

Oportunidades and Bolsa Família: a Comparative Perspective of their Evolution

by Fábio Veras Soares,
International Policy Centre for Inclusive Growth

Soares (2012) argues that differences in the original design of *Oportunidades* and *Bolsa Família* as well as the distinct role these programmes play in the broader social protection systems of México and Brazil respectively are key in helping illuminate the nature of the incremental changes that both programmes have experienced over the years.

Whereas the design of Mexico's *Oportunidades Programme* was based on direct demands on the part of the national government and used small pilots to test the proposed design's parameters, the roots of CCTs in Brazil can be traced to municipal-level experiences stretching back to 1995, each of which were critical to the eventual design of the national-level programmes. Brazil's Federal Government only accepted the idea of national CCTs after a long debate involving both Congress and civil society. In fact, it was only in 2003, in Lula's first term as President, that the decision was finally taken to implement a large national programme—*Bolsa Família*—constituting a consolidation of all CCT programmes to that point administered by different ministries.

Both *Oportunidades* and *Bolsa Família* share certain core features: *i*) the existence of targeting mechanisms; *ii*) the idea of co-responsibilities (especially with respect to health and education); and *iii*) the fact that the payment is made in cash. They also share two overriding goals: namely, poverty alleviation and breaking the intergenerational transmission of poverty. Yet despite these commonalities the two programmes do differ in several fundamental aspects. These differences are mostly determined by two factors: the emphasis placed on either the short-term or the long-term and the way the shared core features find themselves, over time, inherently transformed or transfigured by the realities of the broader social protection systems operating in the two respective countries.

In the case of *Oportunidades* the key role that co-responsibility monitoring has had since this Programme's inception reveals a clear priority given to long term impacts. For *Bolsa Família* the opposite occurs. Its major concern has always been poverty alleviation; which is the main explanation for this Programme's rapid expansion between 2004 and 2006. To accomplish this expansion a number of changes were made in *Bolsa Família's* original design. Modifications to the composition of the "*comités gestores*" (managing committees) aimed at giving municipality officials a stronger role, the fact that mechanisms for monitoring co-responsibilities were only put in place in a proper way only in 2007, and the Programme's utilization of a 'minimum duration of the benefit' policy as opposed to the 'maximum period' common in other CCT programmes in Latin America all speak to how *Bolsa Família* has been primarily geared toward short-term, 'poverty

alleviation' objectives. The fact that the Programme was expanded when poverty was shown to be actually decreasing is also evidence of this short-term focus.

Similar to what happened to *Bolsa Família*, *Oportunidades'* managers took advantage of the fuel and food price crisis of the late 2000's to justify the expansion of *Oportunidades* as a way to mitigate the effects of the crisis on the poor. The crisis was also used to justify the increase in amounts transferred to Programme beneficiaries. However, as stated above, the emphasis in the notion of co-responsibility is still very strong, as exemplified by the fact that even families without children have to fulfill some co-responsibilities. Besides *Oportunidades'* direct expansion, indirect expansion also occurred. Specifically, eligible families who did not receive the *Oportunidades* transfers because they lived in localities without adequate supply of schools and health centres were nevertheless eventually incorporated into another cash transfer programme — *Programa de Apoyo Alimentario* (Food Support Programme).

Bolsa Família's targeting mechanism, based on self-reported income (means testing), is quite unique in Latin America. *Oportunidades* uses 'proxy means testing', which is a more stable indicator than income. Moreover, the eligibility reassessment in *Oportunidades* takes place every three years, while effective consequences—i.e., the gradual phasing out of benefits—takes place only 4 years after incorporation in rural areas (6 in urban areas). Given this timeframe, the Mexican Programme thus ended up having a much lower turnover rate than its Brazilian counterpart, whereby, for *Bolsa Família*, the beneficiary information needs to be updated and validated every two years.

With regard to the role of the Programmes in the broader social protection systems of Mexico and Brazil respectively, it seems that *Oportunidades* tends to be overwhelmed by the shortcomings of Mexico's system. The first evidence of this process was the inclusion of an old age benefit for families who were *Oportunidades* grant holders. The absence of a more structured social protection system with a comprehensive income transfer programme for those who cannot work (e.g. old age, disability), even if targeted to the poor, as in the case of Brazil, ends up putting considerable pressure on *Oportunidades*. As Yashine and Orozco (2010) argue, the main challenge faced by *Oportunidades* is to become part of a social protection strategy that would lead to an integrated approach based on different initiatives and programmes.

References:

Soares, F. (2012) In *Bolsa Família y Oportunidades: su evolución en perspectiva comparativa* González de la Rocha, Mercedes y Agustín Escobar Latapí (Coords.), 2012, Pobreza, transferencias condicionadas y Sociedad, México, D.F.: Publicaciones de la Casa Chata, CIESAS.

Yashine and Orozco (2010) The evolving anti-poverty agenda in Mexico: the political economy of Progresá and Oportunidades. In: ADATO, M.; HODDINNOTT, J. Conditional Cash Transfers in Latin America. Baltimore-MD: John Hopkins University Press, 2010.