalism in education, has been used in Eastern Europe, specifically in Latvia, to legitimate and maintain previously existing practices.

Finally, the borrowing and lending literature points to the "economics of borrowing and lending" (Steiner-Khamsi, 2004). In that case, it is argued that the adoption of foreign policy models may be also driven by economic interests. A common and recurrent example would be the adoption of foreign programs, especially international 'best-practices', in order to have access to grants and loans provided by international organizations and bilateral donors (Steiner-Khamsi, 2004). Scenario 5 represents well the theory of action behind the economics of policy borrowing. Considering that 10 out of the 43 CCT programs listed in appendix A are funded by foreign donors, scenario 5 does not seem to be unlikely.

Punctuated-Equilibrium Theory

In order to address the issue of policy sustainability, which is at the core of research question 3, this research will utilize and contrast punctuated-equilibrium theory and the civic capacity framework. Baumgartner and Jones' punctuated-equilibrium theory (PET) establishes that a shift from a period of policy continuity (or incremental change) to substantial policy change will happen when new principles of policy action become widely accepted (Baumgartner and Jones, 1993). On the other hand, lack of substantial policy change is seen as the result of a policy monopoly, which is "a monopoly on political understandings concerning the policy of interest and an institutional arrangement that reinforces that understanding" (Baumgartner and Jones, 1993, p. 6).

Policy monopolies are controlled by some groups but are maintained thanks to a positive and well-accepted policy image. The policy image is the "prevalent understanding of the policy" (Baumgartner and Jones, 1993, p. 7). If the policy image is able to harness public support (or not to evoke opposition), then policy monopolies may be formed or maintained. According to ACF terms, one can say that a policy monopoly occurs when a coalition's belief system dominates. Different from the advocacy coalition framework, which gives primary importance to coalitions formed across governmental and non-governmental institutions, punctuated-equilibrium theory does assign importance to governmental institutions. Specifically, the theory approaches institutions as policy venues, which are defined as those in society with the authority to make decisions with regards to specific policy issues (Baumgartner and Jones, 1993). Additionally, policy venues are centrally important in defining whether a policy image will be supported or rejected. For instance, training programs of only six months may not be accepted by a department of education for the training of its teachers, but may be considered reasonable by a department of labor or a department of finance seeking to reduce costs and achieve quick results. That is what Baumgartner and Jones call the "image-venue interaction" (p. 37).

To some extent, it can be stated that punctuated-equilibrium theory has more of an institutionalist and top-down perspective with regards to the maintenance of public policies. Government institutions are centrally important and other sectors are rather considered as 'consumers' of a positive policy image.

Civic Capacity

> Despite glimmers of success and incremental signs of progress, the results of this sustained attention have been disappointing. Hot new reforms and celebrated school reformers cycle through urban school systems in quick succession, raising high hopes that are soon deflated. This pattern, variously labeled 'policy churn', 'spinning wheels', 'reform du jour' has engendered a deeper sense of fatalism among some and a desperation-driven readiness to adopt radical solutions among others (Henig and Rich, 2004).

The above quote describes the reality of education reform, especially in the US, where different education policies come and go due to the sense of urgency for improving a sector that has been blamed for putting the "nation at risk" (National Commission on Excellence in Education, 1983). In developing countries, the constant turnover of education policies is not less of an issue. It results from a combination of political instability, influence by foreign donors, and frequent economic shocks.

Concerned about the sustainability of education policies and reforms, a group of political science scholars developed a consistent body of research based on the concept of civic capacity. Stone et al. (2001) define civic capacity as "the involvement of various sectors of the community in a problem-solving effort" (p. 20). Civic capacity scholars have been puzzled about why, despite the wide recognition of the dismal performance of inner-city public schools and recurrent attempts to reform them, improvements have been rare, especially on a sustainable basis (Henig et al, 1999; Stone et al., 2001).

According to the civic capacity framework, ephemeral initiatives have been the rule rather than the exception in education policymaking. The main reason lies in the fact that public school reforms in various US cities have lacked civic capacity, that is, they have not secured broad-based support from education coalitions and from different sectors of the community. Consequently, it is easy to start new education policies but very difficult to sustain them over time (Henig et al, 1999; Stone et al., 2001).

The concept of civic capacity shares with the advocacy coalition framework the recognition of non-governmental actors as important players in the policy process. In the words of Stone (2005), “as a concept, civic capacity rests on the assumption that government and civil society are not discrete spheres of activity (…) What we call public policy is in fact the joint product of governmental and non-governmental actors” (p. 209). Hence, an analysis conducted within the civic capacity framework shall assess not only the level of support to a policy within public agencies but also among actors such as scholars and journalists. Teachers are also considered fundamentally important for the build-up of sufficient civic capacity, as they have often presented resistance to attempts to achieve change and reform (Henig et al., 1999).

Even though the civic capacity framework acknowledges business leaders as important policy actors, it also warns against some excessive euphoria around public-private partnerships. After conducting empirical research on urban school systems, civic capacity scholars have concluded that the involvement of business in fostering reform has been ephemeral and *ad hoc*. In some cases it has rather contributed to creating distrust in the community, which does more harm than good by eroding the basis for the construction of civic capacity (Henig et al, 1999).

At the core of the civic capacity argument are empirical findings pointing out that, in the presence of community involvement and general policy support, public schools are able to thrive (Stone, 2005). In contrast, in contexts marked by distrust, lack of civic capacity makes it difficult for policies to last long (Henig et al, 1999).

Theoretical Framework Matrix

For a better visualization of how each of the above four theoretical frameworks will be used to tackle this dissertation's research questions, the following matrix links each framework to the hypothesis or scenario it predicts.

Table 1. Theoretical framework matrix

Research question	Scenario	Theoretical framework	Core concept	Needed empirical evidence	Section of interview protocol
1. What factors contribute to CCTs being adopted (or not) by education policymakers? 2. What factors prevent or enable CCTs to induce new policies for improved education quality?	1	Advocacy coalition framework	Belief system, advocacy coalition, external change	Replacement or not of dominant advocacy coalition, replacement or not of dominant belief system	Belief system Participation in advocacy coalition Replacement of coalition
	2				
	3				
	4	Policy borrowing and lending	Politics of policy borrowing	CCT adopted to legitimize previously existing education policy	CCT adoption Policies prior to CCT adoption
	5		Economics of policy borrowing	External funding as the main driver for the adoption of CCT in education	CCT adoption CCT funding

Research question	Scenario	Theoretical framework	Core concept	Needed empirical evidence	Section of interview protocol
How have conditional cash transfers been politically sustained?		Punctuated equilibrium theory	Policy monopoly Policy image Policy venue	School personnel and non-government sectors are indifferent to CCT program. Public defers to experts.	Policy image
		Civic capacity	Civic capacity	Government and non-government sectors are engaged with CCT program and support it.	Civic capacity

Finally, it should be acknowledged that the advocacy coalition framework, punctuated equilibrium theory, and the civic capacity framework have been developed specifically for the US context, and their authors did not aim at making them applicable to all national contexts. Nonetheless, there are no reasons why a researcher should refrain from using them in developing countries that have adopted democratic political systems, even if their democratic institutions are still being consolidated.

As mentioned earlier, those frameworks share a major concern for political processes, power disputes and potential conflict. They do not take institutions at face value and accept the possibility of "policy paradoxes" (Stone, 2002). Therefore, even in contexts of imperfect democratic institutions, the basic concepts and theories of action proposed by those US-based frameworks should apply.

Chapter IV

RESEARCH DESIGN

In order to illuminate the link between education policymaking and conditional cash transfers, as well as issues related to CCTs' sustainability, this dissertation is comprised of a comparative study that takes into account programs' diverse designs and contexts. Currently, 40 countries have a pilot or full-fledged CCT under implementation. Their programs' mode of operation varies in terms of a number of characteristics: conditionalities, educational goal, institution responsible for implementation, scope, source of funding, among others. Considering the impracticality of studying all programs in the 40 countries, the design adopted for this dissertation uses case studies, which are analyzed in their own right and then compared and contrasted.

Case Studies

The selection of cases was guided by an interest in better understanding typical cases, since, as indicated in chapter II, so many programs share basic characteristics such as their scope, source of funding and education-related conditionalities. On the other hand, 'outliers' are equally interesting, since a few programs appear as stark exceptions for most of the appraised characteristics. In order to address common and uncommon cases, three programs were selected: *Bolsa Familia* (Brazil), *Opportunity NYC* (New York City), and *Subsidios Condicionados a la Asistencia Escolar* (Bogota, Colombia). This selection was also based on the fact that those programs are diverse in terms of the education conditionalities to which their cash benefits are tied: Bolsa Familia is conditional upon school attendance, the Subsidios program has attendance and graduation conditionalities, and Opportunity NYC makes transfers dependent upon attendance and improved performance on tests.

As illustrated in Appendix A, Bolsa Familia is the typical case in terms of education conditionalities, besides being "the largest CCT program in the developing world" (UNESCO, 2008, p. 153). Most CCT programs follow a similar design of only conditioning payments to children's school attendance. Also, as in most countries, Bolsa Familia is under the auspices of a social welfare government body. In this regard, both Opportunity NYC and the Subsidios program in Bogota are more of the exception. The Bogota program is directly managed by the city's Department of Education, and is linked to a higher education scholarship program, which may work as an additional and forward-looking incentive for high school completion. In turn, Opportunity NYC has other features that make of it an interesting case to look at: 1) the program is fully funded by philanthropies; 2) New York's public school system is currently under mayoral control; 3) it is among the first CCTs to be implemented in a developed country.

Interestingly, this characterization of the three programs in terms of being typical or extreme cases is somewhat different if one looks at the question of policy sustainability. The Brazilian and the Colombian programs seem to be implemented without much public opposition. In Brazil, Bolsa Familia accounts for part of President Lula's solid popularity (Britto, 2008a) and in Bogota parents and students have voiced great appreciation for the Subsidios program (Meyer and Morais de Sa e Silva, 2008). In contrast, Opportunity NYC's situation has been different in this regard, as criticisms have been voiced from both ends of the political spectrum (Morais de Sa e Silva, 2008c).

Hence, those three programs seemed to combine both standard CCT characteristics as well as important peculiarities that arose in their particular contexts. Importantly, when analyzed together those cases did not seem to yield straightforward answers to the adopted research questions. Each of them seemed to lead the observer in a different direction. The examination of each case in detail was expected to allow for the consideration of important program characteristics within the complete account of how each of them was developed and the role it had played in the educational arena. At the same time, it was expected that, through their comparison, those case studies would yield complementary evidence, especially since each program is geared towards improving a different variable in terms of educational attainment – attendance, graduation, and performance.

Data Collection Methods

This research made use of qualitative methods for the analysis and comparison of three case studies. Data collection was carried out in three research sites – New York City, Bogotá and Brasilia - from February 2009 to March 2010. Data collection methods were similar across the three cases, involving semi-structured interviews, collection of policy documents, and appraisal of press materials and of institutional websites.

Interviews

The four frames of theory adopted in this research call for the consideration of a broad array of actors as relevant informants. Whereas both punctuated-equilibrium theory and the borrowing and lending literature assign primary importance to policymakers in government institutions, the advocacy coalition framework includes scholars and journalists as participants of advocacy coalitions (Sabatier, 1999). Also, representatives of teachers unions, teachers and school principals are highlighted by the civic capacity scholarship as potential builders (or destroyers) of civic capacity (Henig et al, 1999; Stone et al., 2001).

Consequently, considering the kinds of informants that are valued by each of those four theories, data was collected from the following categories of interviewees: government officials (both at education and social development government bodies), scholars, leaders of teachers unions, politicians, staff members of international organizations, representatives of private philanthropies, think tank researchers, and journalists.

Within each category of interviewees, individuals were selected if they met one of the following criteria: i) individual has played a role in CCT program; ii) individual has played a role in education policymaking; iii) individual is knowledgeable about CCT program; or, iv) individual is knowledgeable about education policymaking debates. Those criteria were adopted in order to make sure that interviewees would be either members of an advocacy coalition (in education or in social development) or would be key informants about the adoption and implementation processes of the CCT case in their city/country.

Additionally, in the case of Bogota, interviews were also conducted with teachers, school principals, and other school personnel[10]. One school was randomly selected from each of the seven city neighborhoods where the program operates. Each school made available different representatives to be interviewed and that is why only the principal was interviewed in some of them, while in others it was also possible to interview teachers and other personnel. That also explains why there were twelve interviews for seven different schools. Even though it was not be possible to compare the three case studies on the basis of school interviews, they were useful in further illuminating the Bogota experience.

A total of 66 semi-structured interviews were conducted across the three cases over a year of data collection. The sample of interviewees per case was eventually comprised of:

[10] Due to the H1N1 epidemic, it was not possible to conduct school interviews in New York City or in Brasilia.

Table 2. Set of interviewees per case study

	Opportunity NYC	Subsidios	Bolsa Familia
Government officials	5[11]	8[12]	4
Scholars/researchers	2	2	5
Teachers Unions	1	2	0
International organizations	1	4	6
Journalists	3	1	0
Private philanthropies	1	2	0
Think tanks	1	2	2
Congressmen	0	0	2
School principal	0	6	0
School teacher	0	3	0
Other position at the school	0	3	0
Total	14	33	19

Throughout the following chapters data obtained from interviews are referenced by means of codes in order to assure participant anonymity. Each case study was assigned a letter code: A for Opportunity NYC, B for Subsidios Condicionados a la Asistencia Escolar, and C for Bolsa Familia. Each participant was then assigned a letter code and a number, which corresponds to the chronological order of interviews. In

[11] This number also includes program managers outside of government, since parts of the program have been implemented by contractors.

[12] Among these are former and current officials of the city's Department of Education, as well as officials of the national Ministry of Education and of the Social Action Agency, which is linked to the President's Office.

referencing interview data, the exact date when the interview was carried out is also presented.

Interview Protocols

Appendix B presents the complete set of instruments for each category of interviewees. Instruments were designed according to the core concepts used by each of the adopted theoretical frameworks. Every interviewee, except for teachers, principals, and other school personnel, answered questions that followed a standardized conceptual structure:

A. Background: basic information about interviewee and his current work position;
B. Belief systems;
C. Participation in advocacy coalition;
D. Replacement of advocacy coalition;
E. Policy image;
F. Previous policies;
G. Civic capacity.

That structure was set-up in order to obtain data that would allow for the understanding of each case study through the lenses of the theoretical framework. Questions were constructed in a way that would later help in the mapping out of existing advocacy coalitions, in the appraisal of the CCT's policy image and civic capacity, and in the reporting of borrowing and lending processes.

In the case of education government officials, two additional sections were added to the interview protocols: CCT adoption in education and CCT funding. Those additional sections were aimed at obtaining factual data about the operation of the CCT program within the educational government institution. Besides, during each interview new questions were added to obtain further information and to probe given answers.

As for those interviews conducted with school principals, teachers and other personnel, a completely different set of questions was used. The structure of those interview protocols encompassed the following subsections: background, belief systems, CCT beneficiary students, CCT and education policies, and civic capacity. Even though that structure has some of the elements just listed above for the other categories of interviewees, most of the actual questions were different, as they were adapted to schools' experiences.

Furthermore, as interviews were meant to be semi-structured, various questions were added according to each case's peculiarities and to follow-up on answers that provided interesting and intriguing information.

Data Analysis

Interview notes and recordings were analyzed according to a list of subjects and markers of interest. The list was mainly comprised of the following elements:

- Information on CCT's design process;
- Factual data on how the CCT operates;
- Viewpoint of the value of education;

- Viewpoint of the country's/city's main educational problems;
- Viewpoint of the country's/city's policy priorities in education;
- Opinion about the CCT;
- Opinion about education policies in place;
- How others think of CCT (known supporters and opponents).

Even though interview protocols were similar across different types of interviewees, some did not have information to answer some questions, did not want to respond them, or respondents gave replies that went far beyond what was asked. Also, as part of the semi-structured interview, new questions were added as follow-up to previous answers or to take advantage of the interviewee's privileged position to answer certain questions.

Data on topics that were common across all interviews (i.e. respondent's belief system) were coded and contrasted. Factual data that referred to the CCT's history and the educational and political context were transcribed and used to build a narrative on each case study.

It is important to mention that this dissertation intends to develop a dialogue both with the CCT community of managers and consultants, and with the education community of scholars and practitioners. Consequently, operational details of each of the researched programs were included, so that both communities could take advantage of the information that is of interest to them.

Policy Documents and Newspapers

Policy documents were analyzed in order to obtain background information on the CCT program and on the policies for education quality that have been implemented since the adoption of the CCT. Specifically, the following documents were searched: official CCT program documents, laws and decrees, education reports, and program evaluations. The adopted procedure for data analysis mainly involved the search for key information on the CCT's development, mode of operation, and evaluation results, as well as on each case's background in terms of education policymaking.

Finally, this research attempted to capture the "policy image" (Baumgartner and Jones, 1993) of each CCT case. In order to accomplish that, newspapers published around the world and specifically in the country and city in question were analyzed. The search process was carried out by means of the Dow Jones Factiva database for the three-year period between 01 January 2007 and 31 December 2009. Following the methods adopted by Baumgartner and Jones (1993) in the framework of punctuated-equilibrium theory, those materials were used to measure intensity of coverage ("level of attention") and tone ("nature of attention").

Intensity of coverage was counted according to three different criteria: 1) articles in all languages and from all countries; 2) articles in all languages published in the country of the CCT in question; 3) articles in all languages published in the city of the CCT in question (except for Bolsa Familia). Among the articles published in all languages in various countries, the search was refined by requesting only articles that had been indexed under the subject 'education'. This allowed for the analysis of whether and to what extent the media has considered the CCT an educational program.

In order to capture the nature of attention and some other aspects of the CCT's policy image, the search combined the program's name with another key word. The key words that were common among cases were: controversial/ *controvertido/ controverso;* critics/ *critico;* interesting/ *interesante/ interessante*; and successful/ *exitoso/ bem sucedido*[13]. For each program, articles were searched using the key word in English, then in Spanish, then in Portuguese, and finally the number of articles found for each of them were added up. Additionally, key words that were specifically relevant for a specific CCT were also used. In the case of Opportunity NYC, there were searches for articles that featured the program's name as well as Mexico, *Oportunidades,* or experiment/experimental.

Finally, as the World Bank and the Inter-American Development Bank have been major supporters and funders of CCTs in the Americas, their websites were also subject to investigation. Their search engines were used to find out how many webpages and documents those websites have hosted with information on each CCT. The resulting number of entries was used as a proxy measure of each program's international exposure, as well as of its buy-in by those organizations.

[13] The number of articles that were obtained through this search process is not to be understood as an exact measure, since words like 'opposition' and 'interesting' may be referring to something else rather than the CCT program.

Chapter V

CASE STUDY A - OPPORTUNITY NYC

For those who thought that CCTs were exclusive remedies of the developing world, the adoption of Opportunity NYC in 2007 in the heart of the world's financial capitalism came as a surprise. So far CCTs had been spreading across developing countries, in many cases following the recommendations and funding of international organizations. As poverty reduction tools, they became critical components of the international development agenda. But since the developed world is 'not entitled' to receive international aid or at least the advice of development experts, CCTs had not been considered as a possible solution for tackling poverty in the industrialized countries.

In New York City the adoption of a CCT was, to some extent, a consequence of the deliberations of the Commission for Economic Opportunity (the 'Poverty Commission'), which had been formed by Mayor Bloomberg in 2006 to advise him on how to mitigate poverty in the city. In the midst of discussions about possible strategies to face the city's poverty problems, some commission members (a scholar and representatives of the Rockefeller Foundation) suggested the adoption of a conditional cash transfer program (UN Webcast Archives, 2007). Those commissioners had gotten acquainted with the Mexican CCT experience and thought that its innovative model could be adapted to other contexts, including New York City. In June 2006 the Commission organized a conference entitled "*Exploring Strategies to Create Opportunity in New York City"*. The conference included a panel on conditional cash transfers and a World Bank staff member was invited to participate. That marked the Bank's first involvement with the discussions that later led to the creation of Opportunity NYC (interviewee A10, 19 May 2009).

Even though the Commission's final report does not explicitly recommend CCTs, the Deputy Mayor took up the idea of looking at those experiences. Efforts were made to obtain further information on Mexico's *Oportunidades*, on the UK's child poverty campaign, and on any similar experiences that might exist in the US (interviewee A3, 08 April 2009). Working on this enterprise were the Rockefeller Foundation; the Center for Economic Opportunity (CEO), which had been created by the Mayor after the Commission's final report; and MDRC,[14] a non-partisan policy research organization that later was put in charge of Opportunity NYC's impact evaluation.

Initially program materials, literature on CCTs, and reports provided by the World Bank were shared among partner organizations. Then a two-day workshop was organized in New York in December 2006 with the participation of the top administrators and leading evaluators of Mexico's *Oportunidades.* Furthermore, in April 2007 the Rockefeller Foundation coordinated a study tour to Mexico, where Mayor Bloomberg, Deputy Mayor Linda Gibbs and representatives of partner organizations could get to

[14] Currently, MDRC is no longer an acronym. It used to stand for Manpower Demonstration Research Corporation.

know the operation of the *Oportunidades* program in greater detail (interviewee A8, 11 May 2009; interviewee A9, 12 May 2009).

The concept of a cash transfer tied to education-seeking behavior resonated with the ideas that Harvard Professor Roland Fryer had been promoting for some time. In 2004 Fryer convinced NYC School Chancellor to let him expand an experiment that he had been running in Public School 70 in the Bronx, where he introduced small prizes to reward students for achieving better grades. Even though data for P.S. 70 had been inconclusive, Chancellor Klein allowed the experiment to be taken to more schools along with the replacement of small prizes by cash incentives (Dubner, 2005). “That really captured the imagination of Joel Klein, the School Chancellor” (interviewee A10, 19 May 2009).

Fryer has based those experiments on the argument that disadvantaged children lack the motivation to perform better in school because they do not have close examples of the future benefits of investing time and effort in education. Consequently, they need a material incentive that will influence their behavior and boost their performance. In an interview to the New York Times Magazine, he said: “'I'm troubled by the fact that we're treating kids as inanimate objects. They have behavior, too. They respond to incentives, too" (Dubner, 2005). Thus, the idea of adopting a CCT to tackle poverty in the city was coupled with the ideas and practices that Fryer had been promoting in education. As a result, Opportunity NYC became the first CCT to condition payments on academic achievement, rather than only on enrollment and attendance, as it has been the case of most existing CCTs.

After the first workshop with Mexican officials and the study tour to Mexico, the design process of Opportunity NYC involved a number of meetings that gathered representatives of the core organizations in charge of the program – CEO, MDRC, and Seedco[15] – as well as sponsors and individuals who were invited to help design specific program features. That was the case of the Department of Education (DoE), which was invited to help specify what activities would be rewarded and the corresponding amount of cash incentives.

Initially, Opportunity NYC involved a total budget of US$ 53.4 million (Center for Economic Opportunity, 2009). It was entirely funded by private institutions such as the Rockefeller Foundation, the Starr Foundation, the Robin Hood Foundation, the Open Society Institute, the American International Group, and Mayor Bloomberg himself (Office of the Mayor, 2007). According to a CEO representative, the Mayor did not want to put public money into this type of program until they had some idea of whether it worked or not. "It is too innovative almost" and very controversial (interviewee A8, 11 May 2009). The budget was meant to fund a two-year pilot that started in September 2007.

Since the day when the Mayor announced its creation, Opportunity NYC has attracted considerable attention from the media. In most of the press coverage, the program was initially pictured as very controversial, which materialized the administration's initial fears and justified its decision of funding Opportunity NYC with private resources.

[15] Seedco is no longer an acronym. It used to stand for Structured Employment Economic Development Corporation.

Opportunity NYC's Features

The end result of the merge between the Mayor's office's inclination to adopt a CCT and Fryer's efforts to experiment with cash for performance is reflected in the way Opportunity NYC is structured. The bulk of the program, a sub-program called Family Rewards, is managed by City Hall's Center for Economic Opportunity (CEO) and includes a plethora of different conditions, which can allow a beneficiary family to receive cash payments every two months. In parallel, the Department of Education and Roland Fryer's Education Innovation Laboratory manage the Spark sub-program, which targets only fourth and seventh graders in 58 pre-selected low-performing schools. There is also a third sub-program called Work Rewards. It is targeted at families who receive subsidized housing but does not include any education-related conditionalities.

Family Rewards

When the media features Opportunity NYC, they are actually referring to Family Rewards. The sub-program is under the auspices of CEO, is being evaluated by MDRC, and has been implemented by Seedco with the support of contracted neighborhood partner organizations (NPOs). It was designed as a randomized trial and therefore involves both a treatment and a control group. In fact, interviewees A7, A8, A9, and A11 repeatedly emphasized the program's experimental nature, explaining that its main goal is to provide evidence on whether the CCT model works in NYC.

The definition of what families should be eligible for the program was first based on geographic targeting. Six low-income neighborhoods in Manhattan, Brooklyn and the Bronx were chosen.[16] Then, the Department of Education provided a list of all children who were eligible for free lunch or reduced-price lunch[17] in those communities. With that information in hand, contracted NPOs actively tried to contact the families of those students in order to have them enroll in the program (interviewee A7, 09 May 2009). Even though the original goal was to enroll about 5,100 families, only 4,778 were eventually enrolled (Miller, Riccio & Smith, 2009). Finally, family beneficiaries were chosen through random assignment, resulting in a total pool of program beneficiaries of 2,400 families (Center for Economic Opportunity, 2009).

Family Rewards has monetary rewards pertaining to three main fields: education, preventive health, and employment and training. According to the Center for Economic Opportunity (2009, pp. 44 -45), in the first two years of the program the following were the activities that a family could perform to receive cash payments:

Table 3. Opportunity NYC Activity List

Field	Activities
Education	- Child attends school 95% of scheduled days; - Parent attends Parent-Teacher Conferences; - Child gets or has a Public Library Card;

[16] "Central and East Harlem in Manhattan; Brownsville and East New York in Brooklyn; and Morris Heights/Mount Hope and East Tremont/Belmont in the Bronx" (MDRC, 2008, p. 3).
[17] Being eligible for free lunch or reduced-price lunch was used as evidence of low-income status.

Field	Activities
	- Child progresses on standardized tests; - Parent discusses annual tests with teachers; - High school students only: student passes a Regents Exam; student takes the PSAT; student accumulates 11 credits in school year; student graduates and accumulates 44 credits.
Health	- Get/maintain public health insurance or get/maintain private health insurance; - Complete an yearly non-emergency medical check-up; - Complete physician-advised follow-up; - Complete pediatrician-advised Early Intervention referral and evaluation for a child under 30 months; - Complete two dental visits per year for family members 6 years and older; - Complete one dental visit per year for family members ages 1-5;
Work	- Work at least 30 hours per week; - Complete an approved training course

The inclusion of such an extensive list of "conditionalities" or incentivized activities makes the operation and evaluation of Opportunity NYC more complex when compared to other existing CCTs. In most other cases, families are eligible to a lump sum and only fail to receive it if program managers verify that at least one of the conditionalities have not been met. Those normally include school enrolment and minimum attendance, immunization of children, health checkups of pregnant women, and attendance of community meetings. In the case of Opportunity NYC, each activity has a monetary value attached to it and payments are only made after compliance is proven. In other words, whereas most developing countries' CCTs have a rationale of regularly paying a fixed amount of cash if failure to comply with conditions is not verified, Opportunity NYC has an inverse logic of remunerating families per activity performed.

Coupons are also a novelty introduced by Opportunity NYC. Every two months beneficiary families receive a book of coupons for most activities in the above list. Each coupon has identification information for the family and needs to be signed by the teacher, physician, or employer, depending on the activity being performed. The family then mails all coupons to Seedco, which processes payments on a bimonthly basis. For most education activities, however, the monitoring of conditionalities is done directly through the matching of administrative data provided by the Department of Education.

When combined, those two innovations may make it more difficult for families to understand how the program operates and to participate as expected. The fact that beneficiary families are the ones in charge of proving compliance with most conditionalities – as opposed to program administrators getting the data to release payments – makes the program more time consuming for participants. As a result, compliance was relatively low at the beginning of the program. Throughout its first ten months of implementation, 75% of all participating families received no more than $3,600 in total (Center for Economic Opportunity, MDRC & Seedco, 2008), which is less than 30% of the annual federal poverty line. In the 2010 impact evaluation report program managers acknowledged that Opportunity NYC's high complexity caused operational difficulties, especially leading to a bumpy start-up process during the program's first year (Riccio et al., 2010).

The daily operations of Family Rewards are overseen by CEO and carried out by Seedco and Neighborhood Partner Organizations (NPOs). According to interviewee A11, Seedco was the "natural fit" for operating Opportunity NYC due to its accumulated experience with large-scale programs (08 January 2010). Seedco processes all coupons, authorizes payments, coordinates marketing activities and houses the program helpline. Additionally, NPOs support the program in each targeted neighborhood by providing direct assistance and workshops to families. In the early stage of the program NPOs were key for the identification of eligible families, their enrollment and the provision of information on how Family Rewards is supposed to work. Finally, MDRC is the organization in charge of Family Rewards' overall impact evaluation. It was also one of the main players in the program's initial design.

Spark

Spark is the brainchild of Prof. Roland Fryer and his Education Innovation Laboratory (EdLabs) at Harvard. Fryer has dedicated his career to conducting leading research on racial issues, particularly on the achievement gap between black and white children. EdLabs is based on the idea of evidence-based policymaking and the belief that "we can transform education through the power of the scientific method" (Education Innovation Laboratory, 2010). Currently, EdLabs' main experiments are trials of different strategies that give underprivileged children a material incentive to improve their performance in school. Besides Spark in New York City, Fryer's team is also leading two other programs that provide cash for performance: Capital Gains in Washington D.C. and Chicago's Paper Project. In New York, another incentives-for-performance program is being tried and evaluated by Fryer's team: the Million Motivation Campaign. Students are given cell phones and are awarded talking minutes according to their academic performance.

In terms of how Spark was created, a DoE staff member explained that:

> As this [Opportunity NYC] is being developed, Roland Fryer had already come to see us, a professor at Harvard, and wanted to do an incentives program, which was Spark. So they were parallel for some time, and then, as we were getting closer, we felt that, you know, as we were looking at periodic assessments and things like that, we brought Roland to the conversation. That's how that came to be. So that's something that had already been seeded in NYC (interviewee A12, 14 January 2010).

The separate and independent nature of the processes that led to the creation of Spark and Family Rewards was further confirmed by interviewee A7:

> The development of the Spark project was already underway as an independent incentives initiative led by Roland Fryer at Harvard. The Work Rewards project evolved out of CEO's interest in testing innovative approaches around employment for people receiving housing vouchers to subsidize their rents. Because all three projects involved incentives, and because we wanted to coordinate fundraising efforts, we decided to pull them under the common umbrella of Opportunity NYC (personal communication, 18 January 2010).

Different from Family Rewards, which is targeted at the entire family, Spark targets individual students. Its focus is exclusively on education. In Family Rewards children are spread across a number of different schools, which are not involved in any of the program operations. Principals and teachers are rarely aware of which students are program beneficiaries. On the other hand, Spark operates in 58 selected schools and benefits all of their 4th and 7th graders. Additionally, Spark provides smaller cash incentives, which are paid directly to students, rather than to their parents. The following table contrasts Family Rewards and Spark in greater detail:

Table 4. Opportunity NYC Family Rewards and Opportunity NYC Spark

(Morais de Sa e Silva, 2008c; Center for Economic Opportunity, 2009)

	Family Rewards	**Spark**
Development and management	CEO, Seedco, MDRC, and selected neighbourhood partner organizations	The Education Innovation Laboratory
Beneficiaries	2,400 families residing in Central and East Harlem in Manhattan; Brownsville and East New York in Brooklyn; and Morris Heights/Mount Hope and East Tremont/Belmont in the Bronx.	5,8000 kids in the first year and 8,000 kids in the second year. They are from 58 selected schools and were either in 4th or 7th grade when they enrolled in the program.

	Family Rewards		**Spark**
Activities and rewards[18]	Condition	Reward	“Students in fourth grade will receive up to $25 for a perfect score on each of 10 interim assessment tests taken throughout the year, up to a total of $250” (Seedco, 2007). “Seventh graders can earn up to $50 per test for a maximum payment of $500 per year” (Seedco, 2007).
	95 percent of school attendance per month	$25 per month (elementary and middle school students) $50 per month (high school students)	
	Attending parent-teacher conferences;	$25	
	Getting a library card;	$50	
	Improvement in scores or proficiency on standardized tests at the elementary and middle school levels	$300 per test (elementary school) $350 per test (middle school)	
	Parental review of the test and discussion	$25	
	Passing grade on individual Regents exams	$600	

[18] These are the activities and rewards for the first two years of operation of Family Rewards. As explained later in this chapter, budget constraints and research findings led to a revision of the incentive menu used in the third year.

	Family Rewards		Spark
	Student takes the PSAT	$50	
	Student accumulates 11 credits in high school year	$600	
	Student graduates from high school and accumulates 44 credits	$400	

Spark's implementation and evaluation have been fully centralized by EdLabs. In fact, there is no focal point for the program at New York's Department of Education. When asked who was the contact person for Opportunity NYC at the DoE, the World Bank interviewee thought for a while and then recommended an interview with Professor Roland Fryer (interview, 19 May 2009).

Process and Impact Evaluation

In 2009 Miller, Riccio, and Smith prepared a preliminary impact evaluation report on Family Rewards, with data from the program's first year of implementation. Interestingly, it was solely based on education data. That was because information on compliance with most education activities was readily available through the DoE's databases and did not require the processing of coupons. Using such data, MDRC's team estimated the program's impact on various educational variables, making use of statistical tools and methods to make sure that observed effects were most likely due to the program, rather than to chance or to other factors.

In absolute terms, "the most common reward earned for education was for high attendance" (Miller, Riccio & Smith, 2009, p. 6). One could say that was an expected finding in the context of a developed country. Some could even argue that it served as evidence of the need to move beyond attendance-based conditionalities towards performance-based ones. However, the same report reveals that only 58 percent of high school students, 74 percent of middle school students, and 72 percent of elementary school students earned at least one attendance reward throughout the program's first year. Considering that attendance data was automatically provided by the DoE, the percentage of students who reached the 95 percent attendance mark at least once was not that impressive.

In comparison to the control group, the report found that the program had no significant impact on either attendance or the academic performance of elementary and middle school students. Effects were only significant at the high school level, as a greater percentage of Family Rewards' beneficiaries reached the 95% attendance mark and attempted the minimum of 11 credits when compared to their control group counterparts[19] (Miller, Riccio & Smith, 2009).

Miller, Riccio and Smith (2009) also report on various implementation challenges during the program's first year. Some are quite similar to those faced by CCTs in the developing world, such as payment problems. Early in the program, it was apparent that

[19] Although not all of those beneficiary students successfully completed attempted credits.

even in one of the world's largest financial centers there were families who did not have access to the banking system. Partnerships were then established with commercial banks, so that beneficiaries could open their bank accounts and incur in no additional charge. Even so, during the first year various difficulties were faced due to problems with participants' bank accounts. As a result, 6.5% of beneficiary families did not receive any payments even though they had complied with some activities and earned rewards (Miller, Riccio & Smith, 2009).

On the other hand, Opportunity NYC faced some singular difficulties that are worth mentioning. First, since the program went after families rather than the other way around, there were problems finding people. Due to the high mobility of the targeted population, the contact information provided by the Department of Education was outdated for some families and they could never be reached (Miller, Riccio & Smith, 2009).

Also, Family Rewards' higher complexity in terms of its set of conditionalities and means of verification required the adoption of two peculiar strategies. First, a marketing campaign was developed by a marketing firm with the aim of bringing to participants 'catchy' information on how families were expected to participate. Second, individualized bimonthly statements were mailed to families after each payment cycle, highlighting the rewards that a certain family could have earned but rather "left on the table" (interviewee A11, 08 January 2010).

Less than a week before this dissertation was submitted to the committee, MDRC released Opportunity NYC's comprehensive impact evaluation[20], which covers the first

[20] Consequently, data collection was developed in the absence of evaluation results and all interviewees did not know of the presence or absence of program effects by the time when they were interviewed.

two years of implementation and includes all areas in which the program was expected to have an impact, such as income, education, health, and work.

In education this most recent report confirmed findings obtained by Miller, Riccio, and Smith (2009) for the program's first year of implementation. No impact was found on elementary and middle school students' attendance or achievement records. Noteworthy impacts were only found among high school students. Particularly, it was confirmed that Opportunity NYC increased the percentage of students who attempted 11 credits and who took at least one Regents exam. However, this effect of increased student effort was not found to have translated into higher achievement, as the program did not lead to more students *earning* 11 credits or *passing* the Regents (Riccio et al., 2010). Interestingly, that finding had been predicted by interviewee A13 (02 February 2010). He informed that the most up-to-date studies in psychology have found that education incentives may positively impact student effort in the short-run (and while incentives last), but achievement is rather the result of the interplay between student effort and other variables.

The only educational impacts of Opportunity NYC that were statistically significant and of a considerable magnitude were those found among ninth-graders who had scored at or above proficiency level on standardized tests in 8th grade. Among those, the report highlights:

> These include a 6 percentage point reduction in the proportion of students who repeated the ninth grade, a 15 percentage point increase in the likelihood of having a 95 percent or better attendance rate (in Year 2), an 8 percentage point increase in the likelihood of earning at least 22 credits (11 credits per year are needed to remain on track for on-time graduation), and an increase of 6 percentage points in the likelihood of passing at least two Regents exams (Riccio et al., 2010, p. ES. 14).

The report explains that proficient ninth-graders might have been in a better position to take advantage of program incentives and make some educational improvements. However, it should be noted that even among proficient students these small positive effects were not observed for math or English language test scores, which was the initial hope of program designers.

Clearly, Opportunity NYC fell short of expectations in its ability of improving educational outcomes by means of the provision of cash rewards. Even though evaluation results were not yet available by the time this research was conducted (which certainly influenced responses by interviewees), the following findings on the limited role played by the DoE on the program's design and implementation may be part of the story behind its disappointing results.

Current Status

Initially, Opportunity NYC was supposed to be a two-year pilot program. However, in 2009 it was announced that Family Rewards would receive new funding and continue for a third year, even though final evaluation results were not available by that time. Interestingly, some initial funders, such as the Robin Hood foundation, were not among the group of sponsors for this third year. According to David Saltzman, the executive director of Robin Hood, the board of the Foundation was still to vote on whether it would continue its support to the program (Bosman, 2009). However, since 2007 the Foundation had been critical of the program's design and argued that its continuation should be based on public, not private, funds (personal communication, 14 December 2007).

The continuation of Family Rewards for a third year involved a tighter budget, which led to the adoption of a "streamlined schedule of incentives" (Miller, Riccio & Smith, 2009, p. 12). In other words, there were not enough resources to pay all possible rewards according to the previous list of conditionalities. In order to decide what activities should be cut, CEO, MDRC and Seedco took into account two factors: operational difficulties and the results of the preliminary impact report. Different from the program design stage, other city agencies such as the Department of Education were not directly involved in this decision-making process.

The revision of Family Rewards' 'incentive menu' involved significant changes in the education conditionalities. For instance, the activity 'parental review of tests and discussion with teachers' was eliminated, mostly due to operational difficulties in verifying whether parents had really discussed their children's grades with teachers or just had them sign the coupon. Attendance conditionalities for elementary and middle school students were also cut. The decision was based on the program's preliminary impact report, according to which Family Rewards had had no significant impact on the share of students who attended class for at least 95% of school days (interviewee A11, 08 January 2010). Also due to the report's findings, incentivized activities have been concentrated at the high school level. Consequently, in its third year of operation Family Rewards presents the following set of educational conditionalities:

Table 5. Third year's set of education conditionalities per school level

(Opportunity NYC Family Rewards, 2010)

School level	Incentivized activities	Rewards
Elementary school	Child scores a level 3 or 4 or improves an ELA or Math test score by one level over the previous year.	Grades 3-5: Families earn $300 per ELA and Math test.
	Parent attends a parent-teacher meeting.	$25
Middle school	Child scores a level 3 or 4 or improves an ELA or Math test score by one level over the previous year.	Grades 6-8: Families earn $350 per ELA and Math test.
	Parent attends a parent-teacher meeting.	$25
High school	Minimum attendance of 95% of school days during a two-month period.	$100
	Student passes a Regents exam, scoring 65 or above.	$600 for each of five Regents exams
	Parent attends a parent-teacher meeting	$25
	Student takes the PSAT (Preliminary Scholastic Assessment Test)	$50
	Student accumulates 11 credits in the year	$600
	Student graduates and accumulates 44 credits	$400

With the recent release of Family Rewards' impact evaluation, it is still unclear what will happen next. Newspaper articles have declared that the program will be discontinued (Bosman, 2010). However, the administration has not officially confirmed that. In fact, some excerpts of the evaluation report suggest that there may be still hope among program managers that Opportunity NYC will be continued:

> Most of the story of Family Rewards remains to be written, and it will be important to assess whether the program's effects grow over time as families exposure to it increases. Ultimately, the consistency and magnitude of the program's impacts over the long term will determine the relevance of a comprehensive CCT approach for government antipoverty policy in an American context (Riccio et al., 2010, p. ES 17).

Later in this chapter this dissertation will look at Opportunity NYC's chances of survival as far as political factors are concerned.

Opportunity NYC and Education Policies

> It was always expected or wanted that there would be an education component within the …, I don't think it was called Opportunity NYC at the time, within the conditional cash transfer (interviewee A12, 14 January 2010).

The above statement reflects an interesting commonality among conditional cash transfers, including the three programs studied in this dissertation: all of them are supposed to include an educational component. For a program to be a CCT, it is assumed that it will have education conditionalities so as to contribute to building human capital and breaking the intergenerational cycle of poverty. Despite their educational 'soul', data collected for Opportunity NYC indicates that the involvement of education authorities, professionals, and scholars in the policymaking and implementation of CCTs cannot be taken for granted.

In the case of Family Rewards, its design process involved various meetings with staff members of CEO, MDRC, Seedco, city agencies, the World Bank, and scholars like Prof. Roland Fryer. The Department of Education was particularly invited to help determine what education activities should be incentivized (interviewee A12, 14 January 2010). However, the idea of including performance-based conditionalities actually came from Prof. Roland Fryer, who at the time had already proposed an incentives-based program for NYC public schools. The contribution of DoE representatives on that matter was simply the identification of cut-off points that would be used as thresholds for test performance.

According to interviewee A12, in those first program design meetings DoE representatives also insisted that the program should only reward activities that the Department had data for. Kids should not have to do much to demonstrate compliance and the payment of rewards should be based on objective information. Consequently, they were against proposals of having students submit 'report cards' based on their schools' own grading system (interview, 14 January 2010).

DoE representatives also advocated for elements that ended up making Family Rewards operate in a significantly different way when compared to Spark: they argued that schools should not be involved, so that students who were program beneficiaries would not be pointed out and teachers would not have to carry the burden of making sure that students would be able to get rewards (interviewee A7, 08 May 2009; A12, 14 January 2010).

However, after being considerably engaged in defining some ‘nuts and bolts’ of Family Rewards, DoE participation receded. Interviewee A12 recognizes that the Department’s engagement in Family Rewards was a lot more significant in the design stage of the program. Since then, the DoE’s role has been limited to data reporting for the automatic verification of education conditionalities (interview, 14 January 2010). Consequently, for most of Family Rewards’ lifecycle, it has been “separate from Spark and the city’s education policies” (interviewee A11, 08 January 2010).

As for Spark, a DoE official said:

> So Spark is an innovation to think about how pay for performance for kids would work or could work. It was very much a stand-alone program in the sense that there were two staff members of Spark that were housed at the DoE but the truth of the matter was that they were housed here but were paid through the other program. And so there was not much integration of that program within the overall context of the DoE. It was much more treated as an isolated experiment (interviewee A12, 14 January 2010).

From the above account it is apparent that Spark was never truly owned by the Department of Education. The lack of integration between Spark and the DoE’s policies seems to have been justified on the basis that the program was just an experiment. It was worth trying it, but it was not considered necessary to coordinate it with other policies because it was still to be seen whether the program would work or not.

In the beginning at least some Spark staff members were housed at the DoE. But with the creation of Opportunity NYC and the transformation of Spark into one of its sub-programs, even that link ceased to exist:

> At some point, and I don't recall when, that was transferred from something at the DoE to something that is really solely under the umbrella of Opportunity NYC. Before its [Opportunity NYC's] launch was that it occurred (interviewee A12, 14 January 2010).

Interestingly, interviewees from outside the Department of Education consider Spark to be the DoE's portion of Opportunity NYC. But the DoE believes Spark belongs now to Opportunity NYC. Not surprisingly, a Seedco staff member emphasized that Spark is managed separately and that there is no collaboration between the two sub-programs (interviewee A11, 08 January 2010). Thus, Spark is actually 'no one's' program in the city government. It was completely designed, managed and evaluated by an external institution, although involving public schools, their students and official records.

When one looks deeper into Opportunity NYC, it turns out that part of it, Family Rewards, received initial inputs from the DoE, but the Department later came to play a very secondary role in the program's operation and evaluation. As for the other part, Spark, the DoE was not only absent from the program's life; the Department actually does not consider Spark to be one of its own initiatives.

Therefore, *vis-à-vis* research question 1, findings indicate that Opportunity NYC was never truly adopted by the Department of Education. The DoE's removed position in relation to Opportunity NYC is most likely the result of a combination of factors. First, the idea of introducing a CCT program did not come from inside the Department, which may have decreased the motivation for involvement. Second, Spark was designed and implemented in such a centralized manner that there was not much demand for participation by DoE's staff. Third, even though the Department was quite engaged in helping design Family Rewards, it indirectly chose to have a limited participation during the implementation of the program. The DoE's determination that schools should not be involved in Family Rewards ended up removing the program's daily operation from the environment where education policies play out. And fourth, Opportunity NYC's experimental nature to some extent put the Department's involvement on stand-by, that is, the DoE was not willing to make much effort until it was clear whether the program worked or not.

Additionally, an interesting observation that arose out of the various interviews was the fact that those involved in Opportunity NYC do not have an education background, while those who do work with education declared not to know much about the program. Media coverage was an example of such a disconnect between the program and education. Out of the 209 newspaper articles that were published on Opportunity NYC from 2007 to 2009, only 19 (9.09%) were indexed as belonging to an education subject.

Added to the above, it seems that education scholars have been particularly disengaged from debating the program. Among all scholarly journals with editions available through Jstor, only Science and the Harvard Education Letter have so far published articles involving it. The Science article notes that "the program has drawn plenty of flak. The notion of paying for better test scores has raised concerns about the kind of rote learning that it may encourage" (Kaiser, 2008). Despite that observation, Kaiser provides a generally positive picture of conditional cash transfers, of which Opportunity NYC is an example. In the Harvard Education Letter, Wilson (2009) attempts to present a balanced perspective of what Spark can do for student motivation. It presents criticisms raised by scholars from the social sciences and from psychology, but none from education scholars.

Advocacy Coalitions

In order to identify whether CCTs may have induced change in education policies (research question 2) by inducing the replacement of the dominating advocacy coalition, this dissertation first tried to identify what competing coalitions exist around education policies in NYC. Again, according to True, Jenkins-Smith and Sabatier (1999), advocacy coalitions are "composed of people from various governmental and private organizations that both (1) share a set of normative and causal beliefs and (2) engage in a nontrivial degree of coordinated activity over time" (p. 120). The present research did not have the ambition of identifying each and every existing advocacy coalition that plays a role in education policymaking in the City. However, it was able to identify that the dominating coalition, as represented by the current administration, does face competition from at least two other coalitions.

The above finding was based on the idea that the bonding element of a coalition is its 'belief system', which is comprised by "value priorities, perceptions about causal relationships, perceptions of world states (including the magnitude of the problem), and perceptions of the efficacy of policy instruments" (pp. 119-120). In order to get to the "deep core", "policy core beliefs" and "secondary aspects" of each coalition's belief system (Sabatier and Jenkins-Smith, 1999), interviewees were asked about the main value of education, the city's core educational problems, and its education policy priorities. After contrasting various answers, one can observe a striking but expected difference between the point of views espoused by the DoE, the United Federation of Teachers (UFT) and the 'conservatives'[21], respectively:

> [The main value of education] is to prepare students to be successful once they graduate from high school, whether that means moving on to college of if that means to be able to successfully compete in the workforce (interviewee A12, 14 January 2010).

> Education enables people to improve the quality of their lives, both intellectually and financially to problem solve, to address issues in their communities, in their nation, around the world, to be productive citizens in a global economy (interviewee A1, 24 February 2009).

> [The main value of education] is not just financial or economic. It enriches your life to have a good well-grounded education in history, in literature, to know how to do some basic mathematical calculations so that you can understand when the newspaper is misrepresenting statistics. I think it is a good idea to have a good grounding so that you can be a productive member of society in general, in all areas. I mean, everyone should know something about science, evolution, math, those basic foundations of literature. (…) And then, of course, it's beneficial for society (interviewee A5, 18 March 2009).

Their views were also distinct in regard to the City's major educational problems. For the DoE those problems mostly comprise low graduation rates in high school, issues of school safety, and being able to deliver quality education in an equitable way. The UFT rather stresses the lack of adequate resources, especially the kind of intensive support services that most disadvantaged children need. Contrary to that view, the conservatives argue that NYC's main educational problem is definitely not lack of money. The blame is actually directed to unions, who have been resistant to kids going to school all day and during the summer, and parents, who do not provide the necessary support to their kids' school life.

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[21] As represented by the interviews with members of a conservative think tank in the City.

Hence, there is on the DoE's side a pragmatic and almost functionalist belief system, whose policy priorities are "accountability, empowerment and leadership" (interviewee A12, 14 January 2010). Commenting on the administration's position, the UFT staff member said "the vision today is more results-oriented, more corporate-minded. (…) The administration believes that they don't care about how you produce the results, they want to see the text scores" (interviewee A1, 24 February 2009). On the other hand, the UFT itself presents a belief system that is concerned about the multiple facets of education, that sees lack of resources as the seed of all problems, and that is against the culture of testing. "The art of testing is not well-developed enough yet to capture any of the things that teachers teach aside from the subjects. (…) Scholars pretty much agree that tests are simply not developed, not reliable enough to base high stakes decisions" (interviewee A1, 24 February 2009). Finally, conservative voices put the blame on 'dysfunctional' families and on strong unions, arguing that the government is already doing more than it should.

As a policy solution, Opportunity NYC – with its straightforward logic of paying for better test results - fits well into the belief system that has been advocated and practiced by the DoE since Joel Klein took office. Thus, the interplay between different advocacy coalitions concerned about education in New York City does not seem to have been altered by the introduction of Opportunity NYC. If anything, the program reinforced the *status quo*. As a consequence, one can say that the program was not in a position to induce policy change, since in order to accomplish that it would be necessary to "affect the constraints and opportunities of subsystem actors" (Sabatier and Jenkins-Smith, 1999, p. 120) and allow for the replacement of the coalition that dominates education policies.

Therefore, considering that the program has not been fully adopted and owned by the Department of Education and that it did not lead to education policy change, scenario 2 prevails in this case: 'CCT has not been adopted by the Department of Education and has no impact on policies for education quality.'

Political Sustainability: It is an Experiment

As mentioned in the previous chapter, Opportunity NYC initially appeared to differ from other CCTs (including the other two studied in this dissertation) because it suffered from some harsh criticisms that were initially expressed in the press. Below are some examples:

> The political spectrum united to oppose the whole idea. The Manhattan Institute's Sol Stern said paying for test performance undermined learning for its own sake. New York University historian Diane Ravitch called it "anti-democratic, anti-civic, anti-intellectual, and anti-social." Leo Casey of the United Federation of Teachers objected that "money can't buy you learning." On his show, Stephen Colbert teased city schools Chancellor Joel I. Klein, "As long as you're going to be paying kids and making it seem like a job, why not just bring back child labor? (Kahlenberg, 2007).

> While Opportunity NYC has its fans, some observers regard it as abhorrent. Heather Mac Donald wrote that cash for behavior "will further shorten the poor's time horizon, rather than lengthen it." She regards the rewarded activities as things that parents and students should do on their own because they understand the value of behaving properly—not as a response to government intervention. Furthermore, she envisions that low-income families not enrolled in the program will resent that they are not being paid and will be less motivated to do the right things (Liebling, 2007).

Those initial manifestations of opinion, as soon as Opportunity NYC started operating, created doubts of whether it would survive so much opposition. Even the administration acknowledged that the program was "too innovative almost" (interviewee A8, 11 May 2009) by funding it exclusively with private resources. The Mayor's bet was that if the program were able to demonstrate positive results, those would speak for themselves and would silence opposing voices.

With that in mind, this dissertation attempted to analyze Opportunity NYC's political sustainability through the lenses of Punctuated-Equilibrium Theory (PET) and the Civic Capacity theoretical framework. PET argues that the policy process is comprised by long periods of policy continuity that are followed by bursts of policy change. It explains continuity (or lack of change) as the result of a policy monopoly, which is "a monopoly on political understandings concerning the policy of interest and an institutional arrangement that reinforces that understanding" (Baumgartner and Jones, 1993, p. 6). Policy monopolies are controlled by government institutions that constitute "policy venues", but are maintained thanks to a positive and well-accepted policy image. The policy image is the "prevalent understanding of the policy" (Baumgartner and Jones, 1993, p. 7).

Baumgartner and Jones (1993) identified policy monopolies over long periods of time. It is thus unlikely that Opportunity NYC might have consolidated its own policy monopoly during its three years of experimental existence. Furthermore, education policies have not been dominated by an incentive-for-effort rationale (at least as far as students are concerned) nor have welfare policies abandoned their traditional practices of case management and unconditional assistance.

However, this research was able to find that some of the main necessary variables for policy change and the consolidation of a new policy monopoly according to PET are already in place. Attention and a positive policy image are some of those elements. According to the Dow Jones Factiva database, from 01 January 2007 to 31 December 2009 Opportunity NYC was featured in 208 newspaper articles around the world, 168 of them having been published in the US and 97 in NYC papers. Besides, 65 include the word successful within its text. Heightened public attention and media attention have been identified by True, Jones and Baumgartner (2007) as part of the process by which an issue moves higher to the political agenda, eventually leading to policy change.

At least until the release of its evaluation report, Opportunity NYC's policy image had been strong and positive. Beyond any questions of agreement or disagreement with the program's fundamentals, its policy image was related to the idea of an experiment and of evidence-based policymaking. Its experimental image was strategically cultivated by the institutions that are responsible for the program. In every interview, their representatives emphasized that Opportunity NYC is an experiment and that in the worst scenario it will "add to our base knowledge" (interviewee A7, 08 May 2009). Interviewee A11 specifically argued that they have been able to diffuse critics because the program does not involve public dollars and because it is a full-scale research project (08 January 2010). Since there is a dominating belief that experimenting is always desirable and that evidence-based policymaking is the gold standard, Opportunity NYC counted on the credential of being a legitimate policy attempt to reach results through the test of an innovative solution. The following excerpts are examples of that:

> I think that it is an intriguing enough and sexy enough program that if it is promising it will continue, especially if Bloomberg continues as Mayor.

> (…) I think it will keep going if it can show that the pilot, the evaluation is positive. (…) It really depends on the evaluation (interviewee A2, 25 February 2009).

> These findings suggest that policy experimentation and innovation is important to increase the impact of CCTs on learning outcomes. Experimentation would be valuable on a number of fronts, such as different bundles of intervention (Fiszbein and Schady, 2009, p. 143).

Thus, it depends on how the administration will use evaluation results. If it strategically emphasizes the few positive findings (especially positive impacts on Families' incomes) and capitalizes on those findings, a process of policy change may still unfold, allowing Opportunity NYC to displace the currently dominating welfare (not education) policies and practices. Besides adding its cash-for-behavior rationale, it could eliminate the practices of social assistance and case management, which have characterized most welfare programs in the City (interviewee A8, 11 May 2009). The peculiar nature of CCTs like Opportunity NYC is emphasized by the Rockefeller Foundation (2008) in the following passage:

> CCT programs are being implemented in over 20 countries around the world, and unlike conventional approaches to poverty reduction which focus on social services to create a safety net for those in need, incentive-based strategies increase participation in targeted activities and programs that decrease factors that contribute to poverty and long-term dependency.

Policy venues/institutions are an important element for the consolidation of a policy monopoly according to Puctuated-Equilibrium Theory. In that regard, City Hall's Center for Economic Opportunity (CEO) may be the policy venue for the establishment of a new monopoly of welfare policy in the city. Even though the Center is still small, it has gained political momentum, concentrates resources, and has the political support of the Mayor, which may help it in the process of displacing the policy monopoly of institutions that currently hold the control of welfare policies in the city.

The Mayor's direct involvement in the promotion of Opportunity NYC can further contribute to instilling change in the city's welfare policies, especially the kind of change that would favor a new policy monopoly controlled by CEO. As the Mayor gets directly involved with poverty-reduction policies and espouses the Opportunity NYC model, poverty issues move from "subsystem politics" to "macropolitics" (True, Jones and Baumgartner, 2007, p. 157), which is a fundamental step in the process of policy change according to PET. The reason why this change would take place in the welfare subsystem rather than in education is that, except for Spark, Opportunity NYC has been portrayed as an anti-poverty program, rather than as an education program.

In terms of civic capacity,[22] this research was not able to conclude whether the school community, parents and local leaders have actively supported Opportunity NYC. However, it was able to determine that potential opponents have not mobilized resources to impede the continuation of the program.

Despite what seemed to be a polarization of opinions around Opportunity NYC - as portrayed by the media in the beginning - those who could oppose it have not gotten organized. The members of conservative think tanks who believe that "the City of New York should not compare its conditions to CCTs in Latin America" (interviewee A5, 18 March 2009) did not go beyond publishing opinion editorials against the program. In fact, interviewee A5 believes that chances that the program will be continued are pretty good. "First because it is hard to stop any program once you have started it. Secondly, I mean,

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[22] According to Stone et al. (2001) civic capacity can be defined as "the involvement of various sectors of the community in a problem-solving effort" (p. 20).

people will like the idea that you are giving people money to do something good, rather than just giving money. So I think it is likely to continue with political support (18 March 2009).

As for the United Federation of Teachers, which would be expected to mount some opposition to the idea of cash-for-performance, it has not taken an official position on cash rewards. In fact, the UFT interviewee argued that teachers use rewards all the time: class parties, candies, points, stars, and class trips. For her the whole idea of rewards is not new and she personally does not have anything against using cash. What she is critical of is the use of tests as the means to assess progress and define who merits to be rewarded. That is consistent with the overall belief system she subscribes to, which does not seem to be contrary to incentivizing learning. For her, the administration may have a hard time justifying the program. The reasons, however, are not to be found in political or ideological differences, but rather in the difficult budget climate of the moment (interviewee A1, 24 February 2009).

Added to the lack of mobilization by potential opponents, data analysis conducted on newspapers published between early 2007 and late 2009 identified that, despite the initially heated debate, out of 168[23] articles published in the US only 17 (10.11%) included the word ‘controversial’ and 18 (10.71%) the word ‘critics’. That is another sign that the program is not as disputed as first expected by this study and by City Hall.

Therefore, with its policy image closely linked to the idea of evidence-based policymaking and no organized opposition to it, Opportunity NYC will only lack political sustainability if the release of evaluation results causes commotion among the public and

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[23] This number does not include media coverage of the program’s impact evaluation, which was released on 30 March 2010.

turns its policy image into very negative. In the long run, it may be mostly a matter of how skilful the administration is in securing new funds. As a matter of fact, four interviewees mentioned that Mayor Bloomberg has already started conversations with the federal government to secure funding for a next phase of the program. In that respect, the scenario seems to be a promising one, as Secretary of Education Arne Duncan has shown admiration for the program's model. According to Wilson (2009, p. 1):

> Arne Duncan, former CEO of the Chicago Public Schools who in January became the U.S. Secretary of Education, believes the dropout problem is urgent enough to justify more experimentation with monetary rewards. In Chicago, Duncan says, he was "fighting for the lives" of inner-city teens, who need high school diplomas to gain a foothold in the local workforce. "If they stay in school, it shapes the rest of their lives," he says. "It's make-or-break time. We need to keep them engaged."

Policy Borrowing: Really Borrowed from Mexico?

Opportunity NYC has been announced and advertised as an import from Mexico. CEO's 2009 annual report brings a section titled "From Oportunidades to Opportunity NYC", suggesting that the New York program was named after its Mexican inspiration. According to the World Bank's latest book on CCTs, "Opportunity NYC was modeled explicitly on Mexico's Oportunidades" (Fiszbein and Schady, 2009, p. 144). Additionally, among the 209 newspaper articles found on Opportunity NYC, 109 (52.15%) make reference to Mexico and 76 (36.36%) to Oportunidades.

In the early stages of the New York program there were indeed numerous exchanges between Opportunity NYC's designers and Oportunidades' officials. Joint workshops and study tours were organized. However, if one looks at how the two programs operate, it becomes apparent that Opportunity NYC has preserved only a few characteristics of its Mexican counterpart. It also diverges from the Brazilian and the Bogota experiences in many respects, as shown in the following chapters.

At the discourse level, Opportunity NYC kept the ideas of breaking the intergenerational cycle of poverty and of investing in human capital. Nonetheless, if one compares its documents to international papers and reports on CCTs, it is interesting to notice how different the language used is. Whereas CCT experts in Mexico, Brazil, Colombia and other countries talk about "conditionalities" and "stipends" (*bolsa* in Portuguese, *bono* or *subsidio* in Spanish), Opportunity NYC has "activities" and "rewards" or "incentives." Opportunity NYC interviewees used expressions such as "customer service", "reward menu", and "claims processing", which were not part of the language used by Bolsa Familia's and Subsidios' interviewees. The open and direct reference to reducing poverty and inequality is also subtle in Opportunity NYC, which rather insists on "behavior change" and "creating opportunities." Hence, if one considers the distinction between "policy talk", "policy action" and "policy implementation" (Tyack and Cuban, 1995), the kind of policy borrowing that took place in Opportunity NYC has not been complete even at the minimum level of policy talk, being closer to what the literature calls "brand-name piracy" (Steiner-Khamsi, 2004).

When it comes to program operations, Opportunity NYC has preserved two features of CCTs: they are targeted rather than universal programs, and use cash. Targeting in New York involved three phases: geographic targeting, income-based targeting[24], and then a lottery system. The program delivers payments directly to bank accounts, making it possible for beneficiaries to withdraw them with an ATM card. That feature is also becoming increasingly common among other CCTs.

However, differences in terms of program operations abound. First, there was a deliberate process of searching for eligible families and having them apply to the lottery. In most CCTs, there are only public information campaigns to let eligible families know that they should apply. Program managers do not go after families to convince them to participate. Second, the hiring of neighborhood partner organizations to do the recruitment work and support families throughout the program is also a different feature. In only a few CCTs, local women are hired or volunteer to support beneficiaries, but they obviously count on more limited resources.

Additionally, as mentioned above, Opportunity NYC has a long list of conditionalities and families only receive payments if they are able to properly hand in coupons to prove compliance. Again, those aspects add complexity to the program and make it more time-consuming for participating families.

The above comparison makes it clear that even though there has been great emphasis on following the Mexican experience and on South-North learning, Opportunity NYC is an experiment that is actually very different when compared to most existing CCTs. The reasons behind that deviation from the standard CCT *modus operandi* may have to do with the fact that the program is not dependent upon international funding. Therefore, it does not need to strictly follow a certain model or hire the same consultants.

[24] Although this was done through education data (children eligible for reduced-price lunch) rather than through a means test.

Also, it looks like there is in the US a different understanding about the causes of poverty and how it should be tackled. Whereas internationally those reasons are seen as structural, related to the history and development of each country, in the US they are approached as a consequence of individual effort and behavior. That may be why Opportunity NYC is less about providing additional income to poor families – as in the case of Oportunidades, Bolsa Familia, and others – and more about incentivizing behavior.

The emphasis that was given to the idea that Opportunity NYC borrowed its policy model from Mexico can be explained by the Borrowing and Lending literature through the concepts of "externalization" and "certification strategy" (Steiner-Khamsi, 2004). According to that literature, governments declare to borrow policy models from other countries in order to legitimize policy ideas that have been domestically grown. As previously reported, the proposal of an incentives program to induce behavior, such as improved academic performance, had already been introduced in the US by Prof. Roland Fryer. But as Spark was included under the umbrella of Opportunity NYC, it became part of the "borrowing from Mexico" package and consequently received the certification and legitimization that comes with policy borrowing from elsewhere.

Also, as City Hall expected to face opposition to its incentive program, it used the reference to Oportunidades as a shield. Interestingly, the 'borrowing from Mexico' idea backfired and ended up being also criticized, with many pointing the finger at how poverty conditions were different in New York City as compared to rural Mexico (Gelinas, 2006). Consequently, program managers had to eventually emphasize that they were aware of the contextual differences and that adaptations had been duly carried out.

The following paragraph from Opportunity NYC's evaluation report exemplifies this process:

> In 2006, mindful of the differences between Mexico's rural poor (where the most evidence had been amassed) and the urban poor in this country, but impressed by the success of Oportunidades and other countries' CCT programs, Mayor Michael Bloomberg's Center for Economic Opportunity (CEO) began to explore whether a CCT program could be adapted for use in New York City's poorest neighborhoods (Riccio et al., 2010).

Policy Lending: Never too Early for Policy Transfer

Interestingly, there have been efforts to disseminate the Opportunity NYC's experience since the early stages of the program's pilot, even in the absence of evidence of its impact. According to the Borrowing and Lending literature, that suggests an attempt to obtain legitimacy for the program through policy lending (Steiner-Khamsi, 2004). As other countries import its model, that is used as proof of the program's value.

Why would Opportunity NYC need to be legitimized? First because the media initially created the impression that the program was too controversial. Second because the continuation or replication of Opportunity NYC after the three-year pilot will depend on public funding. More than that, it is likely that it will depend on federal dollars.

In December 2007, only three months after Opportunity NYC started operating, the City government participated in a UN Conference about South-South learning. A few months later, the Rockefeller Foundation gave a grant to MDRC in order to establish the Conditional Cash Transfer Learning Network, whose purpose is to allow other cities and countries to learn from the Opportunity NYC experience (interviewee A9, 12 May 2009). During the launch of the Network, Mayor Bloomberg said:

> We are encouraged by the interest generated in Opportunity NYC, and look forward to sharing our expertise with others as they seek to tackle the issue of poverty in their respective countries and cities (Rockefeller Foundation, 2008).

In the framework of the CCT Learning Network, the Rockefeller Foundation funded a seminar on CCT experiences in July 2008. The seminar brought to Rockefeller's Bellagio Center in Italy CCT experts from several countries, including Colombia, Brazil, Indonesia, Turkey and South Africa. Representatives of the World Bank, Seedco, CEO, MDRC, and EdLabs were also present.

Later in 2009, another initiative that will work as a platform to help disseminate New York City's experience was created: the Inter-American Social Protection Network (IASPN). "The objective of the IASPN is to promote cooperation and information-sharing among countries and institutions on social protection practices that provide real solutions to help reduce social inequality and poverty" (Organization of American States, 2009). During the launch of the Inter-American Social Protection Network, Secretary of State Hillary Clinton praised CCTs for their impact on reducing poverty and inequality (Organization of American States, 2009).

Interestingly, Opportunity NYC's managers and funders readily listed the program's 'best practice' elements, even though evaluation results have been made available only recently. Interviewees from CEO, MDRC, the Rockefeller Foundation, and the World Bank were unanimous about the set of program aspects that they considered innovative and that could inform policies in other cities and countries: the work component; incentives for academic performance; established alliances with local organizations for family guidance; and the operation in a large urban setting (interviewees A7, A8, A9, and A10).

Mayor Bloomberg, in his words of endorsement to the World Bank's most recent book on CCTs, said: "We look forward to adding our evaluation results to an important body of research and continuing our work with partners worldwide to reach our shared goal of breaking the cycles of intergenerational poverty" (Bloomberg, 2009, quoted in Fiszbein and Schady, 2009, back cover).

Opportunity NYC's lending drive has been met with much enthusiasm by the international community. Program managers have been invited to present the New York experience at international meetings, such as the one organized in Cartagena, Colombia, in September 2008. The meeting, called International Seminar on CCTs in Urban Areas, counted on the participation of Deputy Mayor Linda Gibbs and Seedco's Executive Vice-President Andrea Phillips.

Additionally, the World Bank, which was initially an important source of CCT expertise during the design of Opportunity NYC, has now turned into a main bridge for its lending to other countries. For instance, the Bank organized study tours for foreign delegations to get to learn from the New York experience. That was the case of a visit by a Nigerian delegation and of a workshop with representatives of Latin American countries (Chile, Colombia, Mexico, and Brazil) in June 2009 (interviewee A7, 08 May 2009). According to the Bank's latest book on CCTs:

> In the United States there is some experience with programs that pay for final outcomes rather than for service use. Given the concerns about whether CCT programs in developing countries are succeeding in improving final outcomes (for example, learning outcomes),

> experimentation with alternative incentive schemes (perhaps through small-scale pilot programs) is justified (Fiszbein and Schady, 2009, p. 179).

Does the above mean that Opportunity NYC has already become a ‘best practice’ CCT? Will its cash-for-performance model be disseminated to developing countries by means of World Bank loans and consultants? Will the CCT Learning Network become a school for policymakers around the globe to replicate Opportunity NYC in their home contexts? If so, what supposedly started as South-North learning may end up turning again into the good North-South learning of the past.

Chapter VI

CASE STUDY B - SUBSIDIOS CONDICIONADOS A LA ASISTENCIA ESCOLAR[25]

In 2004 Bogota's Secretary of Education, Abel Rodriguez, got acquainted with a study of the city's main educational problems and needs. The assessment had been prepared by an independent consultant, who identified that Bogota's core educational bottleneck was the high dropout rate in lower and upper secondary school (interviewee B6, 12 June 2009). Despite superior net enrolment in basic education (85% in primary education and 80% in secondary), Bogota faces severe dropout problems. In 2003, it was estimated that there were 89 thousand dropouts among children and adolescents, 98% of them being from SISBEN[26] 1 and 2 or the poorest social strata (IDB, 2005). According to the World bank (2009), low completion of secondary school is actually a national problem:

> The country [Colombia] has increased net primary enrollment to roughly 90 percent, approaching the regional average, and has both reduced primary repetition and increased primary completion. Colombia has also increased net secondary enrollment to 65 percent, which, though considerably below primary enrollment, also approaches the regional

[25] The program's name has been translated as Conditional Subsidies for School Attendance (Barrera-Osorio et al., 2008).

[26] SISBEN stands for System for the Identification of Potential Beneficiaries of Social Programs. It is a unified measurement system of citizens' standard of living. It classifies them into six different strata. The lower the family score in the system, the poorer it is and the more eligible for participation in social programs.

> average. Colombia is now tasked with improving education quality and equity and increasing secondary completion rates (p. vii).

With that assessment in mind, the Education Secretary decided to hire the consultant to help his team design a pilot program that would tackle the dropout issue. The consultant, who had just returned from doing a masters program in the US, was highly interested in testing a program with the following three characteristics: 1) a pilot that could be implemented as a randomized field trial; 2) a conditional cash transfer with a savings component but without the problems of Mexico's *Jovenes con Oportunidades*[27]; 3) a program that could be subject to a rigorous impact evaluation. The consultant brought on board experts from the MIT-based Poverty Action Lab, who later put together US-based researchers to work on the program's quantitative evaluation (interviewee A6, 12 June 2009). Fedesarollo, a local think tank, was also invited to participate in the design of the program.

Coincidentally, the consultant happened to meet on a flight the country director of the Inter-American Development Bank (IDB)[28] in Colombia. He explained to him how the CCT pilot would operate in Bogota. IDB's country director immediately drew an interest in the program and proposed a loan to help fund it. Those funds would be included as part of a broader loan that the IDB was about to provide to the city's Department of Education to help build twenty new public schools (interviewee A6, 12 June 2009).

The pilot program, which was named *Subsidios Condicionados a la Asistencia Escolar,* started in 2005 and was initially funded by the Department of Education

[27] See a description of Jovenes con Oportunidades in the 'Policy Borrowing' section of this chapter.

[28] The International Monetary Fund, the World Bank and the Inter-American Development Bank are the main multilateral creditors of governments in Latin America.

(interviewee B2, 01 June 2009). In December 2006 IDB resources were received: a total of U$ 20.3 million, which lasted until 2009. That budget was part of the overarching "Bogota Equity in Education Program", an IDB loan to the city government of US$ 92.9 million (IDB, 2006).

Subsidios' Features

Different from other conditional cash transfers, Subsidios was never intended to be a poverty-reduction program. It was specifically designed to reduce school dropout and increase graduation rates. As indicated above, besides working as a direct intervention, Subsidios was initially an experiment. It encompassed three payment schemes involving different conditionalities and cash benefits. The idea was to evaluate which scheme would be more effective in keeping beneficiaries in school.

Initially, the program was implemented in only two of the city's twenty districts – Suba and San Cristobal. Interviewee B6 (12 June 2009) explained the main reason for this geographical targeting: when the program was designed, SISBEN data had been just collected and results were available only for Suba and San Cristobal; additionally, it was politically desirable to have the program operating in those districts. Even though the IDB loan document tried to justify the choice with poverty indicators, those two districts are not the poorest in Bogota.

As detailed in Mayer and Morais de Sa e Silva (2008), the different payment schemes were organized into three 'modalities':

- Modality 1: bi-monthly transfer of 60,000[29] pesos for up to 2 years for students in 6th to11th grade in San Cristobal and 6th to 8th grade in Suba[30];
- Modality 2: bi-monthly transfer of 40,000 pesos plus yearly saving of 100,000 pesos to be received upon grade completion for up to 2 years. Beneficiary students should be in 6th to 11th grade and reside in San Cristobal;
- Modality 3: bi-monthly transfer of 40,000 pesos plus yearly saving of 100,000 pesos to be received upon grade completion for up to three years. Additional 600,000 pesos upon enrolment in postsecondary education. Beneficiary students should be in 9th to 11th grade and reside in Suba.

The condition for the transfer of bi-monthly payments was class attendance during all school days, with the possibility of justified absences due to unforeseen events. Added to that, modalities 2 and 3 had a savings component, where students received a fixed amount of money for grade completion. On top of that, modality three had a graduation bonus, which was aimed at encouraging students to graduate from high school, besides giving them the means to start a postsecondary/higher education program.

Initially the idea was to enroll current students as well as dropouts in the program. A 'marketing' campaign was done in the districts through posters, as well as in schools. Despite that, not many out-of-school adolescents presented themselves to register for the program. Since a control group was needed, applications remained open until a sufficient

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[29] The exchange rate between the US dollar and the Colombian peso fluctuates around 1:2,000.

[30] The public education system in Colombia is comprised of three cycles: 1st to 5th (basic primary education), 6th to 8th (basic secondary education), and 9th to 11th (mid secondary education).

number of candidates – both enrolled and not enrolled in school – was available (interviewee B6, 12 June 2009). At the end there were 17,818 applications, out of which 9,749 students were selected through a public lottery event (IDB, 2006). The event gathered representatives of the Department of Education, Fedesarollo, parents, school principals, teachers and other education stakeholders in order to make the selection of participants as transparent as possible.

Different from most Latin American large-scale CCTs (and similarly to Spark), the target population of Subsidios consists of students, rather than their families. Consequently, and as the selection of beneficiaries was random, in some cases families with two or more eligible children had just one child benefiting from the program.

Another operational peculiarity of Subsidios is that parents have to sign, at the beginning of their child's participation in the program, a document called 'terms of commitment', where they declare to be fully aware of the conditionalities to be fulfilled in order to receive cash payments.

By the end of the program's first year of operation, a team of US-based researchers carried out the planned quantitative evaluation. Data was collected in order to compare the control and treatment groups. Among the various findings, results indicated that modality 3 had the greatest impact. According to Barrera-Osorio et al. (2008), "compared to the basic treatment, the tertiary treatment encourages higher levels of daily attendance (3.5 percentage points more for students least likely to attend) and higher levels of enrollment at the secondary (3.3 percentage points) and tertiary levels (46 percentage points)" (p.6).

Despite those results, in 2006 the Department of Education decided to discontinue modality 3, transferring its beneficiaries to modality 2. According to interviewee B6 (12 June 2009), the reason was essentially political, since a future bonus payment is not as politically rewarding as bi-monthly or end-of-the-year payments. Additionally, the decision was also related to the creation of a new program to support enrollment in postsecondary education, as explained below.

In that same year the DoE also made the decision to expand the Subsidios program (modalities 1 and 2) to all districts. However, that scaling-up generated targeting errors (leakage), even though the program's targeting criteria are based on the SISBEN proxy means test. Consequently, it was decided that the next expansion would be carried out only in the poorest *Unidades de Planeamiento Zonal* (UPZs – Units of Zoning Planning). UPZs are territorial portions of the city with certain socio-economic characteristics. In practice, they are sub-divisions of districts, but for planning purposes they have the advantage of being more homogenous as compared to the district as a whole.

In order to better understand the policy context in which the Subsidios program operates, it is important to bear in mind the existence of two other programs, which have some characteristics of a CCT and are closely related to Subsidios. The first – *Subsidio a la Educación Superior Técnica y Tecnológica* – initially benefited Subsidios participants of modality 3. The second – *Subsidio de Transporte* – is managed by the same DoE Division as the Subsidios program. The existence of other two programs has created some confusion among school principals and coordinators, who have to take stock of the student fulfillment of conditionalities in each program. The implementation of those various ‘subsidies’ is a result of the DoE’s policy of tackling school dropout by financially supporting low-income students.

Subsidio a la Educación Superior Técnica y Tecnológica

A year after the concurrent implementation of the three modalities, a new program was ‘attached’ to the CCT experiment: *Subsidio a la Educación Superior Técnica y Tecnológica* (Subsidy for Technical and Technological Higher Education). In this new program, modality 3 beneficiaries who were in 11th grade in 2005 and fulfilled the requirement of graduating from high school were offered a full scholarship for postsecondary education starting in 2006. The additional bonus that had been initially promised for enrollment in higher education was replaced by a scholarship covering tuition and stipend for six semesters. Students could choose from a selection of technical and technological careers[31] in a set of private institutions accredited by the city Department of Education[32] (Mayer and Morais de Sa e Silva, 2008).

The first year of the postsecondary scholarship program operated only with modality 3 beneficiaries. Since the program was created during vacation months and students did not know of its existence, the DoE had to contact each beneficiary by phone and explain that they were being offered a full postsecondary scholarship. Some were not

[31] Programs were at the postsecondary level but were not equivalent to college degrees. They generally involved six semesters of study in careers such as tourism, accounting, and communication technology. Education-related and health-related programs were not included.

[32] In order to enroll Subsidios participants and receive tuition payments from the Department of Education, private postsecondary schools had to receive accreditation from Bogota’s DoE. During the program’s first year, all private schools that were members of FODESEP (Fondo de Desarrollo de la Educación Superior/ Higher Education Development Fund) were eligible to enroll program beneficiaries.

found, whereas others could not accept the offer due to military service, teenage pregnancy, and other personal circumstances (Mayer and Morais de Sa e Silva, 2008).

As a matter of fact, some of the characteristics of the postsecondary scholarship program make it resemble a CCT: payments are conditional upon minimum class attendance and minimum academic performance. Also, the program is an indirect incentive for high school students to remain in school and graduate. The possibility of having access to a postsecondary scholarship may encourage students who would not have the means to pay for higher education (and therefore could lack in motivation) to graduate from high school.

Different from Opportunity NYC, however, performance is not measured by means of standardized tests, but rather through assessments designed by each professor, in each program, in each postsecondary institution. Naturally, operational difficulties arise, since participating institutions have different academic calendars and payments are not disbursed until all grades of all beneficiaries are received. Long payment delays that result from those difficulties end up creating hardships for students, who have to borrow money in order to pay for daily school expenses (Mayer and Morais de Sa e Silva, 2008).

Subsidio de Transporte

Besides the *Subsidios Condicionados a la Asistencia Escolar* or *Subsidio Educativo* (Education Subsidy), the Department of Education also runs a program called '*Subsidio de Transporte*' (Transportation Subsidy).

Just like the above scholarship program has some characteristics of a CCT, the transportation subsidy is somewhere in between a CCT and a transportation voucher. Among its CCT features are the conditionalities of not having more than 10 class absences throughout the school year and of not having "three reported incidents of misbehavior, indiscipline or aggression in the transportation service" (Secretaria de Educación del Distrito Capital, 2010).

The program is targeted at low-income students who live farther than 2 km from the school where he/she was enrolled. It is a response to the limited capacity of some schools to enroll all students living in their neighborhood. Those students end up needing to be matriculated far from home and to bear with the transportation costs, which for some families are the reason why they take their children out of school. The program currently benefits 9,000 students with the possibility of expansion to 23,000 in the near future (interviewee B2, 01 June 2009).

The following table was prepared for easier visualization of the current CCT-like programs at the Department of Education:

Table 6. ‘Subsidy’ programs implemented by Bogota’s DoE

	Subsidios Condicionados a la Asistencia Escolar (Education Subsidy)	*Subsidio a la Educación Superior Técnica y Tecnológica* (Postsecondary scholarship program)	*Subsidio de Transporte* (Transportation Subsidy
Target population	SISBEN 2 students enrolled in 6^{th} to 11^{th} grade	SISBEN 1 and 2 graduates from public high schools	Students enrolled in 8^{th} to 11^{th} grade and who live farther than 2km from school
Conditionalities	No unjustified absences	Minimum class attendance of 80% Minimum score of 3.2 Pass all courses[33]	No more than 10 absences throughout the school year
Maximum duration	2 years	3 years	4 years
Payment (current amount)	70,000 pesos bimonthly or 50,000 bimonthly plus 100,000 by the end of the year	Full tuition and stipend of one minimum salary per month (about US$ 250)	Varies according to price of return bus tickets

[33] Even though this is the information on the DoE’s website, in practice participants are allowed to fail up to one course throughout the six semesters of study (Mayer and Morais de Sa e Silva, 2008).

Subsidios' Current Status

Since the Subsidios program first started operating in 2005, a number of modifications have been made to its mode of operation. The first involved the elimination of modality 3 and the scaling up of modalities 1 and 2, as mentioned above. Additionally, modality 1 became exclusively targeted at grades 9, 10, and 11 whereas modality 2 was directed to students in grades 6, 7, and 8. Payment amounts have also been increased, so as to cope with the effects of inflation. Modality 1 payments are now 70,000 pesos every two months, whereas modality 2 beneficiaries receive 50,000 bi-monthly and save 20,000 for the end of the school year, which results in yearly savings of 100,000 pesos[34] (interviewee B2, 01 June 2009).

Additionally, in 2009 the Department of Education changed the process and criteria for selection of beneficiaries. Rather than being randomly selected, beneficiary students are now picked by their schools according to their attendance and performance records, as well as their "institutional, cultural and sports commitment" (Alcaldía Mayor de Bogotá, 2010). In practice, beneficiary selection is now completely at the school's discretion and the above criteria are not mandatory. For instance, interviewee B25 (04 June 2009) revealed that the selection conducted by his school considered both the student's financial need and his/her academic performance.

Subsidios also went through institutional change. When it was created back in 2005, the program was placed at the Division of Coverage, which is responsible for

[34] Different from Bolsa Familia, Subsidios beneficiaries are not entitled to payments during vacation months. They are only eligible for 5 payments throughout the ten months of classes.

policies concerning access to education. However, as the Department was restructured in late 2008, a new division was created: the Division of Student Well-Being. Subsidios was then transferred to the new division, along with programs such as school feeding, transportation, and school health. The rationale was that all those programs contribute to enhancing student well-being and, as a result, their continuation in school. The scholarship program, however, was transferred to the Division of Secondary and Higher Education, thus becoming institutionally separate from Subsidios at the Department of Education. Besides breaking the inter-Department link between the two incentives against high school dropout, the restructuring pushed the Subsidios program further away from policymaking on education quality. Discussions in the new division mostly concern the allocation of resources and logistical issues, being divorced from pedagogical debates.

Familias en Acción

Another recent modification concerns the agreement sealed between Bogota's Subsidios program and the national CCT *Familias en Acción*. In order to have the bigger picture of that change it is important to have some minimum understanding of Familias. Details of the program will be skipped, since they could fill pages and pages with information that is very interesting but beyond the scope of this work. As a matter of fact, information on it is more readily available than on Subsidios, since within the international CCT community Colombia is known for the Familias program rather than for the Bogota program.

Familias was created in 1999 in order to help poor families cope with the effects of the worst financial crisis the country has ever experienced. It was jointly designed by the national government, the World Bank, and the Inter-American Development Bank. According to interviewee B11 (19 June 2009), the program was modeled after Mexico's Oportunidades and Brazil's Bolsa Escola (precursor of Bolsa Familia). Since then, Familias has been continuously funded through international loans, with the World Bank and the IDB taking turns on a yearly basis to provide the necessary funds (interviewee B20, 25 June 2009).

Familias en Accion was especially designed for rural areas and follows the pattern of making transfers conditional upon children's school attendance (see Appendix A). In recent years the program also started operating in large urban centers, including in Bogota. Initially, its urban population was exclusively comprised of displaced families who had fled rural areas due to the armed conflict between the government, guerillas, and paramilitary groups. Then in 2005 *Acción Social* (Social Action), the government agency in charge of Familias, made the decision to extend the program to urban SISBEN 1 families. Familias is currently in 1,100 of Colombia's 1,102 municipalities. Its reach jumped from 22,000 families in 1999 to 2 million in 2009, the plan being to get to 3 million in the near future (interviewee B4, 03 June 2009).

Due to statistics indicating that urban enrolment in primary education is high, cash transfers conditioned upon school attendance were limited to students enrolled in 6^{th} to 11^{th} grade. That naturally generated some overlap with the Subsidios program and heightened the political tension between the local and the national government, which belong to competing parties.

Despite various political difficulties, there have been recent attempts to make both programs work in a complementary fashion. *Familias en Accion* is gradually taking over the work with SISBEN 1 families (the poorest), while Subsidios' pool of beneficiaries is becoming exclusively comprised of SISBEN 2. One of the reasons for this division of tasks lies in the fact that Subsidios benefits are only paid for a maximum of two years, whereas beneficiaries of Familias can remain in the program for up to six years (interviewee B2, 01 June 2009). Also, one of the strings that come attached to the international loans to Familias is that it should be exclusively targeted at SISBEN 1 beneficiaries (interviewee B4, 03 June 2009).

This cooperation between the city and the national government has made it possible to expand CCT payments to about 80,000 students/families in Bogota. Previously, Subsidios only reached 45,000 students. The downside is that there have been administrative problems in coordinating the two programs, especially when it comes to explaining the change to beneficiaries, school principals, and teachers. Misunderstandings have arisen due to the differences between the two programs: payment values are slightly different; Familias does not have a savings component; and in 2009 Familias awarded a bonus payment to 2,500 11th graders who graduated from high school[35] (interviewee B7, 12 June 2009).

Subsidios and Education Policies

[35] The bonus payment was not announced in advance and therefore cannot be considered an additional incentive for graduation as in Subsidios' former modality 3.

At the national level education policies have been known for their managerial style and for assigning priority to bringing efficiency to the education system above all. At the same time, they have counted on remarkable continuity, as the Uribe administration has maintained Cecilia Maria Velez as the Minister of Education since 2002. For many, that continuity has, in itself, been positive for Colombia's education policies, since in the past Ministers of Education would not last in office for longer than a year (interviewee B17, 25 June 2009).

In the city of Bogota the past four administrations have put education high on the agenda. As a result, the share of the city's budget assigned to education has continuously grown and currently reaches the impressive mark of 35%. Despite that continuity in terms of the prominence of education in the policy agenda, there is some polarization of opinions in terms of the overall approach that each administration took in education. Many see the last two city governments (by Samuel Moreno and his predecessor Luis Eduardo Garzón) as having a distinct approach to education policy that is based on the idea of the right to education. According to interviewee B24 (04 June 2009), "two administrations of leftist mayors have 'spoiled' the education sector". This continuity between them is especially due to the fact that they shared the same Secretary of Education, Abel Rodriguez, for most of their terms[36]. On the other hand, many characterize the preceding administrations by Antanas Mockus and Enrique Peñalosa as attempts to privatize public education in Bogota. This assessment is linked to the fact that they developed a strong policy of building new public schools and giving them in concession to the owners of private schools, who would be responsible for their

[36] Abel Rodriguez left Samuel Moreno's administration in late 2009 due to questions raised in the media about a possible corruption scandal involving the purchase of land for the construction of new schools.

management. This sort of 'charter school' policy still polarizes opinions in the city. Some value the opportunity of having poor kids enjoy the same education quality and school conditions as rich kids. Others find in it a tendency towards privatizing public education (interviewee B5, 09 June 2009).

One of the hallmarks of the policies adopted by Education Secretary Abel Rodriguez has been exactly the expansion and strengthening of programs that are aimed at providing cash or in-kind support to students in lower secondary (*secundaria basica*) and upper secondary education (*educación media*). The administration justifies its policy by pointing out that students need to cope with the direct and indirect costs of going to school. When they belong to low-income families with many children, those costs may be unsustainable and students have no other choice but to drop out of school. Thus, it is argued that by providing them with the means to remain in school the DoE would be assuring their right to education.

That policy is not only comprised of three 'subsidy' programs. It also includes the school feeding program, the elimination of school fees, and school busing. Most interviewed school principals and coordinators emphatically championed the provision of school meals in their schools, be it just the free provision of cold snacks or of hot meals. Interviewee B24 (04 June 2009) noted that "sometimes the school snack is the only thing that the child eats during the whole day." Some interviewees also highlighted the fact that tuition fees have been abolished up to 6th grade and that the administration's plan is to extend free tuition to 11th grade, thereby universalizing free education in public schools.

Also worthy of mention are the construction of new 'mega-schools' and the restoration of existing ones in the districts that suffered most from scarcity of school seats. As part of the data collection process for this research, some of those schools were visited. Besides being large schools with capacity for many students, they have been equipped with technology labs and, in some cases, kitchens for the preparation of hot meals. They are also nice-looking constructions, which seem to be very much appreciated by school personnel and students (interviewee B23, 03 June 2009).

As previously explained, at the DoE the Subsidios program was originally managed by the Division of Coverage, whose mandate is to promote greater school access. By the end of 2008 the Department was restructured and a new division was created – the Division for Student Well-Being. In that process Subsidios was transferred to the new division along with other 'well-being' programs - school feeding, transportation, and elimination of school fees. If on the one hand the Department's restructuring was meant to rationalize program management, on the other hand it had the effect of placing Subsidios farther away from the Department's divisions that work with education quality.

In reality, there has never been a policy link between Subsidios and pedagogical programs. A former DoE official said: "I used to manage the issues related to quality. Subsidios was managed by the Sub-Department of Planning" (interviewee B9, 17 June 2009). That disconnect is reproduced at the school level. According to interviewee B27 (05 June 2009), "there is no articulation between Subsidios and schools' academic work."

Even so, when one looks at the relationship between the Subsidios program and the education sector, there is evidence that some level of integration (although not perfect) has been achieved. First, the program is completely owned by the DoE and belongs to the Department's core policy agenda, contributing to its policy goal of enhancing 'student well-being'. Second, schools are immersed in the daily operation of the program, even if only at the administrative level: they are responsible for reporting attendance directly to the program and for selecting beneficiaries. Third, there is a significant amount of debate about the program among education scholars and leaders of teachers unions. Fourth, the program is also known as '*Subsidio Educativo'* (Educational Subsidy), which makes it clear that Bogota's CCT is truly viewed as an educational program.

Advocacy Coalitions

Three advocacy coalitions have been identified when it comes to education policies in Bogota. The first corresponds to a belief system whose deep core is a functional view of education, one in which schools should be able to educate students to have good grades and become productive workers. Its core belief is that priority should be given to reaching greater efficiency in the public education system. As for its secondary aspects, preferred policy solutions involve contracting private companies to administer public schools, and providing financial incentives for improved school management. Policymakers in the national Ministry of Education are members of this advocacy coalition. In the words of a leading MoE official, "what the government has been doing is to give more efficiency to the use of resources, of infrastructure, of human resources, so that teachers can be found where children are" (interviewee B17, 25 June 2009).

The second advocacy coalition represents a belief system whose deep core is the view of education as a fundamental right, rather than a means to achieve an end.

Consequently, its core belief is that priority should be assigned to policies that will assure the right to education. Its secondary aspects include policy solutions such as the construction of new schools and programs to help students cope with the direct and indirect costs of education, such as the Subsidios program. The administration in charge of Bogota's Department of Education and most interviewed principals and teachers belong to this advocacy coalition.

Third, there is also an advocacy coalition that views education as a complex process, one that is far more than just a means or a right. The following quote better exemplifies that:

> People do not go through an educational process with a single purpose, like acquiring skills that will support individual production and the surrounding environment. The educational process is rather a set of knowledge, abilities, and capacities that go beyond school chairs and involve interpersonal relations, and the generation of ties of authority and respect, resulting in an individual that establishes relationships with the family and the State (CIDER, 2007, p. 2).

As a consequence of such understanding of the educational process, members of the above advocacy coalition contend that 'education subsidies' are deviating policies from the root causes of educational problems. They defend that pedagogical practices should be reformed in order to assure that lessons will be meaningful to students, consequently preventing them from dropping out of school. Scholars, both in education and in other fields are the main representatives of this coalition.

It is interesting to notice that the dispute between the 'efficiency-based' and the 'rights-based' advocacy coalition takes the form of political disputes between competing parties. In other words, the debate can be defined in terms of competing belief systems in education, but also along party lines. And, surprisingly, despite their fundamental ideological differences and political rivalry, both coalitions have developed their own CCT: Familias en Accion in the national/central government and Subsidios in the city government. Those programs do present some small operational differences, but both work under the same premises.

Curiously, some interviewed members of the 'rights-based' coalition and supporters of the city government have accused the Familias program of lack of transparency, political manipulation, and of subjecting families to long queues for days in order to apply to the program. They consider that Subsidios does not present those faulty aspects and that "Bogota has given an example of transparency, very different from what has happened in Familias en Accion" (interviewee B24, 04 June 2009).

Thus, an analysis of the two powerful advocacy coalitions that dispute the control of educational policies in Colombia has indicated that they do not compete over the continuity or termination of a CCT in Bogota. They do not compete either over the details of the program's operation or the program's link to education quality. Both coalitions have their own CCT and point the finger to problems in its opponent's program.

Consequently, the Bogota case brings an interesting finding concerning CCTs and education advocacy coalitions: CCTs may fit into different belief systems, be it to the left or to the right. And that may eventually help explain part of why CCTs have become diffused across so many countries, no matter what their government's political affiliation is.

Similar to Opportunity NYC, Subsidios has strengthened the advocacy coalition that dominates education policymaking. Therefore, as it did not work as an external factor for the replacement of the advocacy coalition in office, it could not induce change in policies for educational quality through the mechanism described by Sabatier in his Advocacy Coalition Framework. As reported in the previous section, Subsidios is actually very distant from policymaking for improved quality. Even though a DoE official said that the selection of students according to their academic performance will improve quality (interviewee B5, 09 June 2009), it is clear that it may lead to greater student effort, but it is hard to think of how it could change teaching practices, pedagogical methods, and teacher qualifications.

Therefore, the Subsidios case has the characteristics of scenario 5: CCT has been adopted by the education sector and does not induce new policies for improved education quality. However, different from what this research expected, international pressure does not account for the program's adoption in the first place, as the Inter-American Development Bank was invited to fund it when the idea for its creation was already in place. The adoption of a CCT by Bogota's Department of Education was the outcome of a combination of factors, two of which this research was able to identify: the local government's political dispute with the national government, and the participation of consultants and researchers who were either based in the US or influenced by US/international trends.

Political Sustainability: Party, School, and Family Support

At the Department of Education, Subsidios counts on substantial political willingness to have it expanded in coming years. According to one of the interviewed DoE officials, "in the future Subsidios will be not only maintained but expanded to more beneficiaries" (interviewee B5, 09 June 2009). In this regard, interviewee B2 (01 June 2009) was able to give precise numbers and revealed that the plan is to scale the program up to reach 100,000 students.

Interestingly, the scaling-up is likely to be carried out without IDB's financial support. Even though the IDB loan was still operational by the end of 2009, CCT funds had been completely used up. The Department declared to be interested in requesting additional funds (interviewee B2, 01 June 2009), but the City Government might not give authorization to that request. According to interviewee B21 (25 June 2009), the Mayor had a greater interest in obtaining an IDB loan to help finance the expansion of *Transmilenio,* the city's model bus system. Thus, the DoE will either have to secure its own funds to finance the program or find another creditor.

The following sections analyze Subsidios' political sustainability in light of Punctuated Equilibrium Theory and the Civic Capacity framework.

Punctuated-Equilibrium

Bearing in mind Baumgartner and Jones' Punctuated-Equilibrium Theory, one can argue that the DoE has been able to establish a policy monopoly of how to tackle the dropout issue in Bogota. Throughout various interviews respondents highlighted the Department's policy to counter school dropout and increase graduation rates by enhancing student well-being. The provision of school meals, the payment of 'transportation subsidies', of 'education subsidies', and school busing were repeatedly mentioned.

According to PET, "policy monopolies have two important characteristics. First, a definable institutional structure is responsible for policymaking, and that structure limits access to the policy process. Second, a powerful supporting idea is associated with the institution" (Baumgartner and Jones, 1993, p. 7). Such institutional structure, also called 'policy venue', corresponds to the new Division of Student Well-Being within Bogota's DoE. As for the powerful idea that backs it up, the Division's work has been justified with reference to education as a fundamental right. According to a DoE official, "the functions of the Division of Student Well-Being cluster around children's rights" (interviewee B5, 09 June 2009). A former official expressed the same viewpoint by affirming that "since 2004 the Department adopted a perspective of guaranteeing the right to education by making sure that this right will not be hindered by the life conditions that affect children" (interviewee B12, 22 June 2009).

The Subsidios program is part of that policy monopoly and therefore its continuity is assured for as long as the monopoly stands. According to PET, policy change would take place only if a new policy understanding arose with the support of another institutional structure and powerful idea. At least for the moment, there seems to be in Bogota no other prominent understanding of how to best approach school dropout.

As for Subsidios' policy image, which is an important element in the framework of a policy monopoly, the majority of interviewees expressed a positive view about the program. Some were more informed about its operational details than others, but in general opinions were positive. More than that, most had an overall positive assessment about the education policies that have been implemented by the city's last two administrations, indicating that current policies have the potential to remain in place for some time.

Civic Capacity

Among the three cases under study here, Subsidios is the one for which this research was better able to assess the presence or absence of civic capacity. That was particularly due to the possibility of speaking to a greater range of actors, especially school personnel.

Principals, teachers, and school coordinators were unanimous in assessing the program as a positive initiative that should be definitely maintained and, if possible, up-scaled. Many pointed out that beneficiary students truly need cash transfers due to their family's poor socio-economic conditions. Some gave examples of how the program has positively impacted students' access to school by allowing them to acquire their own text books, pay for transportation, and buy lunch when the school is not yet part of the school feeding program. In the words of interviewee B8 (16 June 2009), "teachers defend these 'paternalistic' and compensatory projects because they see in them some help to students and to schools."

The new beneficiary selection process - in which schools are in charge of selecting program participants - bolstered support to Subsidios among the school community. Some school interviewees declared that they thought it was not fair that in the past good students were not among those who received cash benefits (B28, 05 June 2009). The new selection process was expected to correct that unfairness.

As mentioned above, education scholars were particularly critical of cash transfer programs, pointing out that they should only be used as a temporary solution. Scholars strongly emphasized the need of tackling the structural factors that cause educational inequalities in Colombia. Despite that, all interviewed scholars made a concession for the Subsidios program. Interviewee B8 (16 June 2009), a member of the Colombian academia in education, conceded: “we defend the program transitorily in Bogota but not at the national level, due to the political use that the president’s office has made of Familias en Accion. In Bogota there is an interest that is more social than political.”

Along those lines, a great number of interviewees expressed a positive opinion about Subsidios but a very critical perspective of Familias en Accion. Critics accused the national government of using its CCT for political gain, of not verifying compliance with conditionalities, and of not caring about beneficiaries’ dignity by making them stay in line for days to apply to the program.

At the end of the day, no matter what the opinion about CCT programs is, political affiliation or sympathy for the city government (as opposed to the national government) seems to determine whether there will be support for or opposition to Subsidios. At least among those interviewed for this research, no fierce opposition was found.

Besides this study’s interviews, the past qualitative evaluation of Subsidios had already concluded that parents strongly support the program. Similar to the opinion expressed by teachers and principals in their interviews, parents would like to see Subsidios expanded to a greater number of students (Mayer and Morais de Sa e Silva, 2008). Finally, according to CIDER (2007), "the population in general seems to support the program's existence and does not see a perverse incentive in it" (p. 3).

Therefore, as far as civic capacity is concerned, there is a good chance that Subsidios will be maintained for as long as the political left remains in office.

Policy Borrowing: Mexico, Brazil

According to interviewees B2 and B6, Subsidios was modeled after Mexico's Oportunidades and Brazil's Bolsa Escola (which at the time had already become Bolsa Familia). The program's savings component was specifically inspired by *Jovenes con Oportunidades*, a component of the Oportunidades program. *Jovenes* benefits adolescents and young adults of Oportunidades families who are enrolled in lower and upper secondary school (the last year of *secundaria* and the two years of *bachillerato*). As beneficiaries complete each of those grades, they accumulate 'points' in the program. Those points are then turned into cash once the beneficiary completes high school. This strategy was devised to reduce dropout, increase high school completion, and also support enrollment in higher education (Oportunidades, 2010).

As for Bolsa Escola/Bolsa Familia, it also had a savings component, which was called School Savings (*Poupança Escola*). Yonemura (2005) explains that:

> One minimum wage was deposited into a savings account for each child whose family was a beneficiary of the scholarship program if the child successfully completed the grade and was promoted to the next grade. (…) Half of the deposit could be withdrawn if the child reached the 4th grade or the 8th grade, depending on when they started the program. The balance

could be withdrawn only when the student completed high school (p. 52).

The borrowing from Mexico and Brazil can be explained as a consequence of the economics of policy borrowing (Steiner-Khamsi, 2004). According to the Borrowing and Lending literature, one of the reasons why governments borrow policy models from abroad is to please donors in order to access funding. In the case of Bogota, the city government wanted to obtain an external loan, especially from the Inter-American Development Bank. Since both Oportunidades and Bolsa Escola/Bolsa Familia are favorites among the international community of donors, reference to those programs could facilitate the approval of funds. Thus, policy borrowing was not a result of external pressure, but rather a mechanism to impress donors.

Even though Oportunidades and Bolsa Escola/ Bolsa Familia were used as models in the design of the Subsidios program, Subsidios was not created as an exact copy of those two programs. The direct involvement of school personnel in its operation, the comparison of three different payment schemes, and the signature of 'terms of commitment' by participating families are among its peculiar features. Program designers had room for innovation and that may associated with the fact that among them were US-based researchers who pushed for making of Subsidios a new experiment.

Policy Lending: Not Internationally Prominent

For both the IDB and the involved US-based researchers, Subsidios was purposefully designed and evaluated to inform other countries about the effectiveness of different payment schemes. Even though the program has operated for five years, it is still portrayed as an experiment in international publications such as Barrera-Osorio et al. (2008) and Fizsbein and Schady (2009).

However, little has been done to promote Subsidios in other countries. It counts on no media coverage outside of Colombia; out of the 4 articles that have been published on the program, none was featured in a foreign newspaper. Additionally, if one searches the World Bank's and the IDB's website for *Subsidios Condicionados a la Asistencia Escolar,* the search results in only 3 pages in the former and 6 in the latter. Compared to the other two case studies analyzed here, the results are, respectively: 1,210 and 83 pages for Bolsa Familia, and 96 and 1 for Opportunity NYC.

According to an IDB representative, Subsidios' international 'low-profile' derives from the absence of efforts by the Department of Education to give international exposure to the program (interviewee B21, 25 June 2009). However, neither the World Bank nor the IDB itself have included Subsidios in international exchanges such as visits by foreign delegations or the frequent videoconferences with representatives of CCT programs in Latin America (and in which managers of Familias en Accion participate). Nor have they featured Subsidios on their websites, as indicated above.

The reason behind the Banks' lack of efforts to export Subsidios may be related to some 'reverse' politics of policy lending. As in the case of policy borrowing, the Borrowing and Lending theory argues that policy lending occurs when a policy is in need of legitimization at home. The export of that policy is used as a sign of its value, as a certification strategy. In that case, political factors contribute to the promotion of policy lending (Steiner-Khamsi, 2004). In contrast, 'reverse' politics would mean that politics work as a constraint to policy lending. In Bogota, political disputes between the national government and the city government have led to a prevalence of Familias en Accion in the international arena. Both the IDB and the World Bank, as providers of large yearly loans to finance Familias, cannot 'upset' the national government by internationally promoting the CCT implemented by its political opponent. Consequently, there were minimal efforts to promote the Subsidios model and experience outside of Colombia.

Interestingly, inside Colombia some policy lending has taken place between Subsidios and Familias en Accion. Just recently Familias added a new element to its operation in urban centers: high school students are awarded a bonus payment when they graduate. According to interviewee B1 (19 May 2009), this new element is a result of policy learning from Subsidios's first evaluation results, that is, the finding that modality 3 had the greatest impact upon attendance, enrolment, and graduation rates among participants. Naturally, the national government has not officially acknowledged that it borrowed ideas from its competing CCT.

Chapter VII

CASE STUDY C - BOLSA FAMILIA

Bolsa Familia is currently the largest conditional cash transfer program in the world. It reaches 12.4 million families, which corresponds to about a quarter of the Brazilian total population. Its scale is off the chart and its program management is very complex. Bolsa Familia has a budget of 0.4% of the Brazilian Gross Domestic Product (GDP), which in 2008 totaled over 1.6 trillion dollars (World Bank, 2010).

The program is centrally managed by the Ministry of Social Development and Fight Against Hunger (MDS), specifically by its National Department of Citizen's Income (SENARC). As a federation, Brazil has decentralized social assistance, education, and health services to the state and municipal levels. Consequently, Bolsa Familia depends on the coordination between different line-ministries and also on the cooperation between different levels of government. This multi-institutional operation will be later presented in detail.

Bolsa Familia has been extensively documented both in Brazil and abroad. Among the three cases under study here, it is certainly the one that counts on the largest number of studies and evaluations. The most complete works on the program include

Britto (2004), Lindert et al. (2007), Bastagli (2008), and Cotta (2009). Those papers provide a complete account of Bolsa Familia's initial development, operational features, and modifications with time. Thus, this dissertation will not repeat all program details, but will rather focus on primary and secondary data that are relevant for this work's research questions.

Different from Opportunity NYC and Subsidios, Bolsa Familia was preceded by local, smaller CCTs. The following section brings an account of those programs, as well as of the different advocacy coalitions they represented.

Precursors: Bolsa Escola and Guarantee of Minimum Family Income

Despite being currently a federal program, Bolsa Familia has municipal and state origins that date back to the 1990s. Its conditional cash transfer model was first implemented in the city of Campinas and in the Federal District[37] in January 1995 (Britto, 2004; Lindert et al., 2007). In the former, the program was called Guarantee of Minimum Family Income (GMFI), whereas in the latter it was labeled *Bolsa Escola* (School Stipend/Grant). Those were the very first CCTs to come to life in the world, as they emerged months before *Progresa/Oportunidades* was discussed by the President's cabinet in Mexico for the first time.

The creation of the Guarantee of Minimum Family Income was inspired by the ideas of Senator Eduardo Suplicy, who in 1991 proposed the first bill to create the

[37] The Federal District, where Brasilia is located, has the size of a city but the status of a federated state. It elects its own governor and state legislature but has no municipal-level elected officials.

Citizen's Basic Income in Brazil. Behind the concept of a basic or minimum income is the "perception that all citizens should have the right to participate in the wealth of a nation" (Suplicy, 2008, p. 5). Thus, it is not based on the idea of reducing poverty, but rather sharing the country's resources to make sure that every citizen has minimum means of subsistence. According to Suplicy's first proposal, every Brazilian aged 25 and more and with a monthly income of less than US$ 150 would be entitled to a cash transfer corresponding to 30% of the difference between his income and the US$ 150 threshold (interviewee C13, 24 February 2010). The resulting program would be unconditional and universal. Interestingly, his proposal was inspired by the Alaskan experience of sharing part of oil dividends among the Alaskan population.

Also in 1991, Suplicy presented his ideas at a conference of economists and met Professor José Márcio Camargo. The professor agreed with his arguments, but added the idea that beneficiaries should be required to send their children to school, so as to simultaneously tackle the problem of child labor and out of school children in the country (interviewee C13, 24 February 2010). Camargo publicized his proposal in a series of opinion editorials published in one of Brazil's largest newspapers – *Folha de São Paulo* – in 1991 and 1993.

Even though Senator Suplicy belongs to the Workers' Party (PT), his ideas were influential enough to inspire the creation of the Campinas program by a municipal administration belonging to another party – PSDB (Brazilian Social Democratic Party). The mayor of Campinas also adopted Camargo's suggestion and made the program conditional upon children's school attendance.

As for Bolsa Escola, its origins are linked to the Center for Contemporary Brazilian Studies at the University of Brasilia (Aguiar and Araújo, 2002). The concept of a program that would provide monetary support to poor families so that they could send their children to school emerged out of discussions at the Center, which was then chaired by Cristovam Buarque[38], currently Senator for the Federal District. In his 1994 book – *A Revolução nas Prioridades* (The Revolution in Priorities) – Buarque argued that education should be Brazil's first priority. He proposed various strategies to improve education in the country, the second being a "minimum income for each family with children in school" (Buarque, 1994, p. 157). Consequently, as soon as Buarque took office as Governor of the Federal District in January 1995, he immediately created Bolsa Escola as one of his education policies.

The Bolsa Escola program in the Federal District was targeted at families whose monthly per capita income was below half a minimum wage and who lived in the region called Paranoá (Yonemura, 2005). The program transferred one minimum salary per family per month (100 reais in 1995), regardless of the number of children in the household. That measure was meant to encourage family planning. In order to avoid migration from other parts of the country to the Federal District, the program also required beneficiary families to demonstrate a minimum of five years of residency in the District (interviewee C15, 26 February 2010).

As odd as it may seem, there was no connection between the creation of the Campinas program and the one in the Federal District. Behind them were two core figures in the Brazilian Workers' Party at the time – Senator Eduardo Suplicy and former

[38] Cristovam Buarque is originally Professor of Economics at the University of Brasilia (UnB). Over the past twenty years he has been President of the University, Governor of the Federal District, Minister of Education, candidate for President of Brazil, and is currently Senator for the Federal District.

Governor Cristovam Buarque - but they had very distinct ideas about what their programs were supposed to mean. As a matter of fact, Aguiar and Araújo (2002) argue that there is "a great strategic gap between the two programs" (pp. 41-42). According to them, "the priority target public of the program in Campinas is typically related to the area of social aid, while Bolsa Escola basically benefits those who attend school" (p. 41). Evidence of that difference is the fact that Bolsa Escola was managed by the Federal District's Department of Education, whereas the Guarantee of Minimum Family Income was housed at Campinas' Department of Family, Children, Adolescents and Social Action (Yonemura, 2005).

Fifteen years later, there is still significant divergence between those who argue that these programs should be a source of minimum income for the poor and those who advocate that their main focus should be on education. Consequently, one can say that, since their very creation, CCTs in Brazil have been marked by the dispute between at least two different advocacy coalitions.

Internationally, Bolsa Escola became more widely known than the Campinas program. In part this may be related to its emphasis on education. On the other hand, it may also have to do with the fact that international organizations such as UNESCO and UNICEF have their country offices in Brasilia, where Bolsa Escola was first implemented. International support to Bolsa Escola came in the form of the UNICEF award "Children and Peace" in 1996 (Aguiar and Araújo, 2002), of various UNESCO publications about the program, and of verbal recommendations at international meetings, such as one by UN Secretary General Kofi Annan in a 2000 speech (Aguiar and Araújo, 2002).

Regardless of their motivation and underlying philosophy, the fact is that both Bolsa Escola and the Campinas program consisted on monetary transfers made to poor families with the condition that their children were enrolled in school and maintained minimum attendance. This model, which was later labeled by the international community as 'conditional cash transfers', immediately caught the attention of other states and municipalities in Brazil[39]. In 1997 four other states had similar programs and six were discussing their adoption (Coelho, 2008).

Meanwhile, both Senators Suplicy and then Governor Buarque made efforts to convince President Fernando Henrique Cardoso to create a national CCT. In 1996 Senator Suplicy arranged a meeting between the President and Belgian philosopher Philippe van Parijs, who had authored the book "Arguing for basic income: Ethical foundations for a radical reform". Van Parijs argued that the ideal would be to create a universal and unconditional basic income policy, but that in the meantime it would be positive to start with a targeted, conditional transfer program (interviewee C13, 24 February 2010). Governor Buarque wrote various letters to the President and to then Minister of Education Paulo Renato de Souza, who initially rejected the proposal of nationalizing the Bolsa Escola experience (interviewee C15, 26 February 2010).

However, there was such a widespread local interest in the CCT model that in 1997 the President approved the provision of financial support to municipalities that were willing to create their own programs. Similarly to the Campinas program, whose government belonged to the President's party, the federal support initiative was named

[39] Different from the US, Brazil is a federation comprised by three autonomous levels of government: the union (federal government), states (26 plus the Federal District) and municipalities (5,564). Each municipality has its own autonomous government, which is elected by direct popular vote. Additionally, municipalities can collect taxes and create their own laws in certain fields, provided that they are compatible with state and federal laws and the Brazilian Constitution.

'Guarantee of Minimum Family Income' Program. At first, the federal government only provided financial support to municipalities that were in a priority list according to pre-established criteria. Out of over 5,000 municipalities, 1,150 received federal funding and were able to create their municipal CCTs (Coelho, 2008).

Due to suspicions of corruption and malfunctioning problems, that federal program was terminated in 2000 (Coelho, 2008). But, since it was very popular and municipalities continued to press for financial support in order to maintain their local CCTs, in 2001 the federal government approved the 'National Minimum Income Program linked to Education – Bolsa Escola'. As indicated by its name, it was a hybrid of the original CCTs developed in Campinas and in the Federal District. Additionally, this new program, which came to be known as the 'Federal Bolsa Escola', introduced two important changes as compared to its federal predecessor: a greater education focus and scale. The program also had some relevant differences in comparison to previous local CCTs: transfer amounts were defined in terms of the number of children (maximum of 3) and were set at 15 reais per child/per month. Consequently, the maximum transfer amount was 45 reais, which corresponded to only 25% of the minimum wage at the time (180 reais). That represented a significant reduction in payment amounts, which were of one full minimum wage in the local Bolsa Escola, for instance.

The Federal Bolsa Escola was placed under the auspices of the Ministry of Education and was expanded to the entire country. By December 2001 it reached 5,470 Brazilian municipalities (Aguiar and Araújo, 2002), benefiting over five million families in a short time-span. The reasons behind such a rapid scaling-up have been attributed to political factors, as presidential elections were to be held in 2002 and the Minister of Education was one of the potential presidential nominees of his party (Britto, 2008a).

Even though the adoption of the 'Bolsa Escola' brand-name might suggest some sort of coalition between the federal administration at the time and the advocates of the original Bolsa Escola in Brasilia, the latter were actually quite critical of the way their brainchild was nationally taken to scale. Aguiar and Araújo (2002), two close political supporters of Cristovam Buarque, said at the time: "the largest national Bolsa Escola program needs to change significantly in terms of its institutional framework. Other important details must also change so that the impact of the program will be greater" (p. 65). That opposition was clearly defined along party lines, since the President belonged to the Brazilian Social Democratic Party (PSDB), while Buarque belonged to the Workers' Party (PT) at the time.[40]

For easy visualization of the initial sequence of CCT programs in Brazil, the following table was prepared:

Table 7. CCTs in Brazil before Bolsa Familia (1995 – 2002)

	Program	Scope	Party
1st	*Bolsa Escola*	Federal District	Workers' Party (PT)
	Guarantee of Minimum Family Income	Campinas	Brazilian Social Democratic Party (PSDB)
2nd	Other states and municipalities	State and municipal	Various

[40] Right after he left the Ministry of Education in 2004, Cristovam Buarque changed parties, being now member of PDT – *Partido Democrático Trabalhista* (Democratic Labor Party).

3rd	Federal Guarantee of Minimum Family Income	National, but targeted to priority municipalities	PSDB
4th	Federal Bolsa Escola	National, reaching virtually all Brazilian municipalities	PSDB

Transition: from Federal Bolsa Escola to Bolsa Família

With the end of the Cardoso administration and the victory of Luis Inacio Lula da Silva and his Workers' Party in the 2002 elections, a period of transition began for CCTs in Brazil. Initially, the Federal Bolsa Escola was maintained, especially since its greatest advocate, Cristovam Buarque, had been elected Senator and was then appointed the new Minister of Education.

In the field of poverty reduction, President Lula had strongly based his campaign on the promise that he would end starvation and guarantee that every Brazilian would have access to at least three meals a day. That promise was turned into the immediate creation of the *Fome Zero* (Zero Hunger) Program. In order to house the program a new ministry was created – the Special Ministry of Food Security and Fight Against Hunger (MESA).

More than a federal program, Zero Hunger was planned as a macro-policy that would involve both short-term and long-term strategies. In 2003 MESA strived to put together a number of sub-programs that would jointly comprise Zero Hunger, one of them was *Cartão Alimentação* (Food Card), a CCT focused on improving food security for the poor.

Nonetheless, the implementation of Zero Hunger did not come easily. As time went by its results were not clear, various implementation issues arose, and criticisms started to abound. With that came the discussion of whether Brazil's main problem was that of hunger or, beyond that, a broader poverty issue (interviewee C2, 06 May 2009).

The World Bank got into that discussion by preparing a number of policy notes on social protection. Those papers gathered evidence on food-based *versus* cash-based transfers, and on targeted *versus* universalized policies (interviewee C2, 06 May 2009). As a whole, through those papers the Bank advocated for the adoption of the CCT model, as opposed to creating a new strategy of social policy through Zero Hunger.

In order to convince the new administration, a high level meeting was held in March 2003 gathering President Lula, World Bank President James Wolfensohn, and the Senior World Bank Economist for Latin America. The Bank also brought to the meeting Santiago Levy, Mexico's key figure in the creation of Progresa/Oportunidades. Levy gave a testimony about his experience and advised Lula to shift his social strategy, building upon existing CCTs and unifying them (interviewee C6, 6 June 2009). According to Lindert et. al. (2007):

> Subsequent to that meeting, President Lula formally requested that officials in the (former) Ministry of Social Assistance prepare a proposal for an integrated program. A group of representatives of the Government and Brazilian institutes worked – with technical assistance from the World

> Bank and other donors – to explore options for the various design parameters for such a program (pp. 13-14).

The Bank's advice resonated with discussions and studies that were already underway in Brazil. Researchers at IPEA (*Instituto de Pesquisas Econômicas Aplicadas*/Institute of Applied Economic Research) had been questioning what to do with the *Cadastro Único* (Single Registry), a database created to consolidate beneficiary information of all federal social programs. As part of that discussion they started analyzing different programs and came to the conclusion that the existing federal CCTs were the best social programs in place. The federal government was simultaneously implementing four conditional cash transfer programs at the time: i) Bolsa Escola, which was housed at the Ministry of Education; ii) *Auxílio Gás,* a CCT that supported the purchase of cooking gas; iii) *Bolsa Alimentação* (Food Stipend), which was based at the Ministry of Health; iv) and newly-created *Cartão Alimentação* (Food Card), which was part of the Zero Hunger initiative. IPEA researchers then ran various simulations and concluded that the best option was to streamline those CCTs and make them even better (interviewee C2, 06 May 2009). Their unification was expected to generate gains in efficiency and policy coherence.

That proposal met resistance from other groups of experts and government officials involved in social policymaking. Resistance especially came from the heads of Zero Hunger, who could foresee that the merger proposal to merge all four CCTs would create a mega social program that would take the spotlight away from Zero Hunger. Opposition was also presented by those ahead of individual CCTs, like Cristovam Buarque. He argued that the unification of programs would make the monitoring of school attendance more difficult. Naturally, he was also against removing the program from the Ministry of Education (interviewee C15, 26 February 2010). Despite those arguments and opposition, Lula made the decision to merge the three CCTs inherited from the previous administration and Zero Hunger's *Cartão Alimentação.* It was out of this merger that Bolsa Família was born.

Bolsa Família is Created

The Bolsa Família Program was formally created by Provisional Measure[41] 132 of 20 October 2003. The Measure was later turned into Law 10.836 of 09 January 2004. At first the program was housed at the 'Bolsa Familia Department', which was directly under the President's office. In early 2004 it was transferred to the newly created Ministry of Social Development and Fight Against Hunger (MDS).

MDS was the end product of another merger. It resulted from the institutional unification between the Ministry of Social Assistance, the Special Ministry of Food Security and Fight Against Hunger (MESA), and the Bolsa Familia Department. To date MDS has a structure that mirrors its preceding institutions. It is comprised, among others, by the National Department of Social Assistance, the National Department of Food Security, and the National Department of Citizen's Income (to which Bolsa Familia belongs). From then on, the Ministry of Education lost oversight over Bolsa Escola's

[41] In Brazil the President may create new legal instruments that have the status of law but do not need to be approved by Congress in order to have immediate effectiveness. They are called *Medidas Provisórias* (Provisional Measures). Once a Provisional Measure is signed by the President, Congress is given a deadline to vote it and the Measure takes priority on the legislative agenda.

beneficiaries and became responsible for assisting MDS in obtaining attendance records of Bolsa Familia's beneficiary students. According to the law that created Bolsa Familia (Law 10.836/2004):

> At the federal level it is the responsibility of the Ministry of Health and of the Ministry of Education to regulate the conditionalities that correspond to them and to verify their fulfillment by families; to monitor and solve deficiencies in service supply by federated units[42]; to follow up on the evolution of social indicators; to coordinate with local councils about program implementation; to participate in decisions concerning the centralized functions of program management (registry, payment of benefits, monitoring and evaluation).

During the Bolsa Escola years, UN agencies and multilateral banks demonstrated support to Brazil's CCT efforts, as mentioned above. After the creation of Bolsa Familia, support remained unabated. Hall (2008) reported that:

> A few months later in June 2004, the World Bank approved a US$ 572 million sector-wide loan to support Bolsa Familia. It provides funding for cash transfers (96 per cent) as well as technical assistance to develop a unified database, improve targeting, develop a system for monitoring and evaluation and strengthen institutional capacity within MDS (World Bank, 2004). Later that year, the Inter-American Development Bank (IDB) approved a loan of US$ 1 billion for the program, with a promise of up to twice this amount depending on progress (p. 806).

Bolsa Familia's Features

Similarly to former Bolsa Escola, Bolsa Familia transfers a certain amount of cash to the female head of the household provided that children are enrolled in school and demonstrate minimum school attendance of 85% if they are 6 to 15 years old. Just recently the program also included 16 and 17 year olds in the pool of beneficiaries,

[42] States and municipalities.

demanding a minimum of 75% of school attendance. Additionally, the program encompasses health-related conditionalities, such as the due immunization of children younger than 6 years old, pre-natal check-ups, and medical follow-up of nursing mothers (MDS, 2008).

Currently, Bolsa Familia's monthly payment values are as follows:

1. A basic transfer of 68 reais (37 dollars) to extremely poor families;[43]
2. A variable transfer[44] of 22 reais (12 dollars) per child up to 15 years old, up to the maximum of three children (66 reais). In cases where a family has more than three children in that age group, only the maximum amount of 66 reais is transferred. However, in this case 75% of school attendance is required of all children in the household, rather than of only three.
3. A variable transfer of 33 reais (18 dollars) per adolescent aged 16 or 17 years old, up to the maximum of two adolescents. This is called "variable transfer linked to the adolescent" (MDS, 2009). Failure to comply with school attendance requirements only leads to loss of this specific transfer amount, rather than of the whole transfer as in the case of children up to 15 years old.

Hence, the total transfer amount varies from 22 reais (12 dollars) for a poor family with one child to 200 reais[45] (111 dollars) for an extremely poor family with three children and two 16/17 year-old adolescents. For easy reference, the Brazilian monthly

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[43] Extremely poor families, or those with a monthly income per capita of up to 70 reais (39 dollars), are eligible to receiving the basic transfer regardless of the presence of children in the household (MDS, 2008).

[44] Poor families, or those with a monthly income per capita ranging from 70 to 140 reais (78 dollars), are only eligible to the variable transfers. In order to be eligible to the program, there should be children up to 17 years old in the household (MDS, 2008).

[45] The maximum transfer amount that can be perceived by a beneficiary family corresponds to less than half a minimum wage. In contrast, initial local CCTs such as the Federal District's Bolsa Escola used to transfer one minimum wage per beneficiary family per month.

minimum wage is currently set at 510 reais, which roughly corresponds to 280 dollars (Ministério do Trabalho e Emprego, 2008a).

Since Brazil does not have an official poverty line, eligibility thresholds and transfer amounts were originally based on those of the four CCTs that originated Bolsa Familia. The idea was not to produce loss of benefits as participants were transferred programs (Lindert et al., 2007). Since 2004 transfer amounts and income reference values have been updated by Presidential decisions. They are justified on the basis of rises in the official minimum wage and in national inflation indices, but are not indexed to those. In other words, the President has complete discretionary power to alter program values.

Bolsa Familia started off with 3.8 million families in December 2003 (Lindert et al., 2007). From there the pool of beneficiaries was expanded by incorporating families from the preceding four CCTs and through the registration of new families. From 2004 to 2006 the program was rapidly scaled up, reaching 11.1 million families in 2006. That figure corresponded to estimates of the total number of families whose per capita income was below the poverty line. In 2009 MDS decided to expand the number of beneficiaries to 12.4 million families, arguing that the intention was to include families with vulnerable incomes, the so-called 'transitional poor'. For 2010 the intention is to further expand the program to reach 12.9 million families. Political opponents have already voiced their criticisms, attributing to political interests such a quick scaling up in the last two years of the Lula administration (Correio Braziliense, 2009).

Implementation of a Large-Scale CCT

Bolsa Familia is such a massive program that its numbers are overwhelming. In terms of education, it benefits 17 million students, which corresponds to 30% of the entire student population in Brazilian public schools (interviewee C12, 22 February 2010). It reaches each and every Brazilian municipality, in a total of 5,564. Not the least, Bolsa Familia involves a budget corresponding to 0.4% of the country's total GDP.

At first sight, Bolsa Familia's scale would not encourage comparison to other programs, especially small, local CCTs such as Subsidios and Opportunity NYC. However, for the questions being explored by this study, it will be important to look at a large scale CCT and take into account the additional variables that are introduced by scaling up.

One of the main challenges of operating such a large CCT is making sure that the program is duly implemented at the local level. As explained in an earlier footnote, Brazil is a federation comprised by federal, state and municipal governments. There is no hierarchy among them and their division of responsibilities is defined by the Constitution.

In education, for instance, service provision is the direct responsibility of states and municipalities, except for higher education. The Federal Government, through the Ministry of Education, is responsible for "coordinating the national education policy, linking the different government levels and education systems, and playing a normative, redistributive, and complementary role in relation to the other educational institutions" (Brazil, 1996). As the federal government is often in the privileged position of controlling funds that are not tied to current expenses, it is able to create and finance programs of a national scope such as Bolsa Familia.

At the local level, families can only benefit from Bolsa Familia if the municipal government agrees to collaborate with program implementation by signing the ‘Terms of Adherence’. That document specifies the set of local responsibilities, including: to verify family documents and enter family information on the Single Registry[46] database; to assign a local focal point to the program; to monitor and report on beneficiary compliance with conditionalities; to update family information on the Single Registry at least once every two years; to create a municipal council comprised by government and civil society representatives to oversee program implementation (Lindert et al, 2007). Despite all those requirements, every municipal government in the country has agreed to participate in Bolsa Familia. Not a single Mayor has opted out of the program, which may be considered as an indication of its political strength, as discussed further below.

Municipalities are required to register every family with a monthly per capita income of less than 140 reais in the *Cadastro Único* database. Nonetheless, registration does not guarantee that a family will participate in Bolsa Familia. That is because each municipality has a quota of program participation. Quotas have been calculated by the Institute of Applied Economic Research (IPEA) on the basis of the yearly National Household Survey – PNAD.

Even though registration into the Single Registry is done at the local level, final selection of Bolsa Familia’s participating families is centralized and automatically carried out by the National Department of Citizen’s Income (SENARC). That process is done through a software that makes use of algorithms for random selection. Thus, there is

[46] The Single Registry (*Cadastro Único*) is a national database that houses information on beneficiaries of federal social programs. It is a core tool for the effective functioning of Bolsa Familia, especially because it provides the pool of eligible families out of which program participants are randomly selected and because it concentrates all available information on Bolsa Familia beneficiaries

limited room for political manipulation of the program at the local (or central) level. Local leaders cannot guarantee to families whether and when they will be accepted into the program.

In order to encourage dedication to Bolsa Familia's management by municipal governments, MDS created the Index of Decentralized Management (*Índice de Gestão Descentralizada* – IGD). It is a composite index of four measures: the Single Registry coverage rate[47]; the rate of updates in the Single Registry; the percentage of families whose children have their school attendance dully monitored; the percentage of families for whom there is information on compliance with health conditionalities. The municipal IGD is the resulting means of those four measures.

Besides bringing transparency to Bolsa Familia's local management and making local governments accountable, the index is also used as a basis for defining how much financial support the federal government should provide to municipal governments to compensate them for part of the costs they incur with Bolsa Familia. MDS has developed a formula according to which the amount of funds to be transferred depends on the municipal IGD as well as on the local number of Bolsa Familia participants. The formula is as follows (MDS, 2010a):

[IGD x R$ 2.50 x (number of beneficiary families + 200[48])]

[47] The Single Registry coverage rate corresponds to the ratio between the number of families living in a municipality who are registered in the Single Registry and the total number of families in that municipality who would qualify for registration.

[48] This number has been included in the IGD formula in order to boost the amount to be transferred to small municipalities.

If municipalities do not meet a minimum IGD threshold (0.55), they are not entitled to any transfer (MDS, 2010b). Based on the indices for 2009, MDS transferred in early 2010 a total of 22.5 million reais to 5,422 municipalities in Brazil (MDS, 2010b).

Education Conditionalities

Compared to the other two programs under analysis in this study, Bolsa Familia is the least demanding when it comes to its set of education-related requirements. Simply, the family shall demonstrate that all children are duly enrolled in school by the time when it applies to the program through the Single Registry. Once the family is randomly selected, it receives an information package, along with the ATM card issued in the name of the female head of the household[49]. The package explains that, besides health-related conditionalities, 6 to 15 year-old children need to attend a minimum of 85% of classes and 16 to 17 year-old adolescents attend a minimum of 75% of school days.

However, as simple as it may seem, this is a complicated enterprise when it comes to checking whether 17 million students, scattered across thousands of municipalities, have dully fulfilled those requirements. To make it more complicated, the government is also interested in getting to know the reasons for student absenteeism when it occurs.

Monitoring of conditionality compliance has been an issue throughout the history of Bolsa Familia. During the program's first year of operation – 2004 – conditionalities

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[49] Since Bolsa Escola and the Campinas program, Brazil's CCTs have maintained the policy of issuing payments to the female head of the household. Research evidence indicates that mothers are better than fathers in spending the money according to the needs of children.

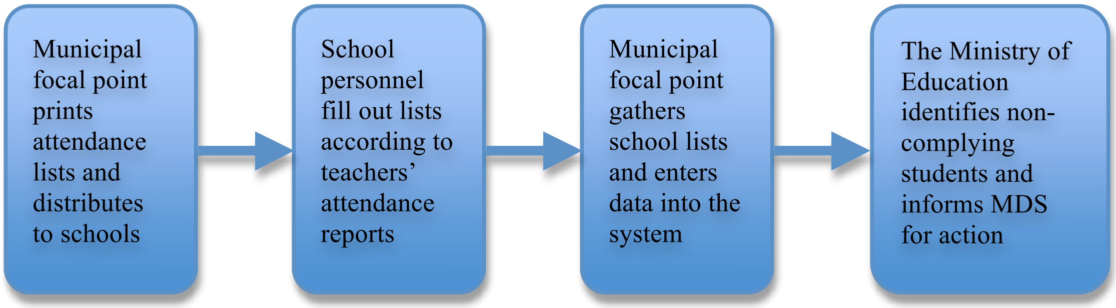
were not monitored due to the transition from previous programs. Since then, every time there is some indication that the government has not followed up on conditionalities the media readily denounces the problem. Health conditionalities are still an issue, but in education there has been considerable progress. The Ministry of Education[50] has created and continuously improved an intricate national system of school attendance monitoring for Bolsa Familia beneficiaries.

The system, which is part of *Projeto Presença* (Attendance Project), is based on a network of municipal focal points. Each municipal Department of Education has designated a focal point who formally agrees to be held accountable for the monthly reporting of school attendance records of every Bolsa Familia student in the municipality[51]. The first task of the municipal focal point is to print attendance lists containing the names and information of Bolsa Familia students enrolled in each school. The lists are then handed in to school personnel, which fill them out by reporting the number and reason of individual absences. That procedure is to be carried out by principals and their teams, not by teachers, so as to avoid that they may want to protect or punish students by incorrectly reporting class attendance. In other words, teachers report daily attendance for the whole class, not knowing what students are Bolsa Familia beneficiaries. School principals or their delegates then transcribe beneficiaries' absences to the program's list. Finally, focal points at the DoE gather all school lists and enter data into an online database (interviewee C12, 22 February 2010).

[50] At the Ministry of Education the system is under the responsibility of the Department of Lifelong Learning, Literacy and Diversity (SECAD).

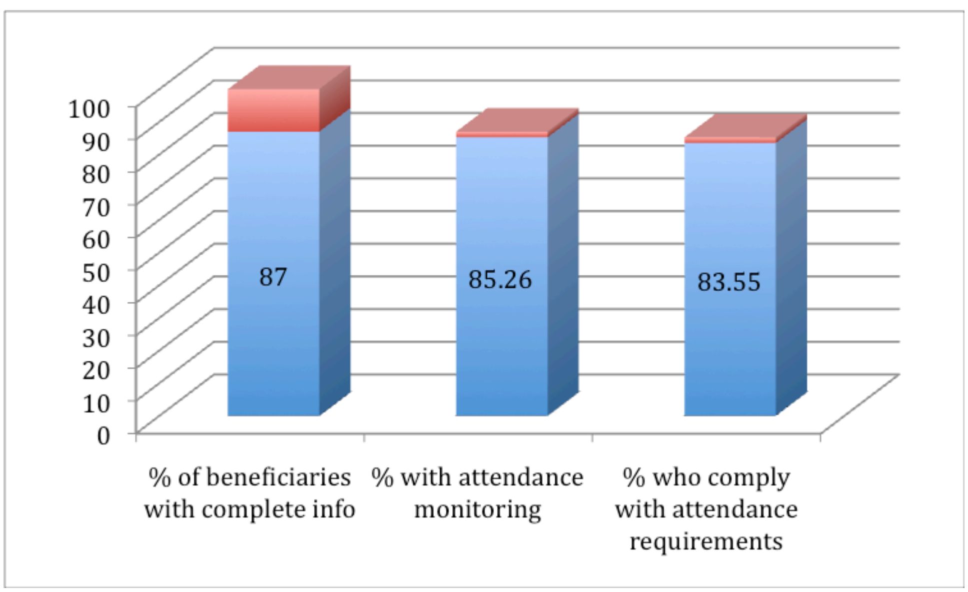
[51] Brazilian public schools may be under the control either of the state government or of the municipal government. Consequently, most municipalities have a mix of state and municipal schools. However, for the purposes of Bolsa Familia, the municipal government is the one responsible for reporting class attendance of all students, regardless of the kind of public school where they are enrolled.

Figure 3. Information flow in the system of school attendance monitoring



The system of school attendance monitoring connects 22 thousand users, who monthly report class attendance for 17 million students enrolled in 168 thousand public schools (Escola Nacional de Administração Pública, 2010). Currently, the system has good, complete information for 87% of Bolsa Familia's beneficiary students. Among those, about 98% have had their class attendance reported on a monthly basis. And only 2% of the latter have not complied with minimum class attendance requirements (C12, 22 February 2010).

Figure 4. Bolsa Familia's monitoring of school attendance (2009)[52]



[52] Chart prepared on the basis of data provided by interviewee C12 (22 February 2010).

Throughout the years, the MoE has continuously worked on making system improvements so as to increase the above percentages. The Ministry has also strived to improve the quality of information gathered in the system. Early on it was common to find municipalities that would report 100% of class attendance for all Bolsa Familia beneficiaries. As the Ministry succeeded in creating awareness about the importance of duly reporting class attendance, the challenge became how to obtain accurate information on the reasons why individual students miss classes. Until recently, the majority of municipalities used to report that the reason was unknown (interviewee C12, 22 February 2010).

In New York, non-completion of an incentivized activity by definition means that students and their families will not receive the corresponding money transfer. In Bogota, students who do not reach minimum class attendance requirements do not receive the transfer for the corresponding two-month period. Nor do they receive the end-of-year bonus if they do not finish the school year. In Brazil, however, as soon as a family is selected into the program, it receives a first payment. Conditionality compliance is only checked post-payment. Additionally, the consequences of non-compliance are gradual and involve a series of steps. The sequence of measures that follow non-compliance is detailed in MDS (2010c), which has informed the preparation of the table below.

Table 8. Measures taken after non-compliance with Bolsa Familia’s conditionalities

Non-compliance	Measure
First	A warning note is mailed to the family. The note informs that the family has failed to fulfill program requirements and explains the potential consequences in the case of continued non-compliance.

Non-compliance	Measure
Second	The transfer is suspended for 30 days. However, the family may recover the suspended transfer in the following payment cycle if it resumes compliance.
Third	Transfers are suspended for 60 days. However, the family may recover the suspended transfers in the following payment cycle if it resumes compliance.
Fourth	Transfers are suspended for 60 days. The family will not be able to recover those payments.
Fifth	Family participation in Bolsa Familia may be cancelled.

This gradual sequence of measures is consonant with Bolsa Familia's overall approach to conditionalities. Rather than viewing them as incentives for new behavior (Opportunity NYC) or as a contribution to student well-being (Subsidios), Bolsa Familia approaches conditionalities as a means for the realization of social rights. Failure to comply with conditionalities is viewed as a "red flag" (Lindert et al., 2007), indicating that the family may be in a situation of vulnerability and in need of further governmental support. Local governments are advised to follow-up on the situation of non-compliant families and to support them in getting back on track in the program.

Bolsa Familia and Education Policies

Among all interviewees for this case there was consensus that Bolsa Familia is not an education policy. Interviewee C11 explicitly said that:

> This kind of program works as an income policy, as a policy for income redistribution. It is not a policy that is jointly designed by the actors who are responsible for education (…) The idea that the *Bolsa* policy is educational policy is completely false (22 February 2010).

Additionally, a high-level official at the Ministry of Education explained that the Ministry's role in Bolsa Familia "was to structure the program to assess compliance with conditionalities and establish the flow of information to the Ministry that makes the transfers so that it can suspend or cancel benefits in the cases of non-compliance with program requirements" (interviewee C16, 01 March 2010). Thus, the MoE does not play any further role in the design and implementation of Bolsa Familia beyond issues of education conditionalities.

When asked about the contribution of Bolsa Familia to promoting the Ministry's policy objectives, official C16 responded that the program is viewed in education as a *"Bolsa Permanência"* (Grant/Stipend to Remain in School). It helps families maintain their children in school and therefore is part of the set of programs that the government has created to support public school students, such as the national school feeding program, the program of free textbooks, and school busing for rural students. "These programs, along with Bolsa Família, create an environment of sustainability for children to have access to school and remain enrolled" (interviewee C16, 01 March 2010). Hence, Bolsa Familia is not expected to be linked to quality aspects of education at the federal policymaking level.

Two interviewed scholars revealed that the limited connection between Bolsa Familia and education is also manifest in Brazilian academia. Interviewee C8 said that there are only scattered works about Bolsa Familia authored by education scholars in Brazil. According to him, cash transfers are not a priority in the education research agenda. They are predominantly studied by economists (interviewee C8, 10 September 2009). When asked about the reason why education researchers have been absent from Bolsa Familia debates, scholar C11 attributed the reason to the mismatch between the nature of education research in Brazil and the kind of research that is usually developed around CCTs. According to the scholar, education academia in Brazil is predominantly dedicated to philosophical works, quantitative research being still incipient. Consequently, economists and other researchers with quantitative skills are the ones who have carried out studies and evaluations of Bolsa Familia (interviewee C11, 22 February 2010).

The school community is even at a greater distance from Bolsa Familia's design and daily operations. Except for the reporting of eventual absences of beneficiary students, schools have not played any role in terms of debating Bolsa Familia, helping strengthen the program, or improving its impact by working on the quality of instruction that beneficiaries receive. The quality debate has existed for a long time in the country, but has not strengthened or changed since Bolsa Familia was introduced. Besides the divorce between education and Bolsa Familia at the policymaking level, the limited involvement of schools in policy decisions in Brazil has also contributed to the existing reality. According to Draibe (2003, cited in Yonemura, 2005, p. 29):

> Brazil did not have a tradition of active involvement of school communities or associations in policymaking. Although adequate legal

> provisions did exist, associations such as parent-teacher associations, school councils and municipal councils of education were not involved in the implementation of education policy until the mid-1990s. Another political challenge was that since the 1970s the middle class had left the public school system and migrated to private schools. These phenomena explained the reason why beneficiary groups in the public school system lacked the outspoken actors to represent them and to advocate for their benefit.

Part of the distance between Bolsa Familia and education policies can be exemplified through the disconnect between Bolsa Familia's Single Registry database and the School Census. Whereas the former generates a family identification code called NIS (Number of Social Identification), the latter generates a code for each individual student – the so-called INEP[53] code (interviewee C7, 10 September 2009). The two databases do not communicate, which creates additional difficulties for the follow-up of beneficiary students. Only recently has MDS started to work on the integration between the Single Registry and the database designed by the MoE specifically for the monitoring of school attendance by Bolsa Familia's beneficiaries.

When asked about the educational advantages and disadvantages brought by the unification of CCTs and the consequent end of Bolsa Escola, some interviewees gave some interesting answers. A high level official at the Ministry of Education emphasized that the unification of programs and the scaling up of Bolsa Familia allowed for the expansion of school attendance conditionalities from 5 to 17 million students (interviewee C16, 01 March 2010). For him this is a gain because conditionalities have led to increased enrolment and attendance. Even though parents are mandated by law to send their kids to school, it has been impossible to enforce that law with all families.

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[53] INEP stands for *Instituto Nacional de Estudos e Pesquisas Educacionais* (National Institute of Educational Studies and Research).

Consequently, education conditionalities end up being more efficient in getting children to school.

On the other hand, interviewee C15 regrets that the name *escola* (school) was dropped from the program's title, arguing that it weakened the idea that the transfer is meant to allow families to keep their children in school. According to him, under Bolsa Escola families viewed the transfer as a 'salary' that was paid to them because they kept their children in school. Under Bolsa Familia, the interviewee argues, families rather consider that they receive a 'handout' because they are poor (interviewee C15, 26 February 2010).

Those divergences aside, the fact is that the policy link between Bolsa Familia and education is still weak, being limited to the program's conditionalities of school enrolment and attendance. Interviewed government officials and researchers, however, indicated that that was exactly the contribution expected from Bolsa Familia in terms of education. The fundamental premise is that poor children are not in school because their families lack the means to do so. In the words of interviewee C16 (01 May 2010), "sometimes poor children do not attend school because they do not have basic items such as the school uniform." Hence, the program is simply expected to provide poor families with the financial means to enroll their children in school and to make sure that they attend classes on a regular basis. It is expected to lead to greater access but quality is not seen as an issue to be dealt with by the program.

That being Bolsa Familia's solely mission in education, the few existing evaluations have indicated that the program has had positive impacts. De la Briere et al. (2007) reviewed all available evaluations of conditional cash transfers in Brazil at the time – not only of Bolsa Familia, but of its predecessors as well. They report evidence indicating that Brazilian CCTs have contributed to increasing school enrollment and attendance and to reducing dropout among beneficiary students. On the other hand, it was also found that repetition rates had slightly increased. That was, however, an expected finding, since the program brings into schools students who are more likely to have a poor educational background and who are expected to have greater difficulties progressing through school (interviewee C3, 20 May 2009).

In a more recent study, Glewwe and Kassouf (2008) developed a model to assess Bolsa Escola's and Bolsa Familia's joint impacts on enrollment, dropout, and grade promotion. They used data from MoE's yearly school census covering all grades from 1st to 8th. Their findings are summarized in the following table:

Table 9. Impact on enrollment, dropout, and grade promotion (Glewwe and Kassouf, 2008)

Grades	Indicator	Impact on total student population
1st to 4th	Enrollment	+2.8%
	Dropout	-0.3%
	Grade promotion	+0.5%
5th to 8th	Enrollment	+3.2%
	Dropout	-0.3%
	Grade promotion	+0.3%

Beyond the numbers, an MDS official argued that Bolsa Familia has also given a positive contribution to bringing back to public schools children who are often ‘expelled’ from the school system (interviewee C18, 07 March 2010). These are often children from problematic families, with weak educational backgrounds, greater learning difficulties, nutritional deficiencies, and sometimes chronic diseases. They are more likely to miss classes, fail the school year, and drop out of school. As they give up, schools do not follow-up on them and do not systematically make the effort to bring them back. Bolsa Familia, however, has forced this situation to change through the school enrolment and attendance conditionalities. In the future, MDS hopes that each municipal Department of Education will work directly with individual families in tackling the reasons of their children’s absenteeism and dropout (interviewee C18, 07 March 2010). Again, Bolsa Familia’s greatest role in education has been granting greater school access for the poor.

Nonetheless, there is still skepticism as to Bolsa Familia’s real impact in terms of human capital accumulation due to the poor quality of schools (The Economist, 2007; interviewee C11, 22 February 2010). World Bank specialists have voiced concern about the quality of Brazilian public schools and how that limits Bolsa Familia’s potential impact on human capital (interviewee C2, 06 May 2009; interviewee C4, 20 May 2009) In that regard, De la Briere et al. (2007) state that:

> CCT beneficiary children do not obtain better learning outcomes than their non-beneficiary counterparts. Clearly, CCTs need to be complemented by investments in improving the quality of Brazil’s education system to help reduce repetition and improve learning outcomes (p. 32).

Despite the awareness that beneficiaries’ schools are deficient in quality, Bolsa Familia managers have not set the goal of working with the Ministry of Education in order to create new policies for improved quality. On the one hand it is argued that quality efforts cannot be exclusively targeted at Bolsa Familia beneficiaries; being a problem that affects the entire student population in public schools, it is beyond the scope of the program's mission. The resulting scenario is that of scenario 2, in which the CCT program has not been adopted by the Ministry of Education and has no impact on policies for education quality. The following section on advocacy coalitions reinforces this finding.

Advocacy Coalitions

In education, at least three advocacy coalitions have been identified in Brazil. The first, represented by the current federal administration, has in its deep core the idea of inclusion. Its core belief rests in the need for the inclusion of poor and marginalized populations in all levels of education. Along those lines, the Ministry of Education has created inclusive policies for illiterate adults, indigenous populations, *quilombolas*[54], prison inmates, and has significantly expanded access to higher education for low-income students. It has also strengthened and expanded policies that help poor students remain in school. In recent years the Ministry has more than doubled the amount transferred to schools for school feeding and has expanded to high school the national textbook program, which lends textbooks free of charge to public school students (interviewee C16, 01 March 2010).

[54] Quilombolas are members of traditional communities founded by slaves who escaped farms and settled in remote areas.

The MoE coalition has combined its inclusion-based deep core with assessment and accountability policy tools. Student performance is nationally assessed at all levels[55], as well as school performance[56]. Due to the decentralized nature of the education system in Brazil, the Ministry has decided not to interfere in pedagogical aspects at the local level, but rather to assess the quality of each school and establish quality targets for them.

The second advocacy coalition, which is critical of the MoE coalition but not dramatically opposed to it, is the one formed by civil society organizations and teachers unions. This coalition is also pro-inclusion and values some of the policies adopted by the Ministry of Education, especially the rise and equalization of education funding brought by Fundeb – Fund for the Maintenance and Development of Basic Education and the Valorization of Education Professionals. However, the coalition believes that although most of the adopted policies have been positive, they are not sufficient to meet existing needs. It questions the emphasis on standardized exams as the only measure of student performance, as well as on IDEB as the only measure of school performance. This coalition rather points to the importance of investing in teacher training and asks for higher shares of public spending for education (interviewee C14, 26 February 2010).

Third, there is a coalition of scholars and PT political opponents who consider that a number of current educational policies are a continuation of those adopted by the previous administration. They argue that more assessments are needed, as well as more policy evaluations. This coalition also advocates for teacher merit-pay and the

[55] Student assessments include *Provinha Brazil* (Brazil's Little Exam), *Prova Brazil* (Brazil Exam), the National High School Exam (ENEM), and the National Assessment of Student Performance (ENADE).

[56] Each public school in Brazil has its performance measured through the Index of Basic Education Development (IDEB). It is a composite index based on students' performance on national assessments and on the school's average repetition rate. IDEB is calculated every two years and leads to the establishment of quality improvement targets for each school.

establishment of partnerships between public and private schools, whereby private school chains provide public schools with their teaching methods and textbooks (interviewee C11, 22 February 2010).

On Bolsa Familia, the MoE coalition considers that the program is important in providing the means for poor children to have access to school. In contrast, the other two coalitions argue that the program has clear limits in terms of its contribution to education. For them, Brazil's educational problem is not one of demand, but rather of the quality of supply. Members of those coalitions argue that families do not send children to school because taught contents are not relevant, because teachers are often absent, and because families cannot envision the importance of schooling for their children's lives (interviewee C11, 22 February 2010; interviewee C14, 26 February 2010).

Outside of education, coalitions have also been formed around social protection policies. The dominating coalition, which is ahead of Bolsa Familia at the Ministry of Social Development (MDS), has in its deep core the principles of citizenship and social rights. Its core belief is that cash transfers help the poor exercise their citizenship and rights to education and health services. Consequently, conditionalities have not been included as incentives for behavior change and should not result in the 'punishment' of non-compliant families. Rather, in cases of non-compliance, they work as triggers for additional government action to support vulnerable families. Local governments are expected to follow up on the reasons of non-compliance and help families get back on track (interviewee C18, 07 March 2010; interviewee C19, 10 March 2010). The MDS coalition advocates for the unification of cash transfers in Brazil, for the importance of targeting, conditionalities, and the Single Registry.

Second, there is the Minimum Income coalition. Led by Senator Eduardo Suplicy and supported by scholars such as Lena Lavinas, this coalition defends the implementation of the 2004 Minimum Income law, which should result in a universal and unconditional cash transfer program. This coalition, however, is not combative of Bolsa Familia. Senator Suplicy also belongs to the Workers' Party and publicly acknowledges the importance of the program. Besides, a compromise has been reached in which Bolsa Familia is to be the first step towards the achievement of a universal minimum income policy. As part of this process, in the last PT national convention Senator Suplicy was able to approve a motion to include the full implementation of the Minimum Income law in the campaign proposals of the party's presidential nominee, Dilma Roussef (interviewee C13, 24 February 2010).

Third, a coalition has been formed around the past experience of Bolsa Escola. Its deep core is based on the fundamental importance of education for poverty reduction and development. Its core belief is that lack of income leads poor families to send their children to work rather than to school. Consequently, those families should receive a 'salary' that compensates them for keeping children in school. Simultaneously, the government ought to make even higher investments in the quality of schools attended by Bolsa recipients (interviewee C15, 26 February 2010).

Interestingly, the above three coalitions share the premise that Brazilian society has been historically so unequal that it has a 'social debt' to its poor (Lindert et al., 2007). Consequently, the government has the duty of designing social protection policies that will redistribute part of the country's wealth while making sure that families can invest in children's education to improve the country's future prospects.

Besides the above-mentioned coalitions, whose representatives were interviewed as part of this study, Cotta (2009) describes three other "visions about social protection"[57] (p. 63) and their standpoint *vis-à-vis* conditional cash transfers. First, there is the food security vision, which is defended by civil society organizations, those who were ahead of the Zero Hunger program, and those at the Department of Food and Nutritional Security at MDS. According to this vision, food and nutritional security is the first and major issue to be tackled by social protection policies in Brazil. It was shared by the coalition that dominated the first year of the Lula administration and was later replaced by the Bolsa Familia coalition. Even though those in the 'food security coalition' used to argue that cash transfers had limitations and did not allow for people's empowerment, they now accept Bolsa Familia as part of Zero Hunger, which was turned into a broader, long-term strategy.

Furthermore, Cotta (2009) describes the vision about social protection that focuses on social assistance rights. Social workers, some scholars, and some government officials are the ones who share this vision, arguing that social assistance services shall be at the core of a comprehensive policy of social protection. The coalition that portrays this vision was very critical of CCT programs during the Cardoso administration, relating CCTs to the structural adjustment reforms of the 1990s. However, with the rise of a left-leaning government and the creation of Bolsa Familia, the 'social assistance coalition' reconsidered its position towards CCTs. It is still reluctant to accept them as a

[57] Cotta's concept of visions about social protection is close to Sabatier and Jenkins-Smith's advocacy coalition framework. She argues that the visions about social protection are espoused by communities of thought, which are defined as "groups of people that share a normative and cognitive base and a certain style of thought" (p. 64). The subtle difference between 'visions' and 'advocacy coalitions' is that members of advocacy coalitions strive to dominate policymaking in order to materialize their core beliefs. In the case of visions of social protection, communities of thought are simply clustered around their shared visions.

comprehensive public policy, but concede to their importance as poverty-reduction programs. This coalition currently permeates the Department of Social Assistance at MDS, as well as many Departments of Social Assistance in municipal governments. Consequently, its acquiescence is very important to assure that the program is adequately managed at the local level.

Third, Cotta (2009) finds the “social spending vision”, according to which Bolsa Familia is simply seen as a type of social spending. Those who follow this vision are mostly concerned about the equilibrium of national accounts. In that framework, conditional cash transfers stand out as non-contributory direct transfers, as they are not based on individual contributions (like social security) and do not depend on intermediary institutions for payments to be delivered. This vision is mostly espoused by some scholars, researchers, and government officials outside the field of social development/protection. Since their goal is not primarily to dominate policymaking in social protection, it can be argued that this vision has not translated into a mobilized advocacy coalition.

Last is the coalition that completely discredits Bolsa Familia. It is mostly comprised by government opponents in the media and often calls the program *Bolsa Esmola* (Charity Stipend). This coalition’s deep core is based on the idea of meritocracy. Its core belief is that the poor should work harder in order to increase their income and that the country’s economy should grow in order to make jobs available to everyone. The coalition opposes income redistribution and argues that Bolsa Familia solely serves political purposes and makes the poor welfare-dependent.

In analyzing how Bolsa Familia may have altered the power balance between the advocacy coalitions in dispute, it was found that the program's scale, impact, and resulting political strength ended up giving significant force to the coalitions 'in office' – those controlled by the MoE and Bolsa Familia's Department of Citizen's Income at MDS. As detailed below, Bolsa Familia is very popular across the entire country. Besides, it has contributed to reducing poverty and inequality and has positively impacted local economies, food consumption, enrolment rates, and dropout rates (De la Briere et al., 2007). Hence, Bolsa Familia's results have 'sponken for themselves' and have weakened opposing coalitions' pleas for policy change, including in education.

A Political Phenomenon

As reported above, Bolsa Familia is in the center of the dispute among several advocacy coalitions in the field of social development/protection. However, except for the coalition that completely despises the program, much of that dispute is not about whether Bolsa Familia should continue or not. The debate is rather about the program's place in the social protection policy, the purpose it should serve, whether it should be conditional or not, targeted or universal, and whether and how it should create exit strategies for beneficiary families[58].

[58] Currently, Bolsa Familia does not have a time limit for family participation in the program. As long as families meet eligibility criteria, comply with conditionalities, and update their information in the Single Registry every two years, they can indefinitely continue receiving program benefits.

Consequently, the 'victory' of Bolsa Familia's coalition over most others took place through the accommodation of interests rather than through confrontation. Again, except for the extreme media critics, all other coalitions accepted that the program was there to stay and that they had to adjust their discourse. This was only possible because, as also verified in Colombia, the CCT model is adjustable to various belief systems.

No single interviewee has raised doubts about Bolsa Familia's survival after the upcoming presidential elections, no matter whether the Workers' Party wins or loses. In fact, interviewee C15 (26 February 2010) affirmed: "no politician would dare to propose the termination of Bolsa Familia". Thus, the program's political sustainability is out of question. The following section brings further evidence to this conclusion by making use of the conceptual tools provided by Punctuated-Equilibrium Theory and the Civic Capacity framework.

Punctuated-Equilibrium

Different from the other two programs in this study, which were part of a broader policy monopoly, Bolsa Familia is the policy monopoly itself. The program has consolidated a monopoly on political understandings of how the government of Brazil shall combat poverty in the country. It is not only backed by a strong policy venue – the Ministry of Social Development, it is backed by the President himself.

Additionally, Bolsa Familia can strongly count on the main elements identified by Punctuated-Equilibrium Theory (PET) for the maintenance of a policy monopoly over time: attention and a positive policy image. Following the analysis of the Dow Jones

Factiva database, this study found a total of 8,252 articles published on Bolsa Familia from 01 January 2007 to 31 December 2009 in all languages. Of those, 7,167 were published in the Brazilian press. Such a high-level of media attention is confirmed by Lindert (2007), who used the World Bank Media Database on Conditional Cash Transfers. Lindert searched six major Brazilian newspapers from 2001 to 2006 and found over 6,500 articles on at least one of Brazil's conditional cash transfer programs[59]. In 2006, there was an average of one article in each newspaper every day (Lindert, 2007).

Baumgartner and Jones (2005) argue that attention is highly important, but a positive tone is fundamental to assure a positive policy image and maintain a policy monopoly. On that regard, Bolsa Familia has also been very fortunate. Out of over 8 thousand newspaper articles, only 30 include the word controversial/*controverso/controvertido* and 198 include the word critics/*critico.* This finding is also confirmed by Lindert (2007), as she found that 44% of all articles had a positive tone and only 6% were fully negative.

<u>Civic capacity</u>

Although it was not possible to carry out school interviews, some interviewees said they believe there is high teacher support to Bolsa Familia (interviewee C8, 10 September 2009). Additionally, the above-reported high levels of media attention and the dominating positive tone have been representative of the population's overall support to Bolsa Familia. In 2007 Ipsos carried out an opinion poll about the Lula administration.

[59] Lindert (2007) was interested in media coverage on Bolsa Familia, as well as on its predecessors.

When asked about what Lula had done well in office, 43% of respondents indicated 'Bolsa Familia' as their first answer (cited in Lindert, 2007).

Positive perceptions about Bolsa Familia have to some extent translated into political support to Lula and local governments. In 2006 Ipsos did a quantitative analysis of the characteristics of respondents who said to favor the Lula government. It found that being a beneficiary of social programs was highly correlated with favoring the government (cited in Lindert, 2007). Also, De Janvry et al. (2006, cited in Lindert 2007) analyzed the 2004 municipal election results in the Northeast of Brazil. In municipalities where the incumbent mayor was re-elected for a second term, researchers found that Bolsa Familia had higher coverage rates and better targeting accuracy.

Lindert (2007) argues that the outstanding levels of political support to Bolsa Familia are a result of the combination between three factors: implementation, impacts, and politics. The program's implementation has been fairly efficient, discrediting accusations of political manipulation. Besides, research evidence has shown that Bolsa Familia has had considerable positive impacts. For instance, Paes de Barros (2007) finds that the program was responsible for 41% of the reduction in income inequality between 2005 and 2006. It was also responsible for 25% of the reduction in extreme poverty between 2001 and 2005. Last, Bolsa Familia is able to gather support from both ends of the political spectrum. Lindert et al. argue that the left supports the program because it tackles the country's social debt to the poor. On the other hand, the political right supports Bolsa Familia because it does not freely distribute handouts to the poor, but rather demands that they fulfill co-responsibilities.

Nonetheless, it should be noted that the existing broad-based political support to Bolsa Familia may not mean civic capacity for the program in education. It is not highly contested in the education community, but no one seems to consider that it has played an educational role. Hence, collected data only allow for the conclusion that Bolsa Familia does not lack civic capacity in education. Only if the MoE decides to further integrate the program with education policies will it be possible to assess how strong Bolsa Familia's civic capacity in education is.

Policy Borrowing: No Need to Borrow

CCTs have existed for the longest time in Brazil and they did not emerge out of processes of policy borrowing from abroad. However, that does not mean Bolsa Familia might not have been influenced by foreign models. In fact, the very decision to create Bolsa Familia by unifying previously existing CCTs was to some extent influenced by advice from Oportunidades' creator Santiago Levy (interviewee C6, 06 June 2009). Also, Bolsa Familia officials have been part of the international network of CCT specialists, who meet regularly in countless meetings for experience sharing.

Even so, there is no explicit evidence of policy borrowing from a particular country. MDS officials consider that Brazil has numerous peculiarities and have been attempting to cope with them on their own. Only recently has the Bolsa Familia team made a concession to import some aspects of Chile's CCT, particularly the processes of family follow-up and case management (interviewee C17, 05 March 2010).

Such a lack of efforts to borrow from elsewhere may be explained by Bolsa Familia's strong legitimacy in Brazil, as detailed above. Just as the Borrowing and Lending literature predicts that policymakers borrow policy models from elsewhere in order to obtain legitimacy to their own proposals at home, governments that enjoy significant support to their policies may be in the comfortable position of not having to borrow. That seems to be the case of Bolsa Familia.

The absence of policy borrowing does not mean that Brazil has not received foreign support, particularly from donors. The World Bank has been the program's most important external partner. As explained earlier, the Bank played an important role in Bolsa Familia's creation by convincing the Brazilian government to base its poverty reduction strategy on targeted conditional cash transfers rather than on unconditional food support (interviewee C2, 06 May 2009; interviewee C6, 06 June 2009).

Following the unification of programs and the 'birth' of Bolsa Familia, the World Bank negotiated and approved a new loan to support the program. The "Bolsa Familia First Adaptable Program Loan" involved a total budget of US$ 520 million and was approved in June 2004 (World Bank, 2004). Most loan funds – US$500 million – were to be directly used for family cash transfers. Interestingly, the loan had a performance-based mechanism in which funds were disbursed according to the pace of family payments. The creation of such a mechanism was intended to guarantee that Brazil's treasury would make resources available to the program[60] (interviewee C2, 06 May 2006).

The remaining part of the loan was aimed at technical assistance activities, such as strengthening the system to identify the target population; developing a monitoring and

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[60] Nowadays this concern seems unreasonable, since the government has maintained a good record on delivering payments on time.

evaluation system; institutional strengthening; and project management (World Bank, 2004). One of the Bank's important technical contributions to Bolsa Familia has been the publication of the most comprehensive working papers written in English about the program. For instance, the paper entitled "The nuts and bolts of Brazil's Bolsa Familia Program", by Lindert et al. (2007), explains program operations in great detail.

As the first Bolsa Familia loan ended in late 2009, a new one is currently under negotiation by the Bank's team and the government of Brazil. It involves a smaller budget – about US$ 300 million (interviewee C2, 06 May 2009). Interviewee C4 (20 May 2009) acknowledges that this amount is not very significant *vis-à-vis* Bolsa Familia's total cost and that the government does not depend on those resources. However, the loan will allow the development of studies and evaluations. In fact, since the Cardoso administration the federal government of Brazil has used World Bank and IDB's loans for the hiring of consultants to conduct works of that nature.

The Inter-American Development Bank (IDB) also provided the program with financial support in its early stages (Hall, 2008). In 2009, the IDB approved a new Bolsa Familia-related project, this time aimed at knowledge building and sharing in the broader field of social protection. The project, with a budget of only U$ 1 million, is described as:

> The Technical cooperation [TC] will support the definition of the country's mid and long-term strategy in social protection. The TC will finance studies, seminars and workshops that will feed into a Knowledge Agenda for (i) the evaluation of the social safety net in Brazil, (ii) the definition of strategies for including families in vulnerability in urban areas and metropolitan regions; and (iii) identification and analysis of best practices for the economic inclusion of beneficiaries in productive and income-generating activities (IDB, 2010).

The United Kingdom's Department for International Development (DFID) has been another constant partner of Bolsa Familia. DFID has offered direct technical assistance and has hired consultants to work in the program. Lately, it has provided technical and financial support to the sharing of social protection experiences between MDS and African countries (see section below).

Interestingly, donors have changed their approach towards Brazil and Bolsa Familia in recent years. According to interviewee C17 (05 March 2010), in the beginning of the Lula administration donors used to approach MDS to offer technical assistance and financial support. In some cases, there were strings attached to their offers and they presented specific demands on how projects should be developed. Lately, however, the Ministry has been given greater voice in cooperation initiatives. Besides, donors such as DFID and the World Bank have increasingly asked MDS to share its experience with other countries. As concluded by interviewee C17, this new situation reflects how Bolsa Familia in particular and the government of Brazil as a whole have gained international respect in recent years.

Policy Lending: High Demand

Since the idea of a conditional cash transfer program has existed in Brazil since the 1990s, there have been countless opportunities of policy lending involving Brazilian CCT idealizers and policymakers. In fact, proponents of the different variations of cash transfer schemes have made use of policy lending to earn legitimacy for their ideas. For instance, Bolsa Escola creators claim direct influence over the establishment of similar CCTs in Latin America, such as those in Mexico, Ecuador, and in the city of Buenos

Aires (Aguiar and Araújo, 2002). In the case of Mexico's Progresa/Oportunidades, Brazilian interviewees reported that Mexican officials visited Brazil to get to know the Bolsa Escola experience (interviewee C4, 20 May 2009; interviewee C15, 26 February 2010)[61]. Additionally, Cristovam and his supporters created the NGO *Missão Criança* (Mission Child), aimed at the promotion of the Bolsa Escola model. The NGO has supported the creation of pilot Bolsa Escola programs in other countries, such as Mozambique, Guatemala, Sao Tome and Principe, and Tanzania (Missão Criança, 2010).

Advocates of a universal minimum income have also made international efforts to lend the idea to other countries. Senator Suplicy, for instance, has promoted his proposal for a basic/minimum income in countries such as Cuba, Ireland, Argentina, Uruguay, Iraq, Bangladesh, and Mozambique (interviewee C13, 24 February 2010). As part of those efforts, the 2010 international meeting of the Basic Income Earth Network (BIEN) will be held in Brazil. The meeting will probably help with the international promotion of Brazilian experiences and ideas, and will also work as a certification strategy for those in the basic/minimum income advocacy coalition.

Since the creation of Bolsa Familia the government of Brazil has received various cooperation requests from other developing countries. As the program has been well-documented in the international CCT literature, governments around the world have received information about it. Many have developed an interest in getting to know it in greater detail and in possibly importing its model.

Bolsa Familia's policy lending initiatives have also been a result of the President's foreign policy agenda. During his visits to other developing countries, as well

[61] However, Santiago Levy, the founder of Progresa/Oportunidades in Mexico, does not mention Bolsa Escola as a source of inspiration in Levy (2006).

as during visits by other Presidents and Prime Ministers, Lula has often offered technical cooperation in the field of social development and poverty reduction. As a result, bilateral Protocols of Intention are usually signed. Then, if the other country maintains its interest, specific cooperation projects are designed by the Brazilian Cooperation Agency (ABC) and by the Ministry of Social Development. Some countries have specific demands concerning Bolsa Familia. That is the case of Mozambique, whose government manifested particular interest in the Single Registry. Other countries, however, want to learn from the Bolsa Familia experience as a whole (interviewee C17, 05 March 2010).

Different from Bolsa Escola's proponents and those who advocate for a basic income for all citizens, Bolsa Familia's managers and supporters have not had to actively seek to promote the program abroad. The first reason is that Bolsa Familia is politically strong in Brazil, as discussed above. Thus, the program does not need the seal of approval that comes with policy lending (Steiner-Khamsi, 2004). Second, foreign demand for Bolsa Familia is such that MDS has mostly worked in a responsive manner. Third, the Ministry counts on limited human resources to manage the program – about 200 people, as opposed to almost 1,000 working for Mexico's Oportunidades (interviewee C17, 05 March 2010). Consequently, MDS cannot devote much personnel and energy to replicating Bolsa Familia elsewhere. The priority is working on the program at home. According to interviewee C17, the Minister of Social Development will not make more human resources available to international cooperation before concrete results of international efforts are presented.

Donors have played an important role in encouraging the international diffusion of the Bolsa Familia model. The World Bank, for instance, has worked as a 'bridge' institution, linking Brazil to other countries that are interested in establishing a CCT or that have one already. That was the case of India and Peru. Besides providing resources to fund exchanges between countries, the Bank also offers a loan to help fund the creation of a CCT in the recipient country (interviewee C1, 01 May 2009). The Bank has also encouraged Brazil's own South-South cooperation efforts. In March 2010 the Bank organized a conference in Colombia in order to promote the sharing of South-South cooperation practices. MDS was invited to participate and to specifically present its South-South cooperation experiences involving Bolsa Familia.

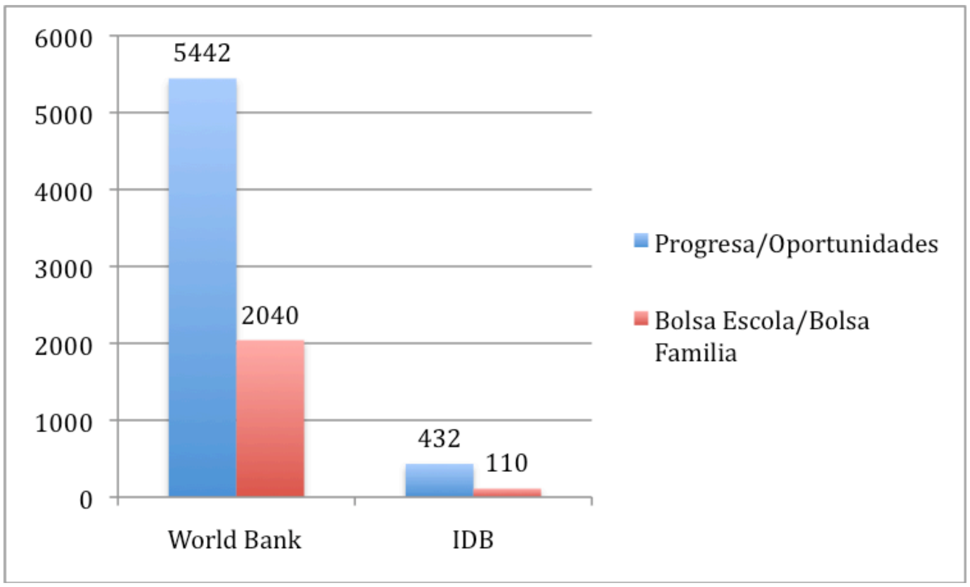
The UK's Department for International Development (DFID) has been also very active in supporting the cooperation between Brazil and other developing countries in the field of social protection. Specifically, DFID finances the 'Africa-Brazil Cooperation Program on Social Development'. DFID's program has facilitated cooperation efforts between Brazil and selected African countries, constituting a so-called 'triangulation' initiative in South-South Cooperation. Although the program's mission is broadly defined in terms of social development, there have been initiatives specifically focused on Bolsa Familia. According to the Africa-Brazil website, housed by the International Policy Center for Inclusive Growth (IPC-IG):

> In 2006, representatives of Ghana, Guinea Bissau, Mozambique, Nigeria, South Africa and Zambia undertook a study tour to Brazil on conditional cash transfer programs. In 2007, Brazil provided the government of Ghana with technical cooperation in the design of a pilot social grants program entitled Livelihood Empowerment Against Poverty (IPC-IG, 2010).

Despite such a high demand from other countries and interest from donors, Bolsa Familia has not gotten as much international exposure as Mexico's Progresa/Oportunidades, especially in the academic literature (interviewee C3, 20 May

2009). Major CCT funders such as the World Bank and the Inter-American Development Bank have also featured the Mexican CCT many more times than Brazil's Bolsa programs (Bolsa Escola and Bolsa Família). The following graph presents the number of entries found on the Banks' websites for Brazil's and Mexico's CCTs.

Figure 5. Progresa/Oportunidades[62] and Bolsa Escola/Bolsa Familia[63] on the Banks' websites



When asked about why Progresa/Oportunidades is better known internationally than Bolsa Família, interviewees indicated the following reasons:

1. "Bolsa Familia is so Brazilian". It works in a decentralized way and only uses the self-declared family income as its targeting criterion (interviewee C1, 01 May 2009);
2. Most evaluations of Bolsa Familia have been done on a small scale and quietly, whereas Oportunidades/Progressa set up an evaluation unit since its beginning

[62] Number of pages with the name Progresa + Number of pages with the name Oportunidades – Number of pages with both names
[63] Number of pages with the name Bolsa Escola + Number of pages with the name Bolsa Familia – Number of pages with both names

and has made its evaluations internationally available (interviewee C3, 20 May 2009; interviewee C18, 07 March 2010);

3. Most Mexican policymakers have studied in US universities. Upon their return they are very serious about applying what they learned in terms of methods and new ideas. Consequently Mexico ends up becoming a 'policy laboratory', which, due to its link to the US, gets significant international visibility (interviewee C7, 10 September 2009);
4. Progresa/Oportunidades has been more dependent on international funding than Bolsa Familia (interviewee C7, 10 September 2009).
5. Progressa/Oportunidades has strictly conformed to the CCT model that international experts have advocated for: it is completely focused on building human capital, which is reflected on the program' design, documents, and discourse (interviewee C18, 07 March 2010).

Furthermore, interviewee C7 argued that Progresa-Oportunidades has faced greater political challenges at home than Bolsa Familia. Even though Mexico is also a federation, its CCT has been designed and implemented in a centralized way. In order to obtain legitimacy, especially in the relationship with different states, the program has needed the 'international seal of approval'. On the other hand, the decentralized implementation of Bolsa Familia has allowed for the sharing of 'political dividends' between the federal, state, and municipal governments. Consequently, the program is supported by a multi-partisan network and is less in need of external legitimation.

Since the creation of Bolsa Familia, all governmental policy lending initiatives on CCTs have been carried out by the Ministry of Social Development. Even though the

Ministry of Education developed a system for conditionality monitoring of considerable quality, it has not participated in international CCT cooperation initiatives. On the other hand, the MoE has been the protagonist of South-South Cooperation efforts in various other fields, such as adult literacy, teacher training, assessment and accountability, and financing of education. According to interviewee C16 (01 March 2010), US Deputy Secretary of Education Tony Miller has scheduled a visit to Brazil with the purpose of learning from two Brazilian policy experiences: *Provinha Brasil* (Brazil's Little Exam) and Fundeb (Fund for the Maintenance and Development of Basic Education and the Valorization of Education Professionals). The former is a national standardized exam for second-graders. It has the goal of providing teachers and school principals with an assessment of students' early literacy levels. The latter – Fundeb – is a federal fund that allows for the redistribution and equalization of school funding among Brazil's various states.

Chapter VIII

COMPARISON AMONG CASES

This chapter revisits and compares data presented in the previous three chapters. It also brings in new information that will illuminate this dissertation's research questions and add discussions around other issues that arose with the data analysis.

CCTs and Policies for Improved Education Quality

Different from this research's initial expectations, case studies did not reveal any indication that conditional cash transfers may have operated as external inducers of change in policies for education quality. First, in none of the three cases has the CCT program altered the power balance between advocacy coalitions in a way that could have caused policy change as predicted by ACF. Both in Brazil and in Colombia CCTs have rather strengthened the coalitions in office. In New York City, the DoE's lack of ownership over Opportunity NYC (be it in terms of Spark or Family Rewards) has made the program neutral *vis-à-vis* education advocacy coalitions. Its potential for policy change in the future, however, is to be found in the field of welfare policies, where the program may contribute to the constitution of a new policy monopoly (although recent evaluation results have made this scenario less likely).

Second, all three CCTs have been kept separate from policies concerning the improvement of education, from discussions related to learning, or from any other education issues that go beyond indicators of attendance, graduation or, in the case of New York, test scores. Even in the cases where greater integration would be expected (because the Department of Education is responsible for the CCT), data showed that the program is either separate from policymaking on education quality at the DoE (the case of *Subsidios*) or is not really implemented by the DoE (the case of Opportunity NYC).

Combined with that, in the three cases education professionals have played a limited role (or no role at all) in the CCT's design or implementation. In New York, Spark is completely managed by economists from Harvard's Education Innovation Laboratory. In Brazil Bolsa Familia is not managed by the Ministry of Education, is not seen as an education program, and is outside debates of education issues. Finally, in the Subsidios case, program managers do not have an education background and teachers have not been involved in the program.

Nonetheless, it should be noted that Subsidios is the program that, among all three cases, has achieved the highest level of integration with the field of education. School principals and coordinators have a direct role in the program's operation and are knowledgeable about its purpose and history. As for education scholars and members of teachers unions, they also know the program in some detail, they have an opinion about it, and are able to link it to other existing policy discussions in education.

Levy (2006) argues that political variables such as some sort of incentive or political enforcement by higher authorities would contribute to increased 'symbiosis' between education and CCT programs. However, what the cases under analysis here have shown is that, in practice, those political variables are not currently in place.

CCT Change and Continuity

In the framework of Punctuated Equilibrium Theory it is interesting to notice that the three programs indicate similar patterns. First, the theory is useful to explain the emergence of each CCT despite the peculiarities of each context. Consistently in all three cases, the adoption of the current CCT model occurred within a context of a new administration coming to power and bringing in a new discourse.

In Bogota the administration that adopted Subsidios had – and still has – a left-leaning discourse that was very different not only from previous administrations but also from the national government. In New York, Mayor Bloomberg introduced a discourse of innovations and performance-oriented administration that has allowed him to try on new strategies. And in Brazil, despite the fact that many accuse the current administration of simply continuing the policies adopted by its predecessor, the story behind the adoption of Bolsa Familia indicates that the program did introduce a new rationale, which cannot be simply thought of as the sum of the preceding programs it unified. Thus, these cases indicate that the adoption of CCTs, as moments of non-incremental policy change, are deeply linked to changes in the surrounding political circumstances, as foreseen by Baumgartner and Jones (1993).

Second, since their first adoption, those three CCTs have maintained a pattern of only incremental change. All of them, since their creation, have only gone through technical modifications, such as in the amount of transfers, in the maximum age for beneficiary children, in the mechanisms to enforce compliance with conditionalities, in the selection process of beneficiaries, or in the activities to be rewarded. Bolsa Familia, which is the case that has existed for the longest time, has not undergone major structural changes for the past six years and is likely to remain unaltered in the near future, even if the Workers' Party loses the upcoming presidential elections.

This capacity to survive may be related to those programs' adjustability to different belief systems. In all three cases, CCTs have fit well into the diverging belief systems espoused by various coalitions. In New York City, even potential opponents of Opportunity NYC have respected the program for its experimental nature. CCTs have also been embraced by numerous and even competing political parties, especially in the cases of Colombia and Brazil. In Colombia, even though the city government and the national government currently belong to adversary parties, both currently implement their own CCT programs. In Brazil, the first two local CCTs were created by administrations from different parties (PT and PSDB). Then the Cardoso administration created the national Bolsa Escola, which was consolidated and expanded in the form of Bolsa Familia by the Lula administration. Currently, governments of all Brazilian municipalities, regardless of their political affiliation, have adhered to the program and have collaborated with its local implementation. CCTs' malleability may be part of the explanation of why they are so endurable, as well as of why they have rapidly spread to so many countries.

It should be noted, however, that none of the three case-programs are formally guaranteed in the form of a constitutional guarantee. All of them are government programs that do not count on legal assurances that they will be continued by a future administration. Only Bolsa Familia seems to count on such a strong civic capacity that it would survive the victory of an opposition party in future elections. Such a lack of institutionalization of CCT programs makes of funding a big issue for their continuation and expansion, consequently creating dependence upon external funding, be it in the form of international loans or of private sponsorships.

Scale

The first interesting variable that stood out in the comparison of the three programs was their scale of operation. The figures presented below give an idea of each program's size and outreach:

Table 10. Scale of operation

	Opportunity NYC	Subsidios	Bolsa Familia
Year of creation	2007	2004	2003 Bolsa Escola: 1995

	Opportunity NYC	Subsidios	Bolsa Familia
			Guarantee of Minimum Family Income: 1995
Initial number of beneficiaries	2,400 families + 8,000 students	9,749	3.8 million (Lindert et al., 2007)
Current number of beneficiaries	Same	80,000 (expansion to 100,000)	12.4 million families
Budget (PPP[64], million)	53.4 for the first two years	37.07	Around 8,220
Maximum payment amount per year (PPP)	650 elementary school 750 middle school 4,100-4,500 high school	320	1,644
Media coverage between 2007 and 2009 (all countries, all languages)	209	4	8,252

One of the interesting conclusions that come out of the above chart is that number of beneficiaries is not necessarily proportional to the program's budget. Opportunity

[64] PPP: Purchasing power parity. Values were calculated using World Bank PPP rates for 2008.

NYC benefits a relatively small number of participants but involved a budget of over 50 million dollars during its first two years. Besides its significantly greater amount of transfers, the program is also more expensive because of administrative costs. According to Bosman (2010), by the end of the second year of program implementation "$14 million had been paid out to 2,400 families. An additional $10.2 million is for operating costs, and $9.6 million for research and evaluation". Even though interviewee A7 (08 May 2009) noted that the program does not get the economies of scale that would appear in a larger CCT, such a high administrative bill should be in the minds of policymakers who may consider the adoption of the Opportunity NYC model.

Also, there seems to be a direct relationship between scale and media coverage, if Bolsa Familia and Subsidios are compared. If that is the case, Opportunity NYC seems to be an outlier, as the program was featured in over 200 articles even though it benefits only 2,400 families (Family Rewards) plus 8,000 students (Spark). Being tested in New York City seems a natural reason for increased media exposure, but other factors may include marketing efforts by City Hall and the sponsoring foundations, as well as significant buy-in from international organizations.

Additionally, it looks like scale matters for the emergence of advocacy coalitions specifically disputing the program (rather than disputing the education or the social policy as a whole). Small programs such as Opportunity NYC and Subsidios, which do not place significant interests at stake, tend to fit into pre-existing advocacy coalitions concerned about bigger policy issues. On the other hand, large-scale programs such as Bolsa Familia, which involve great political dividends, lead to the formation of disputing coalitions around their own issues. A large-scale CCT is so important in a country's political scenario that it mobilizes opinions and belief systems, which are clustered around different groups. Actually, in the case of Bolsa Familia those advocacy coalitions are not formed around believes concerning education, but rather around issues pertaining to the program's identity as a poverty reduction strategy.

The Role of International Organizations

Internationally, education specialists have not been involved in studies and evaluations of CCTs or in the management of related projects at international organizations. Among interviewed staff members of those organizations, the ones who operate education projects indicated that they have not worked with CCT programs and did not have much to say about it. On the other hand, those who have worked closely with CCTs declared that they did not know much about education.

That finding contradicts the fact that most evaluations assess the performance of CCTs in terms of how much they have contributed to raising education indicators. For instance, Evans (2009) reviewed major recent evaluations of Bolsa Escola/Bolsa Familia. Out of the eight studies he reviewed, five evaluate the program in terms of its contribution to the education of beneficiary children.[65]

This actual divorce between CCTs and education also goes against what one would expect from the dominating international discourse surrounding conditional cash

[65] The five studies are: Oliveira (2009), Viana et al. (2009), de Janvry et al. (2008), Bastagli (2008), and Glewwe and Kassouf (2008).

transfers, which proposes them as innovative poverty-reduction models that involve mechanisms to build human capital by improving beneficiaries' education and health.

Also, rather than conforming to that human-capital CCT model, the three studied CCTs have various peculiarities when it comes to their design, mode of implementation, and their own policy discourse. By comparing interviews with the managers of the three cases to those with representatives of international organizations (as well as with the international literature on the topic), it was surprising to find that those program managers do not completely reproduce the international discourse on conditional cash transfers. As a matter of fact, the idea of building human capital was not mentioned by program managers in any of the three cases.

In Brazil, the dominating discourse is that of citizenship, with conditionalities seen as 'co-responsibilities' and even as rights. In Bogota, there is a predominant idea of promoting student wellbeing by providing children and adolescents with additional income to cope with school expenses and satisfy other daily needs. And Opportunity NYC works around the idea of 'rewards' and 'incentives' for increased student effort and parental participation. As an example of the disconnect between the international focus on human capital and the individual national discourses, here is an excerpt of how the Ministry of Social Development officially defines Bolsa Familia:

> The Bolsa Familia Program is based on the articulation among three dimensions that are essential to overcome poverty and hunger: immediate poverty relief through the direct transfer of income to families; the reinforcement of basic social rights in the fields of Health and Education, by means of the compliance with conditionalities, which help families break the intergenerational cycle of poverty; and the coordination with complementary programs, which are aimed at families' development, so that Bolsa Familia's beneficiaries will be able to overcome their situation of vulnerability and poverty (MDS, 2008).

Thus, although the Borrowing and Lending literature indicates that policy borrowing occurs mostly at the level of 'policy talk' (Steiner-Khamsi, 2004), in this case even 'policy talk' has been just partially borrowed. The reproduction of the CCT jargon only takes place when it is convenient, such as in international meetings, publications, and loan documents. Domestically, however, each government has produced its own way of conceptualizing and communicating CCT fundamentals.

Considering that the three cases have either worked with international funding (Subsidios and Bolsa Familia) or have capitalized on international organizations' seal of approval (Opportunity NYC), the above finding would be unexpected from the point of view of the economics of policy borrowing. However, this research was able to identify that in countries like Brazil and Colombia, which are not extremely poor, governments have some room to impose their will because it is also in the Banks' interest to lend money. Such a 'reverse dependence' (Banks dependent on borrowing governments) was clear in the Colombian case, where Banks' ties to the national government generated constraints for the international promotion of Bogota's CCT program.

CCT Borrowing and Lending

When it comes to whether each CCT has officially borrowed from other countries and whether it has exported its own model, it was found that all three cases partially conformed to what the Borrowing and Lending literature would predict. But beyond that, each case also showed peculiar aspects related to their borrowing and lending processes.

In the case of Opportunity NYC, the ‘borrowing from Mexico’ discourse was used as a strategy to obtain legitimacy for the program at home. For the same reason, there has been an urge for policy lending. Initiatives to promote the program abroad were initiated even before its impact was known. The peculiar aspect about Opportunity NYC, however, is that eventually critics attacked the idea of having in NYC a program inspired by a poverty-reduction experience in Mexico, where poverty conditions are supposedly very different. Consequently, program managers needed to reassure the public that the model had been adapted.

In Bogota, Subsidios was a clear case of the economics of policy borrowing, where there was reference to CCT-model programs in Mexico and in Brazil in order to please donors. However, it was very interesting to find that Subsidios was a case of ‘reverse’ politics of policy lending. The political dispute between those in the city government and in the national government has generated constraints to policy lending. International banks have not promoted the program outside of Colombia to prevent upsetting the national government, which has its own CCT program – Familias en Accion – and which takes annual loans to maintain that program.

Finally, the case of Bolsa Familia shows a close connection between findings related to the program’s strong political sustainability and its almost lack of policy borrowing. Besides the initial influence by Mexico’s experience, Bolsa Familia managers have made little efforts to borrow from other CCTs. In theory, they do not have the political need to. Similarly, there have not been major efforts of policy lending except for those in response to demands that come directly from other countries or that are intermediated by international organizations.

Similarities between Two Cases

As a result of the comparison between the three cases, some features were found to be common only between two of them.

Opportunity NYC and Subsidios

Both in New York and in Bogota the CCT program has reinforced the dominating advocacy coalition in education. As they are placed at education institutions (at least formally), they have contributed to adding to the power advocacies 'in office'. In Brazil, however, that reinforcement did not occur because the program is institutionally and politically very distant from education policymaking. Instead, Bolsa Familia involves such high stakes that advocacy coalitions have been formed specifically to dispute the contours of the program itself.

Also, Subsidios and Opportunity NYC share the policy decision of not benefiting students in elementary school on the basis of their attendance. In New York that decision also applies to middle school. In Brazil, however, families with children as young as six-years old are eligible for the cash transfer if their children attend school. Considering that the Brazilian enrollment rate in primary education reaches 93% as opposed to 77% in secondary education (UIS, 2010), the education conditionality does not seem to have a strong role to play for younger kids. That reflects Bolsa Familia's focus on reducing income poverty, rather than fulfilling education policy goals.

Subsidios and Bolsa Familia

Both in Brazil and in Bogota critics have questioned the quality of schooling that is being offered to CCT beneficiaries (although that critique has not been turned into organized opposition to those programs). Interestingly, this question has not been raised in the case of Opportunity NYC. One possible reason may be the US drive to raise test scores and the assumption made by some that performance is mostly dependent on individual student's efforts.

Also in Brazil and in Bogota programs have a predominant rationale of promoting social rights. In Bogota the cash transfer's main purpose is the realization of the right to education. And in Brazil conditionalities are not expected to be incentives for behavior change, as in the case of Opportunity NYC. They are rather seen as policy tools that allow local and federal governments to identify vulnerable families and help them secure their right to education and health services.

Additionally, in both cases program managers have been strongly concerned about making the selection of beneficiaries a transparent process, making sure that there is little room for accusations of corruption. In Colombia the first selection of beneficiaries was done as a lottery during a public event to which many stakeholders were invited. In Brazil, beneficiary selection is randomly done with the use of an algorithm. Besides, each municipal government is required to establish a 'social control' council formed by representatives of government and civil society. The council's role is to monitor the implementation of Bolsa Familia and make sure that there are no irregularities. Interestingly, corruption and mismanagement have not been a concern in the case of Opportunity NYC.

Individual Peculiarities

Besides each program's peculiar context, history and *modus operandi,* each of them has other peculiarities that are worth mentioning.

Opportunity NYC has had its experimental nature remarkably emphasized. It also got disproportional media attention, considering that it has been operational for less than 3 years and benefits a relatively small number of families and students. The table below compares the three programs on the issue of coverage by the media and by the websites of international organizations.

Table 11. Case studies' coverage by the media[66] and multilateral banks (2007 – 2009)

	Opportunity NYC	Bolsa Familia	Subsidios
Total # of articles (all languages)	209[67]	8252	4
National articles	168	7167	4

[66] According to the Dow Jones Factiva database for the period between 01 January 2007 and 31 December 2009.

[67] This number is likely to have significantly increased after the release of the program's impact evaluation on 30 March 2010.

	Opportunity NYC	Bolsa Familia	Subsidios
Local articles	97	N/A	4[68]
Indexed under education (all languages)	19	557	2
Controversial/*controvertido/controverso*	20	30	0
Critics/criticos	33	198	0
Experiment/experimental	39	0	0
Interesting/*interesante/interessante*	7	160	0
Successful/*exitoso/bem sucedido*	65	199	0
Mexico	109	N/A	N/A
Oportunidades	76	N/A	N/A
World Bank website	96	1,210	3
IDB website	1	83	6

On the other hand, the table makes it clear that Subsidios, despite being just as interesting as the other two CCTs in technical terms, received minimal international coverage. Subsidios is also a special case in that it was never a poverty reduction program. It was always meant to be an educational initiative and is viewed as such by policymakers and the public in general. To be sure, Subsidios is the only CCT among the three cases that is institutionally owned by the education "policy subsystem" (True, Jones and Baumgartner, 2007).

[68] All published articles were not only national, but also local (published in Bogota newspapers).

In contrast, Bolsa Familia is mostly about poverty reduction, despite its origins in the Bolsa Escola program. In Brazil, compliance with the education conditionalities is not a rigid requirement, but rather as a means for beneficiaries to realize a social right. Even though the program is serious about duly verifying education conditionalities, failure to comply with minimum school attendance does not lead to immediate sanctions. Cash payments are only suspended after a series of notifications to the family and after program efforts have been made to identify the causes of children's absenteeism. That may be, however, a more comprehensive approach to keeping children in school, since the program is also concerned about the reasons why they miss class.

Finally, support or opposition to Bogota's CCT program have been defined along party lines, rather than due to believes regarding the principles that animate the program, as was the case in New York. And in the case of Brazil, CCTs have been a multi-partisan enterprise since the creation of the first local programs in the 1990s. Bolsa Familia is *hors concours* and no party or high-profile politician dares to challenge its existence. The political culture of each country is a variable that may help explain such a variety of configurations.

Contribution to Theory

Although this dissertation's main goal has been to contribute to the professional literature that has been internationally developed on CCTs, findings related to each case study have revealed interesting aspects that suggest possible contributions to the advancement of theories that comprised this study's theoretical framework.

Sabatier's Advocacy Coalition Framework was herein adopted as a source of a theory of action that explains how policy change takes place. It identifies that change in policy subsystem 'B' can work as an external element that alters the power balance between advocacy coalitions in policy subsystem 'A' and consequently leads to policy change in that subsystem. However, the adoption of conditional cash transfer programs, as an external element to the education subsystem, has not produced power changes against advocacy coalitions in office. In Brazil and in Bogota they have rather strengthened them. Consequently, two exceptions to ACF have been empirically identified: i) change in other policy subsystems may not be sufficient to achieve policy change in education (or in other policy subsystems of interest); ii) external change may actually have the opposite effect to what is expected, giving more power and legitimacy to coalitions in office and, to some extent, reducing the prospect for policy change.

Furthermore, the reconstruction of the history of each CCT has revealed that international organizations have been very important players. Consequently, when mapping the existing advocacy coalitions in a policy subsystem and when assessing the power struggle between them, ACF should also take into account that international institutions and actors can be important coalition-builders or coalition-strengtheners.

In contrast, when looking at policy continuity through the lenses of Punctuated-Equilibrium Theory, this dissertation found that CCTs provide a story of policy incrementalism (which is especially surprising in countries of Latin America). Although their adoption means a real punctuation in the history of social policies, as they are implemented only incremental change occurs. On the one hand that conforms to PET when one looks at CCTs' positive policy image. On the other hand, that goes against what one would expect from their heightened exposure in the media – particularly in the cases of Bolsa Familia and Opportunity NYC. In New York, for instance, both the intensity and tone of the attention given to the program by the press would make one believe that Opportunity NYC was highly contested and in danger of extinction. Nonetheless, this dissertation argues that not even the lack of impact identified in recent evaluation reports may cause the program's termination by City Hall and EdLabs. Similarly to what was pointed out above in the case of ACF, this can be an indication that attention alone may not be sufficient to cause punctuations in the policy process.

CCTs' story of incrementalism and sustainability is also revealing *vis-à-vis* the theories of civic capacity. First, the case of Opportunity NYC has indicated that it may take less than strong civic capacity for a policy to survive. Provided that the policy is considered an 'experiement', just the lack of mobilized opposition to it may be enough to increase its prospects of survival. Second, in contexts of fierce competition between political parties, support or opposition to a policy are defined along party lines. Consequently, the level of civic capacity enjoyed by a policy is to some extent dependent upon how much public support the party in office counts on.

Finally, besides confirming some of the main arguments of the Policy Borrowing and Lending literature, cases also revealed some interesting features that had not been documented by that literature to date. In Bogota, the dispute between the national government and the city government generated what this dissertation has termed the 'reverse politics of policy lending'. Instead of operating as an incentive for the export of a policy model, political variables can rather work as a constraint to policy lending, causing the policy to have an international low profile.

Additionally, Bolsa Familia can be used as ‘counterfactual’ evidence for the argument that policymakers seek to borrow or lend policy models in order to obtain legitimacy for their own ideas. Bolsa Familia is a clear case in which policymakers have not actively initiated efforts to either borrow from elsewhere or to diffuse the program internationally because they count on significant levels of legitimacy at home.

Chapter IX

CONCLUSIONS

The present study departed from a somewhat complex framework, combining different bodies of literature and proposing various alternative scenarios to help conceptualize how CCTs and education policies inter-relate. In fact, there was an underlying hope that CCTs might be contributing to renewed policies to improve the quality of education. The first two research questions assumed that the policy link between CCTs and education was minimally meaningful. That assumption was based on the existing international literature on CCTs, which emphasizes the educational nature of those programs and assesses their performance on the basis of their contribution to education. After all, the great novelty introduced by the CCT model in the field of social protection is that they are not only about reducing short-term poverty. They are also designed to break intergenerational poverty by having families invest in their human capital by demanding more education and health services. However, when it comes to policymaking the truth of the matter is that the link between CCTs and education policies is just not there (or, when it is, it is not as expected). Even in the cases where the program institutionally belonged to education institutions, either permanently (Subsidios) or for some time (Opportunity NYC), the integration between CCTs and policies concerning education quality fell short of the expectations.

Reimers et al. (2006) once asked "where is the 'education' in conditional cash transfers in education?". Contrary to what they argued for, this dissertation has indicated that education is there – in the form of various incentives to school attendance, graduation, and performance. What is absent from CCTs are educators themselves, including education policymakers, scholars, and teachers. What is also absent is the coordination between CCTs and policymaking for improved education quality. Currently, many CCTs have contributed to getting children to enroll in school and to attend classes. Evaluation results have confirmed that some programs have been successful in improving access. However, the quality of schooling that those children receive is still questionable, be it in Brazil, Bogotá or New York City. Consequently, more ambitious attempts to improve achievement have not had the expected results. The recent evaluation of Opportunity NYC is evidence of that.

Why does this conclusion matter? After all, aren't CCTs poverty-reduction programs rather than education programs? They are, indeed. However, if CCTs are expected to make an educational contribution that goes beyond improving access, the policymaking divorce between them and education policies needs to be considered. Otherwise, expectations will have to be kept low and CCTs' limits to building human capital should be recognized.

Education professionals, academics, and policymakers may have a lot to contribute to CCTs in terms of thinking of mechanisms to improve their performance in education. They can also think of ways of coordinating education policies and CCTs so as to take advantage of their synergies. However, the three cases presented in this dissertation have indicated that neither are those actors actively engaged in doing so, nor are CCT policymakers seriously concerned about involving them in discussions. It is not a question of blaming educators for lack of engagement, or of blaming CCT managers for lack of inclusion of the education community. The reality is that CCT programs and education policies have been developed in separate policy subsystems that do not communicate with each other, that portray different discourses and institutional cultures, and that have not seen the need of working together.

In the long run, this implies two possible scenarios. On the one hand, if the current isolation between CCTs and education persists at the policymaking level, it is likely that their impact will keep being limited to improving access-related indicators, such as enrollment, attendance and dropout. On the other hand, if governments decide to push CCT performance to the next level and there is some intention to also improve educational quality, there will be a need to overcome that isolation and to integrate education professionals and specialists in CCT policymaking.

At least, using a modified version of Keynes' famous statement, in the long run CCTs will not be dead. This dissertation's case studies have shown that those programs enjoy considerable political sustainability. Up to now, they have had a strong and positive policy image, some level of civic capacity, and no mobilized opposition against them. Their survival, it seems, will depend less on political factors and more on other contingencies, such as funding.

Finally, all the collected data, hours of interviews, and stacks of policy documents revealed that CCTs are not just technical models or interventions that involve a certain combination of ‘sticks and carrots’. They are the result of complex political developments and of partial processes of policy borrowing. They survive within peculiar national and local contexts, and eventually may lead to international processes of policy lending. CCTs have been marketed as ‘best practices’ that encapsulate the understanding of the multiple dimensions of poverty and of the role education can play in breaking its cycle. They have been promoted and diffused as effective cash-based programs. However, at the end of the day, it is just not that simple.

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