One of the goals of targeted conditional cash transfer programmes is to increase the human capital of their beneficiaries. Were it not for that, the existence of conditionalities would not make sense. The rationale is clear: the transfer alleviates poverty today, and this condition sets families on the path to future success. However, for all this to make sense, conditionalities need to work.

However, it is not easy to ascertain the impact of the largest targeted conditional cash transfer programme in Brazil, the Programa Bolsa Família (PBF), on the academic performance of school beneficiaries. Unlike (a few) other programmes, which were designed to be evaluated from the very beginning, the PBF was created first and only afterwards was the issue of its impact evaluation considered. There is no control group, and, in fact, for a long time there was not even a single data source which monitored children from one year to the next, allowing for their academic performance to be measured.

Although the PBF’s design remains non-experimental, today we have information from the new School Census and the School Attendance of the Beneficiaries project that is individualised and longitudinal, which means that we can now monitor children from one school year to the next and observe their school history.

Our study estimates the effect of the PBF on academic performance through the use of three individual data sources: i) the Single Registry (CadÚnico), which is the administrative registry that unifies the PBF; ii) the School Census, which collects information on each pupil; and iii) the Attendance project, which is a database of records about the attendance of children that benefit from the programme.

Unfortunately, integrating the information on each pupil from these three databases is not straightforward. There is no unique identification key that identifies, with perfection, the same child in the three databases. To that end, we have built the INEP key variable, composed of information regarding the pupils’ city of birth, school code, date of birth and gender. This information can be easily obtained from the three databases.

Our results show that pupils who repeated the previous year have a 46 per cent greater chance of repeating than those who passed. Boys have a 70 per cent greater chance of repeating than girls, and pupils who are above the appropriate age range for the grade level (attainment gap) are also at a disadvantage.

One of the most significant problems is the high level of repetition among pupils with special needs. This demonstrates that the Brazilian school system has found it difficult to deal with these individuals. Data show that this group has approximately 80 per cent more chance of repeating than those who have no type of disability.

It is important to highlight that the longer the duration of the classes, the lower the chances of repetition. As expected, in terms of net values, the pupils who receive more information throughout their school day are more prepared for their exams. If class sizes are too large, there is also a greater chance of failure. With regards to the cost–benefit ratio, it seems that extending the duration of classes is more effective than reducing the class size.

The more people there are in a household, the greater the probability of repetition. The poverty level of the family can also be proxied by the number of rooms in the household: the larger the number of rooms, the lower the poverty level, and, concurrently, the lower the chances of repetition. This is also true for households that have better infrastructure, such as water and sewage services, and masonry structures. Nonetheless, the most important family variable is the parents’ level of education. If a child’s legal representative has completed at least primary school, this reduces the weighted probability of repetition by a little over 30 per cent.

The main objective of this paper is to assess the effect of the PBF on repetition rates. In the first approach, which focuses only on the CadÚnico universe, the likelihood of repetition among pupils who are PBF recipients is 11 per cent lower than for other pupils.

Observing the dose–response relationship exclusively for programme recipients, we conclude that an increase in cash transfers does not appear to generate higher or lower repetition rates. On the other hand, pupils who fulfil the programme’s attendance conditionality have 40 per cent less chance of repeating than those who do not. Nevertheless, it would be rash to say that this is a direct impact of the requirement, given that the vast majority of the pupils in this model abide by the rules, and, in the absence of other instrumental variables capable of explaining this issue, we cannot overlook the fact that the attendance rates and cash transfers are endogenously related.

Given that administrative records are subject to operational errors and quality flaws, the data must be considered in a broader sense and interpreted more in terms of the trends they reveal than the actual values they convey. The continuous improvement of the CadÚnico (such as version 7) and of the School Census is expected to produce more dependable information. This would enable the development of future studies, with more reliable estimates. Nevertheless, the main conclusion is that there is evidence to suggest that the PBF reduces school repetition among its recipients.

Reference: