Conditional Cash Transfers and Marriage and Divorce in Mexico

Sector(s): Gender, Social Protection

Sample: 15,376 households (1,258 couples and 433 women in no union at baseline)

Target group: Children Parents Women and girls Families and households

Outcome of interest: Age of marriage Women's/girls' decision-making

Intervention type: Conditional cash transfers

Research Papers: The Impact of Conditional Cash Transfers on Marriage and Divorce

Notes: This analysis was done by J-PAL affiliate Gustavo J. Bobonis of a randomized evaluation run by Oportunidades.

Partner organization(s): Prospera

While conditional cash transfer (CCT) programs have been successful in alleviating poverty, there is little evidence about whether they affect marriage and divorce, which may have negative effects on children's outcomes. In Mexico, researchers evaluated the impact of PROGRESA, a national conditional cash transfer program, on marriages and divorces. Researchers found that, in the short-term, the program did not affect the number of marriages but increased the number of divorces and separations.

Policy issue

Conditional cash transfer programs (CCT) have been successful in alleviating poverty, promoting children's educational outcomes, and overall child and adult physical health in low- and middle-income countries (LIMCs).[1], These transfers are usually targeted to women as there is a growing consensus on the role of giving transfers to women on improved women's empowerment and children's development.[2], However, there is little evidence about whether they affect marriage and divorce. While marital transitions may or may not be beneficial for adult women, they may have negative effects on children's long-run education levels, mental health, and socioeconomic status.[3]

In this setting, the impact of government transfer programs on marital transitions is ambiguous. Divorces and separations may increase as women experience greater economic independence or due to potential increases in household conflict over the uses of the transfer. Similarly, divorces and separations may increase if women with additional income are more likely to be courted by men other than their spouses, or if having additional income leads women to seek partners outside of their current marriages. . Conversely, divorce and separation rates may decrease if increased household income reduces stress and the potential for violent disputes over how to allocate household resources. What is the short-run impact of gender-targeted conditional cash transfer programs on new marriages, divorces, and separations?

Context of the evaluation

In 1998, the Mexican government implemented the PROGRESA program, one of the first conditional cash transfer large-scale interventions, with the objective of alleviating poverty and supporting children's development. PROGRESA provided gender-targeted cash transfers to low-income households in rural and urban areas. On average, the transfer amount corresponded to 10 percent of expenditures of eligible families.[4]

A survey conducted in 1997 showed that among eligible couples, 70 percent of women and their partners had not completed primary education. In 1997, the average household had 4 children. Close to 90 percent of program-eligible women between 16 and 55 years were in a marital or cohabiting union prior to the intervention. Only 7 percent of married women earned labor income, while 70 percent of married men worked as wage laborers. Conversely, 31 percent of program-eligible single women received income from labor. Program-eligible single women were older and had lower educational attainment on average compared to married women

Husband and wife poultry vendors at informal market

Photo Credit: Juan Arredondo, Images of Empowerment

Details of the intervention

Researchers evaluated the impact of PROGRESA on marital dissolutions and the formation of new unions. Researchers interviewed approximately 24,000 households in 506 communities across 7 states. Eligible households included those with mothers aged 16 to 55 years, resulting in 15,376 eligible households. Communities were then randomly divided into two groups:

1. Intervention group (320 communities, 34,501 households): Families in this group, with children attending grades three to nine, received transfers of between MXN 70 to MXN 255 (US$7 to US$25.5) per month, capped at MXN 625 (US$62.5) per month per family, contingent on children's school attendance and depending on children's grade level and gender. They also received a monetary transfer of 12 MXN pesos (US$1.2) per month and nutrition supplements, conditional on attending preventive health appointments.

2. Comparison group (186 communities, 22,432 households): Families in this group did not receive any conditional transfer until December 1999.

Researchers surveyed households twice a year in October 1997, October 1998, May/June 1999, and November 1999. Household members answered questions about their income, consumption and spending, demographics and socio-economic status, and health and education outcomes. In addition, the surveys included information about household members' marital status, which the researchers used to determine whether children's parents were separated and if mothers that were not married before the intervention had since gotten married. Based on these indicators, researchers measured the impact of the program on marital transitions six and eighteen months after the program phased in.

Results and policy lessons

Researchers found that, in the short-term, the intervention did not affect the number of marriages but increased the number of divorces and separations.

Overall Marriages or Cohabiting Unions: The program had no significant impact on the proportion of eligible women who were married in the short term. Two years after the intervention, the share of married or cohabiting women remained at 95 percent in both the intervention and comparison groups.

Divorces and Separations: Two years after the start of the intervention, the divorce rate increased by 0.69 percentage points among eligible couples in the intervention group that were married prior to the intervention, an 144 percent increase relative to eligible couples in the comparison group who had a divorce rate of 0.48 percent. While the separation rates for couples in the intervention group increase over time and remain greater than the comparison group, the impacts are modest given the pre-existing low separation rates.

Divorce rates among women from indigenous households in the intervention group increased by 0.62 percentage points relative to a 0.28 percent divorce rate among women from indigenous households in the comparison group. Conversely, the intervention had no impact among women from non-indigenous households. Researchers suggest that divorce rates among women from indigenous backgrounds may have increased in part due to indigenous women having lower income levels on average, which may make staying married more costly to them. Moreover, while they have higher income due to the transfer, the transfer represented a higher share of their total income compared to non-indigenous women.

New Marriages or Cohabiting Unions: The intervention led to a 2.9 percentage points increase in new unmarried cohabiting relationships among women who were separated or divorced prior to the intervention, compared to 1.7 percent among women in the comparison group two years after the intervention. Researchers found no significant impacts for marriage rates, as well as for women who were single prior to the intervention.

Two years after the intervention, women with lower education attainment were 4.3 percentage points more likely to form new cohabitating relationships as a result of the program, compared to those with higher education attainment for whom there was no significant impact. The greater impact by schooling levels is consistent with the idea that women with less schooling, perceived to be less likely to be courted by men, become more attractive due to increased income.

The limited short-term impacts on marital turnover are in line with the literature suggesting that conditional cash transfers have limited unintended negative effects such as discouraging employment, and contrasts with existing evidence from welfare programs in high-income countries.

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1. Gertler 2004; Schultz 2004; Lagarde, Haines, and Palmer 2007
2. Schultz 1990; Thomas 1990; World Bank 2001, 2003, 2007; Duflo 2003

3. Gruber 2004
4. Hoddinott, Skoufias, and Washburn 2000