

# Evaluating Brazil's Bolsa Escola Program: Governance and Decentralized Implementation

A report prepared by

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## 1. Introduction and Overview

**Motivation and Context.** Incentive-based poverty reduction programs have generated substantial interest within the international development community. Also known as conditional cash transfers, these social programs can help alleviate short-term poverty (through the provision of a cash transfer), while providing households the incentives to invest in human capital and thereby reduce poverty in the long-run.

Central to the success of any social program aimed at poverty reduction is the ability to effectively reach and engage the poor. This has led several countries to experiment with a variety of implementation mechanisms in order to improve the effectiveness of these programs in reducing poverty. And while some evidence exists suggesting that differences in program implementation can have important consequences for program impact, the policy implications of these results remain unclear because the choice of implementation procedures is endogenous.<sup>2</sup> Why a service provider adopts a particular approach to targeting and accountability depends not only on the rules and budgets under which it operates, but also on its own socioeconomic and political settings, institutional arrangements, and administrative capacities. Understanding this choice is particularly important when program implementation is delegated to local governments to act as service providers. Identifying what factors influence local governments' decisions to adopt a particular approach allows us to understand not only why they may adopt technically sub-optimal implementation strategies from the perspective of program objectives. Understanding these factors also heightens our understanding of the implications of particular implementation strategies for the poor. These insights can help national policy makers better design programs so as to better align incentives for service providers with program objectives.

Brazil's experience with the Bolsa Escola Program provides an ideal laboratory to understand how contextual factors affect local governments' (as service providers) choices of implementation strategies. The Bolsa Escola Program was introduced on a

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<sup>2</sup> Coady, Grosh and Haddinnott (2003) analyze a database of over 120 antipoverty interventions from 48 countries and find a strong association between different program implementation mechanisms and targeting performance. The authors also find some evidence that a country's governance, voice, and inequality are positively correlated with program targeting. The authors admittedly have several caveats regarding the comparability of their performance measure and the sample of antipoverty interventions.

national-scale in 2001, building on earlier municipal-level program initiatives.<sup>3</sup> By late 2003, Bolsa Escola had been implemented in almost all of Brazil's 5,561 municipalities, providing nearly US\$500 million in total stipends paid to over 8.6 million children from 5.06 million families.<sup>4</sup> In October 2003, Bolsa Escola was merged with three other transfer programs to collectively form the "Bolsa Familia Program," which is currently being improved and expanded to ultimately reach 11.2 million beneficiary families (or 44 million people). Both the pre-reform Bolsa Escola program and the current Bolsa Familia Program belong to a class of programs called "conditional cash transfers" that provide cash transfers to beneficiary families in exchange for meeting pre-specified conditionalities, usually linked to school attendance and health care utilization.

Bolsa Escola (2001-2003) provided mothers of poor households a monthly stipend conditional on their children's regular school attendance. Many aspects of program implementation for Bolsa Escola were devolved to the municipal governments, including the identification and selection of program beneficiaries, the monitoring and enforcement of conditionalities, and the management of local accountability mechanisms (payment of benefits, however, was made directly from central agencies to the beneficiaries).<sup>5</sup> This resulted in considerable variation in the manner in which municipalities chose to implement the program, providing a unique opportunity to explore how differences in institutional settings lead to different choices in targeting, monitoring and enforcement, and accountability instruments and practices.

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<sup>3</sup> Unless otherwise indicated, the use of the term Bolsa Escola in the remainder of this program refers to the federal program.

<sup>4</sup> Source: MDS

<sup>5</sup> After Brazil's move towards decentralization in the 1980's, municipal governments became particularly important bodies of government. As one of the most decentralized countries in the world, currently transferring 15 percent of its federal resources to local governments, the decision to devolve Bolsa Escola to the municipalities was a natural one. Moreover, the devolution of decision-making power from the central government to the local community has several potential advantages that can lead to better targeting outcomes and improved project performance. Local authorities tend to have more information about the community and can better identify the poor, which should allow for fewer targeting errors. With better information on local conditions and fewer levels of bureaucracy, the local community can deliver goods and administer the program more efficiently than a central government that must rely on monitoring devices. Because local institutions are potentially more accountable to local citizens, this creates further incentives for both better targeting and better program outcomes.

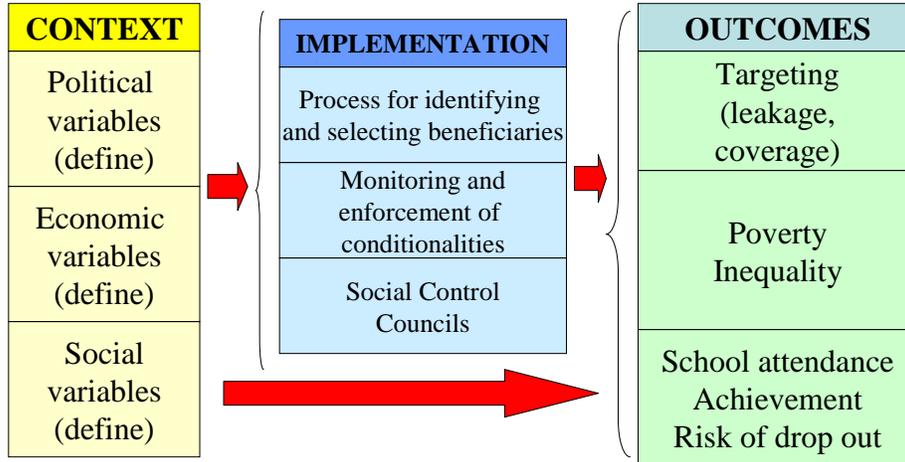
**Objectives of this Study.** The objectives of this study are to use this “natural laboratory” created by Bolsa Escola’s decentralized implementation in order to:

- Document and analyze municipal variation in implementation of the Bolsa Escola Program (also with some preliminary results for the nascent Bolsa Familia Program) in four key aspects: (a) beneficiary identification; (b) beneficiary selection; (c) conditionality monitoring, verification and enforcement; and (d) implementation of accountability mechanisms; and
- Analyze how contextual factors, such as socio-economic conditions and indicators of municipal governance, affect the varying implementation strategies adopted at the municipal level.

This study is the first of a series of reports that build on field surveys conducted from October to December 2004 in 261 randomly selected municipalities in four states of Northeast Brazil. This report will contribute to our further work to analyze how these findings on decentralized implementation and governance affect program outcomes, namely (a) how well Bolsa Escola was targeted to the children of poor households; (b) impact on poverty and inequality; and (c) impact on (i) school attendance and achievement; and (ii) impact in terms of targeting children at risk of discontinuing school.

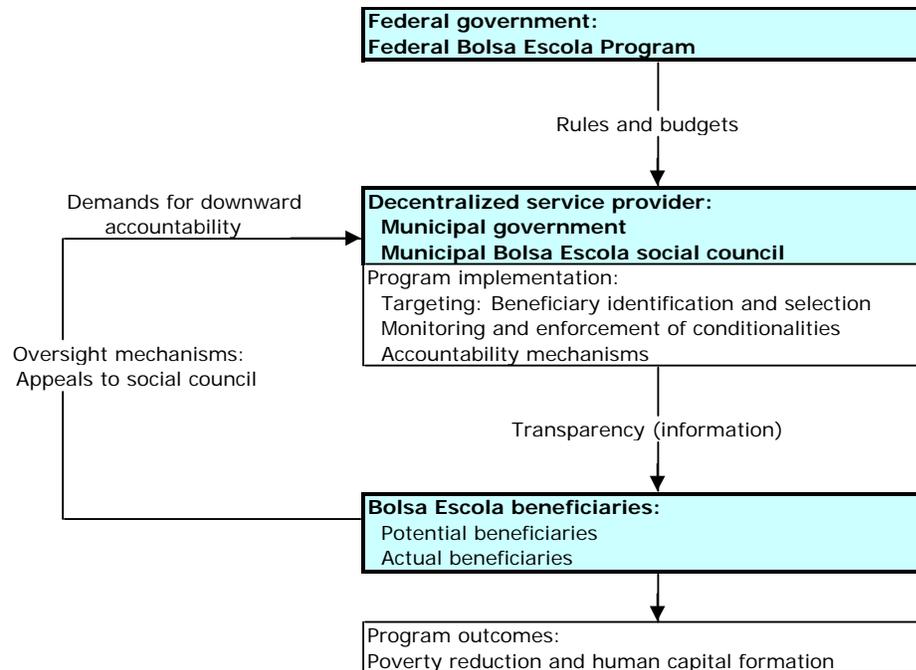
**Conceptual Framework.** The **general conceptual framework** used in this paper is outlined in Figure 1 below. Essentially, we hold that the quality of (decentralized) implementation will affect the degree to which the Bolsa Escola program can improve outcome indicators for recipients. In turn, a variety of context factors in the municipality affect both the quality of implementation and these outcomes, including: (a) political and governance indicators; (b) economic variables; and (c) social variables.

Figure 1 - Research Framework



The conceptual framework for **governance and accountability mechanisms** is outlined in Figure 2. We focus here on the “short route to downward accountability” (World Bank, 2004), whereby potential and actual program clients can demand accountability from service providers through the direct use of oversight mechanisms. In the framework, the Bolsa Escola services are provided in a decentralized fashion to beneficiaries by a municipal government assisted by a federally mandated Bolsa Escola social council composed of both municipal and civil society representatives. The local provider operates under rules given by the federal Bolsa Escola program. The functions of the local municipal provider are: targeting (beneficiary identification and selection), monitoring and enforcement of conditionalities, and implementation of accountability mechanisms. (Payments, however, are made directly by central agencies to beneficiaries). Two necessary conditions to achieve downward accountability toward potential beneficiaries are transparency (information) and functioning oversight mechanisms through appeals to the social council.<sup>6</sup> For downward accountability of the local provider to obtain, these two complementary conditions must both be met.

<sup>6</sup> Oversight via electoral pressures on the municipal government is also an instrument to demand downward accountability which is not analyzed here due to unavailability of information.



**Figure 2. Achieving accountability in the Bolsa Escola program**

**Main Findings and Conclusions.** The **general findings** of the study are that: (a) there is considerable heterogeneity in implementation quality and strategies by municipality; and (b) contextual factors – including governance and politics – affect implementation. More specifically, several specific findings stand out:

- There was considerable variation in the processes used to **register potential beneficiaries**, both in terms of identifying who gets registered and with regards to processes used for data collection. Moreover, regression analysis suggests that economic (cost considerations) and political/governance variables drive patterns in the way registration was implemented.
- We also find considerable confusion concerning the municipality’s role in **beneficiary selection**. Some 37% of municipalities understood the decision to lie with them; the remaining 63% understood that such decisions are made by the Federal Government in Brasilia. However, of those interpreting decision making to occur in Brasilia, 23% understood the municipality’s role in prioritizing which potential beneficiaries are forwarded to Brasilia in the registry for selection. Moreover, regression analysis suggests that both political (governance) and social

variables affect decision-making processes for beneficiary selection. Political variables, such as clientelism and patronage, affect the degree of politicization of municipal beneficiary selection decisions (e.g., when the mayor's office selects beneficiaries directly). With respect to the latter, literacy (voice) and social councils (accountability) clearly affect the process.

- Nonetheless, we also find indicators of **transparency** with respect to the beneficiary identification and selection process, with ample dissemination, public knowledge and information on the criteria used.
- With respect to **monitoring and enforcement of conditionalities**, we find that (a) a significant share of municipalities imposed additional conditionalities (beyond the federal requirements) on beneficiaries; (b) there is significant variation in the monitoring and enforcement of conditionalities, as well as the consequences for non-compliance; and (c) economic and political factors seem to drive the degree to which these processes are implemented.
- Finally, with respect to the **social control councils**, we find that (a) not all municipalities formed these councils despite federal requirements to do so (about a fifth did not); (b) in municipalities where social councils exist, there is a positive impact on the quality of implementation of the program; but (c) even when social councils exist, they do not necessarily function properly (many do not meet regularly or have beneficiary lists for the program).

**Roadmap.** In this report, we give in Section 2 background information on the Bolsa Escola and Bolsa Familia programs. In Section 3 we explain how the municipal survey was designed. We then use the survey data to analyze in Section 4 the way the Bolsa Escola program was implemented across municipalities, including beneficiary identification, beneficiary selection, implementation of conditionalities, and accountability mechanisms through performance of the Bolsa Escola social councils. Section 5 concludes the evaluation of Bolsa Escola implementation. Section 6 is given as an Appendix providing a brief analysis of implementation of the Bolsa Familia program, comparatively with implementation of the Bolsa Escola program.

## **2. Brief background on the Bolsa Escola and Bolsa Familia programs**

Bolsa Escola was a demand-driven education program that provided cash transfers to mothers of poor children throughout Brazil, conditional on their children's continued attendance in school. Initiated in 1995 as a municipal program in the outskirts of Brasília, Bolsa Escola became a nationwide federal program in 2001. By the end of 2001, it had been implemented in 98 percent of the 5,561 Brazilian municipalities, providing stipends to over 8.2 million children from 4.8 million families, at a cost of over US\$700 million. Having benefited millions of Brazilian school-aged children, the program has served as a source of inspiration for and a point of comparison with similar educational programs throughout the world.<sup>7</sup>

The targeting of Bolsa Escola cash transfers was implemented in two stages. First, the Federal government decided, based on a determination of need, the number of federally-financed stipends that a municipality could provide to its population. Second, given this number of stipends, the municipality selected which households would receive the program from among qualifying beneficiaries. This devolution of the selection process allowed each municipality to target the program, within the general guidelines, according to its own local objectives and preferences. As a result, the program's impact on schooling and targeting outcomes may vary considerably across municipalities, and expectedly along a number of observable dimensions. This two-stage design thus provides a unique laboratory to analyze how differences in institutional settings and program implementation affect the targeting of children who are at risk of discontinuing school and the program's impact on school attendance and achievement.<sup>8</sup>

This evaluation of the Bolsa Escola program should come at a very opportune moment. In 2003, Bolsa Escola and three other federal cash transfer programs were unified into a single program called Bolsa Familia. The Bolsa Familia Program has

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<sup>7</sup> For example, similar education programs exist in Argentina, Bangladesh, Chile, Colombia, Ecuador, Honduras, Mexico, Nicaragua, and Pakistan.

<sup>8</sup> An important issue in the debate of community effectiveness in the targeting of beneficiaries is the relative impact of a participatory approach to beneficiary selection. Unfortunately, because the program was designed as a mix between local government and civil society oversight, this proposal cannot address this issue. However, within this framework we will be able to analyze how a variety of implementation strategies and institutions that influence the effectiveness of the oversight committee affect the program's impact.

expanded very rapidly – both integrating existing beneficiaries from the pre-reform programs (including Bolsa Escola) and incorporating new beneficiaries. As of June 2005, Bolsa Familia had expanded to reach over 7 million households throughout Brazil, targeting in particular two groups: households with a monthly per capita income of less than R\$50 (*extreme poor*) and households with a monthly per capita income between R\$50 and R\$100 (*moderately poor*). These households receive monthly payments ranging from R\$15-R\$95. The exact amount depends on the household's income and composition, and is conditional on a set of program requirements.

Unlike the Bolsa Escola program which placed requirements on the individual children, the conditionality emphasis of the Bolsa Familia program is at the family level. All relevant family members must comply with a set of key human development requirements that include: i) children ages 6-15 years old be enrolled and attend at least 85 percent of their classes; ii) children under the age of seven visit health clinics to have their growth monitored and immunizations updated; iii) pregnant women attend prenatal care and health education classes when available; and iv) adult members participate in meetings that discuss health, hygiene, and nutritional issues.

### **3. Survey Design and Implementation**

**Sample and Field Work.** Data collection for our surveys took place between October and December of 2004, in 261 municipalities randomly selected across the states of Ceará, Pernambuco, Paraíba, and Rio Grande do Norte.<sup>9</sup> The municipalities of these four states were stratified according to their land inequality, size of public sector, and quota of program beneficiaries; and were randomly sampled from 8 strata. The sample was stratified to capture sufficient variation along variables that may be correlated with governance and vote buying. Our sample is thus representative only for these four states and not necessarily for the Northeast as a whole.

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<sup>9</sup> The choice of these four states was mainly based on our budget constraint and institutional support. Our restriction to Northeast, Brazil stems from the fact that the Northeast represents one of the poorest regions of Brazil and is where we would expect Bolsa Escola to have its most significant impact. It is also a region that has had a long-standing tradition of clientelistic and oligarchic politics and where the local government plays an immensely important role in the economic livelihood of its population. The Northeast is also highly diverse and presents a range of institutional settings in which to analyze the program.

To get a sense for how these states differ from the other states of the Northeast, Table 1 presents a set of socioeconomic and demographic characteristics by state. Compared to the other states, the states in our sample are on average slightly better off along several of these welfare measures. Rio Grande do Norte for example has the lowest poverty rate among the states of Northeast, as well as the highest percentage of school enrollment among children ages 7-14. Pernambuco has the highest per capita household income but in terms of income inequality is also among the most unequal state, second only to Ceará. Paraíba is perhaps the exception, as it ranks near the bottom in terms of poverty, infant mortality, and per capita income. Together these states are key participants of the Bolsa Escola program, as at least 43 percent of the total number of households benefited by the program in the Northeast claimed residency in one of these four states.

**Survey Instruments and Questionnaires.** In each of the 261 municipalities analyzed, two survey instruments were applied: (1) a municipal survey and (2) collection of school records. This current paper presents the main results of the municipal survey – particularly as they pertain to decentralized implementation and governance. The analysis of the school records data is still in progress, and the findings on school outcomes will be presented in a subsequent paper.

Given our various research objectives, the municipal survey consisted of several parts. Table 2 presents who were the main informants for the various sections of the survey. One module of the survey interviewed public administrators to gather information on governance, budgetary procedures, and other municipal characteristics associated with public administration. These questions allow us, for example, to examine measures of “political patronage,”<sup>10</sup> “clientelism,”<sup>11</sup> and other indicators of governance and political influence. Another module of the survey characterized the implementation of the Bolsa Escola and Bolsa Familia programs. In these sections, we interviewed the

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<sup>10</sup> Our measure of patronage is based on a question that asks, to three key informants, the proportion of public works that benefit communities for political motives and not necessarily need. The measure used in all the regressions is an average of these responses.

<sup>11</sup> Our measure of clientelism is based on a question that asks three key informants to rate the level of clientelism in the municipality on a scale of 1 to 7. After averaging the responses, we defined three levels of clientelism: low clientelism (less than or equal to 2), medium clientelism (more than 2 but less than 4), and high clientelism (4 and higher).

respective program coordinator about how the municipality identified and selected program beneficiaries, and imposed and monitored the program requirements. We also gathered information to assess how transparent the program was in its implementation. For the section on the Bolsa Escola council, a council member (priority given to non-governmental members) was asked several questions about the composition of the council and its level of activity. The remaining parts of the survey interviewed either politicians from the legislative branch of the local government or key members of the municipality to characterize the major stakeholders in the provision of public goods and government programs. It is here that we tried to quantify levels of vote buying and clientelism in the municipality. Because of the sensitivity and subjectivity associated with some of these subject matters, these questions were asked multiple times to various segments of civil society (as seen in Table 2, these include the council member, member of the legislative branch, and the president of the agricultural worker's union).

To properly measure the effect of Bolsa Escola on school enrollment and student achievement, we collected in each municipality children's school records for approximately 500 eligible children during the period of 1999-2003. To gather these records, two schools were randomly drawn proportional to the number of Bolsa Escola recipients (data which were obtained from the payments records of the Ministry of Education) within each selected municipality. Information on the grades, enrollment, and approval for each child in the school were collected. The findings from these school records data will be presented in a subsequent paper.

In sum, four field teams, one in each state, assembled a unique database comprised of municipal information on 261 municipalities, and comprehensive school records for over 130,500 eligible children spanning the years 1999-2003.

#### **4. Implementation of the Bolsa Escola Program**

As mentioned above, Bolsa Escola was a federal program whose implementation was devolved to the municipality.<sup>12</sup> Given this decentralized design, one can expect

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<sup>12</sup> For the purpose of this report, Bolsa Escola refers to the Bolsa Escola Federal program initiated in 2001 under President Fernando Henrique Cardoso. Bolsa Escola-type programs exist at the state and municipal

considerable variation in the manner in which municipalities chose to implement the program. In this section, we document this variation, focusing on four key aspects of program implementation that could potentially have an important impact on program outcomes: (1) beneficiary identification; (2) beneficiary selection; (3) conditionality monitoring and enforcement; and (4) social controls.

### Beneficiary identification

For the majority of municipalities in our sample, the Bolsa Escola program began prior to introduction of the Federal Government's registry, the Cadastro Único.<sup>13</sup> Consequently 92 percent of the municipalities in the sample used a questionnaire specific to the Bolsa Escola program to identify and register its potential beneficiaries.<sup>14</sup> This is potentially an important consideration since a municipality's approach towards identifying its beneficiaries might differ according to whether it used a survey instrument specific for the program. The Bolsa Familia program, which merged Bolsa Escola with three other programs, currently relies on the Cadastro Único registry. Another important distinction is that unlike the original data collection for the Cadastro Único registry, Bolsa Escola did not rely on a quota-based survey approach for registering "potentially" eligible households.<sup>15</sup> Program eligibility quotas – which are distinct from registration quotas -- for Bolsa Escola were applied to the selection process and not to the registration process. The Cadastro Único is also abandoning the use of registration quotas.

Table 3 presents basic summary statistics to characterize how municipalities identified their potential beneficiaries. Public administrators and school teachers were mostly responsible for identifying the beneficiary population. At least 96 percent of the

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levels in some areas. It is, however, much less common for the Northeast. In our sample there were only 3 municipalities that participated in a state or municipal program.

<sup>13</sup> Initiated in July of 2001, Cadastro Único is a household registry used to target social programs (now primarily the Bolsa Familia). This registry was designed to uniquely identify potentially poor households and subsumes the registries of various government programs that target this population, such as Bolsa Alimentação, Bolsa Escola, etc.

<sup>14</sup> The Bolsa Escola questionnaire gathers basic information about household demographics and its per capita income.

<sup>15</sup> Registration quotas can result in important targeting errors. De la briere and Lindert (2003) found that the quota system adopted by the Cadastro Único resulted in excluding the potentially poor and including the potentially non-poor. Moreover, the rationing of the registration was often left to local coordinators who did not necessarily use well-defined and transparent criteria.

municipalities sampled used either public administrators or school teachers to register potential beneficiaries into the program, and 55 percent of the municipalities used both. Consequently, most of the potential beneficiaries were interviewed either at the schools (85 percent) or at the mayor's office (55 percent). Health agents, who are active members in a community and visit households frequently to provide information on preventative health measures, participated in the registration in 32 percent of the municipalities, while members of the civil society, such as nongovernmental organizations, municipal councils, and volunteers were used in only 11 percent of the municipalities interviewed.

Schools also performed the function of announcing the program to the community, with 94 percent of the municipalities using schools to notify individuals about the program. Schools, however, were not the only source of information about the program, as it was also advertised on the radio (66 percent) and in public announcements (53 percent). On average, a municipality used at least three (standard deviation of 1.14) different channels to notify citizens about the program.

Most of the registration process took place in public locations, with schools again providing the natural setting. Only 28 percent of all municipalities in the sample registered individuals at their home, and among these municipalities, the median percentage of households interviewed was only 20 percent. In fact only 4 municipalities performed the entire registration process using home visits. Moreover, only approximately 38 percent of the municipalities used some form of geographical targeting to decide in which areas to begin the registration. Among those municipalities that did prioritize specific areas, 62 percent targeted the poorest neighborhoods. Other considerations in geographical prioritization included the number of schools in an area, ease of access to the region, and the rural nature of a community.

The decision of where to register eligible households often times will determine which groups of eligible households are eventually selected into the program and can therefore be a critical phase of the program's implementation. Registration at the mayor's office compared to registration at the home of potential beneficiaries is likely to be associated with more clientelistic intentions in the allocation of public transfers. Table 4 investigates to what extent mayor and municipal characteristics are associated with

each of the different approaches that municipalities used in deciding where and how to register potential beneficiaries. Column (1) reports the estimates for the probability that a municipality registers its eligible households at the mayor's office, and column (2) reports the estimate of an OLS regression where the dependent variable is the percentage of households that were registered at their home.<sup>16</sup> The dependent variable in column (3) is simply an indicator for whether the municipality prioritized some areas in the municipality in the registration process. Each regression controls for the same set of mayor and municipal characteristics, and corresponding sample sizes and  $R^2$  (for OLS) are also reported.<sup>17</sup>

The results of column (1) suggest that a municipality's ability to effectively reach eligible families may be an important deterrent in a municipality decision to register beneficiaries at the mayor's office. For example, the size of the municipality (measured both in terms of its number of districts and population density), the extent of its rural sector, and number of families that can be benefited in the program (as a share of all children enrolled in primary and secondary school) are all negatively associated with registration in the mayor's office.

In addition to these efficiency considerations, there is also evidence that municipalities that register beneficiaries at the mayor's office may do so to garner political support. Municipalities with higher levels of patronage are more likely to register beneficiaries in the mayor's office.<sup>18</sup> And municipalities with higher levels of clientelism also tend to prefer this approach, although these estimates are measured with much less precision (at only 80 percent confidence).<sup>19</sup> Similarly, the share of functioning oversight councils and the existence of a judiciary district – institutions that in theory limit executive power and reflect greater local democratic practices – are also negatively correlated with registering eligible households at the mayor's office.

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<sup>16</sup> Estimating a Tobit model to account for left censoring yields marginal effects that are quite similar.

<sup>17</sup> For summary statistics of the covariates in all the regression presented in this report see table A1.

<sup>18</sup> Our measure of patronage is based on a question that asks, to three key informants, the proportion of public works that benefit communities for political motives and not necessarily need. The measure used in all the regressions is an average of these responses.

<sup>19</sup> Our measure of clientelism is based on a question that asks three key informants to rate the level of clientelism in the municipality on a scale of 1 to 7. After averaging the responses, we defined three levels of clientelism: low clientelism (less than or equal to 2), medium clientelism (more than 2 but less than 4), and high clientelism (4 and higher).

Column (2) suggests that cost efficiency may have been an important consideration in limiting a municipality's decision to perform home visits. Municipalities that are more rural and more populated are less likely to pursue this type of approach to beneficiary identification. Municipalities with more catholic churches, which often play an important role in reaching and identifying poor households, are more likely to perform home visits. Assuming that the radio is an effective medium to notify eligible households about the program (65 percent of the municipalities did use the radio for this purpose), the number of radio stations may reduce the need for home visits, thus explaining the negative association between the number of radio stations and home visits. By contrast to registration at the mayor's office, we do not see any evidence that political patronage or clientelism influenced the decision to use home visits.

Column (3) presents some of the mayor and community characteristics that correlate to a municipality's decision to prioritize some geographical areas of the municipality in the registration process. We find that municipalities that are less populated and have a higher average per capita income are more likely to target geographically. This would make sense if the poor are harder to identify in wealthier municipalities. Another motivation to target geographically, however, can also be political, and we find evidence consistent with this interpretation. Municipalities with higher levels of patronage are positively associated with geographical targeting, suggesting that the program may have been used to reward certain communities for political support. The effects of clientelism are again positive but imprecisely measured.

The federal government specified three criteria for eligibility to the program. First the child must come from a household that earns no more than R\$90 per capita per month. Second, the child must be enrolled in primary or lower secondary school.<sup>20</sup> And finally, the child must be between the ages of 6 to 15. Despite these federal criteria, only 85 percent of the municipalities used all three criteria to identify the potential beneficiary population. Moreover, 73 percent of the municipalities used other criteria in addition to

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<sup>20</sup> This corresponds to grades 1-8 (*ensino fundamental*).

the three federal ones, suggesting that these municipalities screened eligible (by the federal standards) household prior to the actual *selection* process (see figure 2).<sup>21</sup>

Panel A of Table 5 reports some of the additional factors used to identify potential program beneficiaries among the municipalities that respected the federal criteria. In addition the federal requirements, several municipalities took into consideration the number of children in the household (78 percent), and the household's dwelling characteristics (54 percent). Some municipalities (33 percent) gave preference to whether the child was enrolled at a municipal school, which might reflect some political considerations.<sup>22</sup>

Panel B of Table 5 presents the same factors but considers the 15 percent of the municipalities that did not abide by all 3 federal regulations. As seen in panel B, whether the child was enrolled (58 percent of the municipalities) and child's age (20 percent of municipalities) were the least respected of the federal criteria. For these municipalities, the household's per capita income was the most important determinant of whether or not the household was consider eligible.

In 91 percent of the municipalities, households were aware of these criteria used to determine eligibility (see Table 6). In 67 percent of the municipalities, town meetings were held, and in 50 percent of the municipalities the criteria were announced over the radio. Only 19 percent of municipalities informed the households at the time of the interview, and despite the importance schools have had in the registration process only 12 percent of the municipalities used them to convey information about the criteria. Overall, these results suggest that the process to identify program beneficiaries was fairly transparent.

Table 6 also reports considerable variation in the types of household assessment mechanisms adopted by municipalities. Even though the federal government did not

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<sup>21</sup> It is not clear why a municipality would perform a pre-selection. One reason might be to reduce the cost of registering potential beneficiaries by shrinking the eligibility pool. Alternatively, a municipality may have been confused about the distinction between identification and selection. Equally confusing to us is also why municipalities did not follow the federal guidelines in the identification. Unfortunately our data do not provide much insight into these questions.

<sup>22</sup> Enrollment at municipal schools determines the amount of resources that a municipality receives for education from FUNDEF. Mayors have a strong incentive to target the program to children enrolled in the municipal schools. In some of the case studies we conducted, there were incidences of mayors offering free bicycles to induce children to enroll in municipal schools.

require a municipality to verify self-declared information, 65 percent of the municipalities did perform some type of verification. Among those that did, 45 percent asked for proof income, an informal verified means testing, while 59 percent of those that did any verification did so thru a home visit, which functioned like an informal proxy means test. The majority of the municipalities that verified did so by consulting members of the community. Given that the program was decentralized at the level of the municipality, where the median population is only 13,522 persons, this method of verification may be fairly reliable.

### Beneficiary selection

The Federal government, along with establishing the criteria for program eligibility, specified for each municipality quotas indicating the number of households that could participate in the program. These quotas, which were based on the estimated number of households in the municipality that would meet the three federal requirements of eligibility based on census/household survey estimates, were often insufficient to meet the program demand. In our sample more than 97 percent of the municipalities had qualified children who were rationed out of the program. For these municipalities, an estimated 49 percent of eligible household were left out of the program. Among the pool of eligible households, it was thus the municipality's responsibility to select the beneficiaries of the program and to thus ration these benefits.

Yet despite this discretion, one of the more striking results is the extent of confusion about who was responsible for selecting the beneficiaries (see figure 3). Among the municipalities sampled, 63 percent responded that the Federal Government in Brasilia selected who received the program, and only 30 percent claimed that the Bolsa Escola council had selected the beneficiaries.<sup>23</sup> For the 63 percent of the municipalities that did not actively select its beneficiaries, it may have been the case that the order in which they sent the questionnaires to the Federal Government in Brasilia determined program inclusion. For these municipalities, 37 percent did in fact prioritize the sending

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<sup>23</sup> Confusion about the selection process was also a common observation in the case studies. Program coordinators and school teachers often remarked that they could not understand how Brasilia had decided upon the list of beneficiaries when so many more deserving children were excluded from the program.

of the questionnaire to Brasilia implying perhaps an inadvertent selection process. This does, however, suggest that at least 40 percent of the sample did not knowingly select the beneficiary population.

Column (1) of Table 7 reports an OLS regression of an indicator for whether the municipality thought “Brasilia” (the Federal Government) selected the beneficiaries (i.e., misunderstood the selection process) on the same mayor and municipal characteristics used in the previous specifications. We find that more educated municipalities, as measured by the share of the population that is literate, are much less likely to have misunderstood the selection process. Somewhat surprising is the fact the characteristics of the mayor, and most notably his education level, have little predictive power. Mayors in their second consecutive term are less likely to have misunderstood the program, but we can only reject that this estimate is different from zero with 83 percent confidence. Whether the municipality received training about program also did not have any effect. Column (1) does show that having misunderstood the selection process is strongly correlated with not having had a Bolsa Escola council, as they were supposed to have, suggesting that municipalities that misunderstood the selection process also failed in other important aspects of implementation. Lack of civil society participation through a Bolsa Escola council suggests greater mis-interpretation or discretion with program rules.

Conditioning on municipalities that did actively select their beneficiaries (95 out of 252 municipalities), Column (2) then explores the decision to have the mayor select the beneficiaries versus the Bolsa Escola council. Here, we find that higher income inequality (measured by the Gini coefficient) is strongly associated with mayor selection, whereas having more radio stations and a judiciary district is negatively correlated with mayor selection of beneficiaries. There is also evidence that a mayor’s involvement in beneficiary selection is based on political gain. Municipalities with high levels of clientelism are 27 percentage points more likely to have the mayor select the beneficiaries (significant at 90 percent confidence). A similar finding is also reported in column (3) for municipalities where the mayor approves the list of beneficiaries.<sup>24</sup>

Among the municipalities that did actively select their beneficiary population, the household’s per capita income (99% of cases) was the most frequent priority (see Table

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<sup>24</sup> Roughly 12 percent of the municipalities had the mayor approve the list of beneficiaries (see Table 9).

7).<sup>25</sup> The age of the child (82%) and the number of children in the household (84%) were also important, the first as required by the Federal Government in Brasilia and the second likely as a correlate of poverty. Other characteristics of the family that entered into the decision included dwelling characteristics (56%) and whether the mother was single (48%), two other correlates of poverty. Interestingly, 35 percent of the municipalities that did target the program also prioritized children who in their opinion were at risk of dropping out of school, indicating concern with the potential educational gains of the program. Figure 4 plots the number of factors that entered into the selection process for each municipality. Twelve percent of the municipalities only used one item to selected beneficiary families, while over 85 percent consider at least 3 factors.

Sixty-two percent (152) of the municipalities that selected beneficiaries did prioritize the different requirements used in the selection decision. As seen in column (4) of Table 7, second-term mayors are much more likely to place weights on the criteria, as well as municipalities that are more rural and have more radio stations. Political motives were not a factor in this decision (measures of clientelism and patronage were not significant in the regression).

Table 9 reports some aspects of the transparency in the selection process. Among the municipalities that actively selected its beneficiaries, the population was informed about the selection criteria (92 percent of municipalities). Moreover, in 85 percent of the municipalities the list of families participating in the program was made publicly available, with the billboards being the most common form of disclosure. These results are consistent with the results presented in the beneficiary identification, and support the conclusion that the program was implemented in a fairly transparent manner.

### Monitoring and enforcement of conditionalities

According to Federal rules, participants to the Bolsa Escola program receive monthly payments conditional on attending at least 85 percent of their classes. As Table 10

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<sup>25</sup> Note that for beneficiary selection the question asked whether or not the municipality among the qualified households further prioritized households according to their income level. In contrast, per capita income for beneficiary identification simply referred to whether or not the household qualified for having a per capita income of no more than R\$90. And similarly, for the age of the child.

reports, virtually all municipalities (99 percent) imposed this conditionality, which is essentially the only behavioral requirement of the program.<sup>26</sup> In addition to this requirement, however, some municipalities imposed other conditions upon parents. Approximately 33 percent of them required that parents either attend school meetings or maintain and clean the school. Four percent of the municipalities made other demands such as to provide receipts for how the money was spent, to have vaccination cards up to date, or to require parents to attend school and learn how to read (see Table 11). Overall 32 percent of the municipalities imposed at least 2 requirements for program participation (see figure 5).

This decision to impose additional conditionalities is mostly predicted by the municipality's quota (as a share of the number of children enrolled in primary and secondary school), and the proportion of municipal councils that function (see column 1 of Table 12); in both cases the correlation is negative. The interpretation of these coefficients is confusing since ex-ante one would expect the opposite result: greater program scarcity leading to more conditions. Lame-duck mayors are also less likely to impose additional program requirements but this estimate is only measured at a level of 87 percent confidence.

As seen in Table 13, among the municipalities sampled, 90 percent responded that all of the beneficiaries were notified about the conditions of the program. Town hall meetings (77 percent) and schools (89 percent) were the more commonly used sources of information, with over 98 percent of the municipalities notifying recipient of their responsibilities either at the school or in town hall meetings. Somewhat surprising is that only 9 percent of the municipalities notified the families about these requirements during the course of the interview.

Table 13 also reports the "hypothetical" consequences that program coordinators indicated that they would impose on students for not complying with the school attendance requirement for 3 consecutive months. In 72 percent of the municipalities, program coordinators indicated that the household would have their payments suspended

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<sup>26</sup> These questions were responded by program coordinators. It should be noted that these responses do not imply that monitoring data were necessarily sent to the Federal Government in Brasilia. In fact, information from MDS suggest that at most only 19% of municipalities nationwide ever sent in such information (only 13% by the end of the program).

for an average of 2 months, but only 27 percent claimed that the child would be cut from the program. There does, in addition, appear to be considerable leeway as 71 percent of the municipalities also responded that nothing would happen if the family could justify the absences. There is also a non-trivial number of municipalities (13 percent) where teachers were caught falsifying the attendance sheets.<sup>27</sup> These results suggest that the conditions of the program are not strictly enforced, as municipalities have little incentive to monitor these participation requirements in a meaningful manner or are using the transfers to achieve other goals than educational gains for the children of recipient households. In fact, as discussed above, information from MDS indicates that officially only 19% (maximum) of all municipalities ever forwarded information on conditionality compliance to MEC and of this only a very small fraction indicated non-compliance or penalties.

In columns (2) and (3) of Table 12, we explore the extent to which municipal and mayor characteristics are associated with how municipalities respond to noncompliance. In particular, column (2) reports estimates for the probability that the municipality will send a social worker to visit the household, and column (3) reports the estimates for the probability that the municipality does nothing. The results show that second-term mayors are 12 percentage points more likely to send a social worker in the case of noncompliance, whereas the higher the municipality's quota the less likely a social worker is involved. Hence, a less politicized situation and greater scarcity of bolsas induce greater concern with program efficiency in imposing compliance with conditionalities. The probability that a municipality does not take any action is positively associated with larger municipalities (number of districts and share of public sector) and mayors with more political experience.<sup>28</sup> Mayors that come from elite families are also less likely to not react. Higher transactions costs in monitoring and elite dominance of municipal affairs would thus be associated with less concern with educational impact of the transfers.

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<sup>27</sup> Program coordinators were asked if they had observed any incidence of teachers falsifying attendance sheets.

<sup>28</sup> Political experience is defined as the number of terms a mayor has held a political office.

## Bolsa Escola's Social Council: Oversight and Appeals

To participate in the Bolsa Escola program, a municipality was required to create a social council (*Conselho de Controle Social*) designed to approve the list of selected families, verify the school attendance of beneficiary children, and address complaints about the program. Moreover, in further stipulating that at least 50 percent of the council be comprised of non-governmental members, the council was to provide program oversight and voice for the various segments of civil society. Mayors, however, were given full discretion of selecting the council members. Consequently, as we see in Table 14, these councils predominately (73 percent of municipalities) supported the mayor, functioned poorly (32 percent of the municipalities), and in some instances may have committed fraud (10 percent of the municipalities had a member of the legislative branch participate in the program).

One of the more striking results presented in Table 14 is that a council existed in only 81 percent of the municipalities, despite being a requirement of the program. Moreover, when council members were asked if their council functioned properly only 68 percent of those municipalities where a council existed claimed that they did. The fact that councils met at least once of month in only 38 percent of municipalities perhaps best describes the lack of functionality. This percentage may even be inflated since at least half of these councils were simply integrated into a preexisting council.<sup>29</sup> Another stark observation is that only 54 percent of the councils maintained an updated list of the beneficiaries.

The composition of the council also demonstrates the inability of these councils to serve as proper watchdogs or to truly represent the interests of civil society. Among the 213 municipalities with a council, on average 73 percent of the council members were supporters of the mayor and 7 percent were actual relatives of the mayor.<sup>30</sup> In fact, having a relative of the mayor serve on the council appeared in 34 percent of the

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<sup>29</sup> Instead of creating an entirely new council, municipalities had the option of assigning an existing council to perform these various functions of the program. In our sample, among the municipalities where a Bolsa Escola council existed (81 percent), 40 percent of these municipalities incorporated the Bolsa Escola council into an existing one.

<sup>30</sup> The statistic that on average 73 percent of the council supports the mayor does not necessarily reflect the fact the mayors appoints the council. It is more likely the result of the requirement that only 50 percent of the council be composed of nongovernmental members.

municipalities. Table 14 also reports that, on average, 27 percent of the council members were actual beneficiaries of the program.<sup>31</sup> While it was common to have a representative of the beneficiaries participate in the council, when we exclude these types of representatives, 22 percent of municipalities still had a program recipient. Perhaps more astonishing is that in 10 percent of the municipalities, a member of the legislative branch was a recipient of the program.<sup>32</sup> Although it is technically possible for a local politician to be eligible for the program, at an average salary of R\$1,400 per month, the politician would have to be the sole earner in a household of over 14 members to meet federal qualification rules. A more plausible explanation is that the mayors used the Bolsa Escola program in exchange for support in the legislative branch. Column (1) of Table 15 explores this possibility.

Column (1) of Table 15 reports a regression that estimates the probability that a member of the legislative branch benefited from the program. The specification is similar to those presented in the previous tables, except that it includes variables to measure the mayor's level of support in the legislature. The results show that the higher the share of legislators that oppose the mayor, the more likely it is (35 percent greater chance) that a legislator will participate in the program. Receiving the program is also a substitute to other types of political exchanges.<sup>33</sup> Legislators are less likely to participate in the program in municipalities where the share of secretaries related to a legislator is higher, and where legislators have control over more public appointments. Legislators are also more likely to participate in the program in municipalities that are more rural, where the municipality's quota is higher, and where the mayor has more political

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<sup>31</sup> Although this number appears large, one would need to know what a random draw would predict in order to properly assess this magnitude.

<sup>32</sup> Several newspapers have reported incidences of fraud associated with the Bolsa Escola program. For example, *Folha de São Paulo* reported based on an audit done by the CGU that in the municipality of Cachoeira do Piriá (PA), the president of the mayor's cabinet, a principal of the a primary school, and a member of the local legislative branch were all found participating in the program. (*Folha de São Paulo* 9-14-2003).

<sup>33</sup> In every municipality, the mayor has a number of public positions, called *cargos de confiança*, which he can allocate to whomever he chooses. In talking to several people, these jobs are clear instruments of patronage and even nepotism, which is remarkably high in Brazil. For example, a sub-secretary of education of a particular municipality said that he was originally secretary of education until the mayor made the cousin of a vereador secretary in exchange for a thousand votes. In order to keep the former secretary of education, since he was quite competent in his work, the mayor created the new position of sub-secretary.

experience. These indicators clearly support an interpretation where the allocation of these bolsas is used as an explicit element of clientelism and political rents.

Columns (2) and (3) of Table 15 report correlates of whether or not a Bolsa Escola council existed in the municipality. Column (2) estimates the OLS regression for the entire sample of 252 municipalities, whereas the estimation sample used in column (3) excludes municipalities that simply incorporated the Bolsa Escola council into a preexisting one, reducing the sample to 171 municipalities. Column (2) shows that a mayor's political experience and the share of functioning councils are both negatively correlated with the existence of the council. Whereas, the share of the population that is literate is positively correlated with an existing council. Bolsa Escola councils are also less likely to exist in municipalities with medium to high levels of clientelism; the probability that a council exists is 17 percent lower in municipalities with high levels of clientelism compared to municipalities with low levels. The results in column (3) are broadly similar.

## 5. Concluding remarks

In 2001, the Brazilian government initiated Bolsa Escola as a nationwide education program designed to improve the schooling of children from poor households. The program provided cash transfers to mothers of poor children, conditional on their children's continued attendance in school. An important feature of this program, and of the current Bolsa Familia program, is that its implementation was devolved to the municipalities, thus offering an ideal case study to explore differences in the targeting, monitoring and enforcement, and accountability strategies of conditional cash transfer programs when the service provider is a local government.

In this report, we document significant variation in how municipalities have implemented the Bolsa Escola program in 261 municipalities randomly selected across four states of the Northeast. Despite considerable variation across municipalities, several consistent patterns emerged from the data.

The **general findings** of the study are that: (a) there is considerable heterogeneity in implementation quality and strategies by municipality; and (b) contextual factors –

including governance and politics – affect implementation. More specifically, several specific findings stand out:

- There was considerable variation in the processes used to **register potential beneficiaries**, both in terms of identifying who gets registered and with regards to processes used for data collection. Moreover, regression analysis suggests that economic (cost considerations) and political/governance variables drive patterns in the way registration was implemented.
- We also find considerable confusion concerning the municipality's role in **beneficiary selection**. Some 37% of municipalities understood the decision to lie with them; the remaining 63% understood that such decisions are made by the Federal Government in Brasilia. However, of those interpreting decision making to occur in Brasilia, 23% understood the municipality's role in prioritizing which potential beneficiaries are forwarded to Brasilia in the registry for selection. Moreover, regression analysis suggests that both political (governance) and social variables affect decision-making processes for beneficiary selection. Political variables, such as clientelism and patronage, affect the degree of politicization of municipal beneficiary selection decisions (e.g., when the mayor's office selects beneficiaries directly). With respect to the latter, literacy (voice) and social councils (accountability) clearly affect the process.
- Nonetheless, we also find indicators of **transparency** with respect to the beneficiary identification and selection process, with ample dissemination, public knowledge and information on the criteria used.
- With respect to **monitoring and enforcement of conditionalities**, we find that (a) a significant share of municipalities imposed additional conditionalities (beyond the federal requirements) on beneficiaries; (b) there is significant variation in the monitoring and enforcement of conditionalities, as well as the consequences for non-compliance; and (c) economic and political factors seem to drive the degree to which these processes are implemented.
- Finally, with respect to the **social control councils**, we find that (a) not all municipalities formed these councils despite federal requirements to do so (about a fifth did not); (b) in municipalities where social councils exist, there is a positive

impact on the quality of implementation of the program; but (c) even when social councils exist, they do not necessarily function properly (many do not meet regularly or have beneficiary lists for the program).

In our next phase of this research program, we will examine the impact of context factors (political/governance, socio-economic) and the quality of decentralized implementation on educational outcomes of the Bolsa Escola Program.

## **6. Appendix: Implementation of the Bolsa Família Program: A comparative analysis**

In 2003, Bolsa Escola and three other federal cash transfer programs were unified into a single program called Bolsa Familia. Bolsa Familia is a cash transfer program that integrates three important areas of human development: education, health, and nutrition. Households that participate in Bolsa Familia receive a significantly larger transfer than under Bolsa Escola and in turn must meet the conditions of each component of the program. In this section, we document the implementation of the Bolsa Familia program, and contrast some of these approaches with those of the Bolsa Escola program.

### Beneficiary Identification

Given the extended focus of the Bolsa Familia program, it is perhaps not too surprising that teachers and school administrators, who had played such prominent roles in the identification of beneficiaries for the Bolsa Escola program, participate much less in the Bolsa Familia program. For example teachers participation in the registration process occurs in only 20 percent of the municipalities (see Table 16), compared to 70 percent for the Bolsa Escola program. Health agents (54 percent of municipalities) and contracted individuals (26 percent) have compensated for this decline in teacher involvement. While responsibility for the Bolsa Familia program has shifted mostly to the Secretariat of Social Action (76 percent of municipalities), there are considerably more secretariats involved in this program. As Figure 6 shows there are on average 0.2 more secretariats involved in the Bolsa Familia program than in the Bolsa Escola program (difference is significant at 99 percent confidence). There are few differences between Bolsa Familia and Bolsa Escola in terms of how the population learned about the program. The main difference is that in only 62 percent of the municipalities schools inform potential beneficiaries of Bolsa Familia compared to almost 94 percent for Bolsa Escola, but this is again consistent with amplification of the program's focus. Health agents again play an important in promoting the program (30 percent of municipalities).

Potential beneficiaries are being registered much more in the public administration buildings and health centers than under Bolsa Escola. While 84 percent of the municipalities had used schools to register Bolsa Escola recipients, only 40 percent of the municipalities use schools to register eligible families into the Bolsa Familia program. There is also a significant increase in the percentage of households that are registered at home. Sixty-two percent of the municipalities registered some proportion of the households at their home, compared to only 28 percent for the Bolsa Escola program. The percentage of municipalities that engage in geographical targeting also increased slightly (9 percentage points and significant at 95 percent confidence), and municipalities are more careful to verify the information households provide for the Bolsa Familia program than they were for the Bolsa Escola program.

Even though municipalities have taken some different approaches towards the implementation of the Bolsa Escola and Bolsa Familia programs, there is considerable persistence in their procedures. Table 17 reports separate regression for whether the municipality performed home visits, targeted geographically, and verified household information. In addition to the controls presented in the previous regression tables, each specification includes, among others, a variable that can be thought of as a lagged dependent variable. For example, in column (1) we regress the percentage of households registered at home for the *Bolsa Familia* program on the percentage of households registered at home for the *Bolsa Escola* program in addition to a set of other controls. We find that municipalities that used these implementation methods for Bolsa Escola are much more likely to use them for Bolsa Familia. For example, if a municipality performed home visits for the Bolsa Escola program, it is 62 percent more likely to perform home visits for the Bolsa Familia program. Table 17 also demonstrates that program training has little influence on any of these decisions. The exception is the decision to verify the household's information which is positively correlated with the training a municipality received for the Bolsa Escola program and not the Bolsa Familia program (see column 3). Public denouncements of the Bolsa Escola program for large type I and II targeting errors do *not* seem to encourage municipalities to perform more home visits or verify a household's information.

Table 18 reports some of the criteria used in registering potential beneficiaries according to program coordinators. Per capita income is again clearly the most important determining factor for whether or not a household is registered (98% of municipalities). Other important characteristics include family size (43%), age of the children (47%), and dwelling conditions (60%). Interestingly 8 percent of the municipalities also reported any health deficiency among a household member as an important consideration. Table 19 provides some of the additional criteria used for beneficiary identification that were given by the program coordinators. Municipalities prioritize households with unemployed members, with several elderly members, and matriculated children. Municipalities discriminate against families that have several pensioners. In 89 percent of the municipalities, individuals were made aware of these criteria (see Table 20).

#### Beneficiary selection

When asked who selects the beneficiaries almost 88 percent of the municipalities responded that it is Brasilia's responsibility (see Table 20). The remaining 12 percent responded that either the municipality's public administrators or the program's council are responsible. Forty percent of the municipalities also do *not* know what their quota is.

#### Monitoring and enforcement of conditionalities

Bolsa Familia imposes three requirements on program participants. First, every member of the household between 6-15 years old must be enrolled and attend at least 85 percent of their classes. Second, children under the age of seven must seek health care with growth monitoring and vaccinations up to date. Pregnant women are required to seek prenatal care. In addition to these requirements, 9 percent of the municipalities sampled impose other conditionalities (see Table 22). These include such things as insisting that the parent continue their education or provide receipts for items purchased with the money.

Also shown in Table 22, municipalities enforce the conditions of the Bolsa Familia program much less than for the Bolsa Escola program. Only 61 percent of

municipalities always monitor the program requirements. The municipalities that do not always monitor these households cite several reasons for not doing so such as, it is too much work, or the family depends on the program, or lack of infrastructure (not shown in table). Sixty-five percent of these municipalities also cite the Federal government's indifference for why they do not always monitor the conditionalities of the program. Consequently, if beneficiaries do not meet these program requirements, only 34 percent of municipalities claim that they suspend the transfer, and 61 percent responded that the municipality would not take any action if the non-complying beneficiary can justify his behavior.

Complaints are also common with the Bolsa Familia program. Eighty five percent of the municipalities have had some complaints associated with type I or type II classification errors. In 71 percent of the municipalities, there was a complaint that a qualified person did not receive the program (Type I error), and in 85 percent of the municipalities there were complaints that a nonqualified person was participating in the program (Type II error).

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**Table 1: Selected socioeconomic characteristics, by states in the Northeast**

State	Poverty	Infant mortality	Average per	Gini	Enrollment rates	Number of families
	Rates	(per 1000 live births)	capita income of	coefficient	(ages 7-14)	benefited by the
	(P0)	Age<1	households			Bolsa Escola
	2001	2000	2001	2000	2000	program
						2002
Ceará	0.580	41.431	221.433	0.675	94.375	432,736
Paraíba	0.623	51.492	178.430	0.646	93.868	180,918
Pernambuco	0.600	47.313	240.539	0.673	92.05	305,920
Rio Grande do Norte	0.536	43.268	203.822	0.657	94.771	129,710
Alagoas	0.649	48.957	161.810	0.691	89.026	140,183
Bahia	0.593	46.489	216.333	0.669	93.128	674,244
Maranhão	0.645	55.384	150.524	0.659	91.601	338,538
Piauí	0.611	47.269	166.427	0.661	93.693	182,425
Sergipe	0.548	48.515	190.585	0.658	93.259	76,927
Northeast	0.6	NA	208.95	0.601	95.2	2,461,601

Notes to Table 1: These data come from [www.ipeadata.gov.br](http://www.ipeadata.gov.br)

**Table 2: List of informants for each section of the questionnaire**

Parts of the questionnaire	Informants						
	Public administrators		Coordinator of Bolsa Escola	Member of Bolsa Escola council	Coordinator of Bolsa Familia	Director of legislative branch	President of agricultural workers union
Secretary of human resources	Secretary of finances						
General Characteristics	X						
Administration	X						
Budget		X					
Bolsa Escola			X				
Bolsa Escola Council				X			
Bolsa Familia					X		
Legislative Branch						X	
Legislative Branch - indirect						X	X
Mayor characteristics						X	X
Political variables				X		X	X

**Table 3: Identification of potential beneficiaries for the Bolsa Escola program  
(% of municipalities)**

	Number of observations	Mean	Standard deviation
<i>Who registered the potential beneficiaries?</i>			
School teachers or administrators	260	0.700	0.459
Health agents	261	0.318	0.467
Public administrators	261	0.820	0.385
Members of civil society	261	0.107	0.310
<i>Where were potential beneficiaries registered?</i>			
Schools	256	0.848	0.360
Health centers	256	0.086	0.281
Mayor's office	256	0.547	0.499
Communities	256	0.367	0.483
Homes	259	0.278	0.452
Percent of households registered at home	72	36.417	33.565
<i>How were household notified about the registration</i>			
Radio	261	0.655	0.476
Television	261	0.061	0.240
Newspapers	261	0.180	0.385
Community leaders	261	0.609	0.489
Schools	261	0.935	0.247
Public announcement	261	0.529	0.500
<i>Did the municipality prioritize geographically in the registration?</i>	261	0.383	0.487
<i>Among the municipalities that prioritized, what were the criteria used?</i>			
Poor neighborhoods	100	0.620	0.488
Greater number of schools	99	0.293	0.457
Ease of access to target group	99	0.424	0.497
Distance from municipal head	100	0.130	0.338

Notes to Table 3: Geographic prioritization refers to whether the municipality prioritized some areas of the municipality to identify beneficiaries. The respondent for these questions was the Bolsa Escola coordinator.

**Table 4: Correlates of the different methods of beneficiary identification for the Bolsa Escola program used by municipalities**

	(1)	(2)	(3)
	Registration at the mayor's office	Home visits	Geographic Targeting
<i>Mayor characteristics</i>			
Education	0.042 [0.019]*	0.137 [0.745]	0.016 [0.019]
Gender (male=1)	-0.041 [0.139]	-11.113 [7.493]	-0.005 [0.120]
Second-term	0.032 [0.078]	-4.457 [3.247]	0.09 [0.074]
Political experience	-0.091 [0.037]*	-1.358 [1.229]	-0.011 [0.034]
Member of an elite family	0.086 [0.101]	-8.386 [4.396]+	-0.06 [0.099]
<i>Municipal Characteristics</i>			
Population density (Persons/km)	-0.034 [0.019]+	-0.753 [0.315]*	-0.017 [0.009]+
Number districts	-0.053 [0.021]*	0.57 [0.626]	-0.008 [0.011]
Share of rural households	-0.532 [0.267]*	-26.937 [11.317]*	-0.317 [0.246]
Share of literate population	0.501 [0.728]	23.52 [31.089]	-0.345 [0.737]
Log per capita income	-0.188 [0.232]	-4.645 [9.895]	0.41 [0.217]+
Gini	-0.091 [0.783]	10.462 [29.869]	0.116 [0.750]
Number of radio stations	-0.021 [0.039]	-3.762 [1.184]**	-0.077 [0.034]*
Number of catholic churches	-0.004 [0.006]	0.413 [0.239]+	0.007 [0.004]+
Proportion of councils that function	-0.738 [0.313]*	-9.597 [9.511]	0.145 [0.244]
Judiciary district	-0.154 [0.093]+	-2.574 [4.268]	-0.018 [0.088]
<i>Program characteristics</i>			
Bolsa Escola quota	-0.061 [0.018]**	0.161 [0.441]	0.217 [0.412]
Received training	0.138 [0.077]+	4.178 [3.087]	-0.011 [0.075]
Bolsa Escola Council Exists	-0.104 [0.096]	-1.269 [4.443]	0.216 [0.095]*
<i>Political Characteristics</i>			
Patronage	0.004 [0.002]+	-0.032 [0.068]	0.005 [0.002]*
Medium clientelism	0.121 [0.096]	2.367 [4.116]	0.079 [0.097]
High clientelism	0.137 [0.108]	-5.233 [3.773]	0.104 [0.109]
Observations	248	250	252
R-squared		0.18	

**Notes to Table 4:** Marginal effects from a Probit model are reported in columns 1 and 3. Column 2 reports coefficient estimates from an OLS regressions. Robust standard errors in brackets; significantly different from zero at (+) 90%, (\*) 95%, (\*\*) 99% confidence. In addition to the variables displayed, each regression controls for the mayor's age, the share of the population that is employed by the local government, the number of newspapers in the municipalities. We define elite family as a family that has had a long political tradition in the municipality; patronage is defined as the average share of public goods provided to communities for political reasons and not need. Our measure of the degree of clientelism in a municipality is based on a scale of 1 to 7. Medium clientelism corresponds to a value of above 2 but below 4, high clientelism corresponds to a value of above 4. Summary statistics for the covariates are presented in table A1.

**Table 5: Criteria used to identify beneficiaries for the Bolsa Escola program  
(% of municipalities that report using each criterion)**

	Number of observations	Mean	Standard deviations	First priority	Second priority
<i>Panel A: Respected the Federal requirements</i>					
Per capita income	221	1.000	0.000	86.92	9.23
Enrolled	221	1.000	0.000	5.38	41.54
Age of the children	221	1.000	0.000	2.31	10.00
Number of children in the household	221	0.787	0.410	1.54	33.08
Living conditions	221	0.538	0.500	1.54	1.54
Enrolled in a municipal school	221	0.326	0.470	0.08	3.08
Placed weights on these items	220	0.591	0.493		
<i>Panel B: Did not respect the Federal requirements</i>					
Per capita income	40	0.925	0.267	75.00	25.00
Enrolled	40	0.575	0.501	16.67	50.00
Age of the children	40	0.200	0.405	0.00	8.33
Number of children in the household	40	0.225	0.423	0.00	0.00
Living conditions	40	0.125	0.335	0.00	8.33
Enrolled in a municipal school	40	0.175	0.385	0.00	0.00
Placed weights on these items	40	0.300	0.464		

Notes to Table 5: The respondent for these questions was the Bolsa Escola coordinator.

**Table 6: Additional aspects of beneficiary identification for the Bolsa Escola program (% of municipalities)**

	Number of observations	Mean	Standard deviation
Households knew the criteria used to identify beneficiaries	261	0.912	0.284
<i>If so, how did the public know about the criteria?</i>			
Town meetings	238	0.672	0.470
Newspaper	238	0.155	0.363
Radio	238	0.496	0.501
Internet	238	0.013	0.112
Billboards	238	0.408	0.492
Television	238	0.109	0.313
Schools	238	0.122	0.328
Public Announcements	238	0.067	0.251
At the interview	238	0.185	0.389
Municipality verified self-declared information	260	0.646	0.479
<i>If so, how did the municipality verify the information?</i>			
Asked for proof of income	168	0.452	0.499
Conducted home visits	168	0.589	0.493
Consulted members of the community	168	0.881	0.325

Notes to Table 6: The respondent for these questions was the Bolsa Escola coordinator.

**Table 7: Correlates of the beneficiary selection process for Bolsa Escola**

	(1)	(2)	(3)	(4)
	Misunderstood the selection process	Mayor participated beneficiary selection	Mayor approved list of beneficiaries	Used weights in the selection criteria
<i>Mayor characteristics</i>				
Education	0.014 [0.016]	-0.002 [0.022]	-0.074 [0.025]**	0.015 [0.026]
Gender (male=1)	0.151 [0.125]	-0.327 [0.211]	0.29 [0.130]*	0.035 [0.147]
Second-term	-0.095 [0.069]	-0.049 [0.105]	0.116 [0.098]	0.188 [0.094]*
Political experience	0.004 [0.030]	0.014 [0.059]	-0.003 [0.047]	-0.029 [0.045]
Member of an elite family	-0.108 [0.082]	-0.081 [0.114]	-0.141 [0.112]	-0.039 [0.138]
<i>Municipal Characteristics</i>				
Population density (Persons/km)	-0.015 [0.005]**	-0.014 [0.011]	-0.002 [0.012]	0.02 [0.009]*
Number districts	0.012 [0.012]	-0.005 [0.014]	-0.034 [0.013]*	-0.008 [0.012]
Share of rural households	-0.253 [0.198]	-0.792 [0.341]*	-0.133 [0.292]	0.562 [0.292]+
Share of literate population	-1.371 [0.664]*	-0.357 [0.827]	-1.499 [0.827]+	-0.548 [0.850]
Log per capita income	0.18 [0.224]	0.116 [0.291]	0.077 [0.261]	0.083 [0.267]
Gini	0.399 [0.689]	1.657 [0.780]*	1.35 [0.736]+	-0.534 [1.048]
Number of radio stations	0.014 [0.028]	-0.153 [0.060]*	0 [0.029]	0.076 [0.038]*
Number of catholic churches	0.003 [0.003]	0.017 [0.007]*	-0.005 [0.006]	-0.005 [0.005]
Proportion of councils that function	-0.053 [0.248]	0.214 [0.339]	-0.449 [0.364]	-0.154 [0.322]
Judiciary district	-0.154 [0.086]+	-0.229 [0.131]+	0.131 [0.111]	0.041 [0.125]
<i>Program characteristics</i>				
Bolsa Escola quota	0 [0.006]	0.006 [0.011]	0.016 [0.010]	0.003 [0.021]
Received training	0.064 [0.071]	0.121 [0.109]	0.071 [0.100]	0.12 [0.096]
Bolsa Escola Council Exists	-0.206 [0.096]*	-0.159 [0.201]	-0.232 [0.157]	-0.022 [0.154]
<i>Political Characteristics</i>				
Patronage	-0.004 [0.002]*	-0.001 [0.003]	-0.001 [0.003]	0 [0.003]
Medium clientelism	0.046 [0.088]	0.062 [0.103]	0.109 [0.107]	0.018 [0.123]
High clientelism	0.092 [0.107]	0.273 [0.152]+	0.213 [0.122]+	0.021 [0.152]
Observations	252	95	96	152
R-squared	0.2	0.41	0.41	0.17

Notes to Table 7: Coefficient estimates from an OLS regressions are reported. Robust standard errors in brackets; significantly different from zero at (+) 90%, (\*) 95%, (\*\*) 99% confidence. In addition to the variables displayed, each regression controls for the mayor's age, the share of the population that is employed by the local government, the number of newspapers in the municipalities, and state intercepts. We define elite family as a family that has had a long political tradition in the municipality; patronage is defined as the average share of public goods provided to communities for political reasons and not need. Our measure of the degree of clientelism in a municipality is based on a scale of 1 to 7. Medium clientelism corresponds to a value of above 2 but below 4, high clientelism corresponds to a value of above 4. Summary statistics for the covariates are presented in table A1.

**Table 8: Criteria used for the selection of beneficiaries for Bolsa Escola program among municipalities that actively selected**

	Number of observations	Mean	Standard deviations	First priority	Second priority
Per capita income	155	0.987	0.113	89.80	7.00
Number of children	155	0.839	0.369	4.08	59.00
Single mothers	155	0.477	0.501	1.02	2.00
Age of child	155	0.819	0.386	2.04	12.00
Condition of house	155	0.561	0.498	0.00	3.00
Enrolled in other programs	155	0.361	0.482	0.00	3.00
Child at risk of dropping out	155	0.348	0.478	0.00	0.00
Placed weights on these items	155	0.624	0.486		

Notes to Table 8: The respondent for these questions was the Bolsa Escola coordinator.

**Table 9: Additional aspects of beneficiary selection in the Bolsa Escola program (% of municipalities)**

	Number of observations	Mean	Standard deviations
<i>Who approved the list of beneficiaries</i>			
Mayor	260	0.119	0.325
Council	261	0.444	0.498
Community	261	0.080	0.273
Brasilia	260	0.592	0.492
<i>Did the public know the criteria used for selection?</i>	156	0.923	0.267
<i>Was the list of beneficiaries released publicly?</i>	261	0.854	0.353
<i>If so, how was the list released publicly?</i>			
Meetings	223	0.193	0.395
Newspapers	223	0.283	0.451
Radio	223	0.395	0.490
Internet	223	0.022	0.148
Billboards	223	0.762	0.427

Notes to Table 9: The respondent for these questions was the Bolsa Escola coordinator.

**Table 10: Principal conditions imposed on Bolsa Escola recipients  
(% of municipalities)**

	Obs	Mean	Std. Dev
Attendance	261	0.992	0.087
Help clean or maintain the school	261	0.027	0.162
Attend meetings	261	0.299	0.459
Other conditionalities imposed on the parents	261	0.042	0.201

Notes to Table 10: The respondent for these questions was the Bolsa Escola coordinator.

**Table 11: Additional conditions imposed on Bolsa Escola recipients**

	Number of cases
Apply the money responsibly	3
Learn how to read and write/attend school	2
Participate in school activities	6
Continue to live in the municipalities	6
Children progress academically	1
Keep the children vaccinated	1

Notes to Table 11: The respondent for these questions was the Bolsa Escola coordinator.

**Table 12: Imposing additional program conditions and dealing with non-compliance in the Bolsa Escola program**

	(1)	(2)	(3)
	Imposed other conditionalities	Received visit for non-compliance	Nothing happens for non-compliance
<i>Mayor characteristics</i>			
Education	0.005 [0.016]	-0.008 [0.016]	0.008 [0.016]
Gender (male=1)	-0.07 [0.116]	0.011 [0.121]	0.009 [0.112]
Second-term	-0.105 [0.068]	0.12 [0.068]+	0.04 [0.063]
Political experience	-0.014 [0.028]	0.023 [0.033]	0.058 [0.023]*
Member of an elite family	-0.106 [0.085]	-0.063 [0.093]	-0.188 [0.073]*
<i>Municipal Characteristics</i>			
Population density (Persons/km)	0 [0.005]	0.005 [0.008]	0.008 [0.007]
Number districts	0.003 [0.012]	0.02 [0.009]*	0.015 [0.008]+
Share of rural households	0.337 [0.234]	0.291 [0.232]	0.036 [0.204]
Share of literate population	-0.916 [0.642]	-0.104 [0.690]	-0.426 [0.569]
Log per capita income	0.279 [0.219]	0.23 [0.226]	0.034 [0.204]
Gini	-0.457 [0.722]	-0.09 [0.745]	0.237 [0.719]
Number of radio stations	0.003 [0.025]	-0.041 [0.027]	0.031 [0.026]
Number of catholic churches	-0.002 [0.004]	0.001 [0.004]	-0.012 [0.005]**
Proportion of councils that function	-0.424 [0.236]+	-0.085 [0.226]	-0.185 [0.176]
Judiciary district	0.063 [0.087]	-0.045 [0.089]	0.057 [0.081]
<i>Program characteristics</i>			
Bolsa Escola quota	-0.013 [0.006]*	-0.015 [0.005]**	-0.013 [0.010]
Received training	0.008 [0.068]	0.077 [0.069]	-0.008 [0.064]
Bolsa Escola Council Exists	0.082 [0.075]	0.058 [0.094]	0.057 [0.077]
<i>Political Characteristics</i>			
Patronage	0 [0.002]	0 [0.002]	-0.001 [0.002]
Medium clientelism	-0.001 [0.089]	0.03 [0.095]	-0.037 [0.078]
High clientelism	0.047 [0.107]	0.061 [0.111]	-0.026 [0.090]
Observations	252	252	251
R-squared	0.14	0.18	0.22

Notes to Table 12: Coefficient estimates from an OLS regressions are reported. Robust standard errors in brackets; significantly different from zero at (+) 90%, (\*) 95%, (\*\*) 99% confidence. In addition to the variables displayed, each regression controls for the mayor's age, the share of the population that is employed by the local government, the number of newspapers in the municipalities, and state intercepts. We define elite family as a family that has had a long political tradition in the municipality; patronage is defined as the average share of public goods provided to communities for political reasons and not need. Our measure of the degree of clientelism in a municipality is based on a scale of 1 to 7. Medium clientelism corresponds to a value of above 2 but below 4, high clientelism corresponds to a value of above a 4. Summary statistics for the covariates are presented in table A1.

**Table 13: Monitoring and enforcement of the Bolsa Escola participation requirements (% of municipalities, unless indicated)**

	Obs	Mean	Std. Dev
<i>Did all of the beneficiaries know about the conditionalities?</i>	261	0.900	0.300
<i>If so, how did they all know?</i>			
Town meetings	235	0.774	0.419
Home	235	0.234	0.424
School	235	0.889	0.314
Radio	235	0.068	0.252
At the time of the interview	235	0.089	0.286
Did you monitor attendance?	261	0.950	0.218
<i>What happen if the beneficiary does meet the attendance requirement for 3 months?</i>			
Loss the transfer for a period of time	261	0.724	0.448
Amount of time (months)	185	2.049	1.110
Cut from the program	259	0.270	0.445
Receives a visit from a teacher or public administrator	261	0.441	0.497
Nothing, if the child can justify the reason	260	0.715	0.452
Incidences of teacher falsifying the attendance	252	0.127	0.033

Notes to Table 13: The respondent for these questions was the Bolsa Escola coordinator.

**Table 14: Existence and Performance of Bolsa Escola Councils**  
(% of municipalities and % of council members)

	Number of observations	Mean	Standard deviation
Council exists	261	0.812	0.391
Council functions	212	0.675	0.470
Council deliberative	212	0.571	0.496
Percentage of members that participate at meetings	209	0.828	0.240
Meets at least once a month	261	0.383	0.487
Has the right to remove a child from the program	210	0.600	0.491
Has the right to include a child into the program	207	0.599	0.491
Council monitors the attendance of the children	212	0.736	0.442
Council maintains an updated list of beneficiaries	208	0.543	0.499
Member of the legislative branch participates in the program	261	0.100	0.300
<i>Percentage of councils that:</i>			
Supports the mayor	213	0.730	0.261
Relative of the mayor	213	0.066	0.108
Beneficiary of the program	213	0.090	0.174
Public employee	213	0.272	0.192
Member of local legislature	213	0.077	0.097
Members of large farmer unions	213	0.004	0.021
Agricultural unions	213	0.053	0.079
Member of teacher Association	213	0.112	0.133
Member of parent Association	213	0.079	0.112
Health agents	213	0.023	0.056
Representatives of the catholic church	213	0.103	0.138
At least one relative of the mayor is on the council	213	0.343	0.476
At least one program recipient is on the council	213	0.324	0.469
At least one non-parent program recipient is on the council	213	0.225	0.419

Notes to Table 14: The respondent for these questions was a member of the Bolsa Escola council, when it existed.

**Table 15: Bolsa Escola Council correlates**

	(1)	(2)	(3)
	Legislator is a beneficiary	Council exist	
		Entire sample	Restricted sample
<i>Mayor characteristics</i>			
Education	0.014 [0.018]	0.02 [0.013]	0.04 [0.017]*
Gender (male=1)	0 [0.088]	0.147 [0.110]	0.153 [0.148]
Second-term	0.009 [0.054]	0.04 [0.051]	0.041 [0.067]
Political experience	0.06 [0.032]+	-0.051 [0.026]+	-0.06 [0.032]+
Member of an elite family	-0.16 [0.109]	0.042 [0.072]	0.041 [0.099]
<i>Municipal Characteristics</i>			
Population density (Persons/km)	-0.02 [0.028]	0.004 [0.006]	0.006 [0.019]
Number districts	-0.008 [0.008]	0.005 [0.006]	0.011 [0.008]
Share of rural households	0.408 [0.222]+	0.193 [0.165]	0.388 [0.252]
Share of literate population	-0.678 [0.553]	0.969 [0.527]+	1.226 [0.797]
Log per capita income	0.4 [0.183]*	-0.068 [0.168]	-0.103 [0.248]
Gini	0.529 [1.069]	0.025 [0.582]	-0.297 [0.778]
Number of radio stations	-0.046 [0.035]	0.009 [0.024]	0.023 [0.034]
Number of catholic churches	-0.005 [0.003]	0.004 [0.004]	0.005 [0.006]
Proportion of councils that function	0.023 [0.208]	-0.298 [0.134]*	-0.449 [0.193]*
Judiciary district	-0.122 [0.091]	0.057 [0.070]	0.095 [0.098]
<i>Program characteristics</i>			
Bolsa Escola quota	0.014 [0.005]**	-0.007 [0.005]	-0.004 [0.005]
Received training	0.127 [0.058]*	0.014 [0.054]	0.005 [0.074]
<i>Political Characteristics</i>			
Patronage	-0.001 [0.002]	0 [0.002]	0 [0.002]
Medium clientelism	-0.053 [0.092]	-0.103 [0.067]	-0.154 [0.089]+
High clientelism	0.027 [0.115]	-0.144 [0.075]+	-0.177 [0.098]+
Number of legislators	0.031 [0.015]*		
Share of legislator that opposes the mayor	0.349 [0.193]+		
Share of secretaries related to a legislator	-0.259 [0.142]+		
Number of jobs a legislator can appoint	-0.045 [0.024]+		
Observations	243	252	171
R-squared	0.16	0.24	0.3

Notes to Table 15: Coefficient estimates from an OLS regressions are reported. Robust standard errors in brackets; significantly different from zero at (+) 90%, (\*) 95%, (\*\*) 99% confidence. In addition to the variables displayed, each regression controls for the mayor's age, the share of the population that is employed by the local government, the number of newspapers in the municipalities, and state intercepts. We define elite family as a family that has had a long political tradition in the municipality; patronage is defined as the average share of public goods provided to communities for political reasons and not need. Our measure of the degree of clientelism in a municipality is based on a scale of 1 to 7. Medium clientelism corresponds to a value of above 2 but below 4, high clientelism corresponds to a value of above a 4. Summary statistics for the covariates are presented in table A1.

**Table 16: Bolsa Familia beneficiary identification  
(% of municipalities)**

	Number of observations	Mean	Standard deviation
<i>Which secretariat was responsible for registering the beneficiaries</i>			
Education	260	0.404	0.492
Health	260	0.373	0.485
Social Action	260	0.758	0.429
Culture	260	0.023	0.150
Agriculture	260	0.096	0.295
<i>Who registers the potential beneficiaries</i>			
Health agents	259	0.541	0.499
Public administration	259	0.776	0.418
Contracted individuals	259	0.255	0.437
Teachers	259	0.197	0.398
Portal da Alvorada	259	0.066	0.248
Comite of Zero Hunger	259	0.031	0.173
<i>How were individuals informed about the registration</i>			
Radio	259	0.649	0.478
Public announcement	259	0.371	0.484
Television	259	0.054	0.227
Newspapers	259	0.147	0.355
Community leaders	259	0.649	0.478
Schools	259	0.622	0.486
Health agents	259	0.301	0.460
<i>Did the registration take place in a public place</i>			
Schools	233	0.399	0.491
Health posts	233	0.197	0.399
Public administration	233	0.764	0.426
Communities	233	0.442	0.498
<i>Geographic targeting</i>			
Poor neighborhoods	122	0.680	0.468
Greater number of schools	122	0.230	0.422
Ease of access to target group	122	0.434	0.498
Distance from municipal head	122	0.107	0.310
Did not register households at home	257	0.385	0.488
Percentage of household registered at home >0	158	56.259	33.628

Notes to Table 16: The respondent for these questions was the Bolsa Familia coordinator.

**Table 17: Persistence of procedures in the Bolsa Familia program implementation**

	(1)	(2)	(3)
	Home visits	Geographical prioritization	Verification
Home visits in Bolsa Escola	0.388 [0.113]**		-0.001 [0.001]
Geographic targeting Bolsa Escola		0.317 [0.071]**	
Verification Bolsa Escola	-0.069 [5.422]	-0.032 [0.072]	0.117 [0.070]+
Training Bolsa Familia	-0.199 [8.676]	0.049 [0.098]	-0.035 [0.087]
Training Bolsa Escola	1.169 [5.347]	0.037 [0.000]	0 [0.071]*
Public denouncement for Type I error	-0.188 [5.683]	-0.071 [0.073]	-0.044 [0.065]
Public denouncement for politics	3.22 [7.030]	-0.039 [0.091]	0.072 [0.089]
Public denouncement for Type II error	7.272 [6.810]	0.012 [0.085]	-0.025 [0.083]
Number of persons involved in the Bolsa Familia registration	0.107 [0.081]	0.001 [0.001]	-0.001 [0.001]
Mayor characteristics	Y	Y	Y
Municipal Characteristics	Y	Y	Y
Political Characteristics	Y	Y	Y
Observations	240	246	243
R-squared	0.23	0.23	0.19

**Notes to Table 17:** Coefficient estimates from an OLS regressions are reported. Robust standard errors in brackets; significantly different from zero at (+) 90%, (\*) 95%, (\*\*) 99% confidence. Municipal characteristics include population density, number of districts, share of rural households, share of literate population, log per capita income, Gini coefficient, number of radio stations, number of catholic churches, proportion of councils that function, judiciary district, number of newspapers, share of population employed by the local government, state intercepts; mayor characteristics include education, gender, second-term, political experience, age, member of an elite family; political characteristics include patronage, medium clientelism, high clientelism. Public denouncement of type I error correspond to complaints during the Bolsa Escola program about individuals receiving the program that should have. Public denouncement of type II error corresponds to complaints during the Bolsa Escola program about individuals that are eligible about the program but were left out.

**Table 18: Criteria used to identify Bolsa Familia beneficiaries  
(% of municipalities)**

	Number of observations	Mean	Standard deviations	First priority	Second priority
Per capita income	259	0.977	0.151	92.11	5.92
Family size	259	0.753	0.432	2.63	58.55
Age of the children	259	0.676	0.469	0.00	17.76
Living conditions	259	0.595	0.492	1.32	10.53
Has a health deficiency	259	0.081	0.273	0.00	0.00
Placed weights on these items	256	0.594	0.492		

Notes to Table 18: The respondent for these questions was the Bolsa Familia coordinator.

**Table 19: Additional criteria used for beneficiary identification  
for the Bolsa Familia program**

	Number of cases
There are no retired members in the family	6
Families with pregnant women	1
All families in the municipality	2
Unemployed	4
People with documentation	4
Number of elderly in the household	6
Single mothers	3
Number of children	2
Those who were in other programs	6
Illiterate people	1
Matriculated children	7
Married households	1
Households that live in rural areas	1
Households that vaccinate their children on time	1
Is not a public employee	1

Notes to Table 19: The respondent for these questions was the Bolsa Familia coordinator.

**Table 20: Additional aspects of Bolsa Familia beneficiary identification  
(% of municipalities)**

	Number of observations	Mean	Standard deviation
Individuals knew of the criteria	261	0.889	0.315
Meetings	232	0.608	0.489
Newspaper	232	0.099	0.299
Radio	232	0.483	0.501
Internet	232	0.004	0.066
Television	232	0.099	0.299
Health agents	232	0.138	0.345
At the interview	232	0.207	0.406
Schools	232	0.061	0.240
Public announcements	232	0.057	0.233
Verified information of the register	258	0.709	0.455
Proof of income	183	0.383	0.487
Home visits	183	0.738	0.441
Spoke to member of the community	183	0.869	0.338
Health agents	183	0.071	0.258
Received training for the Cadastro Unico	259	0.846	0.362
How days of training	213	2.559	2.623
Number of months that the registration has taken	257	22.825	13.599
Number of people working on the registrations	256	19.020	29.368
Hired a firm or individuals to help with the registration	260	0.242	0.429

Notes to Table 20: The respondent for these questions was the Bolsa Familia coordinator.

**Table 21: Bolsa Familia beneficiary selection  
(% of municipalities)**

	Number of observations	Mean	Standard deviation
Knew quota for Bolsa Familia	261	0.609	0.489
How many families can participate in Bolsa Familia	159	2030.088	4505.812
How families are enrolled in the program	235	2082.196	4216.933
<i>Who selected the beneficiaries?</i>			
Brasilia	260	0.877	0.329
Public administration	260	0.038	0.193
Council	260	0.085	0.279
Were the questionnaires sent in a particular order?	224	0.384	0.487
Knew the criteria for selection	114	0.904	0.297
Meetings	103	0.650	0.479
Newspapers	103	0.184	0.390
Radio	103	0.495	0.502
Internet	103	0.000	0.000
Billboard	103	0.340	0.476
Television	103	0.107	0.310
Health agent	103	0.155	0.364
Public announcement	103	0.078	0.269
At the interview	103	0.126	0.334
<i>Approved the list of beneficiaries</i>			
Public administration	260	0.054	0.226
Council	260	0.308	0.462
Community	260	0.035	0.183
Brasilia	260	0.735	0.442
The list was divulged to the public	260	0.842	0.365
Meetings	219	0.196	0.398
Newspaper	219	0.283	0.452
Radio	219	0.438	0.497
Internet	219	0.041	0.199
Billboard	219	0.767	0.424

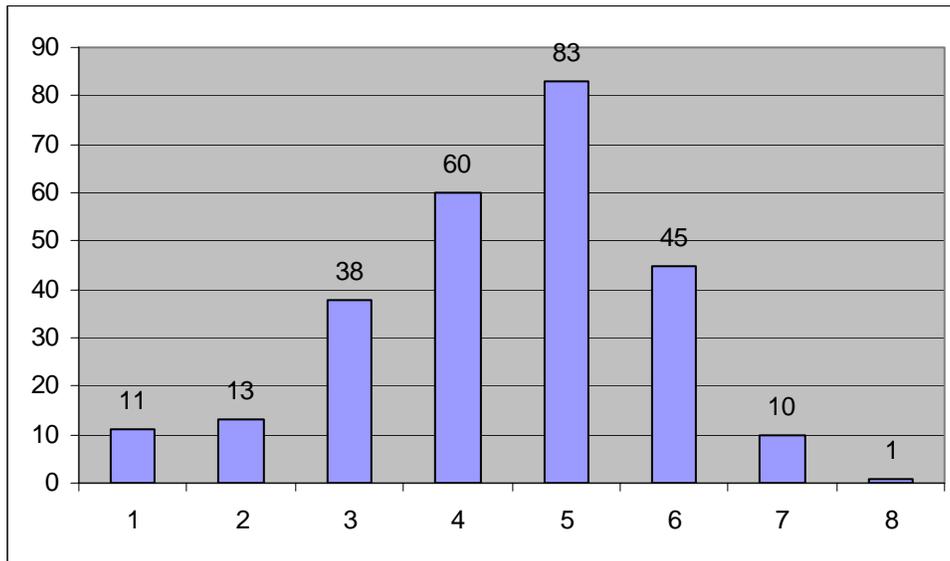
Notes to Table 21: The respondent for these questions was the Bolsa Familia coordinator.

**Table 22: Additional aspects of the conditions imposed by the Bolsa Familia program**

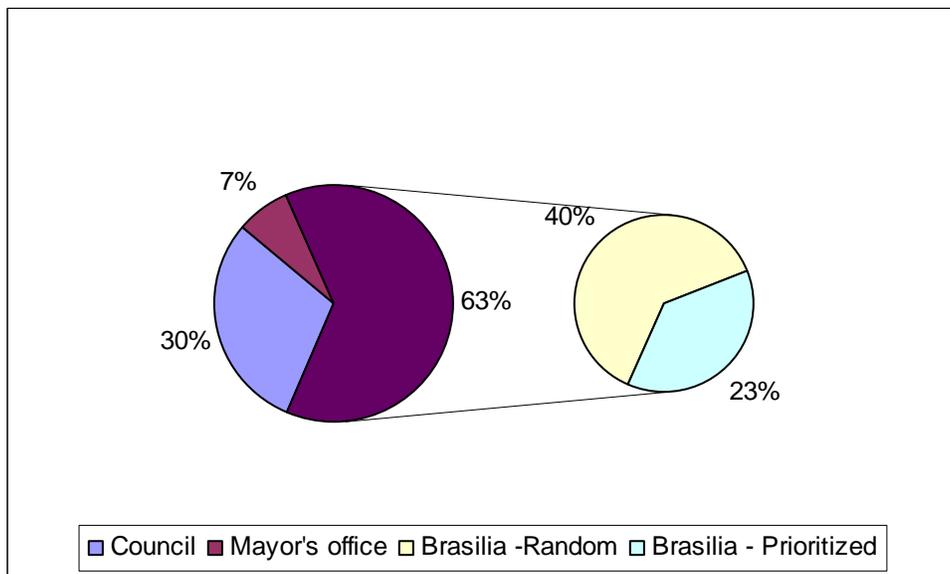
	Number of observations	Mean	Standard deviation
Impose other conditional than those required by the program	260	0.085	0.279
Advised everyone about the conditionalities	261	0.713	0.453
<i>Advised about the conditionalities</i>			
Meetings	236	0.602	0.491
Home visits	236	0.419	0.495
Health agents	236	0.076	0.266
Time of interview	236	0.106	0.308
School	236	0.064	0.244
Radio	236	0.233	0.424
Always accompany the conditionalities	261	0.613	0.488
<i>Reasons for not always monitoring the conditionalities</i>			
Too much work	101	0.347	0.478
The families depend on the program	100	0.270	0.446
Not necessary	100	0.250	0.435
Federal government doesn't care	100	0.650	0.479
<i>Who monitors the conditionalities</i>			
Secretary of education	231	0.494	0.501
Secretary of health	230	0.452	0.499
Secretary of social action	230	0.687	0.465
Secretary of culture	230	0.052	0.223
Bolsa Familia Comite	230	0.113	0.317
<i>What happens if the family does not comply</i>			
Does not receive the transfer	225	0.342	0.476
Does not receive a component	225	0.244	0.431
Cut from the program	225	0.320	0.468
Receives a visit from the administration	225	0.418	0.494
Nothing if they can justify it	225	0.613	0.488
<i>Public denouncement of the program</i>			
Did not receive the payment	261	0.843	0.365
Mistargeting Type 1	261	0.713	0.453
Political targeting	261	0.230	0.422
Mistargeting Type 2	261	0.854	0.353

Notes to Table 22: The respondent for these questions was the Bolsa Familia coordinator.

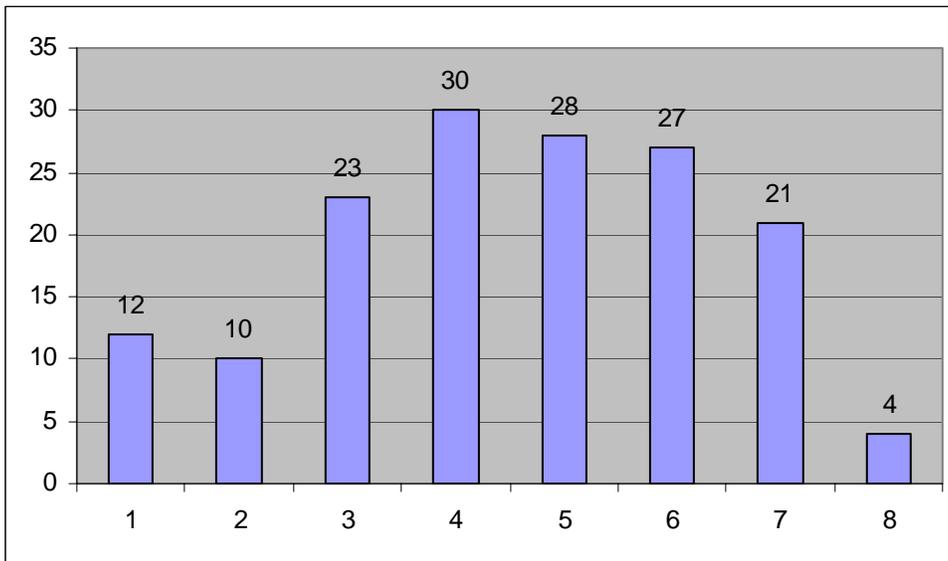
**Figure 2: Distribution of the number of requirements used by municipalities to identify beneficiaries for the Bolsa Escola Program**



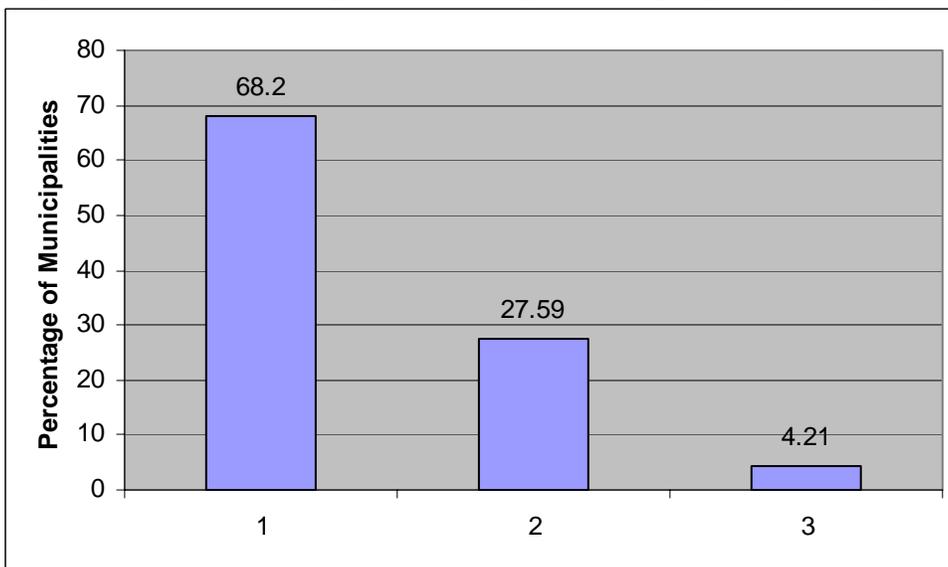
**Figure 3: Who selected the Bolsa Escola beneficiaries?**



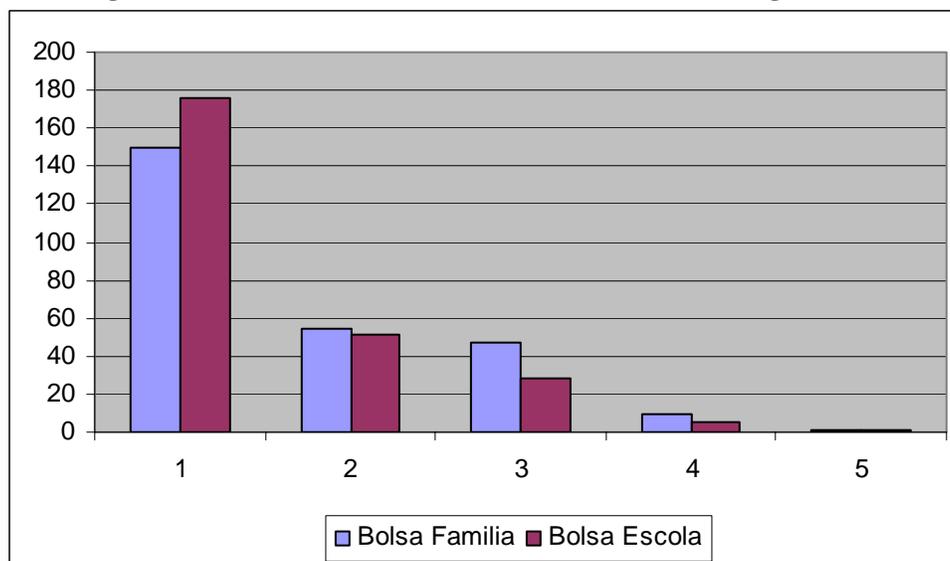
**Figure 4: Number of characteristics that determined selection into the Bolsa Escola program (% of municipalities with active selection)**



**Figure 5: Number of requirements imposed for program participation**



**Figure 6: Number of secretariats involved in the registration**



**Table A1: Summary statistics of regression covariates**

	Number of observations	Mean	Standard deviation
<i>Mayor characteristics</i>			
Age	260	48.323	9.815
Education	261	6.326	2.104
Gender (male=1)	261	0.916	0.278
Second-term	260	0.577	0.495
Political experience	261	2.515	1.176
Member of an elite family	261	0.816	0.388
<i>Municipal Characteristics</i>			
Population density (Persons/km)	261	1.195	4.860
Number districts	260	3.054	3.355
Share of rural households	261	0.459	0.195
Share of literate population	261	0.671	0.070
Log per capita income	261	4.203	0.253
Gini	261	0.519	0.057
Share of population employed by public sector	261	0.042	0.021
Number of newspapers	260	0.385	2.017
Number of radio stations	260	1.165	1.433
Number of catholic churches	260	7.473	11.356
Proportion of councils that function	260	0.919	0.156
Judiciary district	260	0.588	0.493
<i>Program characteristics</i>			
Bolsa Escola quota	259	0.516	2.691
Received training	257	0.665	0.473
<i>Political Characteristics</i>			
Patronage	261	13.798	16.187
Medium clientelism	261	0.544	0.499
High clientelism	261	0.284	0.452
Number of legislators	260	11.562	3.688
Share of legislator that opposes the mayor	260	0.354	0.181
Share of secretaries related to a legislator	251	0.098	0.183
Number of jobs a legislator can appoint	261	0.540	1.538

Notes to Table A1: The variables measuring political experience, member of an elite family, received training, and all the political characteristics are taken from the survey. All other variables are from secondary data.