

## Improving the Health and Education of Children and Their Families with Cash Incentives

Socorro Palma lives in a small house in the eastern Mexican state of Puebla. Her home is modest, but its occupants have grand ambitions. All five of Socorro's school-age children attend school, and even Socorro herself has begun to take night classes.

Like millions of other low-income people in Mexico, the Palma family is a beneficiary of *Oportunidades*, a World Bank–sponsored program that provides financial help and basic services to poor families on the condition that they send their children to school and ensure that they receive adequate health and nutrition care. Additional funding provided by the Bank for the program in fiscal 2009 guarantees assistance for 25 million people, almost a quarter of Mexico's population.

Elsewhere in Latin America, the Bank provided \$2.5 billion in support of conditional cash transfers in fiscal 2009. Brazil's *Bolsa Família*, Colombia's *Familias en Acción*, and conditional cash transfer (CCT) programs regionwide together now serve some 100 million people.

CCT programs have markedly increased enrollments, reduced drop-out rates, and increased the health of children, according to the Bank report *Conditional Cash Transfers: Reducing Present and Future Poverty*. So compelling are the results that in fiscal 2009 the Bank added six new countries—Bangladesh, Colombia, Kenya, Macedonia, Pakistan, and the Philippines—to its roster of countries receiving support for such programs.