# Unconditional Cash Transfers and Multidimensional Child Poverty

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Substantial progress has been made in reducing poverty in general, but the situation remains of concern regarding children. By 2030, the target date for the Sustainable Development Goals, UNICEF estimates that 167 millions children will live in poverty and nine out of ten children in extreme poverty will live in sub-Saharan Africa (UNICEF, 2016). Ending poverty in all its forms everywhere will likely not be reached if this trend continues. This situation provides a strong motivation to find appropriate policy responses. Pro-poor targeted cash transfers are an increasingly popular policy instrument to address poverty and economic inequalities. In addition to being perceived as a cost-effective, the attractiveness of cash transfers operate at scale and reach millions of beneficiaries (Honorati et al., 2015).

There is a growing literature on the use of cash transfers in anti-poverty policy (Subbarao et al., 1997; Fiszbein and Schady, 2009). However, these studies define poverty by using income measure or a dashboard of indicators. In the past decades improvement have been made in the measurement of multidimensional (MD) poverty. In particular, measures of child MD poverty have been developed starting with the 'Bristol method' (Gordon et. al 2003), and then with the Multiple Overlapping Deprivation Approach (MODA) developed by UNICEF (De Neubourg et al., 2012). Children experience poverty in a different way than adults, as many of the goods and needs needed for a child are public. Therefore, a MD measure is appropriate for child poverty.

We investigate the impact of Government of Malawi's unconditional cash transfer program on child multidimensional poverty. We leverage rich evaluation data from a three-year cluster-randomized controlled trial conducted from 2014 to 2016. To define the poverty measure, we use MODA methodology. The MODA methodology presents several advantages as it concentrates on the child, rather than the household and adopts a life-cycle approach. In particular, we will use the national definition of child MD poverty, constructed in 2015 by UNICEF in consultations with government and local partners. The measure was built using the Integrated Household Panel Survey of 2013. The majority of the information used in the construction of the Malawi MODA is available in the evaluation of the program, providing a unique opportunity to test the impact of a national social protection policy on a nationally defined measure of child MD poverty.

This analysis will contribute to the literature in several ways. First, by examining measures of non-income poverty among the cash transfer beneficiary group and comparison to national statistics, the analysis will provide useful information to understand how targeting mechanisms in Malawi have included or excluded vulnerable groups by different metrics. In addition, it will be the first analysis we are aware of that investigates if cash transfers are able to reduce child MD poverty, thus contributing to our understanding of how interventions may improve non-income poverty measures, or similarly what barriers may be responsible for lack of impact. Results will inform future research as well as program design for the Government of Malawi and in similar settings.

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