Title
The Impact of Emergency Cash Assistance During a Pandemic: Experimental Evidence from Colombia

Authors
Juliana Londoño-Vélez, UCLA, j.londonovelez@econ.ucla.edu
Pablo Querubin, NYU, pablo.querubin@nyu.edu

Abstract
We evaluate the impact of cash relief for vulnerable households during a pandemic. On March 31, 2020, Colombia rolled out an unconditional cash transfer program to help low-income households deal with the economic consequences of the coronavirus pandemic. The transfer is worth 75,000 pesos (8% of the monthly minimum wage) and was paid in April and May to one million recipients of Familias en Acción—Colombia's main conditional cash transfer program—and Colombia Mayor—Colombia's non-contributory pension scheme for low-income senior citizens. To deliver aid to citizens as soon as possible, the government used the payment technology and the proxy-means test index of the existing programs, but payments were made at separate times to enhance the salience of the new program. A subsample of 3,400 households was randomly selected to be part of an RCT: 1,700 households were assigned to treatment and 1,700 households to control. We will evaluate the effect of the cash transfer on consumption and food security, behaviors to mitigate the spread of COVID-19, physical and mental health, children’s learning, financial risk, domestic violence, and attitudes towards the government’s response to the pandemic. We also explore the bottlenecks in quickly delivering electronic payments to the unbanked poor.

Data description
1. Administrative microdata from Colombia’s Department of National Planning (DNP) for household demographics and baseline characteristics, SISBEN.
2. Administrative microdata from the DNP on the cash transfer.
3. Phone survey data collected for this project in collaboration with IPA-Colombia

JEL codes
H31, H43, H84, O23

Keywords
COVID-19, pandemic, cash transfers, development, Colombia