

*Conditionality in Cash Transfers: Brazil and South Africa*

Abstract

Although there is considerable agreement in the field that cash transfers can be a good strategy to address poverty, inequality and underdevelopment, there is little consensus as to how these grants should be distributed, limited and justified in different environments. One of the key areas in the field that has been widely debated and will be the subject of this paper is regarding the use of conditionality in social welfare. South Africa and Brazil have been chosen as the subjects of this study because they have both placed cash transfers at the centre of their poverty elimination strategies. While both countries have similarities as emerging markets they are confronted with the challenges of development in the midst of increasing inequality and poverty. The two countries have both implemented cash transfers to achieve similar developmental aims but have justified it and implemented it differently. Brazil for example implements a system that depends heavily on conditionality. In order to for people to get grants they need to perform particular activities which are meant to further improve their conditions. South Africa, while also implementing a similar system of social transfers aims to achieve development goals without conditions.