Incentivizing Attendance in the Presence of Parent-Child Information Frictions: Experimental Evidence from Mozambique

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Abstract: Governments the world over strive to incentivize parents to ensure that their children attend school regularly. In developing countries, in particular, arguably the most significant innovation in social policy in the past few decades has been the introduction of conditional cash transfers made to parents in order to incentivize a number of prescribed behaviors such as regular school attendance. When information frictions in parent-child interactions are taken into account, however, incentivizing children themselves may be more cost-effective, and simply providing information to the parent about their child’s attendance at school may improve attendance independently of any costly transfer. In this paper, we provide experimental evidence from a poor, rural country setting that children have agency in decisions regarding their schooling as early as sixth grade, and that neglecting this reality may lead to inefficiencies in education policies.

We present experimental evidence of the effect of three alternative policies: simply providing information to parents about their child’s attendance, providing this information and making transfers to parents conditional on attendance, or providing this information and making transfers to children conditional on attendance. The main contribution of this paper is to show that the information content of a conditional transfer can have a substantial effect on school attendance independently of any transfer - in our experiment, where the value of the transfer is small, the estimated effect of the information treatment on attendance is as large as 76% of the effect of the parent incentive, and not significantly different from it. On the contrary, incentivizing children is significantly more effective than simply providing information (and nearly twice as effective). In addition, we replicate findings from most evaluations of conditional cash transfers (to parents) that gains in attendance do not translate into gains in test scores. But both the information treatment and the girls' incentives treatment substantially improve scores at a math (ASER) test, suggesting that improved information and attendance are both beneficial to cognitive skills, but that conditional cash transfers directed at parents may have counterproductive effects on children's motivation.

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