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Just Give Money to the Poor: The Development Revolution from the Global South

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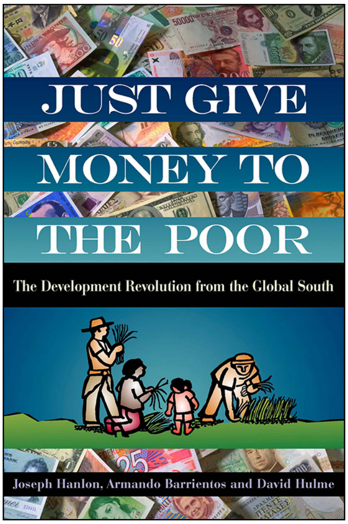

ISBNs: 978-1-56549-334-6 hc
978-1-56549-333-9 pb

Kumarian Press
A Division of Lynne Rienner Publishers, Inc. • Boulder & London

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Boulder, CO 80301 USA
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Introduction

"I bake 100 rolls per day and sell each for one Namibian dollar [12¢]. I make a profit of about N$400 per month [$50]" said Frieda Nembaya.[1] She began baking rolls in 2008 when she started to receive a grant of N$100 [$12] per month and thus, for the first time, had the money to buy flour and firewood.[2] In neighboring South Africa, younger adults living in pensioner households are significantly more likely to go out and look for work, because the older person can afford to provide child care and small amounts of money for food and bus fare for the job seeker.

In Mexico, families receiving a child benefit (averaging $40 per family per month) eat better—spending more on protein and fruit and vegetables—which improves the health of the entire family, cutting days off work due to illness by one-fifth. Mexican children who do not go to school hungry do better in class and are much less likely to fail at the end of the year.[3] "Before, we ate tortillas with chili and salt, and that was it. Now we live better. Sometimes we can even buy meat," said Elvira Francisco Casimira, from Ixtlahuancillo, Veracruz, Mexico.[4] In South Africa, social pensions have a direct effect on children. Children living in pensioner households are better nourished[5] and more likely to go to school.

These stories point to a wave of new thinking on development that is sweeping across the Global South. Instead of maintaining a huge aid industry to find ways to "help the poor," it is better to give money to poor people directly so that they can find effective ways to escape from poverty.

These stories come from studies of programs in Mexico, South Africa, and Namibia that give cash to people on a long-term basis. And they point to a little-understood reality of the developing world: The biggest problem for those below the poverty line is a basic lack of cash. Many people have so little money that they cannot afford small expenditures on better food, sending children to school, or searching for work. It is not a lack of motivation; people with little money spend their days actively trying to find a way out of poverty. It is not a lack of knowledge; they know what they need and manage their money extremely well. Mexico, South Africa, and Namibia are not alone. Brazil, Indonesia, India, and many other countries have introduced programs to give regular cash payments to large numbers of people on a longer-term basis, and there are countless stories of small amounts of money making a huge difference.

In Brazil, 18 million households (74 million people, or 39% of the population) benefit from cash transfers—a family grant (Bolsa Família) or pension. South Africa's child benefit reaches 8 million children (55% of all children), and a social pension reaches 2 million older or disabled people (85% of all older people). In Mexico a family grant (Oportunidades) goes to over 5 million households (24 million people, or 22% of the population; in the three poorest states, it reaches more than half of all families). In Indonesia a grant went to 19 million poor families (40% of the population). In India, over 43 million households benefit from an employment guarantee scheme.

Taking into account the outcomes of these programs, an African Union conference in 2006 issued the "Livingstone Call for Action," which maintained that every African country should have social transfer programs "including the social pension and social transfers to vulnerable children, older persons and people with disabilities."[6]

This book draws on this rapidly growing pool of research to highlight the potential and limitations of cash transfers for transforming the lives of people in poverty in developing countries. There is quite a broad consensus that many cash transfers have proved remarkably successful, and this has led at least 30 other developing countries to experiment with giving money to people directly, through "cash transfer" programs.

Four conclusions emerge repeatedly: These programs are affordable, recipients use the money well and do not waste it, cash grants are an efficient way to directly reduce current poverty, and they have the potential to prevent future poverty by facilitating economic growth and promoting human development. But two areas remain the subject of intense debate: targeting and conditions. Should smaller grants be given to many people or larger grants to a few? Should recipients be asked to satisfy conditions, such as sending their children to school or doing voluntary labor? Important challenges surround the financing and delivery of these programs, especially in low-income countries. And transfer programs remain controversial; some people are still skeptical about their ability to reduce long-term poverty. These issues, too, are discussed in this book.

Changed Thinking

In industrialized countries, there was a major change in thinking in the 20th century, and cash transfers are now considered an effective and normal means of addressing poverty. There are child benefits (for example, £18.80 a week for the first child and £12.55 a week for each additional child in Britain, and €166 per month for the first two children and €203 for subsequent children in Ireland) paid without regard to income. Britain gives winter fuel payments of £200 a year to everyone over 60.[7]

Other cash transfers are income-related. In Britain, a housing benefit and income support are available for those of working age, and the government guarantees that no one over 60 receives less than £124 per week. In Canada, the child benefit is reduced for higher-income families. Some benefits are made conditional on actions by the recipient; an example is the job seekers allowance in Britain. Thus in industrialized countries we have become accustomed to giving cash. Indeed, Article 25 of the Universal Declaration of Human Rights, adopted by the United Nations in 1948, states that everyone has the right to an "adequate" standard of living.

But this right had been questioned in two ways with respect to less developed countries. First, it had been assumed that social grants were a luxury for the relatively rich. Poorer countries could not "afford" to give money to their own poorest, because so many of their citizens have low incomes, so these countries would have to wait until economic growth made them more "modern" before they could extend this right to their poorest citizens. Second, the right does not distinguish between the deserving and the undeserving poor. The rich and powerful always argue that the poor are at least partly responsible for their own poverty and therefore unworthy of support; poor people must be guided or even compelled to act in the best interests of their children.

Over the past decade, countries in the developing world have challenged both of these beliefs. They argue that they cannot afford *not* to give money to their poorest citizens. And not only is it affordable to do so, it is often much more efficient than systems promoted by conventional international aid and financial agencies. They argue that people living in poverty use the money well. And responsibility for eradicating poverty, as the Human Rights declaration implies, is shared by all.

Cash transfers represent a paradigmatic shift in poverty reduction. These grants are not short-term, emergency "safety nets" or charitable donations; they do not assume poor people are poor because of stupidity and cupidity. Instead they are often broadly based, covering a significant part of the population in poverty; they are seen as partly satisfying the right to an adequate standard of living. Although the cash clearly reduces immediate poverty, these grants are seen not just as palliatives for current poverty but also as building productive capacity among those in poverty and promoting development programs. This is the southern challenge to an aid and development industry built up over half a century in the belief that development and the eradication of poverty depended solely on what international agencies and consultants could do for the poor, while discounting what the citizens of developing countries, and the poor among them, could do for themselves. The response has been an exceptional amount of research on southern cash transfer programs. And researchers have been surprised to find that, by and large, families with little money have honed their survival skills over generations and that they use a little extra money wisely and creatively—without armies of aid workers telling "the poor" how to improve themselves.

A quiet revolution is taking place based on the realization that you cannot pull yourself up by your bootstraps if you have no boots. And giving "boots" to people with little money does not make them lazy or reluctant to work; rather, just the opposite happens. A small guaranteed income provides a foundation that enables people to transform their own lives. In development jargon, this is the "poverty trap" model—many people are trapped in poverty because they have so little money that they cannot buy things they know they need, such as medicines or schoolbooks or food or fertilizer. They are in a hole with no way to climb out; cash transfers provide a ladder.

In industrialized countries, cash transfers are seen in part as a form of redistribution; that is, money paid in taxes by the better off goes to those less well off. In Europe, government grants have largely replaced charity and discretional payments. The more developed countries in the South are using cash transfers as a means to redistribute much-needed support to the worst off. At a global level, there is now a growing recognition of the need for redistribution, between developed and underdeveloped countries and between the better off in the North and the less well off in the South. So far, we have a system that describes itself as "aid" coming from "donors"—the classic charity language. The change in thinking coming from the South is to apply globally the positive lessons of industrialized countries and build institutions that can redistribute at a national level, helped by global redistribution.

ANTI-POVERTY AND DEVELOPMENT

"The N$100 [$12] we receive seems small but it is a blessed money. Many things have changed in our lives. We have bought blankets, clothes, school clothes, paid school fees and a strong plastic to put on the roof of our house. We do not any more suffer from the severe hunger we were in before," explained grant recipients Johannes and Adolfine Goagoses in Otjivero, Namibia. And the grant has changed the community. "We don't any more hear of people complaining of hunger or asking food around. The theft cases have also reduced tremendously. Many people bought corrugated zincs and repaired their houses."[8]

Each country has done its cash transfers differently; some use pensions and child benefits, and others use family grants aimed at the poorest. But there is substantial research to show that most cash transfers reach those with the least money and reduce poverty levels in both developed and less developed countries. Money is spent on immediate needs such as food and medicine, and then on children—particularly for clothes, shoes, and school supplies. Quite small amounts of money reduce the intense pressure on cash-poor families, and this has longer-term implications. Children can go to school instead of walking the streets selling sweets or single cigarettes. None of this is because an NGO worker came to the village and told people how to eat better or that they should go to a clinic when they were ill; people in the community already knew that, but they never had enough money to buy adequate food or pay the clinic fee.

The major cash transfer programs all report substantial contributions to poverty reduction. In Brazil, the percentage of people in poverty remained stubbornly at 28% for nearly a decade. Then in 2001 the government introduced Bolsa Escola, and in 2003 this school grant was integrated with several other programs into a family grant (Bolsa Família); most commentators credit these programs, along with the increase in the minimum wage, with poverty levels' dropping dramatically to 19% in 2006 and continuing to fall to 17% in 2008. Extreme poverty fell from 7% in 2003 to below 5% in 2006.[9] In northeast Brazil, the country's poorest region, Bolsa Família brought a 45% reduction in chronic child malnutrition (stunting, measured by height for age).[10] Brazil is still one of the most economically inequitable countries in the world, but innovative social policies have brought about a substantial decrease in poverty and inequality.[11]

Halfway across the world in Mongolia, one of the poorest countries in Asia, a new child benefit has reduced the percentage of children in poverty from 42% to 27%.[12] India's rural employment guarantee scheme is reported to have "had a significant impact on rural poverty," leading not only to an important increase in food consumption but also to a 40% increase in the purchase of clothing.[13]

Children are the main beneficiaries of all cash transfers, not just of child benefits. Cash transfers in whatever form, including pensions, improve child health and reduce malnutrition, increase school attendance, and reduce child labor. For example, a non-contributory rural pension in Brazil not only increases the income of the elderly but also significantly increases school registration and attendance by children in the household.[14] Millennium Development Goal 4, to reduce under-five mortality by two-thirds, is unlikely to be met. The United Nations warns that "between 1990 and 2006, about 27 countries—the large majority in Sub-Saharan Africa—made no progress in reducing childhood deaths. In Eastern Asia and Latin America and the Caribbean, child mortality rates are approximately four times higher than in developed regions."[15] The respected British medical journal *The Lancet* cites "regular cash transfers, such as child benefits or pensions, as one crucial intervention to get Millennium Development Goal 4 back on track."[16]

Moving families out of malnutrition and improving their health and housing could be considered justification enough for cash transfers. But the real impact is felt in the longer term. The poverty trap stretches over generations, because children who are malnourished and badly educated are likely to remain in poverty as adults. *The Lancet* adds, "Even more compelling is the argument that the effect of lifting households with young children out of poverty will last for many generations to come." South Africa shows the impact: a child benefit in the first two years of life improves nutrition so much that the average child will be 3.5 cm taller as an adult.[17] Because of their impact on children, cash transfers break the intergenerational poverty cycle and help to prevent future poverty.

Virtuous Spiral

Transfers can create a virtuous development cycle at the household and community level—and nationally. Families with an assured, though small, income begin to take small risks by investing in their future: buying better seeds to try to increase farm production, purchasing goods that can be resold locally, or even spending more time looking for better jobs. In impoverished communities, it is hardly worth starting a business because no one has money to buy. When they have a bit of extra income, most families spend the money locally, buying food, clothing, and inputs. This stimulates the local economy, because local people sell more, earn more, and buy more from their neighbors, creating the rising spiral.

This basic insight challenges two aspects of the received wisdom that governed global development policy in the 20th century. The first is the extreme free market, or "neo-liberal," view espoused by the International Monetary Fund and World Bank, promoted by the US Treasury over the past three decades, and often imposed on the least developed countries. Proponents of this view argue that removing restrictions on global trade and domestic markets will create rapid growth from which everyone will gain—a rising tide lifts all boats. But recent history has shown that growth is not enough to ensure that those in extreme poverty can escape from their predicament. Many are left behind, vulnerable to the instability in the global economy that caused the Asian financial crisis of the late 1990s and the global financial crisis of 2008. And a rising tide *sinks* leaky boats, especially among those so poor that they cannot participate in the new global market.

The second aspect of the received wisdom is that money spent on people in poverty is merely charity, is "unproductive," and takes resources away from real development. Mozambique has a cash grant program giving $4 to $10 per month to more than 150,000 people, mainly elderly women, but the country's minister of women's affairs and social welfare, Virgilia Matable, wants to reduce this. "Whether we want to admit it or not, these are alms," she said, and the government should not give alms.[18] But the new revolution in thinking is that money spent on those with little cash can be productive and developmental if it is guaranteed and provided in the longer term. If they can depend on receiving a grant sufficient to ensure subsistence, even people with little money can afford to send their children to school or experiment with new crops or new businesses. Thus regular and reliable transfers to families in poverty can be an investment in growth and in the future.

Indeed, research on cash transfers shows two important differences between the relatively poor and the relatively rich. Poorer people spend more on food and locally produced goods, whereas those who are better off buy more imports, so any transfer from rich to poor stimulates the domestic and local economy. Second, poorer people are much more likely to use small amounts of money to try to leverage increases in income—by investing in their farm, by trading, or by looking for work. Thus grants can be explicitly developmental.

A final change in thinking that has come from the South is the realization that social protection in the industrialized world has been primarily job related; that is, deductions from salary (matched by government) provide unemployment insurance and pensions. But these benefits are not available to many women and casual workers, and in the developing world they exclude the vast majority who are small farmers or work in the informal sector. In developing countries, where informality is rife, cash transfers are the alternative to job-related protection.

FAILING TO MAKE POVERTY HISTORY

The number of people living in chronic poverty is actually increasing.[19] Those who campaigned in 2005 to "Make Poverty History" increasingly ask what went wrong. Two best-selling books, Dambisa Moyo's *Dead Aid: Why Aid Is Not Working and How There Is a Better Way for Africa* and Paul Collier's *The Bottom Billion,* claim that aid has failed and largely blame poor countries for misusing the money. Moyo, who worked for Goldman Sachs and the World Bank, says that aid prevents development and forces countries to borrow and be disciplined by the banks.[20] Oxford professor and former World Bank research director Paul Collier calls on donors to impose yet more "good governance" conditions on aid.[21] The theme of less aid and more conditions feeds nicely into the agendas of governments trying to cut spending after the 2008 economic crisis, while still maintaining a large industry to "help" the poor.

The South desperately needs the money. When you remove China's phenomenal poverty reduction from the 1990–2010 global figures, it becomes clear that life has improved relatively little in the rest of the world. The poverty in Africa, South Asia, and other parts of the world remains dire. And the North often forgets that these countries still bear the marks of distorted economic, social, and governance systems caused by the slave trade, colonialism, unfair trade, overthrow of governments, and the "hot wars" that were fought in the South during the Cold War era. There is a debt to be paid.

Aid has not failed; what has failed is an aid and anti-poverty industry that thrives on complexity and mystification, with highly paid consultants designing ever more complicated projects for "the poor" and continuing to impose policy conditions on poor countries. This book offers the southern alternative: Give the money directly to those who have the least of it, but who know how to make the best use of it. Cash transfers are not charity or philanthropy but, rather, investments that enable poor people to take control of their own development and end their own poverty. Thus, this book is a direct challenge to Moyo, Collier, and much of the current popular writing on aid.

Moyo herself estimates that 500,000 people are employed by the aid industry and have strong incentives to maintain the status quo.[22] Indeed, in 2000, when Joseph Stiglitz, then senior vice president and chief economist of the World Bank, pointed out that growth was most rapid in China, which did not follow IMF and World Bank policies, he was pushed out and the Fund and Bank did not change their policies.

Both Moyo and Collier acknowledge the past failures of these policies. Moyo cites banks' bad lending to developing countries for more than two centuries and the very recent disruption of poor country development by banks "jumping in and out to garner short-term gains," and Collier acknowledges failures of conditionality since the 1980s. Yet both have a breathtaking belief that *this time,* when the rich North tells the poor South what to do, the North will finally be getting it right.

The history of northern prescriptions has not been good. International banks in the 1970s promoted excessive borrowing by corrupt dictators in countries from Zaire to the Philippines, leading to the 1980s debt crisis. Banks even paid kickbacks to Philippine dictator Ferdinand Marcos to encourage him to borrow \$2.3bn for the Bataan nuclear power station, which was knowingly built on an earthquake fault at the foot of a volcano. (Thankfully, though completed in 1984, the power station was never used.)[23] Moyo was writing her book in praise of the reformed bankers just as the economic crisis was taking hold—a crisis attributable to "subprime lending" in the United States identical to the uncontrolled lending to poor countries in the 1970s. As for good governance, one of us (JH) has written extensively on Mozambique,[24] where the government has always wanted universal primary education. Imposed "good governance" conditions meant in 1995 that it had to accept (and say, publicly and loudly, that it accepted) that it was too poor to afford universal primary education. Then in 2000, with the Millennium Development Goals, "good governance" meant Mozambique had to aim for universal primary education, but without more teachers and thus with classes sometimes including more than 100 pupils. Then, suddenly, in 2005 the donor community decided that "good governance" meant Mozambique had to hire 10,000 more teachers whom it had not been allowed to train the year before. People in Mozambique, the Philippines, and the now Democratic Republic of Congo are not impressed by the "good governance" discipline imposed by donors, banks, and the World Bank, which has been based on rapidily changing fads and has led to great waste of aid and to policies that kept the majority in poverty.

An alternative to Moyo and Collier is offered by Roger Riddell in his 2007 book *Does Foreign Aid Really Work?*[25] which is a much more nuanced look at aid. Riddell is a member of the British government's Independent Advisory Committee for Development Impact, and his book concludes, "Aid works, but not nearly as well as it could." Riddell studied aid in detail and concludes that there must be fundamental change, not just the "marginal change" (into which Collier and Moyo put their trust) that does "not even begin to address some of the most fundamental problems which continue to impede the greater impact of aid." The core problem, says Riddell, is that hundreds of donors remain in almost total control of their aid and that, because of political, strategic, and commercial interests, they are not prepared to give up that control. Thus "the aid which is provided is not allocated in any systematic, rational or efficient way to those who need it most."

"Just give cash to those who need the aid," concludes Riddell. The refusal of donors to give money to poor people is "linked to the paternalistic and condescending view that poor people do not know how best to use it. These beliefs sit uncomfortably alongside the increasingly mainstream view that beneficiary choice and participation are fundamental to the aid relationship." Cash transfers have proved effective, and "the case for significantly enhancing the impact of aid by giving it directly to poor people would seem to be compelling."

Just Give Money to the Poor?

The southern response is a quiet revolution that has created a new development paradigm. It says that, rather than international sources giving aid to government bureaucrats and consultants, North and South, it should be given directly to poor people so they can pull themselves out of the poverty trap. Cash transfers are a direct challenge to the traditional belief, explicit or at least subconscious, that impoverished people are at least partly responsible for their plight. The new paradigm dovetails in many ways with contemporary thinking on the politics of development. The fall of the Berlin wall marked the end of an era of state-dominated economic development. But the successor vision of global development led by international corporations and banks lasted only 15 years before it, too, was shown to be a failure.

Individuals were supposed to be at the heart of both visions: a socialist vision in which each individual would be provided for, and a capitalist vision in which individuals would realize their potential as free agents in the market. But what actually characterized both failed visions was a belief that very large institutions could somehow micro-manage global development, and the individuals became marginalized.

The new development paradigm draws from both failed visions. Cash transfers recognize the right of each individual to an adequate standard of living. But cash transfers also provide the resources for people, individually and collectively, to participate in the economy and develop themselves and their countries.

Of course, no one argues that all social spending or aid money should suddenly be given to poor people. Spending on health, education, infrastructure, and government itself remains essential. But without cash, poor people cannot make adequate use of these facilities. Thus giving money directly to poor people is just as important as spending on health and education.

FAIR AND ASSURED

Cash transfers in developing countries are mainly a phenomenon of the last decade and so are still being developed. There seems broad agreement on one overriding principle, however: *Cash transfers work when they are fair and assured.* They must be seen to be fair in that most citizens agree on the choice of who receives money and who does not, and to be assured in the sense that every month the money really arrives and families can depend on it.

There will always be too many demands and too little money, so resource allocation is always fraught. Furthermore, taxpayers and finance ministers instinctively resist simply handing out money. And it is obvious that a cash transfer program cannot be run by driving through the countryside throwing $10 bills or 10 peso notes out of a car window.

So far, each country has handled cash grants in a different way, the main differences being in aspects of allocation and control. There is a natural desire to give money to the poorest, but very strict targeting is expensive—in general the smaller the percentage of people to receive grants, the higher the administrative costs—and strict targeting can be inaccurate and socially divisive. Therefore, different countries have selected recipients in a wide range of ways. Some governments give money to everyone; Alaska, in the United States, distributes oil revenues to all residents of the state ($2,069 per person in 2008). Others give to categories of people, such as children or the elderly; Lesotho gives an old-age grant to all citizens aged 70 or over. And some countries identify only the most impoverished, as in Zambia, where a donor program seeks to give money only to the 10% of the population who are "ultra-poor" and cannot work. There is a similar wide range of views on whether conditions should be imposed on recipients.

This book looks at the extensive experiences of cash transfer programs in the past decade. These programs are only a decade old, and cash transfers are on the cutting edge of development policy. They have been extensively researched, and the results have been used to improve existing programs. In such a rapidly evolving area, only a small part of the research is published in peer-reviewed academic journals. Research institutes, often within the country, have carried out many evaluations. Donor agencies and the World Bank have done other studies. Inevitably, some of the studies are contradictory or disputed, and in the footnotes we supply detailed references and websites so that readers can refer to the original reports.

In this book, we describe the extensive experience of cash transfer programs, examine their successes and limitations, review intense debate over issues of design and implementation, and explore the still unresolved debates on the extent of targeting and the effectiveness of conditionality. We identify and discuss the main challenges ahead, especially in the context of low-income countries. It is possible to give money directly to the poor, but each country must design its own program. And cash transfers do not work alone; rather, they are the essential additional factor that makes health services, education, and road building much more effective in reducing poverty and promoting development.

Cash transfer programs are already being introduced across the South, as an explicit alternative to the development model promoted by the rich countries and their institutions. These programs work, and many southern governments see cash transfers as the front line in their battle against poverty and their efforts to promote development.

NOTES

1. Nearly all names of grant recipients in the book are pseudonyms, but all quotations are taken from actual interviews conducted by some of the many research projects that have done family histories.

2. Claudia Haarmann et al., *Towards a Basic Income Grant for All,* Basic Income Grant Pilot Project First Assessment Report (Windhoek, Namibia: Basic Income Grant Coalition, 2008), available at www.bignam.org.

3. Santiago Levy, *Progress Against Poverty* (Washington DC: Brookings Institution, 2006), pp. 44–45.

4. Mauricio Carrera, *Oportunidades: Historias de Éxito* (Mexico: Secretaría de Desarrollo Social, Coordinación Nacional del Programa de Desarrollo Humano Oportunidades, 2008), p. 123.

5. Esther Duflo, "Child Health and Household Resources in South Africa: Evidence from the Old Age Pension Program," *American Economic Review,* 90, no. 2 (2000): 393.

6. "The Livingstone Call for Action," adopted at the African Union Intergovernmental Regional Conference "A Transformative Agenda for the 21st Century: Examining the Case for Basic Social Protection in Africa," Livingstone, Zambia (March 20–23, 2006).

7. As of August 2009: UK child benefit $31 and $21 per week, Ireland child benefit $232 and $284 per month, UK winter fuel $330 per year, UK over-60 income guarantee $205 per week.

8. Claudia Haarmann et al., *Making the Difference! The BIG in Namibia,* Basic Income Grant Pilot Project Assessment Report, April 2009 (Windhoek, Namibia: Namibian BIG Coalition, 2009), available at www.bignam.org.

9. Marcelo Côrtes Neri, "Poverty, Inequality and Income Policies" (Rio de Janeiro: O Centro de Políticas Sociais [CPS], Fundação Getulio Vargas, 2007), available at http://www3.fgv.br/ibrecps/RET3/engl/index.htm; poverty defined as below R$125 per month per capita in 2006 and extreme poverty as US$1 per day per capita. Updated to 2008 on "Evolução da Miséria" (Rio de Janeiro: O Centro de Políticas Sociais [CPS], Fundação Getulio Vargas), available at http://www.fgv.br/cps/pesquisas/miseria_queda_grafico_clicavel/. In addition to Bolsa Família, other factors that contributed to the drop in poverty were job-creating economic growth and a real increase in the minimum wage. See also "FGV: Bolsa Família Contribui para Diminuição da Pobreza" (Brasilia: Fome Zero, Presidência da República, 2006), available at http://www.fomezero.gov.br/noticias/fgv-bolsa-familia-contribui-para-diminuicao-da-pobreza.

10. Diana Oya Sawyer, *Sumário Executivo—Avaliação de Impacto do Programa Bolsa Família* (Brasilia: Ministro do Desenvolvimento Social e Combate à Fome, 2007).

11. Degol Hailu and Sergei Soares, "What Explains the Decline in Brazil's Inequality?" One Pager 89 (Brasilia: International Policy Centre for Inclusive Growth [formerly International Poverty Centre], 2009). Sergei Soares, "Distribuição de Renda no Brasil de 1976 a 2004 com Ênfase no Período entre 2001 e 2004" (Brasilia: Instituto de Pesquisa Económica Aplicada, 2006), Texto para Discussão 1166.

12. Anthony Hodges et al., "Child Benefits and Poverty Reduction: Evidence from Mongolia's Child Money Programme," Working Paper MGSoc/2007/WP002 (Maastricht: School of Governance, Maastricht University, 2007).

13. Shamika Ravi and Monika Engler, "Workfare in Low Income Countries: An Effective Way to Fight Poverty? The Case of NREGS in India," Indian School

of Business Working Paper (Hyderabad: Indian School of Business, 2009), available at http://www.isb.edu/WorkingPapers/Workfare_LowIncomeCountries.pdf.

14. Marcelo Medeiros et al., "Targeted Cash Transfer Programmes in Brazil: BPC and the Bolsa Família," Working Paper 46 (Brasilia: International Poverty Centre, 2008).

15. United Nations, *The Millennium Development Goals Report 2008* (New York: United Nations Department of Economic and Social Affairs, 2008), p. 21, available at http://mdgs.un.org/unsd/mdg/Resources/Static/Products/Progress2008/MDG_Report_2008_En.pdf.

16. *The Lancet* Editorial, "Cash Transfers for Children—Investing into the Future," *The Lancet,* 373, no. 9682 (2009), citing Jennifer Yablonski with Michael O'Donnell, *Lasting Benefits: The Role of Cash Transfers in Tackling Child Mortality* (London: Save the Children, 2009), available at http://www.savethechildren.org.uk/en/docs/Lasting_Benefits.pdf.

17. Jorge M. Agüero et al., "The Impact of Unconditional Cash Transfers on Nutrition: The South African Child Support Grant," Working Paper 39 (Brasilia: UNDP International Poverty Centre, 2007).

18. Speaking at the ministry's coordinating council, May 10, 2007. Quoted by AIM, Mozambique News Agency, May 10, 2007.

19. Chronic Poverty Research Centre, *The Chronic Poverty Report 2008–09* (Manchester, UK: Chronic Poverty Research Centre, 2008).

20. Dambisa Moyo, *Dead Aid: Why Aid Is Not Working and How There Is a Better Way for Africa* (New York: Farrar, Straus and Giroux, 2009).

21. Paul Collier, *The Bottom Billion* (Oxford: Oxford University Press, 2008), especially p. 108 ff.

22. Moyo, *Dead Aid,* p. 54.

23. Joseph Hanlon, "Defining 'Illegitimate Debt': When Creditors Should Be Liable for Improper Loans," In *Sovereign Debt at the Crossroads,* edited by Chris Jochnick and Fraser A. Preston (Oxford: Oxford University Press, 2006), pp. 109–31.

24. Joseph Hanlon and Teresa Smart, *Do Bicycles Equal Development in Mozambique?* (Woodbridge, Suffolk, UK: James Currey, 2008).

25. Roger C. Riddell, *Does Foreign Aid Really Work?* (Oxford: Oxford University Press, 2007), pp. 380 ff, 406.