

How Do Cash Transfers Affect Child Work and Schooling? Surprising evidence from Malawi, the United Republic of Tanzania and Zambia

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KEY MESSAGES

- In rural Malawi, the United Republic of Tanzania and Zambia, households partly invest cash transfers in their farm – with mixed implications for the well-being of children in the household.
- Children may increase participation in farming activities for the household, including through detrimental child labour.
- At the same time, cash transfers consistently improve school attendance and may lower the prevalence of child work for pay outside the household.
- We recommend monitoring unintended effects of cash transfers and testing complementary services to avoid increased participation in child labour.

From 2000 to 2015, the number of social protection programmes in African countries almost tripled.¹ Virtually every country in sub-Saharan Africa provides cash transfers to poor and vulnerable households.²

Cash transfers supplement household income, but can they also reduce child labour? With generous funding from the United States Department of Labor, researchers at the UNICEF Office of Research – Innocenti evaluated the impact of three large-scale, government cash transfer programmes to answer this question.³

The programmes under consideration are Malawi's Social Cash Transfer Programme (SCTP), the United Republic of Tanzania's Productive Social Safety Net (PSSN) and Zambia's Multiple Category Targeted Programme (MCP). All three programmes target extremely poor and vulnerable households in rural areas, many of which engage in subsistence farming. Currently, the estimated coverage of these programmes ranges from 7 to 12 per cent of the national population. The primary aims of all three programmes are to reduce poverty, enhance household resilience to shocks, and improve child education outcomes.

The impact of the programmes was assessed using a combination of cluster randomized controlled trials (in all three countries) and focus group discussions with children and caregivers (in Malawi and the United Republic of Tanzania). The research was carried out as part of the Transfer Project, a research and learning initiative of the Food and Agriculture Organization of the United Nations, the University of North Carolina at

1 Cirillo, Cristina, and Raquel Tebaldi, *Social Protection in Africa: Inventory of non-contributory programmes*, International Policy Centre for Inclusive Growth, United Nations Development Programme, Brasilia, 2016. The review focuses on non-contributory social protection programmes, which are not financed through direct taxes levied on beneficiaries.

2 World Bank, *The State of Social Safety Nets 2018*, World Bank, Washington, D.C., 2018.

3 Programme impacts in Malawi and Zambia are analysed on behalf of the Malawi Social Cash Transfer Programme and the Zambia Multiple Category Targeted Programme study teams in: de Hoop, Jacobus, Valeria Groppo and Sudhanshu Handa, 'Cash Transfers, Microentrepreneurial Activity, and Child Work: Evidence from Malawi and Zambia', *The World Bank Economic Review*, forthcoming. Qualitative evidence for Malawi is included in Zietz, Susannah, Jacobus de Hoop and Sudhanshu Handa, 'The Role of Productive Activities in the Lives of Adolescents: Photovoice evidence from Malawi', *Children and Youth Services Review*, vol. 86, February 2018, pp. 246–255. The Tanzanian cash transfer is studied on behalf of the Productive Social Safety Net youth evaluation team in: de Hoop, Jacobus, Margaret W. Gichane, Valeria Groppo and Stephanie Simmons Zuilkowski, 'Cash Transfers, Public Works and Child Activities: Mixed Methods Evidence from the United Republic of Tanzania', Innocenti Working Paper 2020-03, UNICEF Office of Research – Innocenti, Florence, 2020.

Box 1. Programme characteristics

	Cash transfer value
Malawi Social Cash Transfer Programme (SCTP)	Unconditional cash transfer <ul style="list-style-type: none"> Amount varies according to number of school-age children in household Average monthly transfer in 2013–2015: 2,571 MWK (3.7 USD) Coverage: 7% of the population
United Republic of Tanzania Productive Social Safety Net (PSSN)	Partly conditional cash transfer , maximum 38,000 TZS (18 USD) per month in 2015–2017: <ul style="list-style-type: none"> Unconditional: fixed amount Conditional (health check-ups; school attendance): amount varies according to number of children in household + Public works programme : 2,300 TZS (1.4 USD) per day per one adult (for up to 60 days in four months) <ul style="list-style-type: none"> Coverage: 10% of the population
Zambia Multiple Category Targeted Programme (MCP)	Unconditional cash transfer <ul style="list-style-type: none"> Fixed amount: 55 ZMW (12 USD) per month in 2011, increased to 70 ZMW (15 USD) in 2012–2013 to compensate for inflation Coverage: 12% of the population

Note: Further details in de Hoop, Jacobus, Valeria Groppo and Sudhanshu Handa, 'Cash Transfers, Microentrepreneurial Activity, and Child Work: Evidence from Malawi and Zambia', *The World Bank Economic Review*, forthcoming; de Hoop, Jacobus, Margaret W. Gichane, Valeria Groppo and Stephanie Zuilkowski, 'Cash Transfers, Public Works and Child Activities: Mixed Methods Evidence from the United Republic of Tanzania', Innocenti Working Paper 2020-03, UNICEF Office of Research – Innocenti, Florence, 2020.

Chapel Hill and UNICEF.⁴ The remainder of this brief discusses the rich findings of this quantitative and qualitative research.

WHAT WE LEARNED

How the cash was spent: Virtually all households spent some of the cash on basic needs, like food, clothes or shoes. Child schooling represents the second most common category of expenditure, reported by more than half of beneficiary households. And importantly, approximately one in three households invested part of the transfer in farming, increasing their ownership of livestock and agricultural inputs.

Increase in farm work: The expansion of household farms increased adult *and* child engagement in agricultural activities. Impacts on children caring for livestock were particularly pronounced and consistent across the three countries. The probability that children

cared for livestock more than doubled in Malawi and Zambia, and increased by about 24 per cent in the United Republic of Tanzania. In Malawi and the United Republic of Tanzania, a reduction in child participation in paid work outside the household offset the increase in child work on the household farm. In Zambia, however, there was no significant reduction in child participation in paid work outside the household. As a result, child work increased overall.

There are multiple possible explanations for the increase in child work on the household farm. Beneficiary households often have few adults who are fit to work, and it may not be possible to hire adult labour during busy periods such as harvest time. Households may also be reluctant to spend cash on hired labour. Finally, households may perceive child work as an opportunity for children to develop themselves.

⁴ See <https://transfer.cpc.unc.edu/>

Table 1: Impacts on children's activities (participation) in Malawi, the United Republic of Tanzania and Zambia

	Malawi STCP	United Republic of Tanzania PSSN	Zambia MCP
Any economic activities	No change	No change	↑
<i>Household farm</i>	↑	↑	↑
<i>Household non-farm business</i>	No change	No change	↑
<i>Paid work outside household</i>	↓	↓	No change
Any household chores	↑	No change	No change
Child labour	↑	No change	↑
<i>Excessive working hours</i>	No change	No change	↑
<i>Hazardous work</i>	↑	No change	Not measured
School attendance	↑	↑	↑

Source: For Malawi and Zambia, see: de Hoop, Groppo and Handa, 'Cash Transfers, Microentrepreneurial Activity, and Child Work'. For the United Republic of Tanzania, see: de Hoop, Gichane, Groppo and Zuilkowski, 'Cash Transfers, Public Works and Child Activities'.

In qualitative interviews, some caregivers welcomed the shift in child work from outside to inside the household:

"PSSN has reshaped children's contributions to the livelihood of the household. When I get PSSN money instead of doing wage labour with my children, I work in my own farms. To me, this is a good thing, because working in other people's farm is something that we hate, but sometimes we have to do it in order to get food."

– Female caregiver, United Republic of Tanzania

Impacts on household chores: In Malawi and Zambia, child engagement in collecting water and/or firewood increased. In Malawi, children were also more likely to take care of siblings, cook and clean. One possible explanation for these impacts is that some chores, like collecting water, are needed to support the expansion of the household farm.⁵ Indeed, adults also increased their engagement in household chores in Malawi and the United Republic of Tanzania (not measured in Zambia). Another explanation may be that children take on more chores as adults work more on the household farm.

Impacts on child labour: We explored impacts on two types of child labour – that is, work that can harm a child's physical or mental health and interfere with schooling: excessive working hours (including working below the minimum age) and exposure to work-related hazards (such as dusts, fumes, gases or extreme temperatures).⁶ In Malawi and the United Republic of Tanzania, there was no evidence that cash transfers increased excessive working hours. In Zambia, however, children in villages receiving cash transfers were about 20 per cent more likely to work below the minimum working age or work excessively long hours. In Malawi, cash transfers significantly increased child exposure to hazards by 17 per cent. Child engagement in hazardous work did not change in the United Republic of Tanzania and was not measured in Zambia.

Qualitative interviews show that caregivers are acutely aware of when children are involved in detrimental forms of work. They do not take lightly decisions to let children work, and indicate that they feel guilty when child work comes at the expense of children's development or well-being:

5 Our classification partially deviates from that of the International Labour Organization (ILO), which classifies collecting water or firewood as economic activities rather than chores. See: International Labour Organization, *Child Labour Statistics. Report III. 18th International Conference of Labour Statisticians (ICLS/18/2008/III)*. Geneva, 24 November–5 December 2008, ILO, Geneva, 2008.

6 Based on ILO and UNICEF recommendations, as well as national legislation. See details for Malawi and Zambia in de Hoop et al., 'Cash Transfers, Microentrepreneurial Activity, and Child Work'; and for Tanzania, see de Hoop et al., 'Cash Transfers, Public Works and Child Activities'.

“I feel guilty that I’m killing the child’s future ... in March I got very sick, I am the one they rely on to bring food on the table ... so the child was really pressed. Him being the eldest at home, he was supposed to do everything alone and when it’s too much, he could miss classes.”

– Female caregiver, Malawi

Impacts on child health: There is no evidence that the increase in farm work had negative effects on child health in the short term. In fact, the prevalence of child illnesses significantly reduced in Malawi’s beneficiary households. There may, however, be long-term health implications for working children, especially those whose exposure to hazards increased, which could not be identified in the time frame of the studies. Furthermore, interviews showed that children’s exposure to work-related hazards (including animal bites, fumes and extreme heat) was a concern among both caregivers and children.

“Harvesting the sweet potatoes involves the digging of the ridges that to get to the tuber crop. This make the dust and cause him to get sick with a cough.”

– Caregiver, Malawi

“I am scared during harvesting season, especially when harvesting maize, because many snakes hide in the leaves of maize and you cannot see them easily, so you may be injured unexpectedly.”

– 15-year-old boy, United Republic of Tanzania

While the quantitative data did not indicate a reduction in children’s exposure to work-related hazards, the interviews suggest that the shift from working outside to within the household resulted in a safer environment for children. Indeed, casual labour was often described as the riskiest type of work, leading to a greater likelihood of children experiencing physical or psychological violence.

“I have seen children abused by landlords when engaged in casual works in the farms, example during weeding activities, the landlord abuses children and sometimes refuse to pay them their money after they have completed the work.”

– Child focus group participant, United Republic of Tanzania

Improvements in schooling: Strong positive changes in schooling were observed in all three countries. Cash transfers consistently increased school attendance, with impacts ranging from 8 per cent in the United Republic of Tanzania to 13 per cent in Zambia. There was also an increase in regular school attendance in Malawi and Zambia.⁷ The qualitative interviews with caregivers confirm that the cash helped families to pay for schooling costs:

“Before PSSN, my children were not registered at school because I had no money to pay for the fees and they needed 50,000 [Tanzanian] shillings for the registration. So, when we started to receive that money, the first thing was to make sure that the children are registered.”

– Male caregiver, United Republic of Tanzania

In the United Republic of Tanzania, qualitative interviews also investigated the association between cash transfers and school performance. In most cases, caregivers and children described a positive link between the two. For example, one caregiver with grandchildren said that he had used PSSN money to hire workers for the family farm, which released the children from work responsibilities:

“The casual labourers that I am employing have given a relief to my [grand]children. As they spend less time in farming activities now than it used to be before PSSN, they can use that time to work for their own consumption or concentrate on studies.”

– Male caregiver, United Republic of Tanzania

In a few cases, however, participants reported that work in support of activities initiated through PSSN money was making studying more difficult. One male participant, whose grandmother had started a small shop with PSSN funds, reported:

“I have to work in Grandmother’s business. I lose concentration in academics because I have to spend time in the business instead of studying. I get tired, particularly during examination time.”

– 15-year-old boy, United Republic of Tanzania

⁷ Regular school attendance is defined as follows. Malawi: the child did not miss more than two consecutive weeks of school during the 12 months before the interview. Tanzania and Zambia: the child attended five days of school during the week before the interview.



Credit: © UNICEF/UN90751/d/Elbee

Grandmother Regina Paulo looks after 6 year-old orphan Christina Felson who lost both her parents when she was just a year old. Through a UNICEF supported social cash transfer programme, Regina receives a small monthly grant that she uses to send her granddaughter to school and to buy other requirements.

CONCLUSION AND RECOMMENDATIONS

Overall, the research finds that the implications of national cash transfer programmes for child well-being are mixed. On the one hand, cash transfers led to an expansion of household enterprises, which in turn resulted in increased child engagement in farming activities, including some forms of harmful child labour. On the other hand, child participation in work outside the household was reduced, decreasing the likelihood of children being exposed to the hazards and violence related to this type of work. Moreover, improved family conditions allow for higher levels of school attendance and, in Malawi, lower rates of illness among children.

Hence, it is important to **monitor cash transfer impacts on household productive activities and children's time use**. This holds for all interventions that encourage and invest in household-run enterprises. Measures of time use should capture the types of productive activities in

which children engage and associated hazards as well as the time spent in these activities. The measures should also capture school participation and learning, and time for play and self-care, including sleep.

Complementary services should be considered to enhance the positive impacts of cash transfers and avoid potentially detrimental effects. Interestingly, cash transfers are increasingly used as an entry point for the provision of such complementary services. Interventions combining cash and other services are often referred to as integrated social protection or 'cash plus' programmes. Services can be simple (like providing information on the importance of education and the risks related to child labour) or a more complex combination of child protection services, including tailored support. Testing these cash plus interventions, with a specific focus on their effects on child labour, is encouraged. The results also improve understanding of the

relationship between poverty and child labour. While poverty is undoubtedly a key driver of child labour, the study findings show that the relationship is not simple. In extremely poor settings, increased household income may first increase child labour, especially if the household includes few adults. It is worth bearing this finding in mind when interpreting global estimates of child labour, which show that the rate of decline in child labour slowed from 2012 to 2016.⁸ The study findings may also inform the broader agenda around Sustainable Development Goal Target 8.7, which calls for the end of child labour in all its forms by 2025.

IMPACTS ON THE GROUND

Study findings were presented in country and at regional workshops. The following testimonials reveal how the findings are being used.

“The specific evidence from the youth well-being impact evaluation facilitated a discussion on how productive and economic impacts affect child work and, in turn, how this relates to the schooling of children. Repeating the storyline of the main findings at critical occasions ... has made a strong contribution to enhance the understanding of government officials on cash transfer impacts and also their support for this intervention and the confidence, together with other factors, to maintain this component in the design of the second phase of the programme.”

– Paul Quarles van Ufford, Chief of Social Policy, UNICEF Tanzania

“In Malawi, evidence from the 2016 Transfer Project’s impact evaluation of the SCTP laid the basis for strong advocacy work, leading to the Government of Malawi increasing its funding to 1.5 billion Malawian kwacha (about US\$2 million) in 2017 and 2018, as well as a significant increase in international support, with the programme achieving national coverage at the end of 2018 (reaching over 270,000 beneficiary households of the poorest segment of the population). The Malawi SCTP is unconditional, and its school bonus functions as an incentive and financial support for parents to send their children to school. The compelling evidence of the positive relation between the SCTP and children’s schooling created the grounds for keeping the SCTP school bonus in the programme design when the programme was scaling up.”

– Beatrice Targa, Chief of Social Policy, UNICEF Malawi

“The evidence has been used widely in policy decisions, including scale up of the MCP. Results on child work have fed into discussions on the effects of cash transfers on specific individuals within the recipient household, and on complementary services that can support them. The Ministry of Community Development and Social Services has engaged in a whole range of complementary services to address the specific needs of individuals with unique vulnerabilities such as vulnerable children and young adults in MCP households.”

– Daniel Kumitz, Social Policy Specialist, UNICEF Zambia

⁸ International Labour Organization, *Global Estimates of Child Labour: Results and trends, 2012–2016*, ILO, Geneva, 2017.

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