

## Exhibit 2: Summary of Research Findings and Sources

While there has been a significant increase in both interest in and research on GBI, economic and social scientists have been studying cash transfer programs in earnest since the 1970s. In addition, significant research has been conducted on related pilot programs such as the Alaska Permanent Fund Dividend (which has provided cash transfers to all Alaska residents based on oil revenues in the state since 1982), Manitoba's Basic Annual Income Experiment (which provided an income guarantee to 2,263 families in Winnipeg and rural Manitoba between 1975-1978), and negative income tax experiments championed by economist Milton Friedman. Alaska's Permanent Fund Dividend is estimated to have reduced Alaska's poverty by 20 percent,<sup>1</sup> "had no effect on employment, and increased part-time work by 1.8 percentage points (17 percent),"<sup>2</sup> While Manitoba's Basic Annual Income Experiment was correlated with an 8.5 percent reduction in hospitalizations, improved mental health, and lower dropout rates for high schoolers.<sup>3</sup>

In recent years, the body of social science research specific to unconditional cash transfer programs from around the world has continued to grow. High-quality evidence, including randomized controlled trials, in both low- and high-income countries, have shown that:

- There is little evidence that cash transfers decrease the motivation to work<sup>4</sup> and ample evidence that they increase investments in education and job training, increase school enrollment and decrease child labor;
- Cash transfers do not lead to spending on nonessential goods such as alcohol and tobacco products<sup>5</sup> but rather increase rates of durable goods consumption (e.g. cars and refrigerators),<sup>6,7</sup>

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<sup>1</sup> Berman, M., & Reamey, R. (2016). Permanent Fund Dividend and Poverty in Alaska. *Anchorage Population and Economic Data Workshop*. Retrieved January 25, 2022, from [https://iseralaska.org/static/legacy\\_publication\\_links/presentations/2016\\_10\\_18-AlaskaPFDPoverty.pdf](https://iseralaska.org/static/legacy_publication_links/presentations/2016_10_18-AlaskaPFDPoverty.pdf).

<sup>2</sup> Jones, D., & Marinescu, I. (2018). The labor market impacts of universal and permanent cash transfers: evidence from the Alaska Permanent Fund. <https://doi.org/10.3386/w24312>

<sup>3</sup> Hum, D. & Simpson, W. (1993). *Economic Response to a Guaranteed Annual Income: Experience from Canada and the United States*. *Journal of Labor Economics*. 11 (1, part 2): S263–S296. doi:10.1086/298335. JSTOR 2535174. S2CID 55429825.

<sup>4</sup> Marinescu, I. (2018). No strings attached: The behavioral effects of U.S. unconditional cash transfer programs. <https://doi.org/10.3386/w24337>

<sup>5</sup> Evans, D., & Popova, A. (2014). (rep.). *Cash transfers and temptation goods : a review of global evidence*. Retrieved January 25, 2022, from <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/617631468001808739/cash-transfers-and-temptation-goods-a-review-of-global-evidence>.

<sup>6</sup> Jain Family Institute (2021). (rep.). *Guaranteed Income in the U.S.* Jain Family Institute. Retrieved February 2, 2022, from <https://www.jainfamilyinstitute.org/assets/JFI-U.S.-Guaranteed-Income-Toolkit-May-2021.pdf>.

<sup>7</sup> Tan, G., Maya, A., & Balakrishnan, S. (2019). (rep.). *Cash and Income Studies: A Literature Review*. Phenomenal World. Retrieved February 2, 2022, from <https://www.phenomenalworld.org/reviews/cash-and-income-studies-a-literature-review/>.

- Cash transfers reduce poverty and inequality, improve physical and mental health of the recipients,<sup>8</sup> and have had multiple positive impacts on recipients' welfare, alongside positive spillover effects for non-recipients;<sup>9, 10, 11, 12</sup>
- Cash transfers raise earnings;<sup>13</sup>
- Cash transfers reduce health risks like low birth weight, HIV infection, psychological distress, and malnutrition as well as lengthens life expectancy;<sup>14</sup> and
- Cash transfers improve family cohesion by raising the time mothers spend with children and reducing risk of new parents breaking up.<sup>15</sup>

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<sup>8</sup> Hum D. & Simpson, W. (2001). *A Guaranteed Annual Income? From Mincome to the Millennium (PDF)*. Policy Options/Options Politique. pp. 78–82.

<sup>9</sup> Francese, M., & Prady, D. (2018). (rep.). *Universal Basic Income: Debate and Impact Assessment*. IMF. Retrieved February 2, 2022, from <https://www.imf.org/en/Publications/WP/Issues/2018/12/10/Universal-Basic-Income-Debate-and-Impact-Assessment-46441>.

<sup>10</sup> Patel, S. B., & Kariel, J. (2021). *Universal basic income and COVID-19 pandemic*. BMJ. <https://doi.org/10.1136/bmj.n193>

<sup>11</sup> Haarmann, C. et al. (2009). (rep.). *Basic Income Grant Pilot Project Assessment Report*. Namibia NGO Forum.

<sup>12</sup> Smith, M. (2020). (rep.). *Universal basic income could improve the nation's mental health*. Retrieved February 2, 2022, from <https://theconversation.com/universal-basic-income-could-improve-the-nations-mental-health-123816>.

<sup>13</sup> Gonzalez, L. (2011). *The effects of a universal child benefit*, IZA Discussion Papers, No. 5994, Institute for the Study of Labor (IZA), Bonn, <http://nbn-resolving.de/urn:nbn:de:101:1-201110263320>

<sup>14</sup> *Overview on existing research on cash transfers*. GiveDirectly. (n.d.). Retrieved February 2, 2022, from <https://www.givedirectly.org/research-on-cash-transfers/>

<sup>15</sup> Gonzalez, Libertad (2011) : The effects of a universal child benefit, IZA Discussion Papers, No. 5994, Institute for the Study of Labor (IZA), Bonn, <http://nbn-resolving.de/urn:nbn:de:101:1-201110263320>