

Authors

Najy Benhassine
World Bank

Esther Duflo
Massachusetts Institute of Technology

Pascaline Dupas
Princeton University

Florencia Devoto
J-PAL Europe

Victor Pouliquen
Paris School of Economics

Public Disclosure Authorized

American Economic Journal: Economic Policy 2015, 7(2): 86–128
<http://dx.doi.org/10.1257/aep.2014.00225>

**Turning a Shove into a Nudge?
A “Labeled Cash Transfer” for Education**

By NAJY BENHASSINE, FLORENCIA DEVOTO, ESTHER DUFLU,
PASCALINE DUPAS, AND VICTOR POULIQUEN

Conditional Cash Transfers (CCTs) have been shown to increase human capital investments, but their standard features make them expensive. We use a large randomized experiment in Morocco to estimate an alternative government-run program, a “labeled cash transfer” (LCT): a small cash transfer made to fathers of school-aged children in poor rural communities, not conditional on school attendance but explicitly labeled as an education support program. We document large gains in school participation. Adding conditionality and targeting mothers made almost no difference in our context. The program increased parents’ belief that education was a worthwhile investment, a likely pathway for the results. (JEL H23, I24, I28, I38, J24, O15, O18)

Public Disclosure Authorized

This paper evaluates the impact of a “labeled cash transfer” (LCT). The program we evaluate features small transfers, targeted to poor communities (with all households eligible in those communities), and paid out to fathers. The program is unconditional but retains an implicit endorsement of education through its school-based enrollment procedure. This program was designed and implemented on a (randomized) pilot basis by Morocco’s Ministry of Education. Within the same experiment, conducted over 600 communities, we compared it to three variants: (i) making the transfer explicitly conditional on regular attendance, (ii) making payments to mothers instead of fathers, and (iii) doing both at the same time.

*Benhassine: The World Bank, 1818 H St, NW Washington, DC 20433 (e-mail: nbenhassine@worldbank.org); Devoto: Paris School of Economics, 48 boulevard Jourdan, 75014 Paris, France and Abdul Latif Jameel Poverty Action Lab (J-PAL) (e-mail: fldevoto@povertyactionlab.org); Duflo: Department of Economics, Massachusetts Institute of Technology (MIT), 50 Memorial Drive, Cambridge MA 02142 and National Bureau of Economic Research (NBER) (e-mail: eduflo@mit.edu); Dupas: Stanford Department of Economics, 579 Serra Mall, Stanford CA 94305 and NBER (e-mail: pdupas@stanford.edu); Pouliquen: Paris School of Economics 48 boulevard Jourdan, 75014 Paris, France and J-PAL (e-mail: vpouliquen@povertyactionlab.org). The protocol for this study was approved by the IRBs of Dartmouth College, MIT, and University of California, Los Angeles (UCLA). We thank the Moroccan Ministry of Education and the Council for Higher Education for their collaboration, as well as the World Bank, the Spanish Impact Evaluation Fund, the Gender Action Plan, the Korean Trust Fund for ICTED (InfDev), the multi-donor trust fund Government Partnership Facility, and J-PAL at MIT for funding. We are grateful to Brinda de la Bechar and Rebecca Girvan from the World Bank for their expert support and to Claire Bernard, Wade Martinelli and Justine Ossin from IPA Morocco for outstanding field research assistance. We thank anonymous referees, George Bohman, John Don, Brian Jacob, Paul Glewwe, Dan Warriner, Hongling Zhang, and numerous seminar participants for insightful comments. The findings, interpretations, and conclusions expressed in this work do not necessarily reflect the views of the World Bank, its Board of Executive Directors or the governments they represent. All errors are ours.

Go to <http://dx.doi.org/10.1257/aep.2014.00225> to visit the article page for additional materials and author disclosure statement(s) or to comment in the online discussion forum.

Turning a Shove into a Nudge? A “Labeled Cash Transfer” for Education

Conditional Cash Transfers (CCTs) have been shown to increase human capital investments, but their standard features make them expensive. We use a large randomized experiment in Morocco to estimate an alternative government-run program, a “labeled cash transfer” (LCT): a small cash transfer made to fathers of school-aged children in poor rural communities, not

conditional on school attendance but explicitly labeled as an education support program. We document large gains in school participation. Adding conditionality and targeting mothers made almost no difference in our context. The program increased parents' belief that education was a worthwhile investment, a likely pathway for the results.

August 01, 2015