

In Kenya, free cash is the latest solution to poverty

October 28 2018, by Nicolas Delaunay



Somes villagers in western Kenya are receiving a universal basic income, an experimental programme by the American NGO Give Directly as a way to reduce poverty

Until recently, Molly struggled to imagine life beyond the end of each

repetitive day: work in someone else's fields and earn enough to eat, rinse, repeat.

"It was a vicious circle I could not escape," says the 25-year-old villager in the Bondo region of western Kenya.

Her hardscrabble, rural existence is the same for many in Siaya County where people eke out a living farming maize, millet and cotton in the ochre soil.

But that was before the introduction in her [village](#) of a cash handout known as "[universal basic income](#)". It's part of a large, intensive, multi-year study aimed at discovering a new way to end poverty in Africa.

Molly began receiving a no-strings, fixed monthly donation of 2,250 shillings (\$22, 19 euros) two years ago, and since then "everything has changed", she says.

"I was able to save to study to be a nursery school teacher," she says proudly inside her tin-roofed cement home as chickens pecked outside.

"It was the little bit of help that turned my situation around."

With a paid internship at the village school Molly has built on the foundation of universal basic income to see her monthly income more than double to \$50, broadening her horizons.

"Before, I barely had enough [money](#) to survive but now I have plans... I even go to the hairdresser once every two months," she says with a smile.



25-year-old Molly has used her universal basic income to study to be a nursery school teacher

Same cash, different dreams

According to the World Bank, over a third of Kenya's nearly 50 million citizens live below the international poverty line of \$1.90 a day.

Molly's village—which is not being identified in order not to stir envy or skew the study—is one of scores in the area chosen by the US charity Give Directly to test the universal basic income theory.

The region was selected because of its poverty, but also its stability and, crucially, the effectiveness of Kenya's mobile money transfer system, M-

Pesa, that allows the easy distribution of payments.

Founded in 2010 and working in six African countries, Give Directly sends money straight to the poor allowing them to choose their own priorities, rather than outsiders "deciding instead of them", explains the non-profit's spokeswoman Caroline Teti.

Previously, recipients were given a single lump sum, but now monthly payments are being trialed.

"When you give people money monthly, will they stop working? Will they take risks in the way they invest knowing they will have an income whatever happens? How does that affect their aspirations?" says Teti of some of the questions their programme is testing.

"There is a global debate about universal income and we want evidence to move forward," she says.



A villager shows his mobile phone's monitor displaying a message confirming the universal basic income transaction, 2,250 shillings per month (\$22,19 euros)

The study is the biggest in the world and will involve a total of 20,000 people in western Kenya.

Residents of 40 villages will receive \$22 a month for 12 years, a further 80 villages will receive the same amount for just two years, while another 76 villages will receive two lump sum payments of \$507 spaced two months apart.

Molly's neighbour, 29-year-old Edwin, hopes to replace his mud hut with a cement home, while Monica and her husband have invested in small-scale chicken farming.

"We have a new enclosure and a few chickens," says Monica, 30, wearing an elegant black dress, mended in several places. She hopes to be able to send her three children to school so that they won't "live in poverty, like us".

Without patronising prescriptions from donors, "everyone in the village is using the money differently," she adds.

'Not the sole solution'

Give Directly believes universal basic income is useful, but not a panacea.

"When you are in a conflict situation, you may have been affected beyond basic (needs), you may not have a place to sleep, you're more vulnerable to disease," says Teti.



30-year-old Monica, hopes to send her children to school so they won't "live in poverty, like us"

"In that context, basic income can be a part of a solution, but it cannot be the sole solution."

Nor, she adds, is it a substitute for the state's obligations to provide life's basics such as schools and healthcare.

For villagers involved in the basic income experiment, the money is an assist not a solution, and also an opportunity, to be seized or squandered.

"2,250 shillings is not enough to buy useless things," says Judge Samson, 72, explaining why villagers are not wasting their cash handouts. "It's

just enough to feed you and get out of poverty."

Monica has invested her money to benefit her family, but worries that if the basic income trial is a success, others might prove less thrifty.

"Maybe in the future some will forget what we went through and start buying stupid things," she warns, but then adds: "I don't think that will be the case."

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