

**Authors**

Juliana Londoño-Vélez  
University of California, Los Angeles

Pablo Querubin  
New York University

## The Impact of Emergency Cash Assistance in a Pandemic: Experimental Evidence from Colombia

Juliana Londoño-Vélez\*      Pablo Querubin  
UCLA and NBER              NYU and NBER

November 2020

**Abstract**

We study the impact of money on households during the COVID-19 pandemic. In March 2020, Colombia rolled out a new unconditional cash transfer (UCT) to one million households in poverty worth \$19 (PPP \$55.6) and paid every 5-8 weeks. Using an RCT and linked administrative and survey data, we find the UCT had positive (albeit modest) effects on measures of household well-being (e.g., financial health, food access). Moreover, the UCT boosted support for emergency assistance to households and firms during the crisis and promoted social cooperation. Finally, we explore the bottlenecks in expanding mobile money during a pandemic. (JEL: H43, H84, O23)

\*Londoño-Vélez: Assistant Professor of Economics, UCLA ([julondono@ucla.edu](mailto:julondono@ucla.edu)). Querubin: Associate Professor of Politics and Economics, NYU ([pablo.querubin@nyu.edu](mailto:pablo.querubin@nyu.edu)). We thank Paul Nishaus and Yotam Shem-Tov as well as seminar participants at the NBER Summer Institute and UCLA for useful comments and suggestions. We are grateful to Felipe Fajardo, Kyle Holloway, Sofia Jaramilla, Mario Juliana Otilson, Ana Semino, and Sara Restrepo from IPA Colombia; Kathryn Glynn-Boderick, Abraham Farfan, Nicolas Romero, and Laura Uribe from IPA Financial Inclusion Program; Olga Romero, Patricia Moreno, and Laura Pabón from DNP; and Yohanna Cubillos from DPS. This project has approval by Innovations for Poverty Action Institutional Review Board (#13648).

# The Impact of Emergency Cash Assistance in a Pandemic: Experimental Evidence from Colombia

Researchers study the impact of money on households during the COVID-19 pandemic. In March 2020, Colombia rolled out a new unconditional cash transfer (UCT) to one million households in poverty worth \$19 (PPP \$55.6) and paid every 5-8 weeks. Using an RCT and linked administrative and survey data, they find the UCT had positive (albeit modest) effects on measures of household well-being (e.g., financial health, food access). Moreover, the UCT boosted support for emergency assistance to households and firms during the crisis and promoted social cooperation. Finally, they explore the bottlenecks in expanding mobile

money during a pandemic.

November 30, 2020