



**EFFECT OF NGO SUPPORTED CASH TRANSFER PROGRAMS ON THE SOCIO-
ECONOMIC LIVELIHOODS OF LOW RESIDENTS IN HABASWEIN WARD OF
WAJIR COUNTY**

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ABSTRACT

The concept of Sustainable Livelihood has been viewed as more than just the conventional definition as well as methods of poverty eradication in Kenya. Because of the severity and nature of poverty in rural disadvantaged groups, a variety of development programs and initiatives have been implemented to improve their living conditions. The goal of this research was to determine the effect of NGO supported cash transfer programs on the socio-economic livelihoods of low residents in Habaswein ward of Wajir County. The research was based on the theory of Sustainable Livelihood Approach. The proposed research design was a descriptive research design. The study utilized primary data using questionnaires. The toll would collect both qualitative and quantitative data. The population targeted by this study was 3840 respondents wherefrom 10% of the target population was sampled out to produce 384 respondents. The study used both primary data which was collected using Questionnaires and In-depth interviews. The data collected was analyzed qualitatively and quantitatively. In accordance with the findings, there was a statistically significant positive relationship between Cash transfer programs and the socio-economic livelihoods ($r=.684$, $p=0.000$). The study concluded that among the ways cash transfer programmes can become more effective is through ensuring that they are interventions in the long term, moreover they can be used in cases of emergency to mitigate against emergencies in future at the same time building resilience. The findings in this study prompted some recommendations including, the reduction of the probability of cash transfer programmes being utilized for other purposes such as entertainment as reported. The study also recommends that conditional cash transfer be introduced to increase accountability.

Keywords: *Cash Transfer Programs, Socio-Economic Livelihoods*

INTRODUCTION

The globe is now in a state of crisis, with poverty serving as one of the most serious and significant threats to global security and sustainable development. Since the Millennium Development Goals were established, the international community has placed an unprecedented emphasis on poverty reduction, which is reflected in its commitment to attaining those goals (MDGs). A billion people are presently living in abysmal and dehumanizing circumstances of severe poverty, to which the heads of state and governments of the world have pledged to "spare no effort" to liberate their fellow men, women, and children from these abject and dehumanizing conditions.

Comparative studies done in Sub-Saharan Africa by organizations such as the International Food and Policy Research Institute, Regional Hunger Na Vulnerability Programme, World Bank (Srinivasu & Rao, 2013) has not provided proof of inaccessibility of aid. That there lacks confirmation about regularity and the untimely conclusions have had a negative effect on humanitarian aid. Providers of humanitarian aid in South Sudan and other sub-Saharan countries food generation segments have been engaged in protracted nourishment exchanges and have conceded the need to have observable and empirical proof to have the requisite policy adjustment especially where food aid is concerned.

Foreign assistance accounted for more than 70 percent of overall government expenditure in the African countries of Burkina Faso, Rwanda, Somalia, Mali, Chad, Mauritania, and Sierra Leone between 1970 and 2002. Aid to Kenya is mainly provided by organizations such as the World Bank, the United States government, Japan, the European Union (EU), and the United Kingdom. Although Kenya has seen rapid economic growth in recent years, the country remains among the world's 40 poorest nations with low human development, ranking 147th out of 187 countries in terms of human development (Rawlings & Rubio, 2003).

As a result of the widening economic disparity, the richest 10% of Kenyans earn 44 percent of the country's gross domestic product, while the poorest 10% make less than one percent of the national revenue. Kenya's poorest areas, which include the North Eastern Province, have doubled the number of people living in relative poverty as the country's least impoverished districts. Decades of drought in this area have had a severe effect on the health system, particularly on the well-being of children, the rise in malnutrition rates, and the increase in morbidity and death. Since of droughts and hunger, the education systems are underperforming, the infrastructure is inadequate because there are no appropriate roads or communication networks connecting it to the rest of Kenya, and there is a scarcity of water owing to a lack of resources.

Communities in Wajir County rely on foreign aid provided via a donor-funded initiative that has been operating in the region since the 1990s. Because they have been sidelined since the colonial period, the group is particularly susceptible. It is a huge expanse of terrain characterized by aridity. The community lives off the land, raising cattle, and as a result of insufficient rainfall, the region is subjected to severe climatic conditions, including drought and hunger, disease outbreaks, starvation, and so on. As evidenced by the large number of non-governmental organizations and donor-funded projects operating in the area, which provide various

interventions such as food distribution, access to education, availability of water and sanitation, and access to health, humanitarian partners, both local and international, are actively involved in building community resilience toward community livelihood. As a result, the research will attempt to assess the effect of NGO supported cash transfer programs on the socio-economic livelihoods of low residents in Habaswein ward of Wajir County.

Statement of the problem

Every year, thousands of people are at danger of being hungry, and the Horn of Africa food crisis in 2017 put 3.75 million people in desperate need of humanitarian aid. The situation is especially tough for those who live in nomadic groups in the dry and semi-arid regions of north-eastern Kenya, as well as for those who live in urban areas. Even after the drought ended in 2012-13, up to 16 percent of children in this area are still malnourished, according to the UNICEF (Slater, 2011). As a result, several development actors, including the International Monetary Fund, World Bank, the United Nations, the United States Agency for International Development (USAID), among other NGOs at the National and international arena, are implementing development and livelihood projects in the area in order to assist the community in escaping poverty, strengthening their resilience, creating jobs, and stimulating economic growth.

Although the government and other organisations have come up with all these ventures, the problem that affect the Kenyan young people are still escalating more so in regard to crime. Available information point to between 30 and 40% of all the youth being involved in crime in a way or another (GoK 2020). This makes youth employment is an issue of concern since many players see it as a remedy to youth involvement in crime. This forms a good basis for this study to examine the effects of youth unemployment on human security in Kenya, a perspective of Wajir County. The study will seek to establish the influence of selected poverty reduction projects on socio-economic livelihoods of low-income earners in Habaswein ward in Wajir county, Kenya.

Habaswein in Wajir County has a 63 percent unemployment rate, according to the latest figures. Drought cycles, instability, a high level of illiteracy, and poor marketing mechanisms for county goods are all factors contributing to unemployment. If the county administration wants to decrease unemployment, it should encourage investment in the county, encourage the commercialization of cattle farming, and encourage the expansion of mining operations. (County of Wajir, year 2020.)

Several studies on the effect of various poverty reduction measures on the livelihoods of residents (Wanjohi, 2014). These studies are however done in parts of Kenya that can be said to be relatively food sufficient. This current study will be done in an arid region of Kenya in Wajir County where a huge empirical exists. This study will also be seeking to fill this gap.

Purpose of the study

The purpose of this study is to assess the effect of NGO supported cash transfer programs on the socio-economic livelihoods of low residents in Habaswein ward of Wajir County.

Significance of the study

The findings of this study will provide vital literature to the Humanitarian Aid organizations in Kenya. This can be a blueprint on how to develop and improve already existing policies.

This study gives empirical evidence on influence of selected poverty reduction projects on socio-economic livelihoods of low-income earners in Habaswein ward in Wajir County.

By providing factual data and reflection on the use of public money in the nation, as well as feedback on whether it is successful on the ground in improving the lives of low-income earners, this research has considerable significance for both Kenya and its citizens in general. For providing personal information on how successful their methods are at improving the living standards of its citizens in the area, the County government of Wajir deserves special recognition.

LITERATURE REVIEW

Capability approach theory

Developed by Amartya Sen, the Capability Approach serves as a wide normative framework for evaluating individual well-being and social arrangements, as well as for designing policies and making recommendations for social change in a democratic society (Sen, 1999). An analysis of a broad range of elements of people's well-being, including individual well-being, inequality, and poverty will be conducted using this method. In the evaluation of social cost-benefit analyses or the evaluation of development programs by governments and non-governmental organizations, the capability approach may be used. Following Sen's Capability Approach, social arrangements such as Cash Transfer Programs should be assessed mainly according to the degree to which individuals are free to promote or accomplish functions that are important to them. The capacity approach serves as the conceptual foundation for human development.

Amartya Sen's Capability approach argues that welfare economics such as the CTPs should not only focus on income but focus on the real freedoms of recipients and what they achieve through CTPs. These freedoms include education, health, employment, and equality. The focus of CTPs should not be on what they consume or their incomes but on what they are able to achieve. In evaluating the effects of CTPs on urban poor women's vulnerabilities we must analyze the effects of the programs in achieving long-term goals e.g., Sustainable Development Goals. Social protection mechanisms such as the CTPs should, therefore, promote economic empowerment for the urban poor woman in Nairobi hence promoting no poverty and reducing inequalities.

Development may be seen as a process of extending the actual freedoms that individuals now enjoy to more people. In order to achieve development, it is necessary to eliminate significant causes of un-freedoms. These un-freedoms may include poverty, a lack of economic possibilities, systemic social hardship, and the neglect of public infrastructure. The absence of substantive liberties is closely related to economic hardship, hunger, insufficient nutrition, a lack of clothing, a lack of housing, and a lack of access to quality health care.

Cash transfers can be seen as a means of expanding people's freedoms. Cash transfers if well used by beneficiaries meet the basic needs of people such as food, clothing, shelter, and access to health care thus creating and expanding people's freedoms. Urban poor women in Kenya suffer

from varieties of un-freedoms, these include lack of food, poor nutrition, little or no access to health care, unemployment and social and economic insecurity. Cash transfers if made predictable and regular will assist urban poor women to attain these freedoms. Cash transfers if used well by beneficiaries can offer investment opportunities thus expanding their freedoms. Amartya Sen views freedoms as processes that allow freedom of actions and decisions and actual opportunities that people have given their personal and social circumstances. Cash transfers targeting women promote decision-making and also promote opportunities available to them.

Cash transfer programs and their impact on community livelihoods

During the mid-2000s, nations in Sub-Saharan Africa saw an increase in the number of social protection programs implemented. Social protection programs are now widely recognized as an effective approach for enhancing families' ability to cope with a variety of shocks and stressors in their lives (Davis, 2009). In the case of natural disasters, traditional responses such as food aid and emergency aid have been deemed insufficient to address challenges faced by the poor and vulnerable population (Garcia and Moore, 2012).

Although social protection has been extended across Africa, national governments are often reluctant to fund social protection programs since such programs need the reallocation of assets and are generally perceived to be overly expensive. Conditional cash transfers (CCTs) have been on the increase in Sub-Saharan Africa (SSA), but their coverage remains inadequate when compared to the demand and the number of disadvantaged individuals in the region.

Cash Transfer Programs promote women's education and health status. CCTs promote women's education and health status by putting conditional ties for women to be beneficiaries of the CTPs. Increased well-being of the mother promotes their children's well-being, this means that their children have access to better health, education attainment and hence great productivity as adults, this, in the end, promotes future poverty reduction and economic growth (Morrison, Sinha, Raju & Morrison, 2007).

Cash transfer programs have been additionally lauded for their capacity to center on poor people, for making it easier to coordinate diverse sorts of social services, (for example education, well-being, and nutrition), and for their cost viability. CCT programs affect neediness through a channel by which poor families develop their resources by methods for their interest in human capital, which assumes a crucial part in neediness lessening and quickened development in the long haul. The cash transfer programs additionally have a short-term consequence on poverty reduction, both through the prompt impact of household consumption on family unit wages and through positive impacts of the increased family spending plan.

Cash transfer programs have been viewed as a viable approach to accommodate safety nets (or all the more for the most part social assistance programs) with interests in human development profiting poor people. the essential thought behind the contingency of these programs is that the hand-over of some money to bring families out of poverty is a lacking approach to handle neediness over the long haul, especially, to bring the who and what is to come of poor families out of destitution. To maintain a strategic distance from this weakness, restrictive exchanges have been concocted to enhance human capital among poor families. Their point is to give

money-related and moral motivations to families with the goal that they completely use the social administrations on offer. In economic terms, their goal is to handle the absence of usage of essential open administrations, accepting that those motivations would be sufficient to raise some attention to the significance of education (or other open administrations on offer) for those families to accomplish the full acknowledgment of their potential.

Conceptual framework

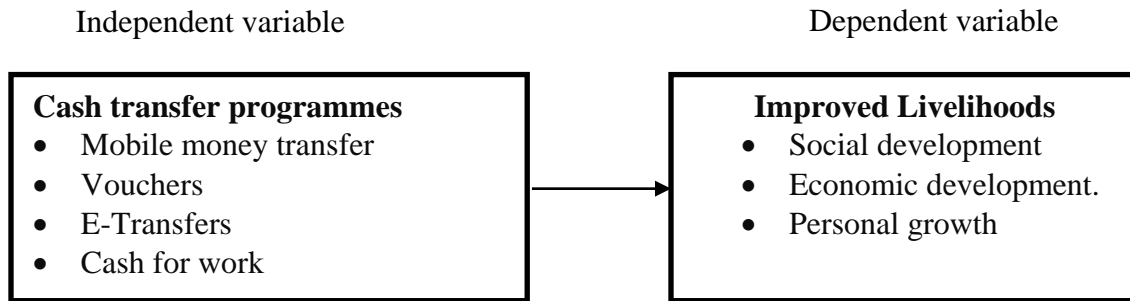


Figure 1: Conceptual Framework

RESEARCH METHODOLOGY

The study adopted a descriptive research design. A descriptive research project includes the gathering of data as well as the different processes required in organizing, tabulating, and describing the data collected. The primary goal of descriptive research is to provide answers to the questions of what, who, and how. This design was selected because it has in other studies been described as being versatile and one that accommodates both qualitative and quantitative methods.

The study population was made up of community members and all the registered NGOs in Habaswein Ward of Wajir County including Wajir South Development Association, Oxfam Foundation, Rural Development Alternatives Wajir, USAID, Pastoralist Aid Organization Wajir, Drought Containment Programme Wajir, Development Concern Wajir and Arid Lands Development Focus (GoK -2020). In These NGOs, the study targeted all the project managers, the community Liaison Officers (Or equivalent) as well as the community leaders. All the Community leaders including youth and women leaders are also targeted. The study also targeted the Habaswein Ward representative and the area's administration (Chief and Assistant chief. The study also targeted all the 79,505 community members distributed in 3840 households in the Habaswein ward in Wajir County (KNBS 2019).

The study selected 10% of the 3840 households wherein each household was represented by one individual. According to Kothari (2004), a sample size of 10% is a good representation of the target population of the community members. All the Project Managers, Community Liaison officers, Monitoring &Evaluation expert, as well as The Local Leader, the ward admin and the area chief, were randomly selected until the required sample was met.

The study used primary and secondary data. The data was collected using Questionnaires, and In-depth interviews.

FINDINGS

Effect of NGO supported Cash transfer programs on the socio-economic livelihoods of low residents

The research instrument had a section that engaged the respondents on the issue of whether NGO cash transfer programs had an effect on the socio-economic livelihoods of the low residents where the following was recorded.

Table 1: Cash transfer programs on the socio-economic livelihoods of low residents

	SA		A		U		D		SD		Mean
	n	%	n	%	n	%	n	%	n	%	
The money is used to pay rent and provide shelter	203	53%	123	32%	42	11%	7	2%	11	3%	4.30
The cash transfer program money is will use to put orphaned and vulnerable children in children's homes.	204	53%	143	37%	12	3%	12	3%	15	4%	4.32
The cash transfer program money is will use as school bursary.	236	61%	101	26%	15	4%	15	4%	19	5%	4.35
The cash transfer program money is will use to cater for health-related needs.	260	67%	80	21%	33	9%	6	2%	7	2%	4.50
The cash transfer program money carries a regular monitoring and evaluation to ensure the money disbursed is will use for food	175	45%	112	29%	60	16%	25	6%	14	4%	4.06
The monitoring and evaluation team ensures the houses provided befits the status of quality food for vulnerable populations	197	51%	89	23%	50	13%	38	10%	12	3%	4.09

From the table above, on whether the money is used to pay rent and provide shelter 85% agreed with the statement, 11% were unsure while 5% were in disagreement with the statement with the responses generating a mean of 4.30. on if the cash transfer program money is will use to put orphaned and vulnerable children in children's homes 90% were in agreement, 3% were undecided and 7% were in disagreement with the statement generating a mean of 4.35. On if the cash transfer program money is will use as a school bursary 87% of the respondents agreed, 4% were undecided while 9 percent disagreed. On the question of cash transfer program money is

will use to cater to health-related needs 88% agreed, 9% were undecided and 4% disagreed recording a mean of 4.5 from the responses. Another inquiry was on if the cash transfer program money carries regular monitoring and evaluation to ensure the money disbursed is will use for food 74% were in agreement, 16% were unsure while 10% were in disagreement with the statement with a mean of 4.06 being registered from the responses. 74% were of the opinion that the monitoring and evaluation team ensures the houses provided benefits the status of quality food for vulnerable populations, 13% were undecided and 13% disagreed with the responses recording a mean of 4.09.

Similar studies such as Garcia and Moore (2012), found that cash transfers are well-known for assisting in the achievement of two objectives: short-term poverty relief and the long-term elimination of intergenerational poverty. The short-term impacts on conventional metrics of poverty and inequality are relatively straightforward to evaluate, but determining whether long-term goals have been achieved is more challenging. Short- to medium-term assessments can only evaluate indicators that have the potential to disrupt the intergenerational cycle, such as high school attendance, improved nutrition, and increased use of healthcare services.

A large and potentially generalizable body of evidence indicates that cash transfers have reduced the profundity or severity of poverty and vulnerability in carefully evaluated cash transfer programs.

Correlation Analysis

It was decided to conduct a preliminary study in order to evaluate if there were any statistically significant relationships between Cash transfer programs on socio-economic livelihoods of low-income earners in Habaswein Ward in Wajir County, Kenya. Especially, the product-moment correlation coefficient (r) of Pearson was employed to investigate correlations between the variables in this research, specifically to examine both the direction and strength of the associations. This was necessary in order to determine the nature of the relationships that existed between the variables before proceeding with additional investigation.

The value of r is between 0 and 1. Where $r=+0.7$ and above, it shows a very strong association; $r=+0.5$ to below 0.7 suggests a strong link; $r=0.3-0.49$ indicates a moderate relationship, and $r=0.29$ and below indicates a weak relationship, and $r=0.29$ and below indicates a weak relationship. When $r=0$, it shows that there is no link between the variables (Kukrety & Mohanty, 2011). A correlation study was performed, and the findings are provided in Table 2.

Table 2: Correlation Coefficients Matrix

		Socio-economic livelihoods	Cash transfer programs
socio-economic livelihoods	Pearson Correlation	1.000	
	Sig. (2-tailed)		
Cash transfer programs	Pearson Correlation	.684**	1.000
	Sig. (2-tailed)	0.000	

** Correlation is significant at the 0.01 level (2-tailed).

Source: Field Data (2022)

Per the findings in Table 2, there was a statistically significant positive relationship between Cash transfer programs and socio-economic livelihoods ($r=.684$, $p=0.000$). Relief groups deal with emergency humanitarian concerns such as the distribution of medications, the provision of food assistance, the provision of water and sanitation, and the provision of shelter to the afflicted people, amongst other activities. Given the complexity and unpredictability connected with disaster response, it is challenging to provide comprehensive coverage for all of those affected by the catastrophe.

Regression

This section contains inferential analysis for Cash transfer programs and social-economic livelihoods of Habaswein Ward residents in Wajir County, Kenya as the dependent variable. Model fitness, ANOVA tests, and regression coefficients are examples of inferential statistics covered in this section. The findings reported in Table 3 demonstrate the suitability of the regression model that was employed to describe the occurrences under investigation.

Table 3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.826 ^a	.682	.673	.26623

a. Predictors: (Constant), Cash transfer programs

Source: Field Data (2022)

When it came to discussing the performance of socio-economic livelihoods of in Habaswein, the Cash transfer programs were considered to be sufficient explanations. In addition, the coefficient of determination, also known as the R square, is 68.2 percent, which supports this. This means that Cash transfer programs explain 68.2% of the socio-economic livelihoods of humanitarian projects.

Table 4: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	22.483	4	5.621	79.304	.000 ^b
	Residual	10.490	148	.071		
	Total	32.973	152			

a. Dependent Variable: socio economic livelihoods

b. Predictors: (Constant), Cash transfer programs

Source: Field Data (2022)

The findings of the analysis of variance are shown in Table 4 (ANOVA). According to the findings, the overall model was statistically significant in all cases. According to the F statistic of 79.30, and the reported p-value (0.000), which was smaller than the usual probability of 0.05 significant thresholds, this was corroborated by the data. The results for F computed (79.304) were also compared to the F critical value (F 4,148) of 2.44 derived from the F tables, which was likewise calculated from the F tables. Because the computed F value was more than the critical F value (79.304), (2.44), the model is significant. Humanitarian organizations must adhere to

agreed-upon standards (from donors), their policies and procedures, procurement best practices, and the laws and regulations of the country in which they are operating to ensure that humanitarian projects are successful (Munovi, 2015).

Summary of findings

From the study findings, on whether the money is used to pay rent and provide shelter 85% agreed with the statement, 11% were unsure while 5% were in disagreement of the statement with the responses generating a mean of 4.30. On if the cash transfer program money is will use to put orphaned and vulnerable children in children's homes 90% were in agreement, 3% were undecided and 7% were in disagreement with the statement generating a mean of 4.35. On if the cash transfer program money is will use as a school bursary 87% of the respondents agreed, 4% were undecided while 9 percent disagreed. On the question of whether cash transfer program money is will use to cater to health-related needs 88% greed, 9% were undecided and 4% disagreed recording a mean of 4.5 from the responses. Another inquiry was on if the cash transfer program money carries regular monitoring and evaluation to ensure the money disbursed is will use for food 74% were in agreement, 16% were unsure while 10% were in disagreement with the statement with a mean of 4.06 being registered from the responses. 74% were on the opinion that the monitoring and evaluation team ensures the houses provided befits the status of quality food for vulnerable populations, 13% were undecided and 13% disagreed with the responses recording a mean of 4.09.

The findings of the study revealed that there are various determinants of the effectiveness of cash transfer program on the social economic livelihoods of low residents had a positive multiplier effect, although it varied from one beneficiary household to another based on the money used to pay rent, money put to orphaned and vulnerable children in children's home, health, school bursaries and food. The study revealed that a high percentage of the respondents used the cash transfer program to cater to health-related issues while the lowest percentage showed that the cash transfer program was used for food

Conclusions

Based on the inferential statistics in this study, there was a statistically significant positive relationship between Cash transfer programs and socio-economic livelihoods Relief groups deal with emergency humanitarian concerns such as the distribution of medications, the provision of food assistance, the provision of water and sanitation, and the provision of shelter to the afflicted people, amongst other activities. The study can therefore conclude that Cash Transfer programs greatly influence on Economic Livelihoods of the Habaswein residents.

Recommendations of the Study

In a bid to reduce the probability that cash transfers are being misused for other purposes such as entertainment as cited in the study, it is recommended that conditional cash transfer programs be introduced. This implies that beneficiaries only remain in the program if and when they are seen as spending money on things that improve the social wellbeing of entire households. The use of Cash transfer money for alcoholic beverages as well as drugs can therefore be minimized and therefore increase the effectiveness of the projects. The study also recommends the involvement

of the media so that it can be easily be dispensed the mainstream media, the print and electronic, as well as social media, presents an avenue through which public participation can be done.

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