

Effect of Financial products and services Cash and in-kind transfers on Food security and nutrition & Health security

Financial aid shows a small effect on food security, nutrition, and health security by addressing resource constraints and increasing access to essential goods and services.

Geographic Location: Sub Saharan Africa, South Asia, Latin America & Caribbean, Middle East & North Africa

Effect: Small effect ($g=0.114$)

Confidence in study findings: Moderate (5 studies with 61 effect sizes)

Short Summary:

The studies in this cell examine the impact of financial products and cash-based interventions on food and health security in fragile and high-risk settings, showing a small positive effect. Blattman (2017) found that combining cognitive behavioral therapy (CBT) with cash transfers reduced aggression and improved self-control among high-risk men in Liberia, indirectly supporting mental well-being and health security. Hidrobo (2012) evaluated the World Food Programme's Food, Cash, and Voucher intervention for Colombian refugees and Ecuadorians, showing that cash transfers were cost-effective, preferred by participants, and improved food consumption and nutrition knowledge. Lehmann (2014) reported that cash assistance for Syrian refugees in Lebanon allowed beneficiaries to prioritize essential needs such as food and water, enhancing food security, though heating needs were partially unmet. Muller et al. (2019) highlighted negative consequences of incomplete cash transfer programs in South Sudan, where unmet expectations reduced consumption and caused psychological stress, particularly among women. Overall, these studies suggest a small positive effect of cash-based interventions on food and health security.

Long summary

The Intervention:

These interventions typically include microcredit, microinsurance, and microsavings initiatives, including village savings and loan associations, as well as financial literacy support. They provide both in-kind and cash transfers, such as direct food assistance or social safety nets, which may be conditional or unconditional. Short-term cash-for-work programs are also included, where participants receive cash in exchange for labor. Interventions often combine transfers with other forms of support, such as skills training or health programs, to enhance economic and social outcomes.

How the Intervention is expected to work:

The interventions aim to address immediate and long-term needs by providing cash or in-kind support, sometimes combined with behavioral or skills training. Blattman et al. (2017) used CBT alongside cash transfers to improve self-control and reduce antisocial behaviors. Hidrobo et al. (2012) focused on participant choice in food, cash, or voucher transfers to improve cost-effectiveness and food security. Lehmann (2014) provided winter cash assistance to Syrian refugees to meet basic needs like food and water, supporting both short-term survival and broader socioeconomic outcomes. Muller et al. (2019) combined unconditional cash grants with business and life skills training in South Sudan to support

youth entrepreneurship and economic stability, though program disruptions reduced effectiveness. These interventions are designed to enhance both immediate well-being and longer-term health and food security.

The Evidence base:

There are 8 studies in the cell: 7 are impact evaluations utilising experimental methodologies 6 RCTs, 2 non-experimental design studies and 1 qualitative study. The qualitative study by Adedokun (2019) is called, Transition from Civil War to Peace: The Role of the United Nations and International Community in Mozambique and is rated high confidence.

The impact evaluations are from Afghanistan (1 study), Uganda (2 studies), Liberia (1 study), Syrian refugees in Lebanon (1 study), South Sudan (1 study) and Ecuador (1 study). Whilst the qualitative study is based in Mozambique.

Evidence findings:

The studies indicate that cash and in-kind transfers have a small positive effect on food security, nutrition, and health outcomes. While they can enhance short-term well-being and access to essential goods, the long-term impact depends on program design, consistent implementation, and complementary support mechanisms. Integrated approaches combining financial aid with training or behavioral interventions appear more effective in sustaining benefits over time

Included Studies:

Baseler (2021): In this study, cash grants were assessed for their impact on food security, nutrition, and health security among Ugandan microentrepreneurs. The study measured food insecurity by tracking how often participants went without enough food and whether they struggled to afford basic household expenses like medicine, rent, and school fees. While cash assistance provided some economic relief, the findings suggest that financial transfers alone did not significantly improve food security or health security in the long term. Many households still faced economic distress, with some needing to sell assets or borrow money to cover basic necessities, indicating that short-term cash transfers may not provide sustained improvements in food and health security without complementary interventions. This study is rated medium confidence due to no power calculations. Additionally, effect sizes could not be extracted due to insufficient data within the study related to the outcome measured in the cell.

Blattman (2013): The study assessed self-reported health indicators including the number of days sick in the last 30 days, perception of health status, and mental well-being (depression and anxiety index). The findings showed little impact on these measures, with the only statistically significant result being that WINGS program beneficiaries reported 20% more days sick per month than the control group. However, the study found no meaningful difference in perceptions of health status or symptoms of depression and anxiety. Regarding food security, the study measured whether participants went to bed hungry in the past week. While treated individuals were slightly less likely to report going to bed hungry, this change was not statistically significant. The study also found that although beneficiaries increased spending on children's health and education, there was no measurable improvement in children's health outcomes. Overall, the study suggests that while cash grants can improve economic well-being, they do not necessarily lead to better health or food security outcomes in the short term. This study is rated high confidence. However, effect sizes could not be extracted due to insufficient data within the study related to the outcome measured in the cell.

Blattman (2017): Blattman et al. (2017) focused on a combination of cognitive behavioral therapy (CBT) and cash transfers as an intervention for high-risk men in Liberia, with the goal of improving self-control and reducing antisocial behaviors. The study found that the combination of CBT and cash led to significant reductions in aggressive behaviors and improved self-control, suggesting that integrating financial products with psychological support can have a lasting impact on behavior. While the study didn't directly measure food security, the findings directly relate to health security by addressing behavioral improvements, such as reduced aggression, which can affect overall mental well-being in high-risk populations. The short-term improvements in economic performance, however, did not show significant changes in income or assets after a year, implying that while cash transfers may contribute to immediate behavioral shifts, their longer-term effects on financial stability outcomes require further exploration. The study is rated high confidence.

Hidrobo (2012): This final impact evaluation of the World Food Programme's Food, Cash, and Voucher intervention examines outcomes such as food security, anemia, and gender issues among Colombian refugees and poor Ecuadorians in Northern Ecuador. The study finds that cash transfers incurred lower costs to participants and were preferred over food or vouchers. While all transfer modalities were mainly used for food consumption, voucher recipients spent a larger portion on food. The nutrition knowledge gained through the program was most significant for iron- and vitamin A-rich foods and infant feeding practices. Although the study highlights various benefits, including increased food consumption and improved nutrition knowledge, it does not directly measure health security or food security beyond consumption patterns. The findings suggest that cash transfers may provide a cost-effective and preferred option for improving food consumption, which indirectly supports food security and health, particularly when accompanied by nutrition education. The study is rated high confidence due to experimental study design and no mention of power calculations.

Kurtz (2018): examines the effects of financial products, services, and cash and in-kind transfers on food security, nutrition, and health security in Afghanistan, specifically through the INVEST program, which provided vocational training and unconditional cash transfers (UCTs) to vulnerable youth. While the program was primarily designed to improve employment and reduce support for armed opposition groups, it also had indirect implications for food and health security. The study found that UCTs provided short-term financial relief, enabling recipients to meet basic needs such as food and healthcare. However, this effect was temporary, as most beneficiaries spent the cash transfers on immediate consumption rather than long-term investments. The study states, "Recipients spent their money on basic needs, which may have reduced the lure of financial incentives from armed opposition groups in the short term". However, six to nine months later, the effect dissipated, indicating that a one-time cash transfer was insufficient to generate lasting improvements in food or health security. Interestingly, the combination of vocational training and cash transfers produced the most positive long-term effects, including improved perceptions of government responsiveness, which could influence broader economic and health security outcomes. The study concludes that "multidimensional interventions that address both economic and governance-related grievances appear more effective".

Lehmann (2014): This study evaluates the impacts of the winter cash transfer program run by UNHCR for Syrian refugees in Lebanon. The cash assistance, which aimed to help beneficiaries stay warm during winter, was primarily used for food and water, with beneficiaries spending more than half of the cash on these basic needs, despite also receiving food vouchers. The study found that cash assistance did not meet the program's objective of keeping all beneficiaries warm, as many reported insufficient heating supplies. However, the program did not cause negative consequences such as inflation or increased refugee migration. Additionally, cash assistance improved access to education, reduced child labor, and increased community support. While the study primarily focused on well-being metrics, it also suggested that cash transfers can improve food security by enhancing

beneficiaries' ability to meet basic needs, including food consumption, thereby indirectly supporting health security. The study is rated as medium confidence due to non-experimental study design, partial description of intervention and outcomes and mention of power calculations

Muller et al. (2019): examine the effects of the unintended closure in 2016 of the Youth Business Start-Up Grant Programme in South Sudan. This study investigates the consequences of the unplanned cancellation of the South Sudan Youth Business Start-Up Grant Program, which aimed to provide unconditional cash grants and business and life skills training to youth in South Sudan. The study reveals that participants who received the planned support showed improvements in consumption, savings, and psychological well-being. However, individuals who were unable to access the grant after anticipating it faced negative outcomes, including reduced consumption, with women in particular experiencing significant declines in trust. The disruption of the program underscores the importance of consistent and reliable support, as the failure to implement the program as intended had a detrimental impact on both economic and psychological well-being—key factors in ensuring health security, especially in fragile and insecure contexts. The study is rated medium confidence because of moderate levels of attrition and incomplete description of the intervention.

Confidence assessment:

Overall moderate: The overall confidence is moderate because some studies are rated as low confidence.

Other outcomes in the study

Human Security / Economic Security

Violence and atrocity prevention / Social norms regarding violence and atrocities