

3ie-IFPRI Joint Seminar: More Schooling and More Learning? Effects of a Three-Year Conditional Cash Transfer Program in Nicaragua after 10 Years

John Maluccio, Professor of Economics at Middlebury College, presented on the long-term effects of a three-year conditional cash transfer program in Nicaragua on February 27. Using a randomized phase-in of the *Red de Proteccion Social* CCT program, Maluccio and co-authors measured the long-term benefits 10 years after the start of the program. The sample was divided into early treatment group that received transfers from 2000 to 2003, and late treatment group that received transfers from 2003 to 2005. Since only children between 7 and 13 were eligible for educational transfers, children aged 9-12 years in 2000 benefitted more if they were part of the early rather than late treatment group.

The authors use the differential exposure between the early and late treatment groups to examine the program effects, and find that the short-term program effect of a half grade increase in schooling for boys was sustained after the end of the program and into early adulthood. In addition, results indicate significant and substantial gains in both math and language achievement scores and labor market earning. This paper implies that short-term gains from CCT programs can translate into longer-term educational and labor market benefits. After the presentation, the audience suggested the authors additionally examine the program's impact on non-cognitive skills and explore the heterogeneous effect of the program, for instance, by income-level.