

AMERICAN UNIVERSITY OF BEIRUT

THE EFFECT OF MULTI-PURPOSE CASH
ASSISTANCE' ELIGIBILITY ON LABOUR OUTCOMES OF
SYRIAN REFUGEES

by
GHIDA IMAD EL KAISSI

A thesis
submitted in partial fulfillment of the requirements
for the degree of Master of Arts
to the Department of Economic
of the Faculty of Arts and Sciences
at the American University of Beirut

Beirut, Lebanon
January 2023

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GHIDA IMAD EL KAISSI

Approved by:



Dr. Nisreen Salti, Associate Professor
Department of Economics

Advisor



Dr. Ali Abboud, Assistant Professor
Department of Economics

Member of Committee

Nisreen Salti in lieu of Dr. Dagher



Dr. Leila Dagher, Associate Professor
Department of Economics

Member of Committee

Date of thesis defense: January 26, 2023

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ABSTRACT OF THE THESIS OF

Ghida Imad El Kaissi

for

Master of Arts

Major: Economics

Title: The Effect of Multi-Purpose Cash Assistance' Eligibility on Labour Outcomes of Syrian Refugees

In November 2017, WFP and UNHCR constructed an assistance scheme called the Multi-Purpose Cash Assistance, targeting the most economically vulnerable Syrian refugee households, in an attempt to alleviate burdens and help them meet their basic needs and improve their overall well-being.

The purpose of this research paper is to get a better understanding of the impact of the Multi-purpose cash assistance scheme on livelihood outcomes, namely on labour market outcomes.

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CHAPTER 1

INTRODUCTION

By 2016, over 1.5 million Syrian refugees resided Lebanon, constituting over a quarter of Lebanon's estimated 4.3 million citizens. The refugee crisis in Lebanon severely affected the socioeconomic situation in the country. Unemployment doubled in Lebanon to 20% while only half of Syrian refugees engaged in income generating activities (ILO, 2016). As of 2019, the living and working conditions of Lebanese citizens and Syrian refugees worsened in the context of Lebanon's multiple crises, which include financial, economic and political challenges, followed by the COVID-19 outbreak which severely hit the country's vulnerable workers, especially Syrian refugees.

As of 2021, the population continued to suffer the crises' worsening consequences. The unemployment rate increased from 11.4% in 2018-2019 to 29.6% (ILO, 2022), accounting for one third of the labour force. As for the Syrian refugee population, vulnerability indicators are just as concerning. The unemployment rate is of 30% of the labour force, 27% for men and 44% for women. The labour force participation rate of women is of 16% of the population, whereas male's participation is of 81%, which is an indicator of a big gender gap. Additionally, and according to the latest findings from the Vulnerability Assessment of Syrian Refugees, the percentage of Syrian refugees living below the survival minimum expenditure basket (SMEB) rose from an already alarming rate of 55% in 2019 to 88% in 2021 (VASyR, 2021).

Several assistance schemes targeting vulnerable Syrian refugee households have been established in an attempt to alleviate burdens and help them meet their basic needs. Among the assistance schemes is the Mutli-Purpose Cash Assistance (MPC) which was started by WFP and UNHCR in November 2017, and consisted of a monthly transfer of \$173.50 and \$175 per household provided by the agencies respectively for one year. The eligibility of a households to receive multipurpose cash assistance is determined by a vulnerability score predicting the per capita expenditure level of households. The scoring formula is revisited every year based on updated socio-demographic data collected from the yearly VASyR survey (Chaab et al, 2020). The MPC programme is still running to this day, expanding the numbers of beneficiaries reached each year and adjusting the

amount of the cash assistance following adjustments of SMEB, to account for the devaluation of the currency and hyperinflation in food and shelter prices (Basic Assistance Working Group Meeting, 2022).

Syrian refugees face restricted access to the labour market in Lebanon. They are currently legally permitted to work in three economic sectors: agriculture, construction and environmental services. According to the impact evaluation on the well-being of Syrian refugee, 29.3% of the employed worked in the agriculture sector, 22.7% in the construction sector and 0.5% in the environmental services sector. The larger percentage of the employed, 47.5%, reported working in crafts and services, largely in the informal sector where hazard and job irregularity are predominant.

The MPC evaluation found that the MPC had positive effects overall. Although Long Term MPC assistance reduced employment for men from 53.3% to 36.3%, it increased the unemployment rate of men actively seeking work from 22.6% to 33.2%, which means that the MPC is allowing men to search for better job opportunities (Chaaban et al, 2020). The report also states that receiving MPC of any duration was correlated with a lower probability of work-related hazard or injury.

The purpose of this study is to get a better understanding of the impact of the Multi-purpose cash assistance scheme on livelihood outcomes, namely on labour market outcomes. In this study we will read the impact of MPC on labour market outcomes separately for each gender. Our research question is “How does the eligibility for MPC assistance affect the employment status of both men and women, and how does a continuation of MPC receipt impacts labour market outcomes compared to a discontinuation from assistance”. This might help showcase the importance of cash assistance in offsetting some of the crisis consequences and encouraging decent employment and consequent financial independency of refugee communities. It might also help adapt and improve the MPC scheme mechanism, i.e. its duration and amounts, to get optimal results for labour market outcomes.

This thesis is organised as follows: Chapter 2 consists of a literature review where we explore some of the available literature on cash assistance and labour market outcomes. Chapter 3 is a description of the data at hand. Chapter 4 explains the empirical strategy used in the researched and its limitations. Chapter 5 displays our findings and

analysis of results. Finally, in Chapter 6 we will conclude and present some policy implications.

CHAPTER 2

LITERATURE REVIEW

The standard model of labour supply predicts that when an individual receives non-work income or an unexpected cash transfer, they choose to work less, earn less, and demand more leisure, with the assumption that leisure is a normal good (e.g., Becker 1965, Sarah Baird, David McKenzie & Berk Özler, 2018). More specifically, some analysts believe that cash assistance schemes may discourage beneficiaries from supplying labour, as they decrease beneficiaries' need to make money through work (Lehmann C and Masterson D, 2014). The existing empirical evidence on the effect of cash transfers on labour outcomes is mixed. Some studies find no effect of cash assistance on labour supply, while others report significant effects, either positive or negative.

Lehmann and Masterson study the effect of the winterization cash transfer program which targeted Syrian refugees in Lebanon in 2014. The transfers significantly reduced child labour reported in the past month, but also reduced adult labour supply. This example is consistent with the model of labour supply, where leisure is considered a normal good (Lehmann C and Masterson D, 2014).

In Mexico, Progresa is a programme that provides conditional cash transfers (CCT) to mothers if their children receive health check-ups. This example of cash transfers encouraged females/mothers to drop out of the labour force (De Brauw et al., 2015). The conditional cash in this example of transfers where conditions are specific to mothers unintentionally reinforced gender norms of women as caregivers. However, this same programme substantially increased labour income of males and allowed them to move from working in the agricultural sector toward higher-paying jobs (Sarah Baird, David McKenzie & Berk Özler, 2018).

Similar to Progresa, the national CCT program “Takaful” launched in Egypt also showed a reduction in women’s control over household decision making and of labour supply outside of the household for female recipients, and the decrease in decision making was primarily due to the drop in female employment (El-Enbaly et al., 2019).

In Brazil on the other hand, Foguel and de Barros studied in 2018 the effects of a CCT programme which targeted households below a certain limit of per capita income. The results show no impact on the female labour participation rate, and a positive yet

small impact on male's participation rate. These results seem to be in favour of the theory that cash transfer programmes do not affect labour supply of adult males and females (Foguel and de Barros, 2018).

Baird S., McKenzie D., & Özler B. conducted in 2018 a narrative review of well-identified quantitative studies to draw some conclusions on the effect of cash transfers on labour market outcomes. They state that "Overall, cash transfers that are made without an explicit employment focus tend to result in little to no change in adult labour. The main exceptions are transfers to the elderly and to some refugees, who reduce work." This indicates that, while reviewing literature and evidence of the impact of cash assistance on labour outcomes, one should be mindful of not only the scheme and type of cash assistance (conditional, unconditional, eligibility, duration and amount), but also of the local context, which is an important, often disregarded determinant. So it would be important for us to study how the MPC assistance scheme affects labour outcomes of the Syrian refugees in Lebanon, knowing the peculiarities of the local context described in the previous chapter, particularly the legal constraints to their participation in formal employment.

CHAPTER 3

DATA AND EMPIRICAL STRATEGY

3.1 Institutional Framework and Sample Summary

The CAMEALEON (Cash, Monitoring, Evaluation, Accountability & Learning Organizational Network) dataset contains observations from a total of 3,012 refugee households. The data includes outcomes on well-being, such as household expenditures, food security, housing, water, WASH, education, employment, health and decision-making. We use the household surveys run in three governorates (the Bekaa, North Lebanon, and Mount Lebanon) over two waves of data collection in February/March 2019 and July/August 2019. The receipt of cash assistance is determined by a vulnerability score predicting the per capita expenditure on the level of households. Ideally, all households with a score below SMEB, i.e. households who are not able to provide for themselves and meet the survival minimum expenditure basket, are considered vulnerable and eligible to receive assistance. Due to the limited budget, only 29% of households that are below SMEB received MPC.

In order to study the effect of MPC on livelihood outcomes, we defined the control and treatment groups. The control group constitute the households that did not receive MPC in 2017 nor in 2018. The treatment groups we are concerned with are 2;

- Discontinued group are the households which received MPC since November 2017, and then stopped receiving MPC after 12 months in November 2018 after the recalibration of the formula that ranks households from most to least vulnerable and determines their eligibility to receive MPC. This group has been discontinued from assistance for 4 months when observed in the first survey we use and for 9 months in the second.
- Long Term group are households that received MPC in November 2017 and continued receiving in 2019. This group has been receiving for 16 months in the first survey we use and for 22 months in the second.

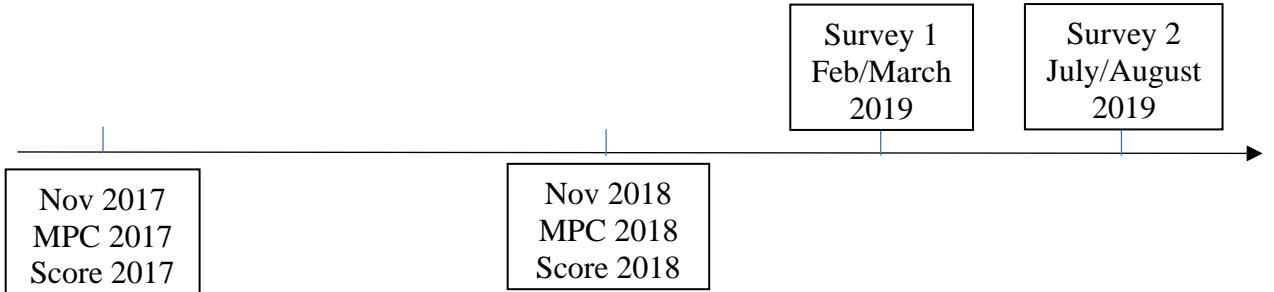


Figure 1. TimeLine of the MPC receipt and Wave Data collection

We also generated variables that will be used in our regressions, namely labour force participation, employment and employment type, work-related hazard and work-related injuries. All our regressions are restricted to the working age group between 16 and 64, and segregated by gender. We are also restricting the regressions to non-disabled people.

The employment variable includes any person who worked in the past 30 days, or was on vacation or sick leave. Employment type could be either full time, part time, an employment that is per day or by piece with regular payments, and finally an employment that is per daily or by piece with irregular payments. Hazardous work conditions include individuals who reported facing any hazards at work, ranging from exposure to continuous and very loud noise to exposure to chemicals. Similarly, work-related injuries range between superficial injuries to amputation.

In our regressions, we will be controlling for the vulnerability score attributed to each household, and its square. We will also be controlling for variables which might affect labour outcomes other than the receipt of MPC or the eligibility for MPC, such as Education, Age, Gender, household size (hhszie), Marital Status (Mrtl_Status) and Chronic Diseases.

Table 1. Statistics table describing variables of interest

Variable	N	SD	Mean
score2018	7829	1.719446	56.9162
score_sq	7829	195.9652	3242.41
Treatment	7829	.4991416	.529825
Employment	7829	.4613588	.3071912
Full_Time	2063	.3754212	.1696558
Part_Time	2063	.325855	.120698
Daily_Regu~r	2063	.3491616	.1420262
Daily_Irre~r	2063	.4960405	.5637421
lbrforce	7829	.4907059	.403883
Hazard	7829	.2077919	.0452165
Disable	7829	.2105654	.0464938
Injury	7829	.0721816	.0052369
ChrDisease	7829	.0298902	.9991059
Education	7816	1.6646	2.878454
Gender	7829	.4975377	1.549879
Age	7829	11.32359	32.35407
hhsize	7829	2.155399	6.406565
Mrtl_Status	7818	1.138342	2.679202

Table 1 shows the summary statistics of the variables used in the regressions. The data includes household level and individual level information. To study the effect of MPC on employment outcomes, the unit of analysis will be the individual, but we will use both individual and household level variables. Our subsample is around 7,000 observations each representing an individual in the working age group. These observations are within a bandwidth of 3 score points above and below the cut off score of 57.

3.2. Empirical Strategy

Since we are looking to study the causal effect of this multi-purpose cash assistance on labour market outcomes, we are going to use a sharp simple Regression Discontinuity Design (RDD). The RDD is characterized by a treatment assignment that is based on whether an applicant falls above or below a threshold on a rating variable, generating a discontinuity in the probability of treatment receipt at that point (Jacob, Zhu, Somers, & Bloom, 2012).

Beneficiaries of MPC were selected based on a vulnerability scoring system predicting the level of per capita household expenditure. Due to the limited program

budget, only 29% of households that are below SMEB received MPC. WFP used a bottom-up approach where they start with the households with the lowest score and move up until exhaustion of funds, while UNHCR used a geographic bottom-up approach. This enabled the creation of an artificial arbitrary cut-off line, which is the score at which the available funding for the MPC scheme is fully disbursed, creating a quasi-natural experiment. This empirical strategy is based on the assumption that households just above and just below the cut-off are similar in observable and unobservable characteristics, with the only difference being MPC receipt (Moussa et al, 2022).

The assumption is that although the treatment is more vulnerable than the control group, hence different and incomparable, households strictly on either side of the cut-off are very similar in vulnerability and other unobservable characteristics, with the only difference being the receipt of MPC assistance. Therefore, any differences that we will observe regarding the labour market outcomes and overall well-being of households will be solely attributed to the amount of cash assistance received.

We first established the treatment in our model, then checked for validity and smoothness across predetermined characteristics, and ran regressions to study the effect of MPC around the cut-off on labour market outcomes.

3.3 Treatment

As previously mentioned, the MPC eligibility score is determined by predicting the per capita expenditure level of households, which estimates the vulnerability of households. The scores rank households from most to least vulnerable, ranging between 47 and 75. In Figure 2, we generated a two-way scatter plot describing the likelihood of receiving MPC given the score of the household. The scores are categorized in bins of 1 each, to round the scores with decimals to the nearest whole number. We can see that the treatment threshold score is of 57. This means that having a score below 57 has a very large likelihood of receiving MPC, while being above this threshold makes a household not eligible for assistance.

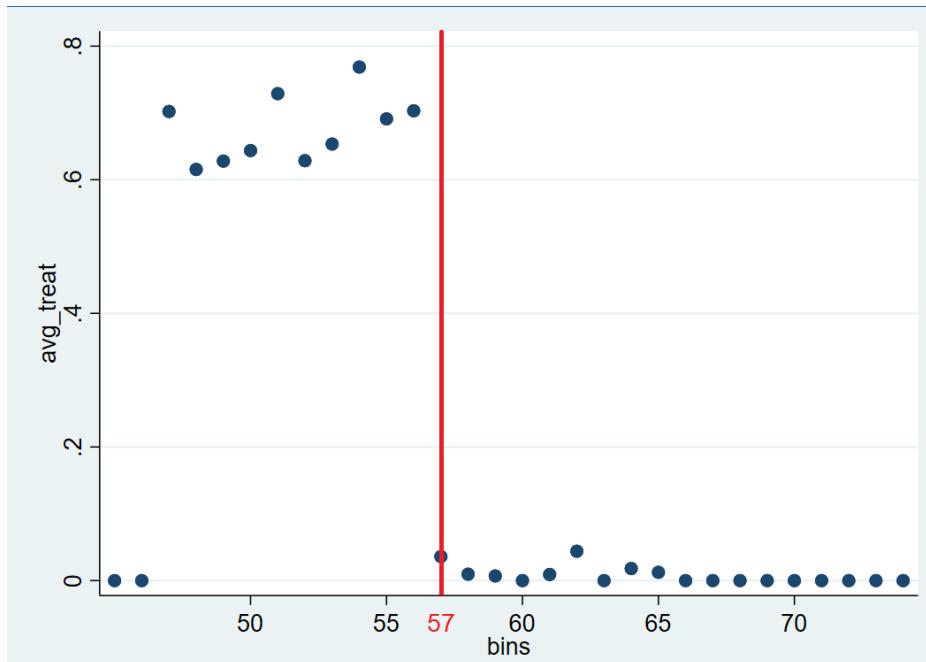


Figure 2. Two-way scatter establishing treatment

We created a dummy variable that indicates that the household's vulnerability score is below 57.

In Table 2 below, we check the relationship between the receipt of MPC and the vulnerability score attributed to households, in a sample which score are 3 points below the threshold and 3 point above.

Table 2. Checking the validity of MPC receipt on vulnerability score

Source	SS	df	MS	Number of obs	=	7,829
Model	930.268142	2	465.134071	F(2, 7826)	=	3556.04
Residual	1023.65037	7,826	.130801222	Prob > F	=	0.0000
Total	1953.91851	7,828	.24960635	R-squared	=	0.4761
				Adj R-squared	=	0.4760
				Root MSE	=	.36166

mpc2018	Coefficient	Std. err.	t	P> t	[95% conf. interval]
score2018	-.023708	.0047225	-5.02	0.000	-.0329654 -.0144506
dummy	.6188537	.0162682	38.04	0.000	.5869637 .6507438
_cons	1.500856	.2763006	5.43	0.000	.9592335 2.042479

In the regression above, we regressed the receipt of MPC on the vulnerability score and the threshold dummy, restricting the sample to the working age group. The coefficient of the vulnerability score is negative and statistically significant, meaning that as the score increases, the likelihood of receiving MPC gets lower. As for the threshold dummy, it is positive and statistically significant, indicating that when the dummy is 1, i.e. the score is less than 57 and beneath the threshold, it increases the likelihood of receiving MPC.

3.4. Validity

The validity of the RDD estimator requires that households be relatively similar in terms of observable characteristics on both sides of the treatment threshold, and that households be unable to manipulate their score on the running variable. As mentioned earlier, the creation of an artificial cut-off line, which is the score at which the available funding for the MPC scheme is fully disbursed, created a quasi-natural experiment. The arbitrary treatment threshold greatly limits the manipulation around the cut-off. Since beneficiaries of this scheme are not aware of the cut-off score and the score is determined by a proxy-means test regression, it is reasonable to assume that they cannot manipulate their score to be either above or below the threshold.

To make sure of this assumption, we study the density of scores around the cut-off in our sample, to make sure that there is no “bunching up” of households around the threshold.

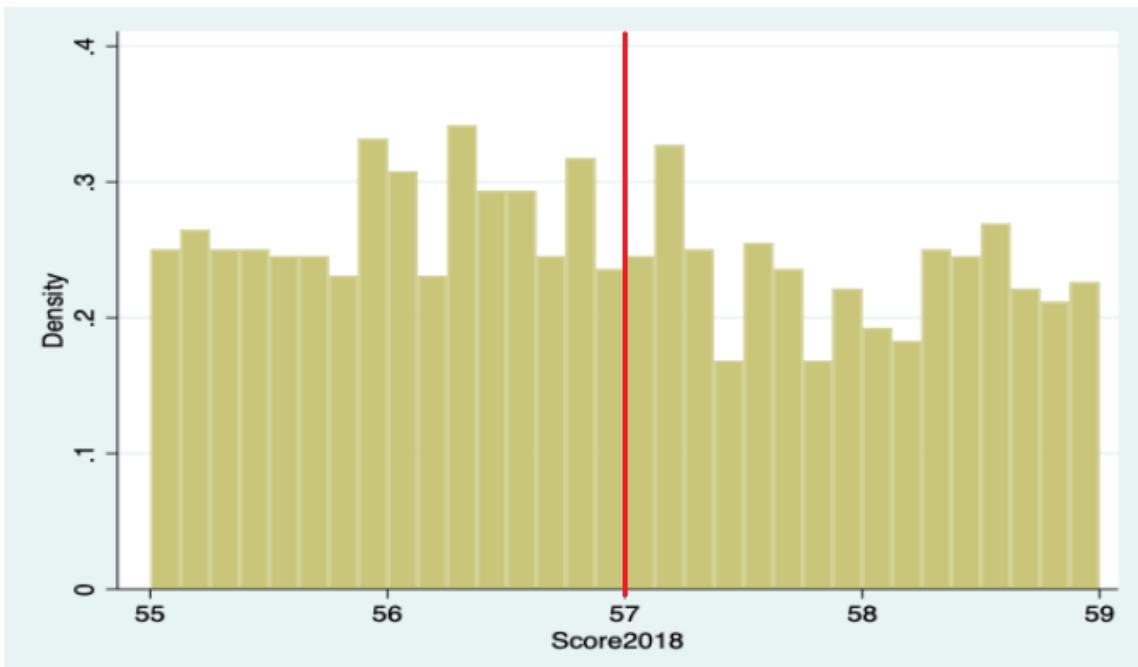


Figure 3. Histogram of Score around the threshold

In Table 2, we performed validity checks on predetermined characteristics of households in our sample, using also bins of the scores, to round the scores with decimals to the nearest whole number. The variables describe individual- and household-level characteristics, namely if a person has Chronic Diseases, faces Hazard on the job or endured occupational Injuries, their Age, Marital Status and Gender. They also take into consideration the Household Size and Dependency ratio.

Table 3. Validity Checks in predetermined characteristics

	(1) ChrDisease	(2) hhszie	(3) Mrtl_Status	(4) Gender	(5) dependency~o	(6) Hazard	(7) Injury	(8) Age
score2018	-0.000594 (0.128)	0.0571** (0.043)	0.0000224 (0.999)	0.000398 (0.951)	0.00860 (0.450)	0.00423 (0.119)	0.000488 (0.605)	-0.0236 (0.873)
dummy	-0.00140 (0.296)	0.302*** (0.002)	0.00834 (0.871)	0.00790 (0.724)	0.0205 (0.601)	0.0149 (0.112)	0.00108 (0.739)	-0.0445 (0.930)
_cons	1.034*** (0.000)	2.999* (0.068)	2.674*** (0.002)	1.523*** (0.000)	0.693 (0.299)	-0.203 (0.201)	-0.0231 (0.676)	33.72*** (0.000)
N	7829	7829	7818	7829	7829	7829	7829	7829
R-sq	0.000	0.001	0.000	0.000	0.000	0.000	0.000	0.000
adj. R-sq	0.000	0.001	-0.000	-0.000	-0.000	0.000	-0.000	-0.000

p-values in parentheses

* p<0.10, ** p<0.05, *** p<0.01

The coefficients on the running variable and the threshold dummy are insignificant, statistically and in magnitude, in all regressions except for the Household size. To fix for it, we will make sure to control for it in our regression.

To sum up, it seems that these households are similar in characteristics, meaning that any difference perceived in outcomes between households around the cut-off are solely caused by the MPC.

CHAPTER 4

FINDINGS AND RESULTS

In this chapter, we will attempt to study the effect of MPC on different employment outcomes, using two main approaches:

4.1. Average Effect of MPC eligibility on labour outcomes

The first approach that we adopt to study the effect of MPC on Employment outcomes is through the local polynomial regression discontinuity estimation with robust bias-corrected standard errors. This model determines the optimal bandwidth using the mean squared errors-optimal bandwidth.

We estimate the following regression:

$$Y_i = \beta_0 + \beta_1 T_i + \beta_2 X_i + e$$

- Y: different employment outcomes (i.e. Labour Force Participation, Employment, and Hazard);
- i: individual-level data;
- T: Dummy variable for threshold score = 1 if vulnerability score is less than 57, i.e. person is likely to be treated, and 0 otherwise;
- X: includes all controls such as the level of Education, Sex, Age and Age squared, if the respondent reports any Chronic Disease, the Household size and Dependency ratio, the Marital status of individual, the district they come from, the vulnerability score and a the score squared, a control for Wave and a Dummy for past MPC receipt in 2017.

The regressions control for predetermined characteristics represented by X. We included these variables as we think that they could influence labour outcome behaviours.

Our statistical threshold is 57 as discussed in the previous chapter. For each labour market outcome of interest, the regression is estimated separately for males and females. The above regression yields the following results¹:

¹ It is important to note that in the Local Polynomial Regression Discontinuity Estimation method, the dummy variable is inverted as it is defined as larger than the threshold 57. In other words, a negative sign would mean an increase in the probability of occurrence, while a positive coefficient signifies a decrease in the probability of occurrence.

Table 4. Effect of MPC on Different Employment Outcomes

Estimating the effect of MPC on Employment Outcomes

	LFP Sample	Males	Females	Employment Sample	Males	Females	Hazard Sample	Males	Females
RD_Estimate	1.75e-16 (0.514)	-4.55e-17 (0.802)	4.50e-16 (0.885)	-0.0227 (0.635)	0.000814 (0.986)	0.0611 (0.496)	-0.0432* (0.075)	-0.0406 (0.130)	-0.0762* (0.077)
N	7219	5934	1285	7219	5934	1285	7835	6496	1339

p-values in parentheses

* p<0.10, ** p<0.05, *** p<0.01

Estimating the effect of MPC on Employment Outcomes

	More_Hours Sample	Males	Females	Injury Sample	Males	Females
RD_Estimate	0.00632 (0.860)	-0.0192 (0.686)	0.128 (0.246)	-0.0103* (0.061)	-0.0134** (0.049)	0.00404 (0.207)
N	7219	5934	1285	7219	5934	1285

p-values in parentheses

* p<0.10, ** p<0.05, *** p<0.01

The coefficients in Table 4 are small in magnitude and statistically insignificant, showing a zero effect overall, except for the Hazard outcome, which increases within females in the labour force by 7.6% and work related Injuries increasing within males in the labour force by 1.3%.

4.2. Effect of MPC eligibility on labour outcomes : Long term versus Discontinued recipients

In this second approach, we construct a similar regression to the one used in the first approach , however restricted to Long Term recipients (our treatment group) and Discontinued recipients (our control group). The comparison of these two groups would allow us to deduce the effect of receiving 2 cycles of MPC in comparison to receiving one cycle and then being discontinued. It is important to mention that other pair ways treatment and control groups have also been explored, with no significant results of eligibility on labour outcomes.

We therefore run the following regression:

$$Y_i = \beta_0 + \beta_1 T_i + \beta_2 X_i + e, \quad \text{restricted to LT and Disc}$$

- Y: different employment outcomes (i.e. Labour Force Participation, Employment, and Hazard);
- i: individual-level data;
- T: Dummy variable for threshold score. Turns 1 if vulnerability score is less than 57, i.e. person is likely to be treated, and 0 otherwise;
- X: includes all controls such as the level of Education, the Gender, if individual has any Chronic Disease, the Household size and Dependency ratio, the Marital status of individual, the vulnerability score and its square, a control for Wave and a Dummy for past MPC receipt in 2017.
- LT: Long Term beneficiaries of MPC, receiving support in both cycles (2017 and 2018).
- Disc: Discontinued group that received MPC from November 2017 until November 2018.

4.2.1. Effect of MPC on Labour Force Participation

We first investigate whether the cash assistance has had any effect on Labour Force Participation:

Table 5. Effect of eligibility for MPC on Labour Force Participation

Estimating the effect of MPC on Labour Force Participation

	LFP	Males	Females
RD_Estimate	-0.0147 (0.571)	0.0206 (0.650)	-0.0441 (0.149)
N	9768	4154	5614

p-values in parentheses

* p<0.10, ** p<0.05, *** p<0.01

From the results in Table 5, we can see that the MPC had a positive effect on women's Labour Force Participation and a negative effect on men's. However, the coefficients capturing the effects are statistically insignificant. Therefore, we conclude that there is no significant effect on Labour Force participation.

We then explore whether the eligibility of cash receipt is associated with any changes in employment status or employment type, i.e. if men and women beneficiaries within the labour force changed employment status or if there were any movements between part-time to full time employment. Whereas for women, it would be important to see if the increased labour force participation, while being barely significant, was met by an increase in employment.

4.2.2. Effect of MPC on Employment Status and Employment Type

A person is considered employed if they have worked for cash even for 1 hour during the past 30 days, or had a job but were on vacation or sick leave. The sample considered to measure employment are individuals of working age group, i.e. between 16 and 64, which are not disabled. Table 6 below displays the Employment status results, segregated by gender.

Table 6- a. Effect of MPC on Employment

Estimating the effect of MPC on Employment

	Employment	Males	Females
RD_Estimate	0.0601* (0.055)	0.118* (0.071)	0.0236 (0.476)
N	9768	4154	5614

p-values in parentheses

* p<0.10, ** p<0.05, *** p<0.01

The results in Table 6-a show an overall drop in Employment of 6 percentage points, significant at the 10% level. If we segregate the results, we can conclude that the drop in

Employment is mainly driven by males. The decrease in Employment is of a significant 11.8 percentage points, while the decrease for females is non-significant.

The drop in employment for men could be due to them quitting hazardous jobs, or jobs with low pay, and are looking for better opportunities as labour force participation remains unchanged. As for women, the increase in labour force participation was not actually met by an increase in employment so it could be that it took them more than 9 months to find a job.

Table 6 - b. Effect of MPC on Employment restricting sample to the labour force

Estimating the effect of MPC on Employment - restricted to Labour Force

	Employment	Males	Females
RD_Estimate	0.142** (0.018)	0.133** (0.041)	0.296*** (0.010)
N	3779	3018	761

p-values in parentheses
* p<0.10, ** p<0.05, *** p<0.01

In Table 6-b, we restricted the sample to the labour force and explored the effect of MPC eligibility on Employment. We can see a significant drop in the employment of 14.2 percentage points, with a 13.3 percentage points decrease of men and a 29.6 percentage points decrease for women (although women's number of observations is relatively low).

This big effect observed on the employment level outcome could be indicating a certain behavior of the discontinued group rather than the long term group. It could be that when refugees were discontinued from assistance, they rushed to search for jobs and getting employed to compensate this sudden drop in household income. This could partially explain why there would be such a large effect on employment between the two groups compared, and would also justify why there was no major significant effect on employment when comparing the long term to the control group.

Additionally, we attempted to explore the movements between the four types of employment; full time, part time, work daily or by piece regularly or irregularly. In theory, we expect employment types to be improved, i.e. we expect an increase in full time and decrease in part time employment, and perhaps a decrease in a daily/by piece irregular employment and an increase in more regular employment.

Table 7 - a. Effect of eligibility for MPC on Employment Type (for males)

Estimating the effect of MPC on Type of Employment for Males

	Full_Time	Part_Time	Daily_Regu~r	Daily_Irre~r
RD_Estimate	0.0411 (0.406)	-0.0113 (0.795)	0.0571 (0.173)	-0.0872 (0.178)
N	2220	2220	2220	2220

p-values in parentheses

* p<0.10, ** p<0.05, *** p<0.01

Table 7 - b. Effect of eligibility for MPC on Employment Type (for females)

Estimating the effect of MPC on Type of Employment for Males

	Full_Time	Part_Time	Daily_Regu~r	Daily_Irre~r
RD_Estimate	0.0616 (0.485)	0.103 (0.394)	-0.0658 (0.550)	-0.0912 (0.533)
N	448	448	448	448

p-values in parentheses

* p<0.10, ** p<0.05, *** p<0.01

The results of employment type for males in Table 7 - a, show a statistically insignificant decrease in full time employment, and a statistically insignificant drop in regular daily work employment, whereas the part time employment and daily irregular employment increased. In Table 7 - b, the relatively small number of observations for the regressions for females reduces our confidence in the results.

4.2.3. Effect of MPC on desire to work more hours

Next we investigate whether beneficiaries of the MPC who are employed are looking to work more hours. In Table 8, we split the sample between people who work more than 50 hours per week and people who work less. In theory, the cash assistance should discourage people who work more than 50 hours per week from looking for more work hours as this is a form of work hazard or exploitative work condition.

Table 8 . Effect of eligibility for MPC on The Desire to work more hours

Estimating the effect of MPC on the desire to work more hours

	work>50hrs More Hours	Males	Females	work<50hrs More Hours	Males	Females
RD_Estimate	0.0937** (0.043)	0.115** (0.042)	0.126 (0.555)	0.0264 (0.768)	0.0204 (0.807)	0.140 (0.396)
N	1958	1572	386	1821	1446	375

p-values in parentheses
* p<0.10, ** p<0.05, *** p<0.01

As per the results in Table 8, and in conformity with our expectations based on theory, it seems that the recipients of MPC who already work more than 50 hours per week are less likely to ask for more work hours, especially males with a significant decrease of 9.3%.

4.2.4. Effect of MPC on Hazardous Jobs and Work Related Injuries

As per the previous sections describing the effect of MPC on Employment, it seems that for males MPC recipients, Employment rate witnessed a 11.8% decrease compared to non-recipients. Could it be that the drop in employment is because men are trying to escape hazardous jobs and looking for more decent jobs? To answer this question, we first look at hazardous jobs regressed over various controls. We split our sample in 3 groups from the narrowest group to the broadest. We consider first only the employed, then the Labour Force, then the whole sample.

Table 9 - a. Effect of eligibility for MPC on Hazardous Jobs

Estimating the effect of MPC on Hazardous Jobs

	Employed Males	Females	Labour Force Males	Females	All Sample Males	Females
RD_Estimate	-0.0828** (0.031)	-0.0649 (0.299)	-0.0493 (0.105)	-0.0397 (0.321)	-0.0304 (0.255)	-0.00464 (0.415)
N	2723	549	3438	814	4459	5641

p-values in parentheses

* p<0.10, ** p<0.05, *** p<0.01

It seems that for males, the occupational Hazard has increased. For the subsample of the Employed, Hazard has increased among male recipients by 8.2 percentage points, significant at the 5% level, and within the Labour force, by 4.9% almost significant at the 10% level. For female beneficiaries, results are insignificant.

Table 9 - b. Effect of eligibility for MPC on Work Related Injuries (only for males)

Estimating the effect of MPC on Injury

	Employed	Labour Force	All Sample
RD_Estimate	-0.0118 (0.115)	-0.00963 (0.101)	-0.00583 (0.161)
N	2784	3544	4757

p-values in parentheses

* p<0.10, ** p<0.05, *** p<0.01

In addition to the increase in Hazardous jobs, it seems that reported work related injuries slightly increased among males employed and in the labour force.

CHAPTER 5

CONCLUSION

In conclusion, and after studying the effect of MPC on labour outcomes, we could draw the following conclusions:

- Eligibility for MPC assistance had no effect on the labour force participation of beneficiaries.
- Eligibility for MPC decreased the employment rate of men remarkably in magnitude and significance, and had no effect on employment type.
- Eligibility for assistance decreased the desire to work more hours for male beneficiaries working for more than 50 hours per week.
- An increase of reported hazardous jobs and injuries within male beneficiaries was also reported.

In a narrative review studying the effect of cash assistance programmes from around the world on labour outcomes, it is mentioned that: “Increased labor market participation or change in occupational choice is not a primary goal of humanitarian assistance programs, which aim to prevent adverse outcomes for vulnerable households by ensuring adequate coverage of basic needs [...] However, it should be noted that refugee status is increasingly more permanent, or at least long-term, rather than temporary and, hence, assistance programs do aim to increase work opportunities and earnings for this population” (Sarah Baird, David McKenzie & Berk Özler, 2018).

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