

# Poverty, Family Dynamics and Oportunidades: an Evolutionary Perspective

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**Mexico's well-known** Oportunidades Programme sought to modify certain survival strategies of poor people that development practitioners associate with the intergenerational transmission of poverty. The tendency of young people from impoverished homes to drop out of school and prematurely join the labour market, for example, is commonly perceived as preventing youth from reaching the productive stages of their lives both in good health and with the necessary qualifications to obtain jobs that can cover their basic needs.

Utilizing Mexico's National Commission for the Evaluation of Social Development Policy (CONEVAL) poverty estimates, González de la Rocha (2012) explores poverty trends during the period 1996-2008, placing emphasis on assessing the impact of Oportunidades. The principal question that drives González's analysis is whether changes observed among Oportunidades beneficiary households, both in rural areas and small towns, actually contributed to the improvement of poor peoples' lives, especially in terms of vulnerability as a basic mark of poverty.

González's analysis sees her identify four main changes that have occurred within beneficiary households over the course of Oportunidades' twelve-year (1998-2010) lifespan: 1) the extension of purchasing power and creditworthiness occurring as a result of what became the regular and predictable flow of income; 2) increase in dietary consumption; 3) diversification of consumption as a result of the increase of household income and the control of this income by female members of the family; and 4) the increase in school enrolment and a longer period of time spent at school for the beneficiary children (teens or pre-teens).

Nevertheless, the impact of Oportunidades on beneficiary households does vary. In any given household, the family composition, differences in the labour force participation of the various members of the household, and the degree of diversification of income sources are all factors that shape any given household's well-being levels, and thus the Programme's ultimate influence as a whole. Family composition is especially critical, for it determines how many members of the household can carry out activities that generate income. Larger families, notes González, can achieve higher levels of well-being, principally in terms of economic prosperity, as they may enjoy economies of scale especially with regard to shelter costs and, in addition, may count on a larger number of adults who can contribute with income.

Factors associated with increased vulnerability of households are likewise fourfold: 1) insufficiency and high-turnover rate of wage jobs and the low returns of subsistence agriculture; 2) illness; 3) the feminization of domestic economies (women's wages

are very low and irregular); and 4) the disproportionate time commitment on the part of women culturally burdened with the task of carrying out domestic chores.

Conversely, there are number of distinct factors associated with reduced vulnerability that can increase the capacity of families to better deal with, among other things, negative economic shocks: 1) the diversification of sources of household income that results from the participation of many members of the domestic group in various niches of the existing employment options (including as migrants to the USA); 2) women's engagement in the labour force when this coexists with participation by men in paid employment; and 3) households that are secure, in terms of property titles/rights, and enjoy access to basic services and public utilities. For González, the greatest impact of Oportunidades in fact can be witnessed in those households that, in addition to receiving Programme cash transfers, constitute environments which combine each of these factors.

To make her study more rigorous, González also focused on the features, including family compositions and employment activities, of a sample of vulnerable households that were incorrectly 'graduated/excluded' from the Programme during the process of re-evaluation of their eligibility status. Many of these households display a cluster of factors that are patently associated with situations of vulnerability.

These include old age, illness and the associated 'drying up' of the individual's capacity to generate resources, the irregularity and lack of sources of income and workers, the deterioration of social networks or the impoverishment of family bonds, and the disappearance of assets (either sold or lost). Further still, as would be anticipated, when these households include either young children or adolescents there is indeed a greater risk that these youth will drop out of school prematurely in order to devote themselves to either family tasks or waged employment.

González's conclusion is that despite the fact that Oportunidades is in a position to reduce vulnerability, in isolation the Programme is by no means sufficient as 'the' poverty eradication tool. In order to be more effective in bettering the lives of poor people it is essential to improve beneficiaries' other sources of income. That said, without the Programme transfers in place, the subsistence of poor households would prove to be even more at risk.

#### References:

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