

I am working on the evaluation of OPORTUNIDADES, an anti-poverty transfer program currently operating in rural Mexico since 1997. OPORTUNIDADES is the oldest and largest conditional cash transfer program to date. Benefits are linked to children's school attendance and performance and family visits to health centers. I am working on determining the effects of OPORTUNIDADES on household time allocation. In particular, I am interested in the effects the program might have on the provision of child care amongst household members. Evidence shows that mothers are now devoting more time to household chores and the care of children, freeing-up their teenage daughters' time to attend to school. Moreover, there might be some improved child cognitive development from spending more time spent with their mums in early ages.

I am also working on the effects the program has on liquidity constrained households in rural Mexico on increasing aggregate productivity and living standards. I estimate the effects of OPORTUNIDADES in the likelihood of investing in micro-entrepreneurial activities and agricultural asset ownership. Results suggest that beneficiary households are more likely to engage in micro-enterprise activity and invest in animals and increase land use. They suggest that cash transfers might not only increase current consumption but also help raise future income levels, thus reducing long term welfare dependency.

A third chapter will jointly evaluate the effects of OPORTUNIDADES and a compensatory education program on schooling outcomes in rural Mexico. Both programs operate in poor rural communities but they do not geographically overlap entirely. That will allow disentangling the effects of a demand side intervention that links cash benefits to school attendance (OPORTUNIDADES) from those of a supply side intervention that provides extra resources to school that enroll disadvantaged students.