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# Heterogeneous Effect of a Non-contributory Pension. Evidence from Bolivia

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## Abstract

We test whether eligibility for the Renta Dignidad social pension mitigates old-age poverty and induces (in)direct behavioural responses by using a regression discontinuity design as the age cutoff determining eligibility is set at 60. We find that, first, neither poverty nor consumption or labour supply are affected by spouses' eligibility and, second, the probability of co-residing grandchildren in households with both spouses eligible is higher. We contribute to the literature by showing how the role of gender in decisions with an intergenerational component can help rationalising apparent limitations of the pension in fighting poverty in the short-run.

**Keywords** Consumption, gender, household composition, labour supply, poverty, regression discontinuity, Renta Dignidad, social pension

**JEL Classification:** D13, H2, J22, J26

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