

Conditional Cash Transfers in Turkey: Advantages and Disadvantages

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Abstract

Education remains one of the most important sources for those who want to improve their lifelong opportunities and to achieve better labor market prospects. Hence, equal access to education and its quality are essential in generating equality of opportunity for individuals. In the last decade the Turkish government has launched several programs to enhance the equity and quality of education. This paper reviews some of the policies, with a particular focus on a conditional cash transfer program that was initiated with the support of the World Bank to keep students, and especially girls, from impoverished backgrounds enrolled in school. The focus is on the evaluation of this program on achieving higher enrollment rates in primary and secondary education, especially for girls. There are two aims of the paper: first, presenting a detailed analysis of the Turkish experience, and second, discussing the shortcomings and strengths in terms of its success in overcoming economic, institutional, social, and cultural hurdles against education expansion.

Introduction

Education and health stand out as important factors shaping the socio-economic opportunities of any individual, and hence access to these significantly alters an individual's chances in his or her life. Schooling is essential to ensure any individual's labor market prospects and it continues to be a dividing line among social groups both within and across countries. In addition to the private gains one can receive, education also has a positive spillover effect whereby the entire economy and society in general benefit from the increase in human capital. Since there often are pervasive labor and capital market imperfections in developing countries, education can help to overcome them if the opportunities for schooling are equally distributed or can aggravate them if education is only accessible and available to certain segments of the society. Moreover, some academics like Birdsall and Londono have asserted that education inequality¹ has a negative effect on the overall economic growth of a country and income growth of the poor (1997).

Despite the importance of education, Turkey lags behind its own targets and has scored lower compared to other countries with similar levels of development. Especially, in the area of female access to education, it ranks very low and is expected to fail to reach the equality goals for primary and secondary education by 2015 (Aydağul 2007). As a result of these problems and overall concerns about expanding basic education, the Turkish government has launched several initiatives and reforms in the last two decades with the support of civil society organizations and international institutions. The first set of reforms mainly concentrated on extending schooling, and in 1997 the compulsory years of education were increased from five to eight.² The second set of reforms that have followed since then have been concerned about the quality of education and its compliance with international standards; generally, these more recent programs frame basic education as a human right. Several policies have been pursued to this end, which includes a conditional cash transfer program.

This paper reviews the conditional cash transfer program for education in Turkey. The conditional cash transfer program (CCT) was initiated with the support of the World Bank and targeted the poorest 6 percent of families with children. This paper focuses on the evaluation of this CCT program as it sought to achieve higher enroll-

1 Education inequality simply means differential access for several socio-economic groups, and this paper's purpose is not to look at the educational outcomes.

2 This was passed by Law No. 4306 on National Education.

ment rates in primary and secondary education, especially for girls. Such programs can have multiple objectives and criteria for assessment such as their effects on time allocation decisions or work incentives;³ unfortunately, this paper only investigates the educational outcomes and does not discuss its impact on poverty alleviation or labor market decisions. There are two aims of the paper: first, to present a detailed analysis of the Turkish experience, and second, to discuss the shortcomings and strengths in terms of its success in overcoming economic, institutional, social, and cultural hurdles against education expansion.

In the next section a brief overview of gender disparities and girls' schooling is presented. The third section looks at the details of the conditional cash transfer program and its results in terms of educational attainments. In the fourth section, an evaluation of the program is provided by highlighting the shortcomings and strengths for overcoming educational barriers. The final section offers some conclusions as to the problems and successes of this program.

Gender Disparities and Girls' Schooling in Turkey

In the vast literature on education equality, several arguments have been offered to illustrate the existence of gender disparities in schooling. Among these, socio-economic, cultural, demographic, and geographical factors are important and capture several dimensions of differential access. Household income is seen as a crucial factor for schooling decisions since it determines the amount of available resources for each child and the family. A family's current income will greatly determine a family's ability to invest in their children's education, especially for those families who are short on credit and capital (Glewwe and Jacoby 1994). A number of studies have found a positive correlation between household income and the schooling of children.⁴ The evidence shows that income and wealth often inform educational choices, especially for higher levels of education in both developed and developing countries. Certainly, in addition to their current income, families may have other financial assets and these are also expected to affect any education investments in a similar manner. Obviously,

3 For a more detailed explanation on the evaluation of CCTs, see F. Bourguignon, F. Ferreira, and P. Leite (2002).

4 Behrman and Knowles (1999) argue that children from higher-income households have significantly higher chances to get more education and the few deviations found in the literature are mostly a result of measurement errors.

the wealthier families care less about both the indirect and direct costs of schooling. The direct costs include fees, books, travel expenses, and all other materials related to schooling. The indirect costs are the opportunity costs or the price of the time spent for education instead of participating in the labor market or domestic duties. In families with few financial and economic resources, girls might be left out disproportionately from formal education as a result of cultural biases. Hence, economic constraints can interact with other factors and aggravate their impact. In this sense, cash transfers might help to mitigate both the financial restraints and break the link between these and the social grounds for discrimination.

Another factor influential for children's schooling prospects is the level of parental education. Well-educated parents are more open-minded, more willing to send their children to schools, and perceive education as more worthy (King and Hill 1993). It is expected that parents who have high levels of education would provide opportunities for their children to accomplish at least the same level of schooling as themselves. Moreover, incomes are largely determined by education, and in Turkey the returns from schooling are quite high. Thus, income and wealth should be correlated with the parents' education level. Also, mothers who have a better education have more bargaining power and generate a better allocation of resources towards their children's human capital (Thomas 1994). The relevant literature generally finds that daughters' educational attainment is more closely associated with their mothers' education.

Child labor in developing countries is pervasive and children are expected to undertake a range of low-skilled tasks such as taking care of siblings and household duties. It has been shown in many studies that these types of chores tend to reduce educational attainment (King and Hill 1993). In Turkey, girls are the prime contributors to household chores; hence, they are expected to stay at home and perform these duties more often than boys. Particularly, child-care services within the family will be provided by the females.⁵ Also, the number of dependent family members might increase the daily amount of tasks that need to be carried out.⁶ For example, in rural India the number of children aged six to 16 in a family has a positive impact on the time used to work and a negative effect on the time used to attend school (Cigno and Rosatti 2002). However, it should be noted that in advanced countries family size turned out to be insignificant under most specifications. The size of a family will defi-

5 Anderson (1988) pointed out that school attendance for females is more sensitive to the number of children under the age of five in the household than male attendance.

6 Although, most of the effect might come from the number of siblings, elderly care can be important in the Turkish context.

nately put pressure on their resources and trim the finances available for each child. Besides, the effect may be higher for girls because the extended family networks are used to the advantage of boys (Lloyd and Blanc 1996).

The surrounding community's structure has a large impact on education investment and has different implications for the schooling opportunities of boys and girls. Both the quality and quantity of schools are lower in rural areas in developing countries; furthermore, the perceived value of education tends to be lower in these communities (Hyde 1993). Turkey is a geographically divided country where its western regions are more industrialized and more urbanized compared to its eastern regions. The costs of education can be higher in rural regions, given that the schools tend to be farther away and the ratio of school quality to expenditure is lower. This rural versus urban distinction can also capture the labor market chances up to a certain point. Since farm employment is more widespread in rural areas, a high degree of educational attainment is less of a requirement. The already inadequate number of available jobs in the formal labor market will most likely be allocated to males; therefore, education for girls in the rural communities is limited. Thus Turkey's more urbanized western regions have higher school attainment levels for both genders.

Extensive studies have gone on to further examine the different education opportunities for men and women. King and Hill examined the barriers to women's education in developing countries and concluded that girls still receive less education than boys despite the decrease in the gender gap (King and Hill 1993). One of the main factors behind this is the institutional structure where there are biases against girls' school choice, and another one is the cultural impediments and different standards applied to genders.⁷ There is also discrimination and segregation in the labor market, which pushes women to select certain professions and get the appropriate training. The World Bank data show that there has been a significant improvement in girls' enrollment in schools. For example, the secondary school enrollment rate among girls in low-income countries rose much faster than it did among boys though a gender gap still exists (World Bank 2008). In Turkey, even though there has been improvement in girls' enrollment ratios over the years, girls are still considerably behind their male counterparts, specifically in secondary and tertiary education. Only primary education best reflects near gender equality, while as of 2007 a gender gap of 14 percent and 3 percent remains in secondary and tertiary education, respectively. Table 1 compares the enrollment rates for males and females in 1997–2007.

7 For example, teachers are prejudiced against girls for their math and science skills.

Table 1.
Enrollment Ratios for Genders and School Types

Year	Schooling ratio	Primary education		Secondary education		Higher education	
		Male	Female	Male	Female	Male	Female
1997/98	Gross	96.26	82.43	60.20	44.97	22.92	15.95
	Net	90.25	78.97	41.39	34.16	11.28	9.17
2007/08	Gross	106.41	102.57	94.04	80.70	42.62	33.56
	Net	98.53	96.14	61.17	55.81	22.37	19.69

Source: TUIK.

Despite the low investment in girls' education, the returns from schooling for women are found to be quite high. In some cases, the returns from secondary schooling for girls are estimated to exceed that of boys (Dollar and Gatti 1999). This might be due to the small supply of female employees with higher levels of schooling. Additionally, the returns from higher education rose significantly across countries and over time for both genders. This is also true for Turkey, where for almost all schooling categories the female rate of return is higher according to the most recent data. The biggest discrepancy is for secondary school and vocational training. Women benefit extensively from attaining both formal schooling and vocational training, while for men the returns have remained stable over time. Table 2 provides a summary of the returns between 1994 and 2004. In 1994, secondary schooling had the highest return for both males and females, while in 2004 this category offered more returns to females than males. Also, tertiary education became more valuable for females in 2004, although the returns increased for men as well.

Table 2.
Those Who Return to Education by Category and Gender

	1994		2004	
	Male	Female	Male	Female
Primary (8 years)	0.05	0.04	0.06	0.06
Secondary (3 years)	0.16	0.16	0.14	0.23
Higher (2–4 years)	0.10	0.10	0.16	0.19

Source: Vural and Gulcan (2008).

However, the private returns of an education are coupled to the negative social effects that result from not sending girls to school or ignoring their education. For instance, economic growth is adversely affected by gender inequality through two channels. The first channel is the direct influence of fewer years of education and a poorer quality of human capital in the nation's workforce. The second channel flows from the consequences gender education inequality has on child mortality and fertility rates (King and Mason 2001). It has been shown that child mortality and fertility rates decrease as a mother's education increases. Both of these factors are extremely significant for the overall development of low-income countries. Although the full extent of social returns cannot be calculated adequately, and since not every externality can be taken into account, by and large, it is accepted that the social returns are considerable. Thus, providing equal and universal access to schooling has many broader, positive spillovers in society, defusing the gender bias that often leads to poverty traps and impairs the future learning capabilities of children.

As can be seen from the above accounts, there are several barriers to girls' education as well as general education. Socio-economic, demographic, cultural, and geographical factors impede equal and easy access to schooling in many countries, and numerous projects have been implemented in Turkey to mitigate the negative impacts of these factors. These schemes have been designed to overcome the many problems that individuals face in making their human capital investment decisions. Certainly, economic, cultural, or demographic hurdles would require separate strategies and resources.

Conditional cash transfer programs are just one way of dealing with the barriers and they mainly target the economic side of the problem, trying to decrease the costs of education by giving families more funds and by increasing the shadow price of schooling. CCT in Turkey tried to change the incentive structure within families to get girls enrolled in formal schooling by means of better financial benefits. Thus, other hurdles and gender biases are also pursued indirectly.

Conditional Cash Transfer Programs in General and in Turkey

Overview of Conditional Cash Transfers

Conditional cash transfer (CCT) programs have been put in place as a way out of poverty for many developing countries. Instead of simply transferring cash into the hands of the poor, the CCT programs aim to "condition" the assistance so that impoverished

households would invest in the education and health of their offspring. It has been argued that CCTs have public and private justifications; from the public perspective, government might have a better valuation of certain activities than households or individuals, such as in the case of immunization and female education. From the private perspective, conditioning can help to give higher bargaining power to disadvantaged parties such as women. Also, the myopic behavior of poor households can be avoided by requiring investments into long-term goals (de Brauw and Hoddinott 2008). CCTs are generally viewed as more welfare enhancing and less disincentive generating than simple transfers.

But criticism directed at CCTs emphasize that the returns are much lower compared to what can be achieved by infrastructural investments and other public services. Hence, the scarce resources in developing countries can be used much more effectively when they are channeled towards public goods. Also, there are difficulties with targeting and delivery since general services are universal and do not need special assessment. The possible disincentives and social perceptions about the beneficiaries are also counted as negative aspects of CCT programs. It is much easier to single out targeted recipients, and thus any negative social view becomes more visible. The main obligation to the recipients can be multiple, but usually the enrollment of children in schools and regular visits to healthcare service providers are set as conditions in most cases.⁸ Table 3 provides a summary of CCT in some developing countries, their conditions, and target populations.

The CCTs mainly attempt to achieve behavioral changes and these are expected to have long-running effects and viewed as less distortionary than pure transfers. Moreover, in the short run CCT aims to pull households out of poverty, since targeting becomes crucial, in addition to the conditions about to whom to channel the financial funds, which affects the success of the program. However, this is not peculiar to CCT programs and will apply to any type of social policy that is targeted. To achieve the second intention, a precise selection among the poor is needed in order to identify households that would or would not send their children to school even in the absence of assistance. Moreover, a cost-benefit analysis is required to minimize the project expenses and get the highest rates of change in behavior (de Janvry and Sadoulet 2006). If these aspects are not taken into account, CCT programs will be inefficient, and hence will incur more social costs than supposed benefits. These two sources of inefficiency can be dealt with

8 In some cases, only education was put as a condition while others have both education and health components. Also, some programs did not enforce the entire conditions. For a detailed discussion of CCT programs in Latin America and the exact type of conditions, see Rawlings and Rubio (2003).

when the probability of enrollment in a school and attendance is computed by considering individual, household, and community features as well as the transfer offered. Since these probabilities can never be calculated perfectly,⁹ there will always be efficiency losses. But they can be minimized depending on the accurateness of the estimations and whether the broader context is considered or not.

Table 3.
CCT Programs in Selected Latin American Countries

Program	Conditions		Target population	
	Education	Health and nutrition	Education	Health and nutrition
Brazil	At least 85% school attendance in a 3-month period		Poor children 6–15	
Colombia	At least 80% school attendance in a 2-month cycle	Regular health care visits for child's growth and development	Poor households with children 7–17 enrolled in school (2nd–11th grade)	Poor households with children 0–6 not participating in other programs
Mexico	School enrollment and minimum attendance rate of 85%, both monthly and annually	Compliance by all household members with the required number of health centers go to visits and mother attendance at health and nutrition lectures	Poor households with children 8–18 enrolled in primary (1st–3rd grade) and secondary (3rd grade and higher) school	Cash grants are targeted to poor households while nutrition supplements are pregnant and lactating women, children 4–24 months old and malnourished children 2–5 years old
Nicaragua	School enrollment; less than 6 days of unexcused school absence in a 2-month period; and school grade promotion	Regular health care visits for child's growth monitoring; up-to-date vaccinations; and attendance at health and nutrition talks	Poor children 6–13 enrolled in primary school grades 1–4	Cash grants are targeted to poor households; health care services are targeted to children 0–5

Source: Adopted from Rawlings and Rubio (2003).

9 For a further discussion of this issue, see de Janvry and Sadoulet (2006).

In Latin American countries, CCT programs are supposed to be quite successful in reaching their objectives and they raised the investments in human capital among poor households significantly. For education, higher enrollment rates were observed for both boys and girls (Schultz 2000). Mexican and Nicaraguan enrollment rates at the primary and secondary school level went up considerably. While in Nicaragua the attendance rates were more raised than enrollment rates, in Mexico the opposite held true. Positive results were also recorded for child labor where reductions in the probability of children working from both genders were seen (Parker and Skoufias 2000). Moreover, in Brazil the probability of children working in risky jobs went down as well (Yap, Sedlacek, and Orazem 2001). Finally, the health and nutrition of children improved as a result of these CCT programs. After the implementation of these projects, children were better nourished and some of the previously common health problems decreased (IFPRI 2002). As can be understood from these evaluations, these programs proved to be successful and mostly accomplished their aims. In the below section, the Turkish case will be presented along with the general outlines of the CCT program.

CCT Program in Turkey

With the assistance of the World Bank, Turkey launched its CCT program immediately after the financial crisis of 2001.¹⁰ One of the goals was to remedy the negative effect of the crisis on the poorest segments of Turkish society. The overall objectives of the program were twofold, like its counterparts in other developing countries. On the one hand, the program aimed to prevent poor households from becoming poorer, and on the other hand, it intended to improve their children's future productivity and incomes. The CCT was designed to transfer payments to the poorest 6 percent of the Turkish population based on education and health-related conditions. Overall, 1.1 million beneficiaries were targeted, and since then the government has extended the coverage substantially, so much so that by the end of 2007, 2.63 million people were receiving such benefits. After 2006, the loan obtained from World Bank was exhausted and Turkish government continued the program from its local funds.¹¹ There are internal discussions about lengthening the duration of CCT project and the possibility of turning it into a longer-term anti-poverty scheme. Table 4 presents a brief overview of the program in Turkey.

10 It came as a part of Social Risk Mitigation Project (SRMP).

11 The government allocated approximately USD366 million in 2007 and another USD407 million for 2008 from the budget of the General Directorate of Social Assistance and Solidarity (SGYDGM).

Table 4.
Overview of CCT in Turkey

Target Population	Poor families with children, Pregnant women
Transfer Size	Bimonthly transfer for education: USD13 for boys' primary schooling, USD16 for girls. USD20 for secondary schooling for boys and USD28 for girls. Transfer for health: USD12 per month per child, another USD12 per month during pregnancy, and USD39 per birth at health center
Conditionality	For school-age children attending school For children 0–6 years, complying with regular visits to health clinics For pregnant women, regular attendance to prenatal and postnatal checkups, and giving birth at hospitals

Source: Lagarde, Haines, and Palmer (2009).

The Turkish CCT program had both education and health components. Poor pregnant women were also included as a separate group of recipients. Payments were made to women in poor households, and they were required to send their school-aged children to schools and have their younger children regularly visit healthcare facilities and get vaccinations. There are extra incentives for households to enroll their children in secondary schooling. Primary schooling in Turkey is compulsory and extended to eight years in 1997; hence, the starting enrollment rates are expected to be much higher for this category. Since secondary schooling is optional, the enrollment is lower to begin with and higher benefits are set to make a sizeable impact on household behavior. Furthermore, at each education level, investing in girls' education is favored. Several reasons for not sending girls to schools have been discussed in the previous section and CCT tries to overcome these obstacles by means of higher financial assistance.

Table 5 describes the final status of the program in Turkey. There were 1.4 million applications for the scheme, while approximately 64 percent of these households were deemed eligible, which amounted to 0.92 million households and 2.6 million individuals. Out of these, 63 percent received assistance through education and 36 percent through health. The pregnancy benefits were relatively small. In financial terms, the share of education payments was the highest, reaching 73 percent of all expenditures. Health payments had the second highest share, with 26 percent, and the amount of pregnancy payments was a mere 0.02 percent. In the following part, I will attempt to evaluate the CCT program's success in Turkey regarding the preset objectives. The targeting and health outcomes will be briefly mentioned since the emphasis will be on the educational results, especially secondary school enrollment

rates. The target rates for the project are also presented in this section as well as a brief comparison with findings from such programs in other countries.

Table 5.
Final Status of Conditional Cash Transfers

Applicant Households	1,431,001
Households Receiving Education Support	750,888
Households Receiving Health Support	508,601
Households Receiving Both Supports	339,919
Beneficiary Households	919,570
Education Beneficiaries	1,659,713
Health Beneficiaries	944,103
Mothers	25,138
Mothers Giving Birth in a Health Center	10,582
Beneficiaries	2,628,954
Education Payments	YTL 582,210,396
Health Payments	YTL 212,365,721
Pregnancy Payments	YTL 1,861,508
Payments	YTL 794,838,272

Source: World Bank Project Coordination Unit.

Strengths and Weaknesses

This section looks at the strengths and weaknesses of the CCT program in Turkey from the perspective of educational outcomes. Although the program can be evaluated on its impact on health and nutrition as well as pregnancy, these are not the main concerns of the paper and will not be discussed. In terms of targeting and implementation, the CCT was deemed quite successful. Evidence supports that the poorest household were identified correctly and received the promised transfers. Nearly half of all health-beneficiary households and nearly one-third of all education-beneficiary households were among the poorest 10 percent of all households in the income distribution at the national level. Moreover, none of the education or health assistance recipients belonged to more affluent segments of society (World Bank 2008). However, there were problems at the beginning of the program and a significant portion

of eligible households joined only in the later stages. Also, there were issues about partial payments but the Turkish government quickly got up to speed as the program widened its scope and size. Finally, although rare, there have been some accounts of leakages in terms of some non-needy households getting benefits and genuinely needy ones being left out.

The CCT program primarily aimed to raise the school attendance rates for the poor, particularly the secondary school rates. Also, a decrease in dropouts was among the objectives. Turkey displays great regional divergences in terms of educational attainments and gender roles; therefore, it is useful to have a quick glance on regional diversity. Table 6 presents the enrollment rates among the CCT participant households across three representative provinces.¹² As can be seen in Samsun, girls managed to have much higher net rates at both levels of schooling, while in Van girls lag behind considerably. Diyarbakir province lies somewhere in between; however, the enrollment rates are still higher than the sample average. In Van, the secondary school enrollment rate for girls is as low as 15.5 percent.

Table 6.
Enrollment Rates in Three Provinces

	Samsun	Diyarbakir	Van
Primary (boys)	92.3	97.5	90.7
Primary (girls)	100	95.6	81.1
Secondary (boys)	58.8	78.7	47.4
Secondary (girls)	70.0	63.9	15.5

Source: Adato et al. (2007).

On average, according to a study conducted by regression discontinuity design (RDD) methodology,¹³ the secondary school enrollment rates for girls went up by 10.7 percent while this was 1.3 percent at the primary school level. Moreover, the attendance of girls increased by 5.4 percentage points in secondary schools as a result of CCT transfers (Ahmed et al. 2006). These results indicate that the program was quite successful in elevating girls' participation in secondary schooling. Table 7 summarizes

12 Geographically, there are seven regions in Turkey; Marmara, Aegean, Mediterranean, Black Sea, Central Anatolia, East Anatolia and lastly Southeast Anatolia.

13 This methodology mainly looks at the average outcomes between beneficiary and non-beneficiary households that are closer to the eligibility criteria.

the net school enrollment rates before and after the establishment of the program. We can see from the table that the project targets were passed in secondary schooling for both genders. The actual enrollment rates exceeded the target rates by approximately 6 percent for boys and 7 percent for girls at the secondary school level. One should note that the baseline rates for girls were quite low for this education category.¹⁴

Table 7.
Net School Enrollment Rates in Percent

	Baseline (2001)	Actual (2007)	Project target
Primary (boys)	99.6	99.7	99.8
Primary (girls)	90.8	87.2	95.0
Secondary (boys)	48.5	61.1	55.0
Secondary (girls)	39.2	52.0	45.0

Source: World Bank Project Coordination Unit.

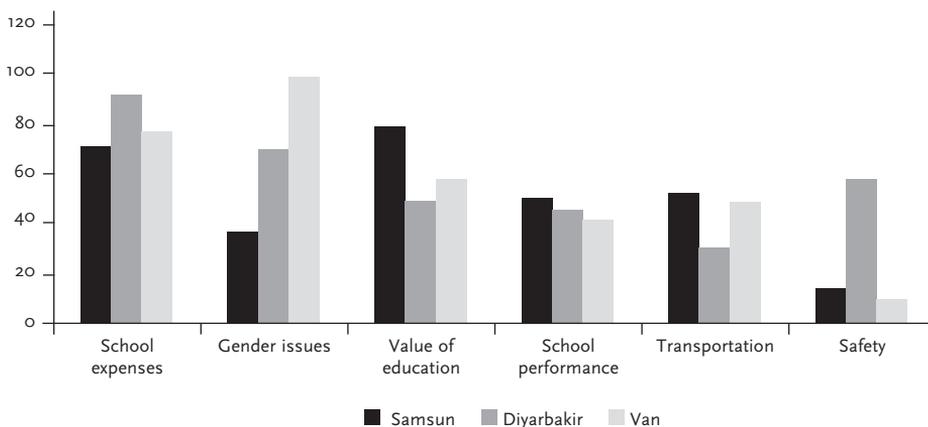
However, the program was quite ineffective in increasing the primary school enrollment rates. As can be observed from the above table, the project targets were not reached at the end of 2007. There was almost a 9 percent gap between genders in 2001 and at the end of the project, the gap has even increased to 12 percent. Although, the target was almost met for boys, the primary school enrollment rates for girls remained much lower than the aimed level, at around 87 percent. One reason for this can be the already high enrollment rates; however, this is not necessarily the case for girls. In Van, for example, primary schooling is around 80 percent, much lower than what is observed in other developing countries and also the national averages. Therefore, regional specificities and non-economic sources of gender bias are at play and might explain why CCT was unable to boost primary school enrollment rates. Also, it has been found that CCT transfers did not improve the succession from primary to secondary schooling for either girls or boys (Ahmed et al. 2006). Therefore, guarantees to continue with educational life are not provided by these transfers to children in poorer households. A likely explanation can be the extra costs that emerge, such as commuting, with secondary school education. Since, the secondary schools are more scattered spatially in the Turkish context, families need to invest additional resources

¹⁴ The secondary school enrollment ratio for females in several Latin American countries is around 60 percent, which is comparable to developed country standards.

to send their children to those institutions. Therefore, the demand-side interventions alone are insufficient to promote education expansion and gender inequality. In many developing countries, supply-side constraints to education are quite prevalent and CCT programs do not explicitly or implicitly help to overcome such barriers. Indeed, the underlying assumption is that the bona fide reason to encourage low human capital investments by poor households is related to demand.

There are significant regional divergences in the perception of schooling, especially for girls, and various reasons were weighted differently in each region. Figure 1 presents the factors that negatively affect human capital investments in the three provinces. As can be seen from the below figure, gender issues have the utmost importance in Van and this holds true even for primary schooling. The second greatest reason is the school expenses in the same province; hence, CCT can be seen as a solution to this barrier. The value of education also plays an important role and generally lower values are attributed to formal schooling. In Samsun, the most prominent factor is the value of education followed by school expenses. Gender issues play a much smaller role compared to other provinces. Finally, in Diyarbakir, school expenses have the highest share of not investing in human capital of children. The second highest-ranking issue is gender and then comes safety. Diyarbakir is in the southeast of Turkey where armed conflict has been going on for a long time and thus public safety turns out to be a relevant component, unlike other provinces.

Figure 1.
Reasons for Not Sending Children to School



Source: Adato et al. 2007.

Given the multiple dimensions of gender inequalities for schooling, CCT can be argued to be more successful in certain areas than in others. If we group the barriers to girls' education under the headings of economic, institutional, and socio-cultural, CCT is much better at dealing with households' economic problems since it provides financial resources. However, there are also institutional and socio-cultural reasons why households refrain from sending their children, and particularly their girls, to school. Among these, supply-side factors such as an inadequate number of schools or transportation are very crucial. Besides, the quality of education differs significantly across regions in Turkey and public investments are too low to tackle this issue. Most importantly, there are various socio-cultural grounds why girls are discriminated against in the educational sphere. In many households, their financial means are not enough to overcome the socio-cultural factors constraining education. The value of schooling is very low for girls and this decreases with higher levels. Sometimes education is also perceived as an obstacle in the marriage market and girls are proactively kept away from formal schooling. Plus, high unemployment rates hamper labor market expectations and this leads to a reduction of the value of schooling for both genders.

Conclusion

Education is one of the most vital factors in shaping individuals' labor market prospects and lifetime incomes. Thus, many policymakers view investment in human capital as a viable method to fight poverty, especially in the long run. But poverty is certainly also a problem in the short run, and therefore human capital investment and poverty alleviation is jointly targeted by conditional cash transfers. Many developing countries, including Turkey, can improve the access to education significantly and formal schooling can be expanded. There are still major gender inequalities and these are even more pronounced at the higher levels of education. In Turkey, particularly for girls, educational attainment is still a problem and recently there have been numerous programs aimed at decreasing the gender disparities and raising schooling levels across the population.

A conditional cash transfer program (CCT) is one of the methods implemented in these countries and in Turkey to overcome some of the barriers for education. This paper reviewed the CCT program in Turkey that was initiated after the 2001 crisis and evaluated it on the basis of educational attainments. Conditional transfers are thought

to be superior in comparison to simple transfers since the requirements make the households behave in a more optimal manner. Evaluations from programs that were already implemented also proved to be quite effective. In the Turkish example, the conditions were determined by educational and health obligations. Designed to give higher incentives for investing in female education, the school enrollment and attendance of girls lead to higher benefits.

Overall, the CCT program in Turkey can be regarded as a successful endeavour, above all in raising the enrollment rates for both genders in secondary schooling. Girls' attendance also has remarkably progressed as a result of the transfers. Nevertheless, the program failed to boost the primary school net enrollment rates for girls and boys and did not increase the progression rates. This might indicate that conditionalities do not automatically raise the human capital investments above the immediate targets. In the Turkish context, one important reason for no progression is the limited number of schools in rural areas. These supply-side constraints can be equally hampering, hence conditional cash transfers cannot achieve significant results without improving the institutional resources as well. In developing countries, the demand conditions are not the only obstacles to education, and public investments in this area is required to make more favorable demand terms work. More schools, boarding facilities, and transportation assistance can encourage households to send their children to higher levels of schools once they finish the primary level.

There are also notable regional varieties in terms of enrollment rates, attendance, and the factors parents decide about their human capital decisions. Girls are disproportionately left out of formal education in the eastern and southeastern provinces. Also, gender issues as well as the perceived value of education play greater roles in these regions than the rest. Given these differences, any program that aims to decrease educational inequalities should consider dominant barriers in each locality and try to design mechanisms to overcome these factors. Financial incentives are best suited for families that do not discriminate between genders and value education already. But some of the major reasons for underinvestment in human capital are socio-cultural and cannot necessarily be changed via monetary means. CCTs try to overcome these barriers indirectly by offering higher benefits, but for families that have very negative perceptions about formal education, economic tools are insufficient to accomplish behavioral transformations.

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