


**Workshop on cash transfers and  
decolonising global health**

**Cash transfers for the elderly: how  
promising is this for Kenya's future social  
protection systems?**

**Anne Kamau**  
Institute for Development Studies  
University of Nairobi  
Email: [anne.kamau@uonbi.ac.ke](mailto:anne.kamau@uonbi.ac.ke)

**John Gachigi**  
Formerly of State Dept. of  
Social Protection - SAU

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Anne Kamau    University of Nairobi    ISO 9001:2015    <http://www.uonbi.ac.ke>    24/02/2023    1

## Overview

- ▶ Focus is on decolonizing cash transfers
  
- ▶ Critical questions
  - Who is on CTs and why?
  - Why do old persons get onto CTs in the first place
  - What does the future portend for OPCTs

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## Introduction on CTs & 'colonisation'

- ▶ To 'decolonize' - reflection on historical processes and colonial legacies in creating inequities and the need for CTs
- ▶ Response to a growing population of older people without secure income
- ▶ How colonial is OPs-Care
  - Historical context of old persons care and inclusion?
  - Origin of OPCTs
  - Colonial nature of CTs - determination that CTs are best for Africa
  - What alternative models could be embraced beyond CTs - are universal models a better alternative
  - What lessons can be borrowed from other countries?

## History: Social Policy/Welfare

Post-colonial		
<p><b>Nationalist phase</b></p> <ul style="list-style-type: none"> <li>• Decade for all [equal opportunity for all citizens]</li> <li>• Largely universal</li> </ul>	<ul style="list-style-type: none"> <li>• Period of oneness and universal social provisioning</li> <li>• SSA countries embarked on ambitious state sponsored social provisioning</li> <li>• <b>People centered</b></li> </ul>	<p><b>Response to: -</b></p> <ul style="list-style-type: none"> <li>• Colonial regimes neglect of peoples human capital development, general lack of social progress, political exclusion of the colonized and inadequacy of social provisioning to citizens despite heavy taxes levied by colonial authorities</li> <li>• <b>Policy instruments: used health, housing, education, agriculture &amp; emergency programmes to foster national unity</b></li> <li>• <b>Pension programmes designed to generate financial resources for industrialization</b></li> </ul>

## History: Social Policy/Welfare

Neoliberal policy regime		
1980s  Decline of state-level integration & solidarity	<ul style="list-style-type: none"> <li>1970s and 1980s structural adjustment - WB &amp; IMF economic liberalisation programmes</li> <li>Rolling back the influence of the state in SSA countries</li> <li>Weakened national unity</li> </ul>	<b>Reduced spending on social welfare</b> <ul style="list-style-type: none"> <li>Increase of social expenditures and taxes perceived as a threat</li> <li>Suggestion for reduction of social responsibilities of the states</li> <li><b>Removal of state subsidies</b> and introduction of user charges for basic social services e.g. in health</li> <li><b>Massive retrenchment</b> - increase industrialization by unleashing entrepreneurial spirit of citizens</li> <li><b>What did this mean for old persons?</b></li> </ul>

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## History: Social Policy/Welfare

Rethinking social welfare/policy - CTs & Universality		
2000	Economic recession (SAPs) with a human face	<ul style="list-style-type: none"> <li>Increased call in the face of growing poverty</li> <li><b>Crisis of citizenship and statehood</b></li> </ul>
2010s - 2020s	Universal schemes	<ul style="list-style-type: none"> <li>Conditional CTs - OPCTs</li> <li>Unconditional CTs</li> <li>Universal programmes (categorical?)</li> </ul>
Future?	<ul style="list-style-type: none"> <li>Return to post-colonial times (nationalised policies/programmes)?</li> <li>Universal programmes (non-categorical and unconditional?)</li> </ul>	

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## Kenya



Population : 47.6 Million (2019)

Households: 12.1 Million

Kenya Poverty Rate: 36.1(KIHBS, 2015/16) - graduate to higher/lower rank

Hardcore/Extremely Poverty: 8.6%

Coverage for Social Assistance: 12%

Level of spending of the GDP: 1.37%

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## Kenya: Socio-economic aspects?

- **Population dynamics**
  - The youth bulge and progression into old age
  - Increased longevity
  - Increased poverty [more households categorized as poor & in need of state support]
  - Increased disease burden (NCDs etc)
- **Economic and labour force dynamics - increased informality**
  - Large working population in the informal sector [e.g. in Kenya, ca. 82% in informal economy with only ca. 5% contribution to retirement/old age pensions]
  - Retirement/old age contributions - ca. 20%

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# Kenya Social Protection Context

- ▶ The Kenya Social Protection Policy (2022) adopts a rights-based and life-cycle approach to Social Protection
  - ▶ supports implementation of the population's right to Social Security/protection and contributes to ensuring the right to basic education, nutrition, food security, health care, and employment.
  - ▶ Implementation of the Policy is a key instrument for the gradual realization of economic and social rights as mandated by Article 21 of the Constitution of Kenya and the overall global agenda of Universal Social Protection

## Legal and Policy Framework



- Global Instruments including the SDGs
- Regional Instruments
- Local instruments:
  - The Constitution of Kenya (2010) under Article 43(3)
  - Kenya Vision 2030
  - National Social Protection Policy (2012)
  - Sessional Paper No 1 on Social Protection.
  - Social Assistance Act 2013, is under review






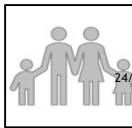
## Inua Jamii Programme

- National Safety Net Programme [Inua Jamii] - cash transfer targeting most vulnerable and poorest Kenyans - Orphans & Vulnerable Children (OVCs), Older Persons (OP) and Persons with Severe Disabilities (PWDs)
- Provides stipend (CTs) to cushion beneficiaries from poverty and hunger & improve their lives
- **Older Persons Cash Transfer Programme** - Kenya's response to a growing population of older people entering later life without a secure source of income

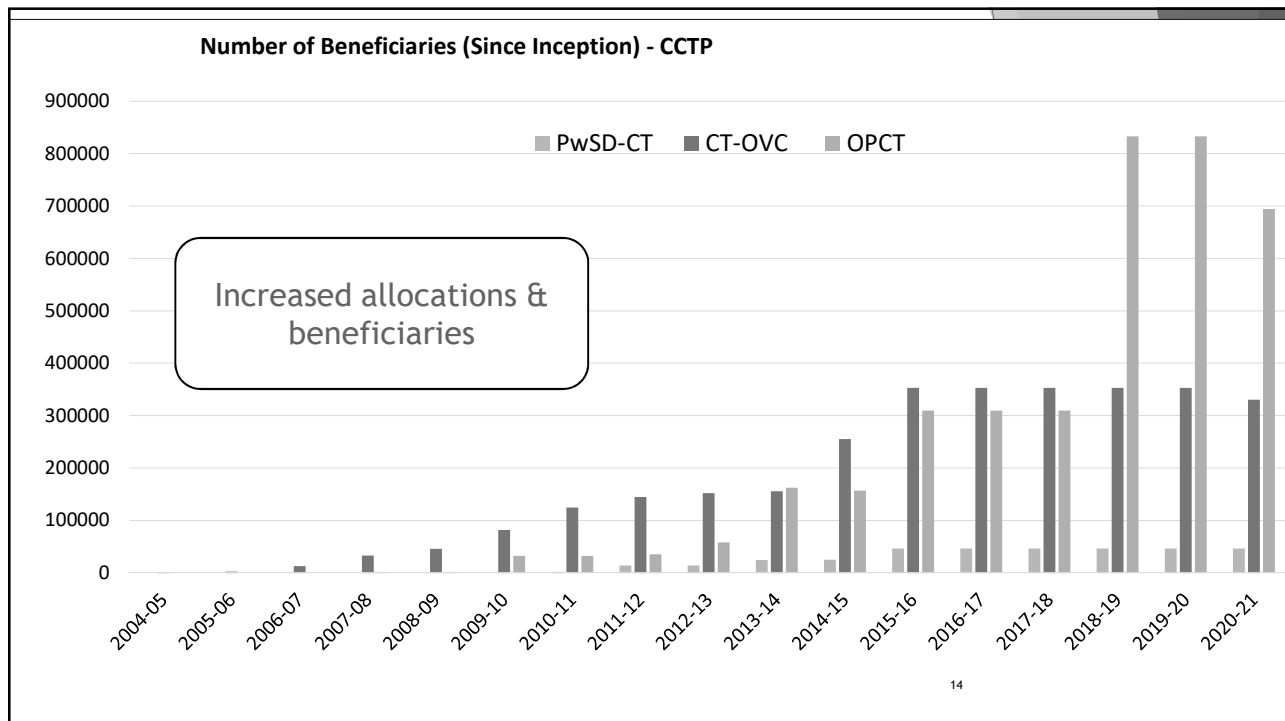
## Older Persons Cash Transfer Programme

- ❖ Started in 2007/08 - pilot programme targeting 300 households in 3 districts - Thika, Nyando and Busia
- ❖ **Aim: Improve livelihoods of poor households with persons aged 65 years and above [now 70+]**
  - Provide a regular income for households taking care of persons aged 70 years and above
  - Reduce mortality of older persons aged 70 years and above
- ❖ Current coverage of the program is 833,000 households

## Current Beneficiaries & Budget Allocation

<b>Coverage:</b>	1.33 million HHs		• OPCT = 833,129
<b>Annual budget:</b>	320 Billions		• CT-OVC = 353,000
<b>Transfer value:</b>	2000 per month		• PWSD = 4,000
<b>Funding:</b>	100% tax financed		• HSNP = 101,800

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## Projections for Old Persons

Population of old persons aged 70 years and above (2019 census)	1,239,410
OPCT beneficiaries	833,129
Old persons aged 70 years & above not covered (coverage gap)	406,281
<b>Projection of illegible old persons (70 years&gt;)</b>	<b>250,000</b>

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## The Future of OPCTs - what direction?

- Declining family support to complement state support
  - SAPs affected generations (inter-generational poverty)
  - Rise in individualism & neglect (and abuse) of old persons
- Socio-economic and demographic reality
  - Rising unemployment especially among the youth
  - Rising informal economy with few contribution towards old age pension
  - Rising diseases burden (life course issues) - ageing with diseases of the past/diseases of young age transiting into old age -e.g. rising NCDs
  - **Will the states provide enhanced cash transfers with increased disease burden?**

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## What does the future hold for OPCTs?

- While CTs are universal, they are not wholesome
  - **Many aspects of old personas care that cannot be provided through CTs** - e.g., old age loneliness, general happiness of old persons, mobility of old persons
  - **Question of rewarding non-compliance with (non-commitment to) social policy initiatives** - e.g., promoting contributions towards old age pensions
  - **Colonisation of social policy** - who is driving the OPCTs policies and programmes and what is the role of the state and citizens?

## The Future of OPCTs - what direction?

- **Policy considerations**
  - Role of state versus citizens
  - Large coverage gap - with 65 years target being at ca. 90% of eligible households being excluded
  - **What is the graduation path out of OPCT vis-à-vis coverage expansion**

## What does the future hold for OPCTs?

- With the trend towards universal old age pensions programmes, can coverage be guaranteed and sustained?
- Are CTs the most feasible option of getting OPs out of poverty
  - What is the financial base of governments to support universal OPCTs
  - What is the state(s) capacity to support large base of retired ISWs - with no pension coverage - as a constitutional and legal mandate?
  - While universal old persons coverage is progressive and prospective, its important to look retrospectively and begin to act early to minimize the number of people who need to get into CTs later in life

## Concluding thoughts

Mkandawire (2001, 291)- Africa has many examples of states whose performance until the mid-1970s would have qualified as “**developmental states**” .... but which now seem anti-developmental because hard times brought the economic expansions of their countries to a halt

## The Future of OPCTs

- Political goodwill - and is this a sustainable approach
- Government priorities - and the shifts
- Fiscal space
- Policy directions - tied to political commitments
- Legal frameworks - and constitutional mandate
- Development partner's agenda - where are they willing to invest?
- Existing and emerging evidence - and shocks

Thank You