

# Giving cash without strings attached can improve health

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New research has shown governments can help improve health in low and middle income countries, simply by providing cash to people living in poverty.

Dr Frank Pega, an honorary research fellow from the University of Otago, Wellington, has just published a major international review of the [health](#) effects of unconditional [cash transfers](#). These are one type of governmental social protection intervention to tackle income poverty. Universal basic incomes, where everybody receives a basic income, are also a type of unconditional cash transfer.

The review identified 21 studies on the effect of such cash transfers on health service use and health outcomes in low- and [middle-income countries](#). Sixteen of the 21 studies were experimental. It was the first review of the [health effects](#) of this increasingly common type of international development assistance provided by governments around the world, including New Zealand, to an estimated 800 million people.

The results suggest that unconditional cash transfers lead to a reduction in the likelihood of having had any illness in the past few weeks or months by an estimated 27 per cent, according to Dr Pega.

"The review also showed that these cash transfers probably led to a moderate increase in the likelihood of children in recipient families attending school, and that they may improve food security, nutrition, and the amount of money recipients spent on health care," he writes.

Professor Nick Wilson, who was not directly involved in this study but has worked with Dr Pega at the University of Otago, Wellington, calls the findings promising for health and social benefits.

"This study shows that these types of [cash](#) transfers are an important form of international governmental development assistance for improving health among people living in poverty."

**More information:** Frank Pega et al. Unconditional cash transfers for reducing poverty and vulnerabilities: effect on use of health services and

health outcomes in low- and middle-income countries, *Cochrane Database of Systematic Reviews* (2017). [DOI: 10.1002/14651858.CD011135.pub2](https://doi.org/10.1002/14651858.CD011135.pub2)

Provided by University of Otago

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