

Is there a rationale for conditional cash transfers for children in South Africa?

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ABSTRACT

The South African state awards unconditional means-tested cash transfers to the caregivers of some eight million poor children. Amidst increasing demands on the state for social assistance, the question has been asked: should the Child Support Grant (CSG) be made conditional on education or health related behaviour to enhance its effectiveness? Issues relating to the popular Latin American conditional cash transfer programmes for children are summarised. The history, current reach and impact of the CSG are described, as well as administrative strengths and weaknesses in delivery. We argue that, to be in line with South Africa's Constitution, the structural problems of the supply side of education and health provision should be addressed, as well as problems with the delivery of the CSG, rather than considering whether to impose conditionalities that could further exclude poor children and their caregivers from this modest but vital form of support.

1. INTRODUCTION

Cash transfers are one of a range of measures for addressing poverty. A regular amount of money is allocated directly to particular groups such as the elderly, the unemployed, or children. Cash transfers differ from in-kind interventions, such as the provision of food or food stamps, in that the former give the recipient choice about how to spend the money.

The nature and extent of cash transfers (CTs) that a country provides can be viewed as a reflection of its welfare regime. Indeed Esping-Andersen (1990) based his well known typology of welfare states on the extent to which a state, through its transfer schemes, de-commodifies labour. A country with residual means tested provision such as South Africa would typically fall into his 'liberal' classification. Liberal welfare regimes are characteristically associated with ideologies which see the causes of poverty rooted in individual pathologies rather than having structural causes. Such liberal regimes tend to place the responsibility for exiting poverty firmly on the individual (Handa & Davis 2006; Schubert & Slater 2006). Consequently the role of the state in poverty alleviation through CTs is seen as undesirable. Often such transfers, where made, will be buttressed with conditions to ensure that the poor 'take responsibility' for their own redemption from poverty. To some extent this is a crude over-simplification – there are some countries which would otherwise be thought of as social democratic regimes where conditionality is attached to state transfers (Kildal 2001). However,

the defining feature of such social security systems is that their conditionalities tend to positively support the individual in, for example, a return to work, and they are characterised by significant state financial commitment (OECD 2003). In liberal regimes in contrast the focus is often on creating barriers to inclusion in the social assistance scheme with an explicit or covert agenda to reduce social security expenditure (Quinn & Magill 1994).

A simple taxonomy of CTs distinguishes between non means tested and means tested benefits. Non means tested benefits can be contributory, such as unemployment insurance, where the worker, employer and the state make contributions, or non-contributory (categorical), such as Child Benefit in the UK, payable to all children of specified ages. Means tested benefits are referred to as social assistance and may be either unconditional or conditional.

In an unconditional programme, once a person qualifies to enter the scheme, the amount is an entitlement, for a fixed period. The current South African CSG is an example of a means tested *unconditional* social assistance transfer in respect of children. It was introduced in 1998 as one of a fairly extensive system of relatively unconditional benefits which go to children, people with disabilities and elderly people. The system of social assistance has continued to expand since 1994, even in the context of the overall neo-liberal macro-economic policy. In early 2006, the three main grants reached well over one quarter of the total population of 44 million: 6.98 million children were beneficiaries of the CSG, 2.25 million the Old Age Grant, and 1.3 million the Disability Grant (Budlender & Woolard 2006).

Conditional cash transfers (CCTs) formally require some type of behavioural compliance on the part of recipients. CCTs relating to children have a lengthy pedigree (Farrington & Slater 2006). As early as 1987 some states in the USA had used the waivers afforded by the Omnibus Budget Reconciliation Act 1981 to introduce requirements for school attendance as a condition of receipt of Aid for Families with Dependant Children. These programmes, collectively referred to as 'Learnfare', were typically coercive rather than supportive and conformed to the liberal ideology referred to above (Quinn & Magill 1994).

The south has recently seen the rapid spread of CCTs, based primarily on evidence of their impacts in Latin American countries. CCTs relate to both

poverty reduction strategies and the Millennium Development Goals and their main focus is children. They aim to address short-term poverty by providing poor households with cash income, and in the long-term, through health-related and education-related behaviour, their goal is to break the inter-generation transmission of poverty by building children's 'human capital'.

One effect of the South African political transition was to make grants more accessible, especially to rural people, and this together with HIV/AIDS is leading to increased demands for social assistance, especially for the Disability and the Foster Child Grants. In the face of these and other pressures, the idea of conditionality is gaining favour in South Africa.

This paper focuses on South African cash transfers in respect of children in poor households. First, the impressive evidence for the reach and impact of major CCT programmes, particularly in Latin America, is reviewed and emerging problems are identified (Section 2). The background to the South African CSG, including conditionalities that were considered in its design, is discussed (Section 3). The patterns of take-up and reach of this grant are analysed and evidence from early assessments of its impact is presented (Section 4). A classification of characteristics, requirements and conditionalities that have to be fulfilled to access social assistance is detailed, and using evidence from studies of the CSG it is shown how some formal conditionalities have been imposed, and how some administrative requirements have become *de facto* conditionalities (Section 5). Finally the appropriateness of conditionality in South Africa is considered in the light of the available research evidence and given the type of welfare regime promised for South Africa in both the Constitution and in high level policy documents. The arguments for attaching conditionalities to nutrition, attendance at Early Childhood Development (ECD) facilities, and school performance are considered. It is suggested that these are primarily supply-side problems which would not be improved by introducing further conditionalities. Instead, the systemic problems should be tackled in line with the Administrative Justice Act (AJA) and with *Batho Pele* ('People First') principles (Section 6).

2. CONDITIONAL CASH TRANSFER PROGRAMMES

Child-oriented CCT programmes are familiar in industrialised countries, and a range of CCT programmes has recently been introduced in Latin America,

the largest of which are Mexico's *Oportunidades* (formerly *Progresa*), a health, education and nutrition programme, and Brazil's *Bolsa Escola* ('school stipend'), which respectively reach four million and five million households (Rawlings & Rubio 2005). In Brazil, eight cash transfer programmes have now combined into *Bolsa Familia* ('family stipend') and together reach eight million or 15.5 per cent of Brazilian households (Soares et al. 2006). Other countries with CCTs include Bolivia, Colombia, Honduras, Jamaica and Nicaragua.

The focus of conditionalities is to a greater or lesser degree on poverty alleviation, civic responsibility, investment in human capital, and maintaining existing human capital. CCTs require that beneficiaries change their behaviour in certain ways, and assume that money will enable the recipient to do so. In other words, they assume that it is a cash constraint that is keeping the recipient from, for example, going to health services or school; that health services and schools exist; that cash is the appropriate incentive to encourage attendance; and that improved health status and school attendance will impact on school achievement, and thereby improve life chances.

Different programmes have different characteristics, but typically, monthly or bi-monthly cash grants are given to the mothers of children of school-going age or younger in poor households. The transfer is conditioned on health-related and education-related behaviours. In health, usual requirements are that all family members must be taken to the health services a minimum number of times and mothers must attend health education classes. In education, a child must attend school for a certain number of days, for example, 75 or 85 per cent of school days in a year. Some programmes make continuation of benefits conditional on school performance as well. Some specifically give a larger transfer for girls, to address the fact that they have significantly lower enrolment and attendance figures than boys. In addition to the health and education requirements, some programmes require parents (mothers) to attend community meetings, or do some hours of 'community work'.

Programmes vary significantly in terms of the ages of children that they target. Under fives are often the focus of the health component of the CCTs: *Bolsa Escola* includes those from six to 15 years old, in grades 1 to 8; *Progresa* focuses on children up to the age of 18, including grades 3 to 9; and the *Programa Nacional de Becas Estudiantiles* ('national programme of

student scholarships’, commonly known as *Becas*) in Argentina is used as a means to encourage transition to and progression through senior school (Heinrich 2006). Programmes vary also in the extent to which they focus on child labour.

Eligibility for CCT programmes is determined by a wide range of assessments of poverty. The most stringent (and costly) is the verification of household income. The amount of the transfer itself is based on some criterion connected with the programme purpose. It can be set according to an assessment of a poverty level, sometimes by determining direct costs of programme participation, such as transport to get to health services, as well as by determining the opportunity costs of fulfilling the conditions for receiving the transfer.

An innovative aspect of many of these programmes is that, while they target children and families, the money is paid to the mother rather than to the father or the household head. Some programmes have as an explicit objective that this should lead to ‘women empowerment’; in others, the payment to mothers is grounded more in the international evidence which shows that money will be spent ‘better’, in terms of children’s health and education, if it goes to women.

CCT programmes, especially *Progresa*, have been extensively and rigorously evaluated as part of programme design, with most countries conducting randomised experimental and control studies (Rawlings & Rubio 2005). The assessments are positive about most aspects of the programmes. In summary, they show that they can be well targeted, and work effectively as incentives for investing in human capital (syntheses can be found in Skoufias 2005; de la Briere & Rawlings 2006; Rawlings 2004; Rawlings & Rubio 2005).

In *Bolsa Escola* and *Programa de Erradicacao do Trabalho Infantil* in Brazil, *Progresa*, and the pilot for the *Red de Proteccion Social (RPS)* in Nicaragua, the CCTs had a dramatic effect on school enrolment and attendance, while *Becas* increased attendance, reduced repetition rates, and improved school performance (Heinrich 2006).

With regard to child labour, programmes have reduced the probability of children working, with a stronger effect for boys than for girls. In Nicaragua, the pilot *RPS* reduced the probability of children working in high risk

activities. There, although after-school activities were available to all school children, only the CCT programme children actually spent increased hours attending, suggesting that it was the incentives that led to the behaviour change (Rawlings 2004).

In terms of health, again most of the evidence is positive. The Mexican, Brazilian and Nicaraguan programmes all resulted in an increase in nutrition monitoring, in immunisation rates, and in growth rates (Behrman & Hoddinot 2000; Maluccio & Flores 2005; Rawlings & Rubio 2005). Furthermore *Progresa* reduced illness in children (Gertler 2004), as well as sick leave days for adults. The nutritional supplement has been the least successful of the health components, with families diluting the supplement to make it stretch further, or sharing it with all household members, thus weakening the intended focus on the nutritional status of children under five (Rawlings & Rubio 2005).

Most assessments judge the routing of the CCT via the mother to have contributed towards women's sense of self-esteem and self-confidence, as well as giving them control over (part of) the household purse. Evaluations of *Progresa* have also pointed to the way in which the programmes have raised awareness of the importance of girls' education (Adato 2000; Adato, Coady et al. 2000; Adato, de la Briere et al. 2000).

A number of problematic areas would be expected in new programmes that have grown so rapidly. The first concerns gender relations. A quantitative and qualitative assessment of the effect of *Progresa* on women's status and intra-household relations found that the programme had indeed led to an increase in women's sense of their own empowerment. The programme placed extra demands on women's time, but the women found it worthwhile if the result was better chances of schooling for their children (Adato, de la Briere et al. 2000); however, they expressed the wish that their husbands would attend the education classes as well. Molyneux (2006) on the other hand offers a strong critique of *Progresa* as a maternalist programme suggesting that the programmes place additional demands on women's scarce time, and they are expected to juggle multiple paid and unpaid work activities even further.

Second, the long-term effects of the CCT programmes in addressing poverty are not yet known, as they have been in existence for only a decade. In what circumstances will the proven increased educational attendance, and

performance, be translated into increased opportunities for moving out of poverty? Four factors have been identified as mediating the relationship: the quality of education, rates of employment, the ability of the labour market to absorb labour, and rates of return to education (Bourguignon et al. 2002). With regard to the employment that is available to young people when leaving school, in most developing countries, informal employment including self-employment constitutes the larger part of all employment. Thus critical in the quality of schooling is whether schooling equips children with the idea that many will have to make their own work, rather than find work provided by someone else, and whether the curriculum offered will enhance their chances of doing so successfully. The question that needs to be answered is what level of schooling, of what sort, is necessary to make a difference to both finding and making work?

Third, it is not yet clear whether it was the conditionality that made the difference, or whether just the cash itself would have achieved the same effects (Gertler 2004). A Brazilian study compared the targeting and poverty reduction effects of the unconditional benefit for elderly and disabled people with the conditional *Bolsa Escola* (Soares et al. 2006). Both were well-targeted to the poor, and both had marked and similar effects on poverty reduction. Conditionalities impose costs on programmes, but assessing such costs is complex.

Finally, most conditional programmes assume that there is a demand-side problem that can be attended to by providing incentives to individuals. Increasingly, evaluations of the CCTs suggest this is a limitation, and that supply-side problems need to be addressed as an integral part of programmes (Rawlings & Rubio 2005). Nicaragua and Honduras, for example, have invested part of programme money into improving educational infrastructure (Caldes et al. 2004). It is suggested that long term benefits are reliant on better schooling provision and better health services.

Having reviewed the evidence from the conditional transfer programmes in Latin America, we turn to the unconditional transfer in South Africa.

3. THE SOUTH AFRICAN CHILD SUPPORT GRANT

State social assistance in South Africa started in 1929 with the introduction of Old Age Pensions for the white and coloured population, and then later the inclusion of all racial groups. It grew over the course of the last century

to include support for people with disabilities, and for families, women and children. Cash transfers were means tested for income and assets, and payable from general revenue. At its inception, and then under the apartheid regime, there was racial discrimination in every aspect of the system, in racially separate administrations, level of payments, income testing, and in timing and method of payment (Lund 1993). In anticipation of the transition to democracy, and the need to forge uniformity between the different welfare administrations with respect to welfare entitlements, the mid-to-late 1980s saw the gradual equalisation of benefits and administrative procedures across the differently classified racial groups. By September 1993, most of the inequalities had been removed from the main welfare grants for elderly and for disabled people (Republic of South Africa 1996).

Severe inequality remained in the State Maintenance Grant (SMG). This grant had been designed to support poor women and their children up to the age of 18, where the woman had been widowed or abandoned, or the father had been committed to a state institution. All racial groups were eligible for this means tested grant, but in 1993 the SMG went mainly to coloured and Indian women and children (50 and 40 per thousand children respectively). Only 13 per thousand white children received it, because of wealth levels, while very few of the poorest African women could access it: in 1993 it went to only one in a thousand African children (Republic of South Africa 1996). Eight million African people lived in the Bantustan areas, where the welfare departments by and large did not administer this grant. Social workers also appeared to act as gatekeepers who approved of pensions for elderly and disabled people, but not for younger single women and children. A committee of enquiry was established in 1996 to investigate all forms of child and family support, and one major recommendation was to replace the SMG with a CSG.

The CSG was initially available to children from birth to their seventh birthday, and then extended in three phases to include children up to their fourteenth birthday. In making the award to the child's 'primary caregiver', the CSG broke with former welfare convention which was to channel child-oriented support only through biological parents or legally defined adoptive or foster parents. This was an attempt to deal with specific aspects of South African society which had emerged over the periods of colonialism and then apartheid: the absence of many parents, especially fathers who went to the towns, mines or white-owned farms to work; customary marriages and customary polygamy; fluid and mobile household structures; and high rates

of caring by grandmothers and aunts. All of these characteristics were present before the advent of HIV/AIDS; they have become more pronounced since.

The value of the CSG when introduced in April 1998 was R100 per month per beneficiary and in July 2006 the grant was valued at R190. As such it was much smaller than the R820 per month grants for elderly people and people with disabilities. The committee recommending this cash transfer initially wanted a universal benefit for all children of a certain age, both as an appeal to solidarity under the new non-racial regime, and because, given widespread poverty, means testing is inefficient and costly. A compromise was reached on what was to have been a simple means test based on the income of the primary caregiver and her/his spouse or partner, and with differentials for urban/rural location and for type of dwelling unit. Everyone who qualifies according to the means test is paid at the same rate.

A number of policy options other than an unconditional cash transfer were considered. If the SMG was to be phased out, then that R1.3 billion budget item could be diverted to somewhere else in the welfare budget, rather than be lost. Alternatives needed to have institutional capacity, deliver on a relatively large scale, and redress racial and spatial inequities in welfare provision. Support for Early Childhood Development (which in South Africa is defined to include children up to their tenth birthday) was one alternative but the sector was institutionally weak at that time. There was strong support for child nutrition, but experts argued that, given current government policy and capacity, a CT was likely to be more effective than in-kind nutrition supplements or food vouchers for children. General child welfare services in South Africa had been severely under-funded, and would come under increasing pressure with the spread of AIDS. However, they were seen as complementary, rather than an alternative to CTs.

It was decided to concentrate on children in their earliest years. In South Africa, the vast majority of children are born into the health services, then have no contact with public institutions until they attend school. The CSG aimed to address vulnerability during this period, in the form of a CT, to very young children, related to some measure of the costs of nutrition of children at this age.

In designing the CSG, a number of measures were considered that would increase synergies with primary health care, improve on current delivery

systems, and lower costs to the poor, while recognising that taking up entitlement simply does bear some cost. A basic administrative requirement was that the primary caregiver applying for the benefit had to have an identity document, and the child a birth certificate.

Health-related conditionalities were considered. One was for applicants to have a Road to Health card (which included both growth monitoring and immunisation status). Another was to move from a complicated and costly annual review mechanism that was applied to other social grants, to a single visit to the health services when the child was between 24 and 30 months old, the period in which child health services are most concerned to check immunisation and overall health status. Both these ideas were turned down by the health ministry at the time; the Road to Health card was re-introduced later as a requirement.

4. THE PERFORMANCE OF THE CHILD SUPPORT GRANT

In order to assess whether conditionalities would be appropriate in the case of the CSG, it is necessary first to assess the present performance of the grant both in terms of take-up and reach, and in terms of the extent to which it alleviates poverty and supports the development of human capital. It is unwise to draw firm conclusions about the performance of a programme in existence for only a decade. Nevertheless databases exist which have allowed reliable early assessments of the CSG even in the absence of randomised experimental studies.

Eligibility and take-up

Table 1 provides information about the proportion of children under eleven whose caregivers were eligible to receive the CSG in January 2005. This is calculated by dividing the number of children under eleven who have an eligible caregiver by the total number of children under eleven. This can be seen as a measure of the prevalence of children living in low income families in an area.

Nationally, in January 2005, 7.39 million children under eleven were eligible to receive the CSG and there were 10.96 million children under eleven in total. This means that the caregivers of 67 per cent of children were potentially eligible to receive the CSG. Given the provincial differentiation in poverty levels, there is considerable variation in terms of the potential reach of the CSG at provincial level: 41 per cent of children under eleven in

the Western Cape have caregivers who are estimated to be eligible for CSG, while 79 per cent of children under eleven in both Limpopo and the Eastern Cape have caregivers who are estimated to be eligible for the grant.

Table 1 Proportion of 0-10 year olds whose caregivers are eligible to receive the CSG (January 2005)

Province	Children aged 0-10 whose caregivers are eligible	Children aged 0-10	Eligibility rate (%)
Western Cape	386300	950800	40.6
Eastern Cape	1390300	1759500	79.0
Northern Cape	134000	209400	64.0
Free State	470800	659200	71.4
KwaZulu-Natal	1782200	2400600	74.2
North West	629700	892100	70.6
Gauteng	808200	1754600	46.1
Mpumalanga	585200	820900	71.3
Limpopo	1199500	1518400	79.0
South Africa	7386100	10965600	67.4

Source: Noble et al., 2005.

Take-up rates for January 2004 and January 2005 are compared in Table 2. The take-up rate for South Africa as a whole for the relevant age groups increased from 63 to 71 per cent between January 2004 and January 2005. In terms of take-up for under nines only, the increase was greater, changing from 63 to 73 per cent. This suggests that take-up is lower for the nine and ten year olds who only became eligible for the CSG in April 2004, and that this age group brought down the overall take-up rate for January 2005 (Noble et al. 2005). For the relevant age groups, all provinces saw an increase in take-up rate over the year; the Eastern Cape and North West Province had the greatest increase at thirteen percentage points, while KwaZulu-Natal had only a two percentage point increase. The take-up rates for under nines only also increased between January 2004 and January 2005.

Table 2 Take up of CSG at provincial level

Province	January 2004 take up rate 0-8 year olds (%)	January 2005 take up rate 0-8 year olds (%)	January 2005 take up rate 0-10 year olds (%)
Western Cape	78.7	88.5	84.0
Eastern Cape	53.5	68.2	66.3
Northern Cape	58.9	63.4	62.7

Free State	57.5	66.4	64.5
KwaZulu-Natal	61.9	68.3	64.3
North West	59.1	73.7	72.0
Gauteng	75.4	84.4	83.3
Mpumalanga	67.2	74.6	73.7
Limpopo	67.8	74.1	73.9
South Africa	63.5	72.9	70.7

Source: Noble et al., 2005.

Poverty alleviation and human capital development

All studies to date show good targeting for poverty, except that some fraction of the very poorest are excluded (Budlender & Woolard 2006; Barrientos and DeJong 2006; Case et al. 2005).

The income thresholds for the means test have stayed the same since inception (Leatt 2004) meaning that only the extremely poor are now included, and there has been inconsistency with the way urban and rural areas are defined for the purposes of the means test, which excludes many who should be eligible (Budlender et al. 2005; Goldblatt et al. 2006; Hall 2005).

School attendance rates among young children are high across all racial groups, with attendance rates for six, seven and eight year olds at 83, 97 and 98 per cent respectively (Budlender & Woolard 2006). The Umkhanyakude study of 10 000 households in KwaZulu-Natal found that receipt of the CSG led to an eight per cent increase in school enrolment among six year olds, remarkable because households were also shown to be poor, and enrolment rates already high (Case et al. 2005). The 2004 General Household Survey showed a small but positive link between the CSG and school attendance (Budlender & Woolard 2006).

No existing database contains both CSG and child labour data (Budlender & Woolard 2006). South Africa does not (yet) have a serious problem of child labour, and there is no evidence that school attendance is significantly affected by withdrawal of children in order to work.

5. CONDITIONALITIES OR CONDITIONS OF ENTITLEMENT?

In South Africa, conditionality is presently being used to mean different things. Some (Goldblatt et al. 2006) refer to the requirement of an ID as a conditionality, and others (Budlender & Woolard 2006) restrict it to

requirements such as signing up for development programmes or getting immunisations. An attempt is made here to distinguish between various factors, some of which are conditionalities.

With unconditional transfers, the Constitution or other legislation defines a right which becomes a material entitlement for a person with certain characteristics who meets certain qualifications. When conditionality is introduced, the applicant meeting certain requirements to get the benefit must in addition conduct him or herself in certain ways in order to continue receiving it. Some things which are not conditionalities, however, act to exclude some who are eligible, and there are sometimes blurred lines between conditionalities and other requirements. It is useful to distinguish between the following.

First, there are the *characteristics of the person which are needed to qualify*, such as being of a certain age, or being disabled. These are not conditionalities.

Second, there are *administrative requirements* such as possession of a birth certificate or proof of citizenship. These are not conditionalities, but do act as barriers to access. The home affairs department which issues documents has had difficulties with delivery, and the repeat visits and long delays present significant opportunity costs, in terms of time and money spent on the process, and in the grant income foregone (Waddell, 2002). Proof of socio-economic status is needed for the means test. This is not a conditionality, but is another forceful mechanism of exclusion. In the field the means test is unevenly applied, which could reflect the fact that it is a relatively new grant, with officials still learning the procedures, or that officials decide for themselves to what extent it should be applied.

Other examples of administrative requirements are that applicants have also been asked for their marital status, marriage certificates and divorce decrees (Hall 2005) and particular districts or offices have imposed employment-related requirements, asking applicants for an affidavit saying they were unemployed (Hall 2005) or requiring the applicant to produce the 'brown card' from the labour department stating the applicant has registered as unemployed and job-seeking (Children's Institute 2005; Hall 2005). None of this is legally necessary, and all serve as barriers to access.

Third, there are *requirements in the regulations, called 'conditions'*, such as 'the child has to be accommodated, fed and clothed' and stipulating that the grant has to be spent on the child. These are normative injunctions. They cannot easily be monitored, and can allow for abuse of powers as they are not sufficiently rule-based. Some appear to be reasonable: the child must continue to be in the care of the person receiving the grant; the state must be allowed reasonable access to the child and the house that the child is residing in; the grant has to be spent on the child; and the grant is subject to periodic review. However, a specific requirement, that the child must have accommodation and be properly fed and clothed, is not reasonable given that the level of the grant is not linked to any objectively determined estimate of the costs of accommodation, clothing and food. The level of the CSG was initially linked only to nutritional cost, and the value of the grant has eroded over time. Providing shelter, food and clothing for children is a reasonable thing to expect parents to do, but this grant at its present value cannot enable it all to happen.

Fourthly, there are *requirements created that attempt to regulate conduct*, some of which are in the regulations, for example immunisation, and some of which are *ultra vires*, for example providing proof of having sought private maintenance from the child's father (Goldblatt 2005; Goldblatt & Yose 2004a, 2004b; Hall 2005). Such requirements begin to look like conditionalities, but could be interpreted as once-off conditions of entitlement.

The possession of the Road to Health Card appeared as a requirement in the 1998 regulations, and then did not reappear in the amended 1999 regulations. The 2002 regulations state that '(the caregiver) shall ensure that the child concerned receives immunisation and other health services where such services are available, without charge'. In the 2004 regulations (not yet implemented), the words 'where such services are available, without charge' have been removed from this clause.

The onerous requirement of providing proof of having sought private maintenance did not appear in the 1999 regulations, yet as late as 2005, still appeared as part of procedures in a number of offices.

Fifth and finally, there is the category of true *conditionalities*, where the beneficiary has to keep on doing something, such as attending school and/or accessing health services. Lack of compliance leads to partial or full loss of

the benefit. No such conditionalities legally exist in South Africa at the present time. In the administration of the CSG, some have been imposed that are outside of law, but formally encoded in official documents, while some are outside of law and the result of officials' discretion, for example school attendance.

School-related conditionalities were not considered in the design of the CSG not only because it was planned that it should be as unconditional as possible, but also because it was targeted at pre-school children, or to overlap only with the very first years of school. Had it been intended for older children, school-related conditionalities would not have made sense because of the high rates of primary school enrolment of both boys and girls in South Africa. The age extension of the CSG has led to some offices now imposing school-linked requirements which are conditionalities. Sometimes a letter from the school is required to confirm school enrolment or school attendance (Children's Institute 2005; Hall 2005) or the police must certify school enrolment (Hall 2005).

6. DISCUSSION

The CSG has reached a large number of children in a relatively short period of time. Analyses show that it has been reaching rural areas, is well targeted for poverty, and appears to increase the length of time children are in school. It was designed as an unconditional benefit, with the exception of minimal qualifications to enable efficient administration, and one or two relatively minor requirements needed to create synergies with other departments, or minimise corruption. Over time, a range of additional requirements have been added, some of which amount to *de facto* conditionalities that are not always legal. In the transitional space in South Africa, bureaucrats have imposed their own rules. There are many examples of officials exercising discretion in favour of individual clients, or challenging punitive aspects of the regulations themselves. On the whole, however, administrative discretion appears to be subverting the aim of the broader social policy by imposing additional costs on the poor. In addition, spatial settlement patterns imposed by apartheid and lack of administrative capacity and inefficiency impose costs on those seeking access.

There is no way of directly comparing the costs of administration of the unconditional South African CSG and the CCTs in Latin America, but it is possible to re-visit the problems that have been identified with the CCTs,

and see whether comparable issues might be experienced in the CSG, whether conditional or not.

Some Latin American schemes have the empowerment of women as an explicit programme goal, assumed to be achieved by giving women the income, and through their attendance at group activities. Women have primary responsibility for signing up, and then for ensuring that children attend school, and family members go to the health services. In South Africa, the woman beneficiary is likewise primarily the conduit for the CSG and she assumes responsibility for the time-consuming application process. Women are faced with patriarchal forms of authority at every turn. Proof of residence (a requirement in some areas) has to come from the tribal authority (Goldblatt & Yose 2004a); affidavits of various kinds have to be secured at police stations, which are very masculine domains; applying for paternal maintenance is through a judicial procedure which is known to make women vulnerable. During screening procedures, monitors observed officials giving moralising lectures which were 'patronising and inappropriate' (Goldblatt & Yose 2004a).

The Latin American CCT programmes have had positive effects on school performance. The South African CSG was initially aimed at children up to the age of seven. The age extension to fourteen years has led to some informal conditionalities being imposed, even though school attendance rates are good (though they may become less so with HIV/AIDS). Given the parlous quality of education for poor South Africans in both urban and rural areas, it is not necessarily getting children to school that matters in breaking long term poverty: it is about resources and facilities, or management, or teaching practice at schools (see Chisholm 2006: 202-203). It is a supply-side problem, similar to that pointed out in Bourguignon et al. (2002) for Brazil, and by Britto (2004) for the CCT programmes in general. Poor teaching and lack of leadership in under-resourced schools are common, and there are low returns to education for a number of years. Enrolment and attendance are necessary conditions in trying to escape poverty, but they are not sufficient.

One argument used for extending the age limit of the CSG was because of school costs. Regulations do not at present make it a conditionality that the child has to go to school. If this were ever introduced, it would require a massive increase in the amount of the grant, to compensate for expenses that should be paid by the education department, or, at least, should not be

funded through the welfare department. Expenses paid by households include school fees (fee exemption for children from poor households does not always happen in practice), school uniforms, and contributions to school cleaning equipment and building funds.

Any attempt to create conditions such as family participation in livelihood activities is undesirable. This harks back to the conditionality initially imposed on the CSG which was for applicants to sign up for development projects. This was completely unreasonable given the fact that poverty often coincides with places where there are no such projects. Expectations that caregivers should attend health workshops would likewise impose additional costs on poor women, as suggested by Molyneux (2006).

As noted in Section 2, a core question in the assessment of CCTs was whether it was the conditionality itself that made for such impressive positive impacts, or whether the cash alone would have achieved the same objectives. If conditionalities are to be considered in South Africa, what could likely candidates be? An official South Africa source mentioned exploring links with nutrition, ECD, and free primary health care (especially immunisation) (Plaatjies 2006: 10).

With regard first to nutrition, there is a need for a national programme of support for nutrition for children in their earliest years. Children of school-going age have access to the unevenly implemented National School Nutrition Programme, which reached about half of all primary school learners over the years 1994/5 to 2003/4 (Kallmann 2005:11). South Africa's children need nutritional support most critically between birth and two years of age, but at this stage, there is no programme with which CSG children could be linked. Second, linking the CSG to attendance at an ECD facility will not address the fact that the lack of ECD participation is a supply-side problem, with only one in six children able to access them as there are too few facilities or they are too expensive (Department of Education 2001). Third, in terms of primary health care, there is free access for young children, though the service is uneven. It would seem reasonable to expect that in a society at South Africa's level of development, immunisation should simply be a free and accessible service for all citizens, without linkages to other programmes.

This review of the evidence suggests that introducing behavioural inducements to poor people in South Africa to ensure the best educational

and health outcomes for their children should not be the main focus of attention for policy makers. Such conditionalities would be inconsistent with the (essentially) social democratic social policy regime set out in the Constitution and the Reconstruction and Development Programme White Paper. In both documents the causes of poverty and unemployment are unambiguously stated as having a structural rather than personal aetiology – that is, they form part of the apartheid legacy. Chapter 2 of the Constitution comprises a Bill of Rights which sets out an unparalleled series of socio-economic rights in respect of social security, health, education and housing. These rights speak to a set of inclusive social policies with a significant role for the state consistent with a social democratic welfare regime rather than residual minimalist welfare provision which typifies the liberal welfare regime. Conditional social security, based on assumptions that poor parents are in some way culpable if their children fail to attend school or attend clinics is inconsistent with the structural explanations for poverty which are implicit in the Constitution.

The new South African government has done much to try and address and redress the racism and repressive aspects of the old apartheid state. It has introduced the *Batho Pele* ('People First') set of principles into administration to ensure fairer and more transparent service to the public, and an Administrative Justice Act (AJA), yet procedures in the implementation of the CSG contradict both. The AJA requires that 'organs of state may not act capriciously and arbitrarily' and 'Decisions must be rationally related to the purpose for which the power was given' (Currie & Klaaren 2001: 16-18), but it is clear that there is a great deal of administrative discretion. The requirement to apply for private maintenance has no rational relationship whatsoever to the CSG; the widespread habit of telling applicants to 'come back within three weeks' bears no relation to whether that is an appropriate time to return. Principle 8 of *Batho Pele* stipulates that 'Public services should be provided economically and efficiently in order to give citizens the best value for money', but poor people incur unreasonable costs in seeking and maintaining access to the system (Republic of South Africa 1997).

It is widely acknowledged that there is a large gap between policy and implementation in post-apartheid South Africa, and this is no surprise given the ambitious hopes that there were for fundamental social, economic and political reforms. The CSG has rolled out very rapidly; by stealth, some of the policy intent is being subverted by administrative action. Patterns of

take-up suggest that the means test is an unnecessary and ineffective measure, and it should be lifted altogether or be replaced by a far simpler measure, as suggested by Goldblatt et al. (2006). Indeed, a universal categorical grant for children would sit with greater ease in what on paper appears to be a social democratic policy agenda.

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