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RECOVR Roundup Vol. 22: Social Protection in the Time of COVID-19

In this twenty-second installment of our RECOVR Roundup series, we are sharing new findings and analysis from the <u>RECOVR Research Hub</u> and from our partner organizations, as well as links on what is happening in the Social Protection landscape in response to COVID-19. Read the <u>previous installment</u> if you missed it, and <u>sign up for our mailing list</u> if you'd like to receive this roundup series directly to your inbox.

As always, we encourage you to write to our team with ideas for features.



Iraq: Cash Transfers and Economic Stability in a Crisis Setting during COVID

Participants invested differently based on transfer size and timing

How did cash assistance impact economic recovery when COVID reached an area of former conflict and forced displacement? Researchers with the Cash and Livelihoods Consortium of Iraq (consisting of Mercy Corps, International Rescue Committee, Danish Refugee Council, Oxfam, and Norwegian Refugee Council) and Causal Design delivered the equivalent of US \$1,200 in a lump sum or in installments, and a subset of the group also received financial education. Cash recipients ate better and worked more than a comparison group, and seemed to be boosted by the addition of financial education. While recipients invested more in productive assets, they did not earn more than the comparison group. The lump-sum modality facilitated larger individual investments (such as home repairs or education), while installments helped stabilize consumption and food security more. Both cash and financial education had psychosocial benefits, specifically for recipients' sense of economic and physical security. Interestingly, by bringing displaced and host groups together, the financial education component itself might have increased social cohesion—a key outcome for fragile contexts like Iraq. Read more here.



Global: The Impacts of Cash in a Pandemic

New review distills policy lessons for governments and practitioners

In response to the COVID-19 pandemic and resulting economic impacts, governments have bolstered and initiated new social assistance programs—especially cash transfer programs. During the pandemic, cash transfer programs have covered 14 percent of the global population. IPA's new review collates the current evidence on cash during the pandemic across a range of outcomes including food security and nutrition, livelihood support, health behaviors, and inequalities. In summary, it finds:

- Cash or guaranteed wages can mitigate some of the worst economic impacts, and sometimes improve health behaviors.
- Short-term programs should also have a plan for how to transition out to ease negative impacts when they end.
- There is also a need for psychosocial support to help with the mental health effects of the crisis.
- Quickly reaching new people with payments requires a digital infrastructure for identification and registry (mobile phones can help).
- It takes time to scale up these big new programs, so it pays to improve existing programs and prepare infrastructure before a crisis hits.

What We're Reading & Watching

- A <u>new working paper</u> finds that **women's mental health and food security worsened during the COVID-19 pandemic in India**. Particularly vulnerable groups of women, those with daughters and those living in female-headed households, experienced larger declines in mental health.
- Guaranteed minimum income (GMI) programs are taking off across the US in the wake of the pandemic. Check out the latest programs in New York City; Chelsea, MA; Long Beach, CA; and Gainesville, FL, as well as a new statewide program for vulnerable young adults in California. You can also read more about the research on Alaska's long-standing GMI program at NYU's new Cash Transfer Lab.
- Are women more likely than men to spend social protection transfers in ways that benefit young children? A <u>new study from Bolivia</u> examined the impact of delivering inkind transfers of rice to either men or women. The authors found that on average, children benefited equally from transfers to any adult within the household, although transfers to women were slightly better at helping stunted children catch up to their better-nourished peers.



Forcibly displaced populations are often more vulnerable in crises, and an impressive paper using high-frequency phone surveys in eight countries shows how this has been the case under COVID. It finds the socioeconomic wellbeing of both forcibly displaced and host populations has deteriorated in most countries during COVID-19, negatively impacting wages and employment, non-labor income, food security, and access to health and education.

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