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

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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: I43, H84, O23)

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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

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