‘Richer but resented: What do cash transfers do to social relations and does it matter?’

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Cash transfer interventions form increasingly important parts of social protection systems in most countries. Usually, cash transfers are evaluated against their first order effects on poverty or human capital, with their impact on social relations within and between households often relegated to discrete comments on ‘stigma’, ‘resentment’, and sharing, such as reduction of remittances and other support. Judgements on the desirability of cash transfers therefore normally attempt to balance the benefits for poverty reduction with any negative consequences on social relations. It is rare to find analyses of cash transfers that transcend this to comment on how cash transfer programmes impact on social relations and how social relations in turn impact on poverty. In other words it is rare to find comments on second order effects on poverty, accounting for social relations. In practice, negative consequences on social relations are often cast as problems to be solved within the framework of the intervention, rather than reasons to reconsider the intervention itself.

Using evidence from Oxford Policy Management’s evaluations of cash transfer programmes in Kenya, Malawi and Zimbabwe, we suggest reconsidering this approach. We argue that the current evaluation designs, may first implicitly put a lower value on social relations than the value given by individuals in targeted areas. Second, it may understand poverty as a more individual construct than most individuals in targeted areas would understand it. Third, social relations have significant effects on livelihoods and poverty through shared inputs, mutual support, and pooled labour. These second-order effects may take longer to occur but are important. Evidence from our evaluations is provided to support these points.

We suggest conceptualising cash transfers as ongoing processes of intervention in a complex system of social relations. Individuals are embedded within institutions at several levels: households, communities and national political and social institutions. Resources, power, and knowledge flow through these institutions. Cash transfer interventions operate through and affect these flows at each stage: awareness-raising, targeting, payment, case management and monitoring and evaluation. We provide several examples of this from our case studies.

We conclude that the impact of cash transfers on social relations is large, often positive but in some cases negative. This matters not only at a local level, but also at a national level. Changes in local political economy (caused by any intervention) have wider political impacts. Moreover, the outcome of cash transfer experiments is not always positive. This implies that donors should engage more with domestic political groups in designing and implementing pilot projects, and should focus more on social relations in their evaluation designs.

1 Introduction

Cash transfer interventions form increasingly important parts of social protection systems in most countries. Following on from the cash benefits systems prevalent in most industrialised countries, many low- and middle-income countries have independently developed and implemented national cash transfer systems to provide social protection to vulnerable groups, such as older persons or families with children (Hanlon et al 2010). At the same time, many donor agencies, international organisations and non-government organisations are funding cash transfer projects, with or without extensive government buy-in. These projects are usually of two types: parts of emergency responses (such as the Zimbabwe Emergency Cash Transfer programme funded by the World Food Programme and Concern Worldwide) or pilot projects designed to encourage governments to develop national cash transfer programmes (such as the Hunger Safety Nets Programme funded by DFID in Kenya or the Mchinji Social Cash Transfer scheme in Malawi). Both the donor-funded and nationally-run projects have been extensively evaluated, with largely positive results, and this has led to ever greater enthusiasm for and emphasis on cash transfers.[1] This paper attempts to strike a note of caution.

Usually, cash transfers are evaluated principally against their first order effects on households' consumption expenditure, income, nutrition, human capital (health and education), and labour supply. Some attention is also given to the second order economic impacts of cash transfers, such as inflationary effects or economic multipliers (see e.g. Davies 2007). These impacts are typically considered to be of most interest to donors and governments, largely because they have the clearest links to economic growth. They are also relatively straightforward to measure with a survey. Generally, where markets are functional (so that supply responds to additional demand), these first order effects are positive in the aggregate, because recipients of cash transfers by and large spend them on useful goods and services without significantly reducing their labour supply (Hanlon et al 2010).

Most evaluations also assess the impact of cash transfers on social relations within and between households. These assessments are often constituted as discrete comments on 'stigma', 'resentment', and sharing, such as reduction of support, reduction of remittance flows. Judgements on the desirability of cash transfers therefore normally attempt to balance the first and second order economic effects with any specific consequences (both positive and negative) on social relations. In most cases in practice, the economic benefits are given greater weight in the calculation, and any negative social consequences are relegated to unfortunate side effects, to be solved within the framework of the intervention, rather than reasons to reconsider the intervention itself.

Is this the right way to judge these interventions? If cash transfers have profound consequences for social relations, and these consequences may not necessarily be positive, then interventions should be considered much more carefully before being initiated. There are three moves that could be made in order to reconsider whether this form of judgement is sensible. This reconsideration is important given the current rush towards cash transfer programmes and the ease with which donors are able to set up large scale cash transfer programmes.

[1] The extent of these pilot projects has led some to call for an end to pilots (see IDS/ODI 2010) and led some donors to put greater emphasis on national level programme development (see World Bank 2011).

First, analyses of cash transfers could attempt to comment on second order effects of social relations on poverty. For example, if giving cash transfers to some members of a settlement but not others causes resentment, does this have any effect on shared inputs, mutual support, or pooled labour, and does this have any consequences for poverty?

Second, more analyses of cash transfers could address wider social implications of the processes of intervening in people's lives that cash transfers imply. Particularly important parts of this include the selection of one person over another (often by a member of the community), payments being made by some institutions or individuals to some or all people in a settlement (and the implications of that for the relationships between these institutions and those receiving and not receiving the payment), and the ways in which the organisations involved can communicate with each other. This may be particularly important, for instance, where distributing cash could have socio-political consequences, so that donors are intervening in domestic political processes with little or no accountability for their actions.

Third, greater emphasis could be placed on the values and judgements of recipients and non-recipients in comparing social and economic consequences of cash transfers. Implicitly or explicitly, decisions about whether or not to begin or continue cash transfer programmes are made by decision-makers rather than the subjects of the interventions on the assumption that the provision of resources to some or all members of communities provides a benefit. If this provision also entails negative consequences, then the opinions of the subjects of these consequences should be given more weight.

In order to explore these three avenues of enquiry, and to help shed light on the overall question of the implications of cash transfers for social relations, we make two contributions. First, we present a conceptual framework for the analysis of development interventions that allows us to go beyond economic and immediate 'material' impacts to also include 'relational' and 'symbolic' impacts (White and Ellison 2006). This framework derives from work conducted by the University of Bath on the concept of well-being, work from which James Copestake has concluded that "symbolic and relational effects can be more important (in both their direct and indirect impact on well-being) than intended material effects, yet they are often ignored or downplayed," (Copestake 2006b: 22-23). Second, we present a series of case studies using evidence from Oxford Policy Management's (OPM's) evaluations of cash transfer programmes in Kenya, Malawi and Zimbabwe.

We suggest thinking about cash transfers as ongoing processes of intervention in a complex system of social relations. Individuals are embedded within institutions at several levels: households, communities and national political and social institutions. Resources, power, and knowledge flow through these institutions. Cash transfer interventions operate through and affect these flows at each stage: awareness-raising, targeting, payment, case management and monitoring and evaluation. These interventions have material, relational and symbolic effects. We provide examples of this from our case studies.

We conclude that the impact of cash transfers on social relations can be large, and in some cases negative. This matters not only at a local level, but also at a national level. Changes in local political economy (caused by any intervention) have wider political impacts. Moreover, the outcome of cash transfer experiments is not always positive. This implies that donors should engage more with domestic political groups in designing and implementing pilot projects, and should focus more on social relations in their evaluation designs.

2 Well-being and social relations[2]

Typically, cash transfers are understood principally in terms of their material impact on their recipients – and sometimes on non-recipients who live nearby. Transfers are said to have positive impacts if this material impact is judged to be positive overall. This judgement is normally made on the basis of an assessment of the consumption expenditure, nutritional status, education levels, health status and livelihoods of recipients and non-recipients. In some cases, this assessment is extended to include, usually through qualitative research, a comment on social tension, jealousy and stigma. Viewed through this material lens, cash transfer programmes have received glowing evaluations (see e.g. Hanlon et al 2010 for a summary).

This paper argues that this understanding of cash transfers is too restricted a basis on which to make a final judgement. It proposes a broader framework in which development interventions have material, relational and symbolic effects (Copestake 2006 a, b; White and Ellison 2006). Copestake (2006a: 3) summarises the motivation behind this extension:

> "analysing these programmes solely with respect to material wellbeing, while important, can be misleading because it fails to capture their full meaning to intended beneficiaries and to other stakeholders. Any social assistance programme is embedded within a web of social relationships that is moulded in turn by strongly held beliefs and values. These influence how it is perceived by different stakeholders, how it operates in practice, scope for its reform and ultimately its effect on material wellbeing as well."

While we argue that it is important to consider the non-material aspects of well-being in assessing cash transfer programmes, this is not to claim that these aspects are necessarily the most important. For instance, Copestake's (2006a: 19) analysis of the Glass of Milk programme in Peru that used this extended framework concluded that "most recipients' primary concern [was] with the material benefits of the programme on their well-being." The purpose of this framework is not to replace the material, therefore, but to supplement it in analytical terms.

The basic premise of the framework is that well-being – the improvement of which should be the goal of development interventions – depends on more than just the possession of or interaction with material objects or characteristics. It also depends on relations with people and relations with ideas (Moser 1998; Copestake 2006 a). This notion of well-being is not universal but local, subjective and rooted in culture and personal experience (White and Ellison 2006).

This notion of well-being is linked to a livelihoods framework that extends sustainable livelihoods frameworks (Scoones 1998) to place greater emphasis on culture. Livelihoods can be seen as social interactions in which status and symbolic value are important (McGregor 1998). Livelihoods options are determined by resources, which are not stable, fixed assets but means to ends that are constituted in cultural practice (White and Ellison 2006). Education, for instance, is not only a resource that adds value to household and individual productivity, but also a cultural resource that confers symbolic status and reproduces and inculcates values, tastes, and therefore social and cultural difference

[2] This section draws extensively on the Wellbeing in Developing Countries (WeD) work undertaken at the University of Bath, and a series of papers produced under this research stream. See http://www.welldev.org.uk for more details.

(Bourdieu 1984; White and Ellison 2006). Education therefore, may be vital to well-being in one cultural context, but much less relevant to another (such as the many communities that have lived happily and successfully without formal education). To give another example, land is usually classified as natural capital but becomes a livelihood resource only with "the human activity of labour, the social contracts of ownership or use-rights, and cultural meanings of value and status," (White and Ellison 2006: 14). In this framework, what matters to your well-being is not the stock of capital you possess (on which universal comparisons could be made), but the meanings, values and possibilities of the various resources to which you relate.

Well-being is therefore constituted by the material, relational and symbolic. Material aspects of well-being refer to income and basic needs. Relational aspects of well-being refer to autonomy and inclusion in social networks and processes. Symbolic aspects of well-being refer to rights and self-reliance. This broad notion does not chime well with notions of development that are currently dominant in mainstream development discourse and practice and that emphasise the augmentation of incomes and ownership of assets as end goals.

Copestake (2006a) presents three approaches to social protection that implicitly place different weights on material, relational and symbolic aspects of well-being. Using cash transfers as an example, an 'income-first' view of social protection focuses on the consequences of cash transfers for recipients' incomes and on their costs, including fiscal costs and perverse incentives to stop working or to seek rents. Second, a 'needs-first' view starts from a more multidimensional view of poverty and focuses on the state's role in guaranteeing access to basic needs, including livelihoods, assets, and public action. This would criticise the income-first view for being too narrow. Third, a 'rights-first' view identifies injustice as a key cause of poverty, and criticises the 'needs-first' approach for being paternalistic.

Very broadly, these views can be identified with philosophical approaches to development. The income-first view is most closely identified with a modernisation theory and Washington Consensus approach, which is rationalist, individualist and utilitarian in nature, measuring utility primarily in terms of income. The appeal of this view in part lies in the measurability and equivalence of outcomes and costs – so that outcomes measured in dollars can be compared to costs measured in dollars. This possibility is very attractive for planners, since it enables an unambiguous (on this single metric) judgement of whether an intervention should proceed. In terms of approaches to social protection, the income-based view is reflected most clearly in the safety nets approaches of the early 1990s (World Bank 1990).

The needs-first view starts from a similarly utilitarian and individualist standpoint but broadens this by introducing other dimensions of well-being, largely adding material dimensions (such as education, health, and livelihoods) but in some cases relational aspects (such as a capacity for social action). This draws in part from Sen's capability perspective (Sen 1985) and is currently being operationalised through the Millennium Development Goals and now multidimensional poverty indices (see e.g. Alkire and Foster 2009). In the social protection literature, this view is closest to the transformative social protection approach (Devereux and Sabates-Wheeler 2004) that emphasises the role of social protection in overcoming not only material shortcomings but in enhancing self-esteem and social status.

The rights-first view has developed rather differently, in part from Latin American traditions of dependency theory and structuralism, which place more emphasis on relational and symbolic aspects of well-being. One application of this tradition can be found in Figueroa (2001) who argues that persistent inequality in Latin America can be explained by processes of social exclusion (based on cultural difference) leading to political exclusion from social protection programmes and education, and resulting economic exclusion. As Copestake (2006b: 4) summarises, this interpretation highlights:

> "the extent to which economic growth and inequality reduction are dependent upon cultural and political mobilisation, not least through advocacy of human rights. This is in stark opposition to the more common assumption of economists that improved human rights are more likely to *follow* economic development than to be a *precondition* for it."

However, Figueroa's initial model can be developed to recognise several critiques, including that most activities simultaneously have consequences in all of cultural, economic, and economic spheres (White and Ellison 2006). As Copestake (2006b: 18 notes), "to intervene in the material domain by providing food aid, for example, without appraising the political and cultural aspects of the act is likely to have unanticipated and potentially counter-productive effects."

Many of the consequences of this line of thinking are found in the rights-based, reflexive, subjective and participatory approaches to development, set out in e.g. Chambers 1997 and DFID 2005. These approaches emphasise that development actors influence well-being outcomes not only through their provision of material resources but also through their impact on certain values and relationships.

The consequences of these different views for assessments and planning of cash transfers are quite profound. For instance, the different views will put quite different weights on the negative consequences of excluding members of the community from controlling payments or targeting as opposed to the problems associated with additional costs of targeting. The decision whether to pay for additional community participation will look very different depending on which view is held. Similarly, the different views will imply quite different judgements on whether cash transfer programmes should be replicated, given different material, relational and symbolic outcomes. For example, a cash transfer programme that encourages families to adopt and retain orphans within their households but has no identifiable impact on those children's nutritional, health or education status would be judged very successful by those concerned with relational outcomes but ineffective by those focusing on material outcomes. In another example, even the

> "presence of a development agency strengthens some values and latent relationships while weakening others. These symbolic and relational effects are reinforced in the way they act e.g. through choice of language, staff recruitment, forms of consultation and collaboration. Thus development agencies unavoidably reinforce or weaken overall social stratification and the relative political influence of different groups." (Copestake 2006b: 22)

These different views – or philosophical positions – underlie quite different interpretations of cash transfer programmes in the public domain. Consider two opposing views of cash transfers held by two individuals who may both be interested in improving well-being, but one who supports a cash transfer on the basis that it is a useful social protection mechanism that provides needed income to the poorest and the other who opposes it because it is patronising and supports a relationship of giver and receiver that counters emancipatory forces.

The examples that follow explore these differences of interpretation and opinion. We use this framework to suggest that there may be different ways of interpreting cash transfer programmes, and that these different interpretations may lead to different policy and planning conclusions to those that are currently dominant in development.

3 Cash transfers and well-being

3.1 Cash transfers reinterpreted

This section attempts to contrast the income- and needs-first views of cash transfers with a rights-first view to suggest how cash transfer interventions could be interpreted differently. The next section then provides some examples from OPM evaluations.

As argued above, income-first and needs-first views of cash transfer programmes emphasise primarily the material impacts and costs of cash transfers. This has an implication for the way in which the intervention is understood, and therefore for which elements of the intervention are considered in an evaluation. An income-first view, in particular, focuses on the impact of receiving payment. The intervention is therefore viewed as an external top-up of recipient households' existing incomes, and nothing more. The interesting policy (and therefore evaluation) questions on this understanding revolve therefore around how this top-up affects livelihoods behaviours and income. This essentially asks whether the external top-up leads to a net increase in household income, or to no change, and involves exploring several sub-questions, including:

- Does the recipient household stop working or, by contrast, invest and earn more?
- Does the recipient household share its top-up, or do they receive less from other households?
- Can the recipient household access more credit as a result of the external top-up?

Assuming the external top-up leads to a net increase in recipient households' incomes, there is then a second set of questions (interesting especially in needs-first approaches) on how this additional income is spent. This essentially asks how consumption expenditure and savings behaviour changes, and involves exploring several sub-questions, including:

- What does the household spend additional income on (food, education, healthcare, productive assets, livestock, sharing, debt repayment, social obligations, etc.)?
- Does the top-up have any effect on prices, both in general and those faced specifically by the recipients?
- Does this additional spending (given price changes) lead to material improvements in measurable indicators (level of education, health status, nutritional status, etc.)?

A third set of questions of interest to policy-makers and evaluators then concerns whether the receipt of cash and the availability of additional income leads to changes in behaviour that can be identified, measured, and associated with well-being or productivity outcomes. Questions in this line include:

- Do households make any changes to their livelihoods as a result of the external top-up (e.g. starting new livelihoods, expanding existing livelihoods)?
- Do households make any changes to their migration patterns?

- Do households make any changes to their education investments (e.g. sending children to school for longer, sending additional children to school)?
- Do households make any changes to their health-seeking behaviour?
- Do households make any changes to their dietary practices?
- Do households make any changes to their sharing or borrowing practices?

Answers to these three sets of questions generate a wealth of information on the material impact of cash transfer interventions that is of great interest to income-first and needs-first views. It is currently principally (or sometimes exclusively) this information that informs policy. This is arguably because this information is obtainable (through surveys and qualitative fieldwork), measurable with reasonable confidence (through experimental or quasi-experimental approaches), seems in most cases easy to evaluate (i.e. to say whether a change is good or bad), and is usually in line with recipients' priorities. A cash transfer intervention is worth implementing when we find (or expect) that we will judge the changes in the areas described above to be positive changes. The judgement on whether or not to implement it then compares the magnitude of these judged positive changes with the financial cost.

This decision-making process may need additions. There are three principal difficulties here, which this section will explore in turn. These concern i) a narrow, individual and largely material conception of well-being in the analysis, ii) the narrow interpretation of what a cash transfer intervention is, and iii) a restricted set of factors that feature in the decision.

First, this approach underplays the effects of the intervention on non-material aspects of well-being. This is not to say that the dominant view does not include some non-material aspects of well-being. Many evaluations of cash transfers, for instance, ask about changes in 'subjective poverty' (i.e. do you feel less poor after receiving cash?) and others seek to explore the impact of cash transfers on gender (see Chapman and Wallace 2010 for a review). Others include components on the impact of cash transfers on resentment, stigma, or tension. Even these evaluations, however, consider a limited set of non-material issues and in practice pay insufficient attention to the second-order effects of non-material processes on material outcomes.

The rights-first viewpoint emphasises that there are always local, subjective and locally constructed notions of well-being that may not be captured in these approaches. Thus a materially-based approach does not look for the impact of cash transfers on national or local power relations, on what people value, on how people relate, on the meaning of cash or the terms of exchange, and so on. This current approach also focuses principally on individualised notions of well-being and poverty, rather than collective notions (i.e. reflecting that people consider themselves equally poor or in shared states of well-being). These issues are important as intrinsic aspects of well-being (and therefore are things that should be factored into a judgement about the suitability of a programme). The fact that these are not easy to measure does not make them unimportant, and the response to this difficulty should be methodological innovation in the evaluation of cash transfers.[3]

Moreover, non-material aspects have significant impacts on material issues, and these impacts are often not clearly traced. Sometimes this is because the non-material causal mechanism is slower, or more subtle, or less detectable, but this does not make it less real.

[3] In some places, and particularly for individual characteristics, this project is being begun. See, for instance, work by OPHI on missing dimensions of poverty, including the ability to go about without shame: http://www.ophi.org.uk/research/missing-dimensions/

For example, it is not enough to note that a cash transfer programme increases 'social tension' without then exploring the impact of those social tensions on livelihoods, particularly in contexts where livelihoods are shared or rely on shared inputs (such as livestock, labour or assets). The effect of these social tensions may be gradual (or take place at specified times of the year), and therefore not easily measured in a one-off survey.

In some cases, cash transfer interventions explicitly aim to have non-material impacts. For instance, as will be discussed in an example later, some cash transfers for households with orphans and vulnerable children have as an objective the increase of rates of orphan adoption and the time for which they are retained in households (a relational aim). This aim is reasonable to the extent that it recognises the non-material impacts of cash transfers – and sensible to the extent that greater adoption and retention are 'good things'. However, it is not always clear that these objectives are based on an understanding of different cultural relational practices.

Moreover, a cash transfer is a much broader and more pervasive intervention in people's lives that involves several stages which all have impacts on well-being. These include initial mobilisation, targeting, registration, payment, communications, and, often, monitoring and evaluation.

Especially when we consider non-material aspects, these processes can have profound impacts on well-being. For a simple example, take mobilisation. In this process, an individual or organisation will communicate that a programme is about to start, that a resource will be provided, and that people should prepare themselves for a targeting and registration exercise. This communication imbues that individual or organisation with a great deal of power. This is often expressed through someone known to the members community (such as a chief or health worker). This process therefore has an impact on the relations between those individuals, and this in turn affects their livelihoods resources and well-being.

For more invasive processes such as targeting (where some individuals are included and others are excluded), these impacts are much more profound. They are also more likely to be negative, as issues of jealousy, suspicion, unfairness, and resentment come to the fore. Moreover, if poverty and well-being are understood collectively, then targeting (the separation of one household or individual from another in terms of their material well-being level) could be extremely destructive to shared cultural values. In some cultures, for example, being part of a collective is more valuable than individual advancement, and individualising benefits can destroy this. This underlies the resentment in many communities to the idea of targeting at all, whether on a categorical basis (e.g. selecting households with orphans), an absolute means cutoff basis (e.g. selecting households with consumption expenditures below a defined level), or on a relative basis (e.g. selecting the poorest 10% in a community).

The impact of these processes on different aspects of well-being must be assessed in determining whether the intervention as a whole is 'good' or 'bad'. Typically, assessments of cash transfer programmes will provide 'routine' monitoring indicators to gauge the effectiveness and efficiency with which these processes are implemented, but they rarely include a discussion of their impact (although see Barca et al 2010 for a discussion on the impact of different payment systems).

Third, this approach to decision-making makes some arbitrary prioritisations that need not reflect the views of the individuals whose lives are being affected by the decision. A focus on measurability, comparability and largely material issues circumscribes the set of factors taken into account in the decision. These factors may not reflect the factors with which those affected by the decision are largely concerned. If the cash transfer intervention could have negative consequences for those individuals, their view may be different. Moreover, the lack of involvement of those people in decision-making itself may have negative effects on their well-being, by reducing their power over their own lives. However, these individuals are rarely consulted.

Consider, for example, a cash transfer pilot project designed to encourage the government to set up a nationwide programme. Consider an example where this project has been decided upon in a donor office with limited consultation with either the government or the individuals in areas where the programme will run. This decision-making process may seem entirely sensible if the expectation is that all the consequences of the project will be positive. Under a view that prioritises material impacts, as set out above, this is very likely to be the case. If, however, it is possible that the pilot programme has negative consequences – and this may be more likely once non-material impacts are considered and once other parts of the intervention (including the decision itself) are considered – this decision-making process is less suitable. With this approach, the case for increasing the extent of consultation and participation in the decision-making process is stronger, even if this comes at some material (i.e. financial) cost.

This final consideration raises the question of the political implications of cash transfer interventions.[4] If cash transfer interventions have symbolic effects in terms of power at the local level, this can have local level political impacts. The removal of decision-making for pilot programmes can also have national political impacts, intensified if the local implementers are associated the particular political parties. Consider, for instance, the Benazir Income Support Programme in Pakistan which is not only named after a deceased leader of a political party, Benazir Bhutto, but was also initially planned to be targeted by Members of Parliament selecting recipients.

These three extensions to the normal model of cash transfer evaluation and policy making derive from the well-being framework detailed above. The next section provides some examples of attempts to apply these extensions. These examples are all drawn from completed evaluations that did not have many non-material impacts as their focus. Nevertheless, the examples intend to show what could be added to cash transfer evaluations with this extended framework and understanding.

3.2 Cash transfers and social relations in three programmes

This section applies our overall framework and the lessons from the overview to three programmes: the Mchinji Social Cash Transfer (MSCT) in Malawi, the Zimbabwe Emergency Cash Transfer (ZECT), and the Cash Transfer for Orphans and Vulnerable Children (CT-OVC) in Kenya. The intention is not to criticise these programmes – which all have clear positive impacts in many dimensions – but to nuance our understanding of them by adding further dimensions to the analysis.

3.2.1 Mchinji Social Cash Transfer Programme (Malawi) – Government of Malawi (GoM) and Unicef

The Social Cash Transfer (SCT) Programme consists of small cash payments that are paid to particularly vulnerable labour constrained households. These households are selected through a community process.

[4] This question is explored in more detail in another paper (Hurrell and MacAuslan 2011).

The 'goal of the social cash transfer scheme is to contribute to national efforts to reduce **poverty and hunger** in ultra poor households, increase **school enrolment** and attendance and improve the **health, nutrition, protection and well being** of orphaned and other vulnerable children' according to a UNICEF and GoM brochure.

In other words there are clear objectives with respect to 'material impacts', namely that there should be improvements for vulnerable children with respect to health, education, well being and poverty. However, there are no explicit goals for relational or symbolic impacts, although there may be implicit aims to improve adoption and retention as a means to improving the well-being of orphans and vulnerable children.

Material impacts

Boston University carried out an evaluation of the Mchinji Programme in 2007/08. There are both qualitative and quantitative findings showing that there are indeed substantial 'material' impacts. In addition, as part of a wider study in Malawi for the World Bank, OPM conducted qualitative research on the social cash transfer programme.

The qualitative evaluation found, for example, the perceived impact among beneficiaries sometimes to be dramatic. A HIV positive mother said that the transfer allowed her to pay for the bus fare to the health clinic where she gets free AIDS medication. Without the transfer she would be dead and her children would have no mother, she said. This implies, apparently, that she would have had no other means of raising the money for the bus fare.

Another example of material impacts, are children reporting that '*before the transfer, we had no money for school fees, pens and exercise books so we would be absent from school. We also had no shoes and we could not go to school because we were ashamed of ourselves but now we have shoes and proudly go to school.'* [Children FGD] (Boston, final impact evaluation, p.34)

In addition, three rounds of a quantitative survey were carried out. The results face a range of limitations, and the precise level of impact cannot be established. [5] Nevertheless, the results point in a clear direction of positive change. These changes include improved health, higher demand for health care, increased demand for and expenditures on education, reduction in child labour, accumulation of household assets, productive assets, livestock and improved housing, greater production, and greater food diversity. These observations are in line with OPM's own findings. In other words, with respect to first order 'material' impacts, therefore, the SCT appears to have been successful.

Relational impact

As stated above, the SCT had no explicit relational objectives. However, the targeting procedure (amongst other parts of the intervention) builds on social relations and is likely to affect them.

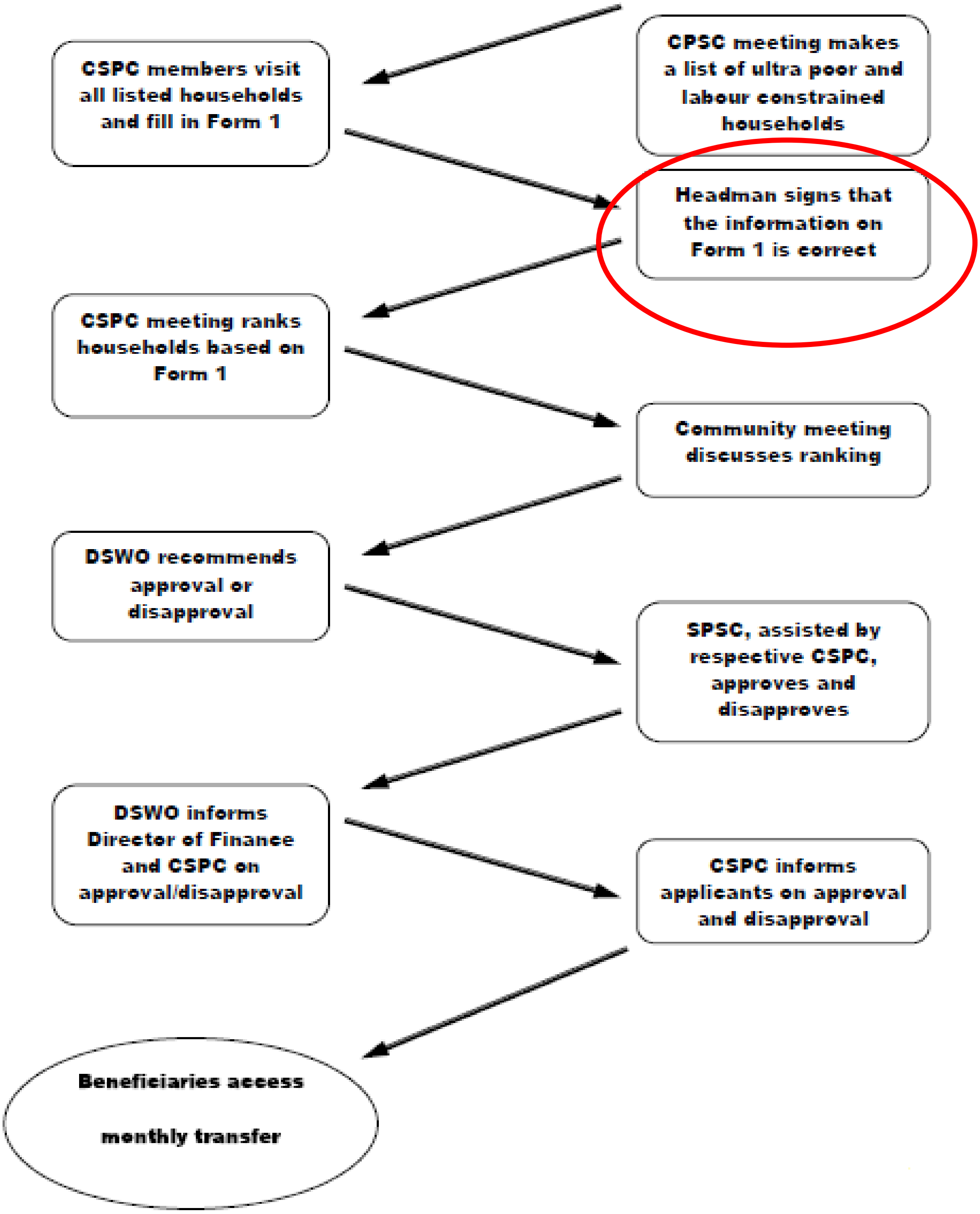
The targeting process is shown below, using the following acronyms:

- CSPC: Community Social Protection Committee (members chosen from the community)

[5] For example, the treatment and comparison communities were not chosen randomly, but in a way that they had comparable economic characteristics, as much as it was possible in the absence of reliable official data.

- SPSC: Social Protection Sub-Committee (district level)
- DSWO: District Social Welfare Officer

Figure 3.1 Flow Chart of the Targeting, Approval and Payment Process



Quoted from The Malawi Social Cash Transfer Pilot Scheme, Preliminary Lessons Learned This paper was presented at the Conference on "Social Protection Initiatives for Children, Women and Families: An Analysis of Recent Experiences", New York, 30-31 October 2006 by UNICEF

With respect to the impact on social relations, two points stand out:

First, the headman needs to approve the form that underlies the selection of recipients. The involvement of the headman is, in all likelihood, a precondition for doing anything on the community level. On the other hand, this opens the opportunity for the headman to ensure that households related to him are judged to be more vulnerable than they otherwise would be.

Our own research found that there was widespread unease about the involvement of the headman. Examples of favouritism were stated by focus group members. In this way the SCT has an unintended effect on social relations. On the face of it the SCT strengthens his position, while it also fosters resentment against him. Other cash transfer programmes avoid the involvement of a headman by using objective criteria for targeting (such as age).

The second point of concern with respect to social relations applies to many targeted cash transfer schemes: Some beneficiaries are chosen, while others are not. In the case of the SCT, at a community gathering all community members were ranked according to their vulnerability status. The 10% most vulnerable are selected to receive a cash transfer.

Targeting singles out individual households and hence affects their relations with other households. Consider the second most vulnerable 10% of households. They are almost as vulnerable as the lowest decile, but do not receive the transfer.

There is no obvious solution here. A non-targeted programme is a universal programme, which either excludes entire non-targeted communities or is about 10 times as expensive.

Yet, in an environment where membership of a collective is more important than individual advancement, the targeting of individual households may run counter to the perceptions of people in the targeted villages. 'We are all poor' was one of the common sentiments among focus group participants in our research. On that basis the distinction that some received the benefit while others did not could well have seemed arbitrary. The resentment and greater conflict that recipients report [6] may be a consequence of this. It should be added that our research was focused on other questions and did not explicitly explore whether jealousy and (perceived) conflict are a consequence of the individual targeting, though it seems plausible.

Overall, this suggests that social relations should be carefully taken into account when designing cash transfer schemes. In many cash transfer programmes this is probably done already. However, it is striking to what extent existing social relations and social norms are sometimes not known during the programme design stage.

Symbolic impacts

The symbolic impacts of the CST transfer were not examined. However, some thoughts on this may nevertheless be useful, even if speculative.

As stated above, the community targeting process gave a prominent role to the headman, thereby increasing their symbolic role. Some are reported to have abused their power to

6 To substantiate part of this, the Boston Evaluation reports that intervention household leads still reported that they were more likely to feel jealousy from other households in their communities and, on average, community members were less likely to help them since receiving the cash transfer. Twenty-two percent of intervention household heads reported that they experienced more conflict in the community since receiving the transfer.

favour people they preferred. This in turn may have fostered resentment and weakened their position, though at the very least it may have increased the distance between 'ordinary people' and their headman. By the same token, headman and headwomen who were seen to act 'fairly' may have strengthened the bond with ordinary people. In that case the CST would still have had a symbolic impact, by strengthening the position of the headman.

Another consideration is the symbolic and relational impact on the committee members. They may have been ordinary community members whose status may have increased. At the same time they may be perceived as 'nosy' when monitoring whether recipients were still entitled to receive the benefit. I.e. their status may have improved with a mixed impact on their relations to the community.

However, it needs to be emphasised that these are speculations only, and listed here to illustrate that it is likely that there are symbolic impacts which could be explored further.

3.2.2 Zimbabwe Emergency Cash Transfer (World Food Programme and Concern Worldwide)[7]

The Zimbabwe Emergency Cash Transfer programme (ZECT) was a pilot project implemented by Concern Worldwide and funded by the World Food Programme (WFP) that sought to test the replacement of food aid with an equivalent amount of cash. The programme operated for a period of five months between November 2009 and March 2010, providing cash, food or a mixture of cash and food transfers to up to 58,866 individuals (8) on a monthly basis during this period, (see Box 3.1).

Box 3.1 ZECT transfer per recipient under each aid type

Food Only – Food basket that on average included 10kg of maize, 1.8kg of beans and 0.6 litres of vegetable oil

Cash Only - Cash equivalent of the food basket calculated to allow recipients to buy exactly the same goods in local markets, at local market prices

Cash and Food - Half of the normal food basket under 'food only' together with half of the cash under the 'cash only' modality

The objective of the ZECT was principally material and research-based: to enable households to meet their food entitlements, to understand the market responses to cash, and to understand the community response to cash. The evaluation sought to assess whether these objectives were met, and to assess the social impact of the ZECT, and to provide an estimate of the costs and benefits of the project, as a guide to further policy-making.

Partly designed to provide evidence to the government and the WFP on the suitability of cash over food aid, the programme was extensively monitored by Concern staff, and evaluated by OPM (Ruiz Roman 2010; Kardan et al 2010).

[7] This section draws on Kardan et al 2010, available at http://www.concern.net/resources/evaluation-zimbabwes-emergency-cash-transfer-zect-programme

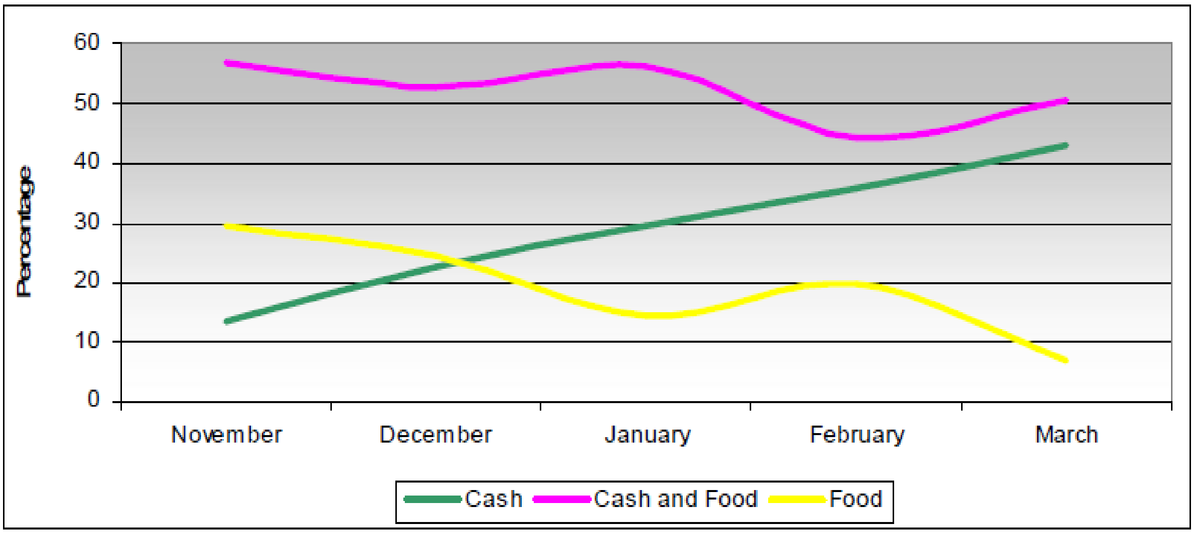
[8] The programme initially envisaged 1,900 recipients of cash transfers, and 1,900 recipients of a 50:50 mix of cash and food between November 2009 and March 2010. The transfer programme was subsequently expanded, in January 2010.

The ZECT was carefully planned from a technical point of view. Shortly before the transfer was made, Zimbabwe suffered from hyperinflation that had catastrophic effects on the economy and many markets, and eventually led to the replacement of the Zimbabwean dollar by the United States dollar (USD). At the same time, the maize market was deregulated. Markets began to function better, as the economy recovered, suppliers regained confidence that their goods would be exchanged for a valuable currency, and buyers became more accustomed to trust the currency. Nonetheless, considerable nervousness about markets remained, and many preferred to retain large foodstocks rather than sell and rely on their ability to buy. Concern therefore engaged in a careful assessment of the functioning of local markets before implementing the cash transfer intervention, and transfers were made in USD.

As with the other programmes, consultation with those affected by the programme did not go beyond consultation with local political leaders. The views of political leaders were taken into account. For example, while the initial proposal was to select villages based on vulnerability, ward assembly (the local government assembly) members were unwilling to say that any village was better off than others, so villages were then selected on the basis of population. This adherence to their views led to some villages being selected that were not vulnerable. However, recipient populations were not consulted or even informed about the switch from food to cash until after the targeting process had taken place (since it had not yet been decided to switch from food to cash at that point). Given that there were subsequent complaints about receiving cash, this is concerning.

However, the lack of consultation around the switch from food to cash raises interesting questions because recipients' preferences changed as they were exposed to cash. Figure 3.2 shows that the longer people were exposed to cash, the more they preferred it, but before the cash was provided, it was by far the least preferred option. So had Concern taken seriously the views of potential recipients before providing cash, they would not have provided it, even though by the end of the programme it was preferred to food. This seems to present a problem for the rights-first approach, to which there may be no easy answer.

Figure 3.2 Evolving cash preference, ZECT



Source: Ruiz Roman 2010: 19. Data come from a monthly survey of recipients implemented by Concern staff.

Material impacts

The provision of cash was broadly successful in terms of material impacts. Markets worked well, so that recipients were able to use the cash to buy maize meal (the main staple) with little problem. In fact, given that the value of the cash provided was based on the food bundle that included expensive beans, cash recipients were able to obtain more maize than food recipients. The net income increase seemed to be rather smaller than the value of the transfer, because recipients changed their livelihood behaviour to reduce the amount of time they spent on casual labour, thereby reducing their incomes. This is naturally of some policy-making concern, and raises general questions about the usefulness of this sort of relief operation in many parts of Zimbabwe.

The provision of cash also had positive material impacts on health and education spending, to a greater extent than food transfers, although recipients did not consider this to be a substantial impact overall. Cash also had a positive impact on recipients' ability to purchase basic goods.

Relational impacts

Set against these clearly positive material impacts, however, were some more ambiguous relational impacts. The evaluation of the programme assessed relational impacts both within households and between households.

Relational impacts were very important to respondents. The evaluation asked respondents to score the importance of different types of impact (e.g. on food, education, health, etc.) out of 10, and intra-household relations and food consumption were the only categories to receive 10/10 from each group. Community relations were the third most important category of impact area behind education and health. This indicates that in contrast to Copestake's findings set out above, relational impacts seem to be as just as important to recipients as material impacts.

The cash transfer appeared to improve relations within recipient households – between different members of the same household. This is because, as the report notes, "the principal driver of poor intra-household relations is a lack of food at household level, and all transfer types contributed to preventing this," (Kardan et al 2010: vi). In this case, therefore, material impacts drive relational consequences, and since the material impacts are broadly positive, so are the relational consequences. As respondents said "people lived in harmony because there was enough food in the house," (Kardan et al 2010: 50). Men and women were able to discuss how best to share and use the cash, and cash therefore typically improved relations between them, within households.

However, the cash transfer had a negative impact on relations between recipient and non-recipient households. This was in contrast to the provision of food, which had a positive impact on these relations. This is principally because cash is not shared but food is. This raises very important questions for the desirability of this form of transfer.

The negative impact of cash on these relations was important. First, remember that respondents scored this 10/10 for importance. Second, respondents were very clear that poor relations with their neighbours had subsequently negative material impacts. For example, the normal way to deal with temporary food shortages is to share with neighbours affected by idiosyncratic shocks. However, this relies on good relations since this is based on trust that the household will share back.[9] Second, neighbours share agriculture inputs

[9] The negative impact of formal social protection on informal sharing has been noted elsewhere.

and this is critical for production. Third, neighbours share childcare when household members travel for casual labour. Fourth, households engage in shared community work to build shared assets.

Respondents were clear that cash had negative consequences for social relations. This indicative quote shows this clearly: "when cash was given to beneficiaries, jealousy brewed easily because people did not like sharing cash, but there was no hatred when there was food," (recipients in Nyanga, cited Kardan et al 2010: 48). The dislike of sharing cash is a cultural practice – that is common in most parts of the world.[10]

However, it was not only the provision of cash that had negative consequences for social relations, but the process of targeting people. Some respondents felt that community-based targeting – in essence asking the community to select some and not others – caused tensions that then led to deaths through witchcraft, as non-selected households put curses on recipients. Where food was distributed, this tension was mitigated because people shared the food, but this did not occur in cash.

Non-recipients were clear that the community-based process led to selection of people with wide social networks. This is because in practice people were selected on the basis of voting for others who were considered vulnerable. As the evaluation points out (Kardan et al 2010: 72):

> "The major weakness in this system is that in a communal setting, it is very hard for marginalised households to speak freely, and relatively easy for powerful households to secure nominations and validations from those in their social network. This does not indicate that no vulnerable households are selected: to the contrary, many are. It does suggest, however, that some non-vulnerable households will be included, and some vulnerable households will be excluded because they are vulnerable not only economically but also socially and politically. This is even more likely to be the case where villages are strongly divided along political lines, as was the case in one fieldwork village."

The dislike of targeting was so strong – and its negative consequences felt by recipients and non-recipients alike – that all recipients asked would have preferred everyone in the village to receive an equal share, even if this was less than their current allocation. This striking finding is testament to the importance of relational aspects of well-being in comparison with the material.

The challenge for policy-making in Zimbabwe is how to respond to these findings. Concern, in particular, are juggling a perceived need to respond to a food emergency with limited resources with calls from recipients to make equal distributions. In this case, it is vital to make a detailed a clear assessment of the material importance of the transfers, and only to implement them if this is certainly a pressing need (i.e. that there is a clearcut humanitarian case).

Symbolic impacts

As with most evaluations, the symbolic impacts of the ZECT transfer were not examined. However, it is possible to speculate that there may have been some consequences worth considering, and these could have been explored in more detail.

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[10] Most people would be happy to 'lend' – or in practice give – their neighbours a cup of sugar, but fewer would be happy to give their neighbours money.

First, the decision to switch from food to cash was taken with great 'technocratic care' (e.g. checking that markets would respond), with positive consequences in many ways, but without the involvement of communities who had already implemented a community-based targeting process. This decision-making procedure must have contributed to a feeling that households in this area are not involved in processes that have important consequences for their lives. In an area which was been receiving food handouts for over a decade, it is hard to see this contributing to increased self-reliance in a psychological sense, even if the cash could have been used to improve self-reliance in a material sense.

Second, the targeting process probably strengthened the symbolic role of the village leaders, as they were asked to mediate the targeting process. The results indicate that many were able to exercise some power over this process, as the chiefs were included in every village recipient list, as were several of their relatives. Seeing the NGO work through these power structures will have probably enhanced the power distance between 'ordinary' members of the community and the leadership, in a way that may not be helpful for emancipation.

Third, the distribution process made use of the normal symbols of power to distribute the cash and food, and as a result will have strengthened these symbols. These included schools, NGO personnel, and security officers. The impact of this is not clear, of course, but this does not mean it is negligible. Further anthropological research would be required to explore this.

Finally, the individualisation of people and households (i.e. individuals in households satisfy their own needs, and households don't share) raised by the transfer of cash may have wider symbolic consequences. There are anthropological accounts of the introduction of currency eroding traditional exchange mechanisms, and in a similar way cash may erode rather than shared consciousness and activity, with pursuant negative and irreversible consequences.

3.2.3 Kenya – Conditional Cash Transfer Programme for Orphans and Vulnerable Children (UNICEF and Government of Kenya)

In Kenya, UNICEF with the government set up a pilot programme for cash transfers to orphans and vulnerable children. One of its primary objectives was to use cash transfers as an instrument to **retain orphans and vulnerable children (OVCs) within their families and communities**, as well as promoting better educational and health outcomes. This is a relational objective, which stands out among the material objectives which typically form the bulk of the objectives.

However, there is something odd about this particular relational objective. Prior to the programme, orphans and vulnerable children were already retained in families and within the community. OPM carried out a panel survey among orphans in Kenya. We found that, in fact, more than 90% stayed with (any) relative, and only 3% had left the village/area.

Table 3.1 Care arrangements for children whose parent(s) died in the preceding 12 months, 2007

	2007
Characteristics of OVCs	**Total**
Proportion cared for by: (%)	
The remaining parent	61
Grandparent(s)	19
Other adult relative(s)	15
Step-parent(s)	3
Other adults – not relatives	1
No adults	1
Orphanage	0
Not known/not specified	1
Proportion who stayed with (any) relative (%)	94
Proportion moving out of the village/area (%)	3
N = number of orphans (unweighted)	**2,226**

Source: OPM

This is in line with social norms. The expectation is that an orphan will be cared for by the grandparents.

Table 3.2 Social norms in the case of the death of a parent, 2009

	Total (2009)
Proportion of households living in communities reporting:	
Usual main caregiver in case both parents of a child aged 10 years die	
Paternal grandparents	77
Maternal grandparents	39
Brother of the father	20
Whichever family member has financial means	5
Usual female caregiver in case mother dies	
Paternal grandmother	77
Maternal grandmother	34
N = number of communities	**203**

Note: More than one answer was possible, the table shows only the most commonly given answers.
Source: OPM

Hence, there was very little the programme could do to improve this. Apparently, when the programme objectives were drawn up, the social relations and social norms were not taken into consideration. Accordingly, OPM recommended to change the objective, so that the programme supports families to maintain the welfare of the OVCs they are caring for.

It should be added that the programme also had a range of material ‘material’ impact objectives, several of which were achieved.

Material impacts

With respect to material impacts, the success has been mixed, with a number of areas showing substantial positive impact.

On the positive side, cash transfers from the Programme have increased the real household consumption levels, reduced poverty levels (by 13%), have increased food expenditure and dietary diversity. There has been an impact on secondary school enrolment in older children and appears to have reduced child work.

As could be expected, there has been a decline of over 10 percentage points in the proportion of Programme households reporting receiving assistance from other households, other members of the community or organisations. This probably reflects a perception that these households are less needy now that they receive support from the Programme, as would be expected.

Nevertheless, this still shows that there have been some substantial material impacts.

Symbolic impacts

As in Malawi and Zimbabwe, symbolic impacts were not part of the research, but we can speculate on some possible symbolic impacts. As in Malawi, the selection of committee members will have had an impact on their status and changed their relation to other community members. As in Zimbabwe, the decision-making procedure may have contributed to a sense that households do not play a role in programmes that affect their lives, possibly with effects on the perspective of the status of the households vis a vis the programme implementing organisations. However, as in Malawi and Kenya, these impacts are speculative and only serve to illustrate that they may be existing and that further research can be useful.

4 Conclusions

Cash transfers leave recipients materially richer. They can also leave them resented. Does this matter? Does material wealth mixed with social difficulty result in improved well-being? Do our current evaluation strategies allow us to tell? Are our current policy-making and decision-making processes capable of incorporating this more complicated assessment of well-being and impact.

Cash transfers are usually designed and evaluated with a focus on material impacts, in line with the priorities of the beneficiaries. This paper argues, that symbolic, and in particular relational impacts should be taken more strongly into consideration, as the impacts may well be negative.

We have seen that the cash transfer schemes do have material impacts but that the impact on social relations is not necessarily fully understood in the design of a programme. We advocate for taking the relational impact into account to a greater degree.

There are several ways that this could be achieved in the short term. First, we propose a framework, drawing on work at the University of Bath, that would allow the analysis of relational and symbolic aspects of well-being. In addition, the role of social relations in having second order material impacts should be explicitly considered in evaluation strategies. This could be achieved through more creative quantitative and qualitative research, drawing on insights from anthropology and sociology but also behavioural economics.

Second, more consideration needs to be given to cash transfers as processes of intervention in people's lives. As such, the implications of technocratic decision-making should also be considered, together with the impact of different processes involved in a cash transfer (including targeting, payment, and M&E) and not only the impact of the transfer of cash itself. Cash transfers are not apolitical top-ups with impact only on income, but social and political processes with social and political consequences.

Third, with this understanding, there may be a case for revising or revisiting the current enthusiasm for cash transfer pilots. The suggestion that cash transfers have unambiguously positive impacts is not borne out by the evidence. This is absolutely not an argument for revisiting the case for making net transfer from rich to poor; rather, it is case for considering the nature of those transfers and the decision-making and institutional structures that support them. It is an argument for reconsidering the costs and benefits of those transfers to reflect a more comprehensive understanding of well-being and a broader understanding of the ways in which interventions can affect people's lives.

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