

UNDP

*Novice
Specialized*



TOPIC: Economy of Cash Transfer Policies in Developing Countries

CHAIRS: Abigail Seo, Ryan James

LAIMUN XXVIII

December 3-4

Economy of Cash Transfer Policies in Developing Countries; Recent Updates

Cash transfers are being used following the birth of a child because some studies have found that cash transfers help support infants' health and growth, improve children's cognitive development and even reduce violence against children.¹ Welfare programs are taking advantage of the January 1 birthdate cutoff for U.S child-related tax benefits and using the universe of administrative federal tax data in selected years, the transfer in infancy increases young adult earnings by at least 1% - 2%.² Unconditional cash transfers are continually used in developing countries to have long term benefits for things such as women's employment.³ In several countries in Central and South America like Bolivia, Ecuador, Honduras, Paraguay, Peru, Colombia, Mexico and El Salvador a large proportion of the employment among women is concentrated in informal work⁴ and unconditional cash transfers are looking to help these women. It is being discovered that while unconditional cash transfers appear to facilitate job searches for single mothers, they do not significantly change job prospects in these developing places. Cash transfers are being used all over the world which includes the EU implementing a cash transfer programme in Turkey. The EU's Emergency Social Safety Net (ESSN) programme was introduced in Turkey in November 2016 to provide cash transfers to improve the living

¹ Mader, Jackie. "Cash for Families with Children Can Have a Profound Impact on Health and Development." *The Hechinger Report*, 22 July 2021, <https://hechingerreport.org/research-shows-cash-programs-with-no-strings-attached-is-better-for-supporting-families/>.

² *Academic.oup.com*, <https://academic.oup.com/qje/article-abstract/137/4/2539/6571263>.

³ *Academic.oup.com*, <https://academic.oup.com/wber/article-abstract/36/4/934/6702371>.

⁴ Women, UN. *CASH TRANSFERS AND GENDER EQUALITY: IMPROVING ITS EFFECTIVENESS IN RESPONSE TO THE COVID-19*. 15 May 2020,

<https://lac.unwomen.org/sites/default/files/Field%20Office%20Americas/Documentos/Publicaciones/2020/05/Brief%20Transferencias%20Monetarias%20UPDATE/TRANSFERENCIAS%20INGLES%20%201comprimido.pdf>.

standards of refugees which has since supported around 1.8 million refugees making the ESSN the largest humanitarian programme in the history of the EU.⁵ While the ESSN has helped many refugees, it comes with compromises on humanitarian principles and fails to address the realities of Turkey with respect to the country's housing and labor market and weak protection framework.⁶ This is proof that the economy of cash transfers in countries such as Turkey is far from perfect, despite being performed by an entity as powerful as the EU. A big reason for why cash transfers have gained so much traction recently is because of the effects of Covid-19. As of January 2022, a total of 3,856 social protection and labor measures were planned or implemented which is a net increase of 523 measures since May 2021.⁷ Overall, cash transfers are becoming more recognized as a way to help people every day and as more economies implement cash transfer programs, the more prevalent it will become in our future which is why it is important to understand.

⁵ Meltem Aran | Director | PhD - Researchgate.

https://www.researchgate.net/profile/Meltem-Aran/publication/360018555_Cash_transfers_learning_from_the_EU_programme_in_Turkey/links/625d813c1c096a380d0e13cf/Cash-transfers-learning-from-the-EU-programme-in-Turkey.pdf

⁶ Cetinoglu, Talita. *A Contextual Policy Analysis of a Cash Programme in a Humanitarian Setting: the Case of the Emergency Social Safety Net in Turkey*. 20 Apr. 2020, <https://onlinelibrary.wiley.com/doi/10.1111/disa.12438>.

⁷ Gentilini, Ugo. "Cash Transfers in Pandemic Times." *Open Knowledge Repository*, Washington, DC : World Bank, 1 July 2022, <https://openknowledge.worldbank.org/handle/10986/37700>.

Works Cited

Academic.oup.com, <https://academic.oup.com/qje/article-abstract/137/4/2539/6571263>.

Academic.oup.com, <https://academic.oup.com/wber/article-abstract/36/4/934/6702371>.

Aran, Meltem A. “Cash Transfers: Learning from the EU Programme in Turkey.” *Cash Transfers: Learning from the EU Programme in Turkey | Forced Migration Review*, <https://www.fmreview.org/climate-crisis/aran-aktakke-colak-baykal>.

Cetinoglu, Talita. *A Contextual Policy Analysis of a Cash Programme in a Humanitarian Setting: the Case of the Emergency Social Safety Net in Turkey*. 20 Apr. 2020, <https://onlinelibrary.wiley.com/doi/10.1111/disa.12438>.

The Emergency Social Safety Net (ESSN) - World Food Programme. <https://docs.wfp.org/api/documents/WFP-0000104792/download/>.

Gentilini, Ugo. “Cash Transfers in Pandemic Times.” *Open Knowledge Repository*, Washington, DC : World Bank, 1 July 2022, <https://openknowledge.worldbank.org/handle/10986/37700>.

Mader, Jackie. “Cash for Families with Children Can Have a Profound Impact on Health and Development.” *The Hechinger Report*, 22 July 2021, <https://hechingerreport.org/research-shows-cash-programs-with-no-strings-attached-is-better-for-supporting-families/>.

Women, UN. *CASH TRANSFERS AND GENDER EQUALITY: IMPROVING ITS*

EFFECTIVENESS IN RESPONSE TO THE COVID-19. 15 May 2020,

<https://lac.unwomen.org/sites/default/files/Field%20Office%20Americas/Documentos/Publicaciones/2020/05/Brief%20Transferencias%20Monetarias%20UPDATE/TRANSFERENCIAS%20INGLES%20%201comprimido.pdf>