

ABSTRACT

The COVID19 pandemic precipitated widespread hardship for individuals across the world, including housing insecurity, food insecurity, unemployment, and pervasive economic suffering. Federal and state governments responded in part to this suffering by providing cash assistance. Ample literature objectifies the effect of these government-funded payments on COVID related suffering. There is scarce data on the impact that cash payments have on reducing pandemic hardship when sponsored by grassroots organizations and implemented on a micro-level basis. To investigate this, an intervention was staged at Morgan Park Church, a fellowship on the southside of Chicago. Twenty-five parishioners received a one-time payment of one hundred dollars to be used discretionarily to offset hardships in pre-selected categories. Surveys were conducted to determine if the payment led to significant changes in validated hardship variables. Results show that the one-time payment prompted significant improvement in one of nine variables. Subjects reported a significantly lower level of difficulty paying off debts after cash payments were distributed. Variables pertaining to overall financial strain and difficulty saving money, covering transportation costs, paying utilities, paying other bills, affording housing, covering medical expenses, and buying food showed no significant changes following the payment. These results reveal that one-time payments are most likely to be used to pay off existing debts. Additionally, cash payments may need to be given on a continuous basis to significantly lessen the burden of COVID19. Further research is needed to elucidate how grassroots organizations can use cash assistance to lessen the burdens of their constituents.

BACKGROUND

- The onset of the COVID19 pandemic catalyzed global hardship in nearly every facet of life. Housing insecurity, food insecurity, health inequalities, and unemployment skyrocketed during unprecedented times. Ethnic minorities were and continue to be disproportionately impacted by these hardships.
- Numerous interventions were lobbied at the federal, state, and local levels in attempts to mitigate the suffering caused by the pandemic. These interventions varied in form, duration, and targets. Many approaches were behavioral and aimed at promoting appropriate handwashing, cough and sneeze etiquette, and social distancing. Widespread public health campaigns largely focused on vaccines and mask mandates. The American Rescue Plan, a comprehensive, federally sponsored act provided economic support for individuals and families, address housing and food insecurity, and help reduce childcare costs. The efficacy of each of these programs is debatable and analysis is methodologically challenging. Nonetheless, there is a substantial body of literature that aims to objectify the reduction in pandemic-associated anguish as an outcome of intentional interventions.
- The paucity of literature, however, exists in the analysis of how community-sponsored economic support—namely cash payments—helps to reduce COVID19 hardships. This topic was investigated by observing and surveying a population of African American churchgoers who attend Morgan Park Pentecostal Church, a church located on Chicago’s southside. This study site was chosen because most of the congregants are members of “vulnerable” or “hard to reach” populations disparately impacted by the pandemic.
- This project is a continuation of an earlier intervention. In the original intervention, participants were surveyed to identify specific areas in which they were suffering due to the pandemic. Analysis revealed that those areas were housing security, mental health support, paying for heat and other utilities, childcare, transportation to doctor’s appointments, and activities of daily living. In the current intervention, the aim was to provide subjects a one-time payment of one hundred dollars to be applied to any of the aforementioned categories, then use pre and post surveys to determine whether or not participants experienced any significant changes in hardship-associated variables in response to the intervention. This project explores the extent to which relatively small, one-time payments can affect an individual’s perception of hardship.

OBJECTIVES

- Elucidate how grassroots organizations can use cash assistance to lessen the burdens of their constituents
- Analyze how community-sponsored economic support—namely cash payments—helps to reduce COVID19 hardships
- Determine if a one-time payment can lead to significant changes in validated hardship variables
- Establish if participants experienced any significant improvements in hardship-associated variables in response to the intervention
- Explore the extent to which relatively small, one-time payments can affect an individual’s perception of hardship

METHODS

- The current project offered \$100 to 25 people to apply to hardships pertaining to housing, medical expenses, utilities, food, transportation costs, overall financial well-being, and pre-existing debts.
- After returning the application, subjects received a link to complete a pre-survey. Following submission of the pre-survey, each subject was given \$100 via Zelle. One week after payment, subjects were emailed a link to complete a post survey.

- Pre and post survey results were analyzed to determine the presence of any statistically significant improvements.

Abbreviated Timeline

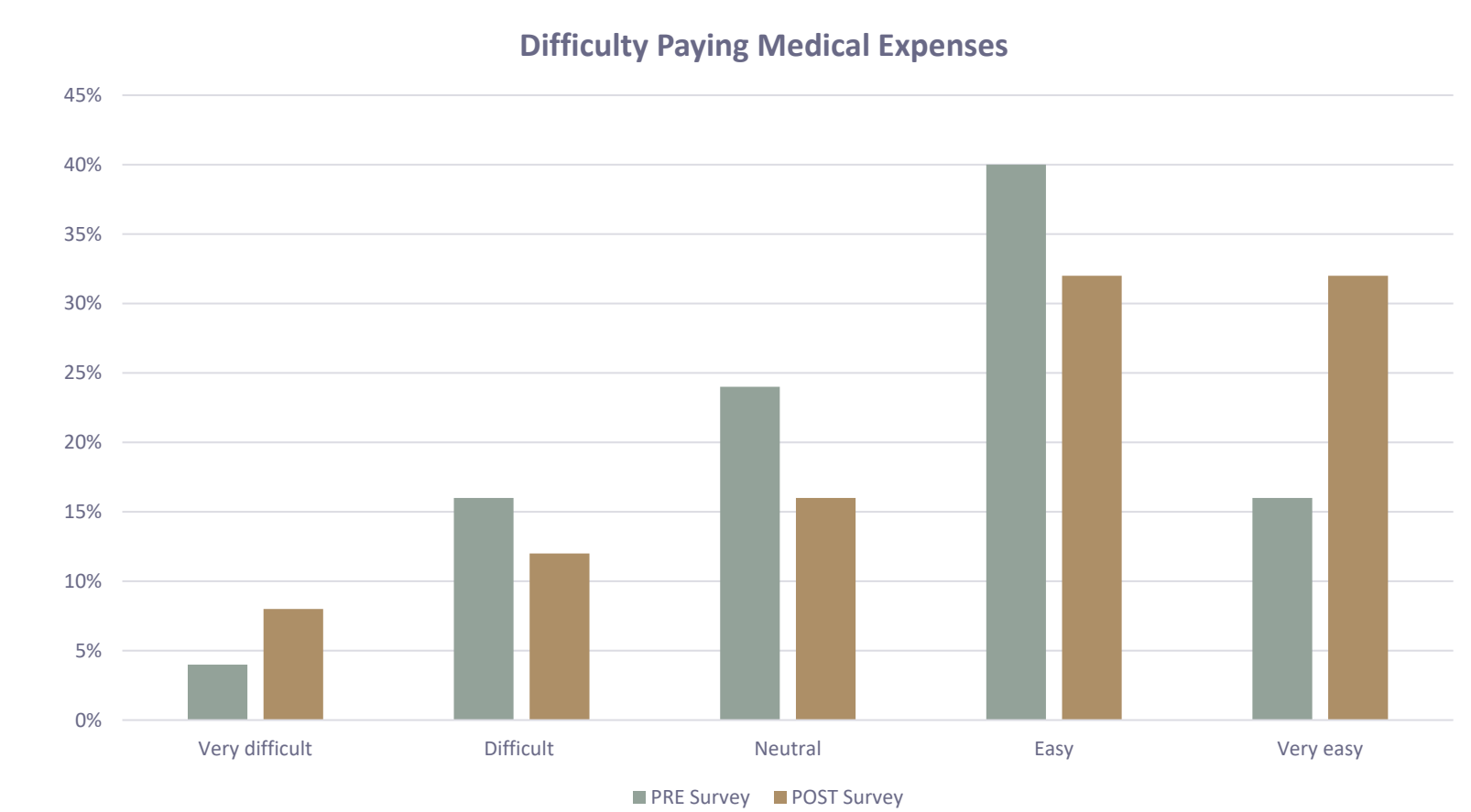
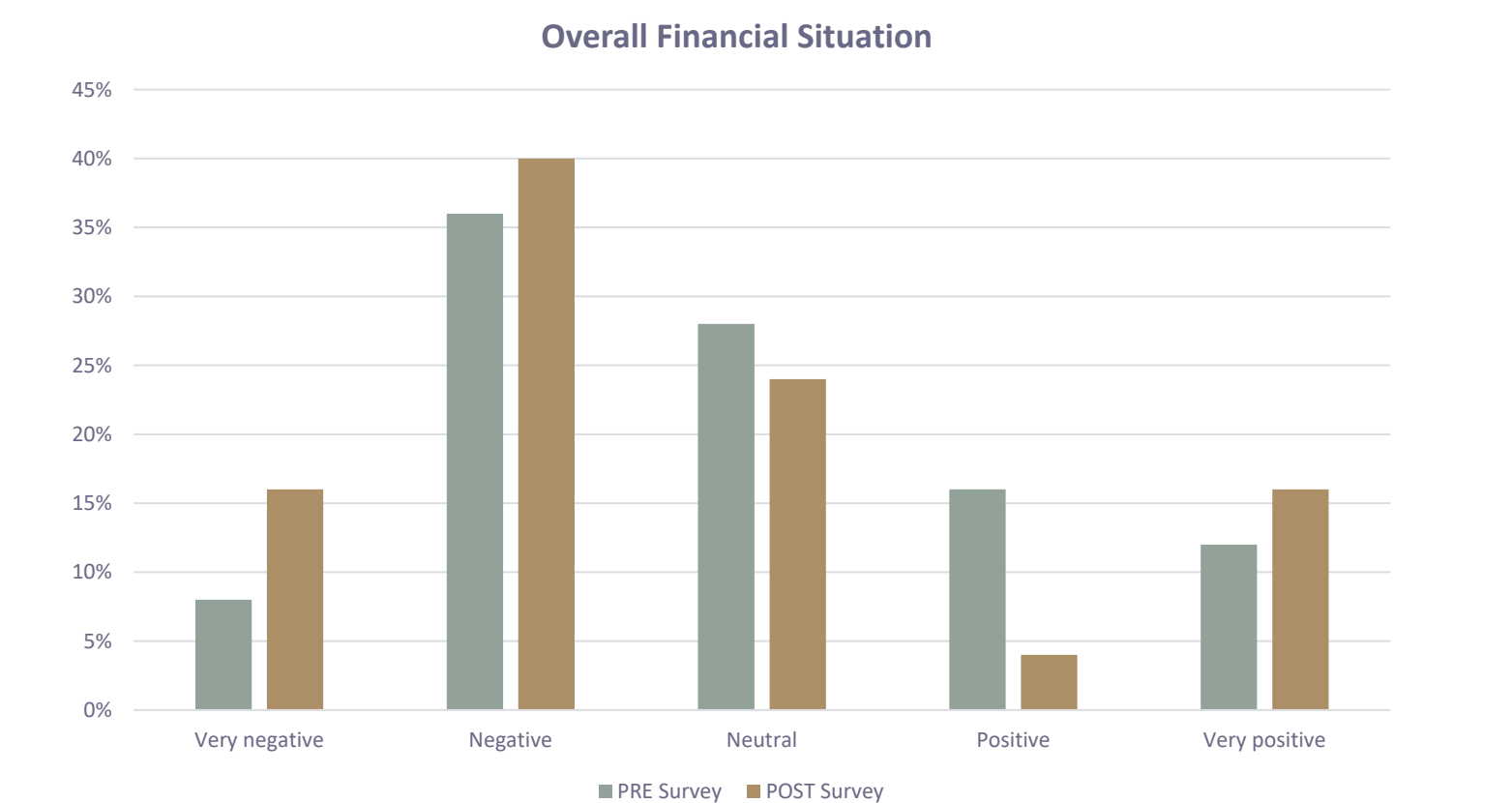
- Early March 2022:** Distribute the funding applications and begin reviewing and approving them on a rolling basis. Distribute the pre surveys are submission of the application.
- Late March 2022:** Distribute the one-hundred-dollar payments via electronic payments
- Early April 2022:** Distribute post surveys
- Late April 2022:** Analyze pre and post surveys to determine if there are any statistically significant changes in the hardship variables

Survey Items

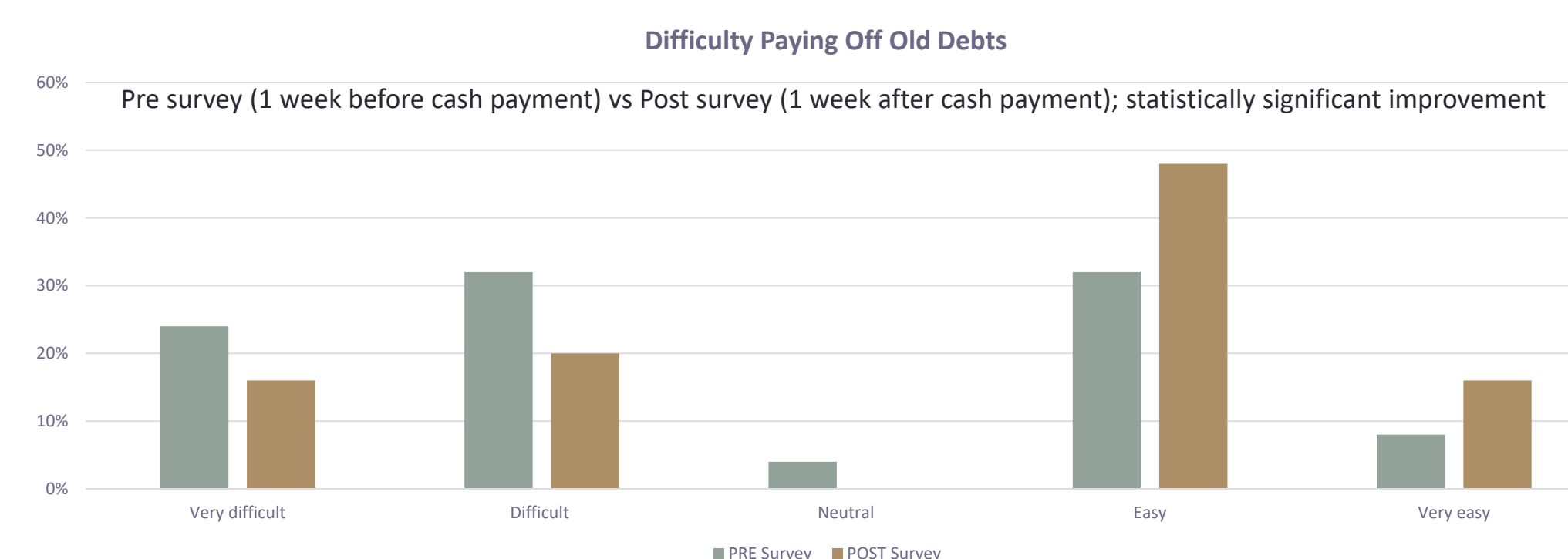
Over the past 7 days.....

- How was your overall financial situation?
 - Very negative
 - Negative
 - Neutral
 - Positive
 - Very positive
- How difficult was it to save money?
 - Very difficult
 - Difficult
 - Neutral
 - Easy
 - Very easy
- How difficult was it to pay transportation costs? (for example gas for your car, train fare, bus fare, etc.)
 - Very difficult
 - Difficult
 - Neutral
 - Easy
 - Very easy
- How difficult was it to pay the utilities in your home?
 - Very difficult
 - Difficult
 - Neutral
 - Easy
 - Very easy
- How difficult was it to pay for housing? (for example rent, mortgage, temporary housing, etc.)
 - Very difficult
 - Difficult
 - Neutral
 - Easy
 - Very easy
- How difficult was it to pay other bills, different from those described above?
 - Very difficult
 - Difficult
 - Neutral
 - Easy
 - Very easy
- How difficult was it to pay for medical expenses?
 - Very difficult
 - Difficult
 - Neutral
 - Easy
 - Very easy
- How difficult was it to pay for food?
 - Very difficult
 - Difficult
 - Neutral
 - Easy
 - Very easy
- How difficult was it to pay off old debts?
 - Very difficult
 - Difficult
 - Neutral
 - Easy
 - Very easy

RESULTS



RESULTS



CONCLUSIONS

- Only one variable showed a statistically significant change between the pre and post survey. The question item asking, “Over the past 7 days, how difficult was it to pay off old debts?” showed a statistically significant difference in responses from the pre survey compared to responses from the post survey.
- Before the cash payments were distributed, 56% found it “very difficult” or “difficult” to pay off old debts, and 40% found it “very easy” or “easy.” On the post survey, completed after respondents had received the \$100 payments, only 36% of respondents found it “very difficult” or “difficult” to pay off old debts, and 64% found it “easy” or “very easy.”
- Results may suggest that a one-time payment of \$100 is insufficient to alleviate COVID19-related hardships in a broad or significant way. There may be a need for an increased amount or an increased frequency of funding.
- The hardship variable that showed improvement focused on pre-existing debt. This may indicate that participants used the one-time payment to “catch up” on pre-existing debt, rather than apply it to current financial needs. This may suggest that study subjects were living at a sort of sustained financial deficit such that they determined that a one-time payment would not be best applied to their most current obligations.