

SOCIAL CAPITAL AND POVERTY REDUCTION AMONG THE INTERNALLY DISPLACED PERSONS IN KENYA

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ABSTRACT

Social capital is now gaining prominence among researchers, policy makers and development practitioners as a valuable resource for promoting economic growth, creation of secure neighborhoods and sustainable communities. Studies have shown that communities that are characterized by huge amount of social capital particularly in form of community groups at the grassroots level, have a higher likelihood of realizing improved social development than communities with less amounts of social capital. Using primary data collected in Nakuru County and Uasin-Gishu County from a random sample of 400 respondents through interviews and Focus Group Discussions, this paper investigated the contribution of social capital towards poverty reduction among the internally displaced persons in Kenya. The findings show that social capital had a major contribution to poverty reduction in the households that were impoverished by internal displacement. Overall, the results show that social networks and social groups (social capital) act as the primary forms of insurance that vulnerable populations depend on to smooth out the adverse effects of unforeseen exigencies. Hence social connections serve as conduits for assets that are important for improving the household's well-being. The paper makes a policy suggestion that social capital should be integrated in development policies as an essential component for poverty reduction at both national and county or federal levels.

Keywords: Economic growth, Development policies, Social integration, Sustainable communities.

INTRODUCTION

Social capital is an outcome of social interaction in form of resources and assets that can be used to solve a wide spectrum of issues and problems in the society. The importance of social capital in economic development has in recent years received a lot of attention from both academics and policy makers. Social capital being an outcome of social interaction, yields valuable assets that are utilized in addressing a wide spectrum of issues in the society. Thus social capital has been picked and applied to a broad spectrum of social sectors especially in building manpower and in promoting the growth of economic firms, regions and states (Putnam, 1993; Fukuyama, 1995). The fundamental premise of social capital is that social networks contain useful resources for the conduct of social affairs by providing members with collectively owned capital (Bourdieu, 1986). Hence, social capital is useful in enabling the realization of some public benefits such as social, political and economic progress (Coleman, 1988; Putnam, 1993).

Since the publication of Putnam's (1993) work on Italian communities in north and south Italy, the concept of social capital has strongly influenced mainstream thinking on solving a broad range of community problems (Woolcock, 1998). Indeed, social capital has been widely adopted by economists, thus supplementing physical and human capital in order to explain economic performance of enterprises and effectiveness of government. Social capital is well recognized for its role in poverty alleviation especially among poor families (Grootaert, Oh, and Swamy, 2002). Woolcock

(2001) claims that communities with large amount of social capital are not highly exposed to vulnerabilities and possess better capability to address their struggles including taking advantage of opportunities for further improvement. The underlying notion is that social capital is of great importance in poverty reduction programmes (Putnam, 2000).

Empirical studies show that social capital has positive influence on the family well-being (Grootaert, 1999; Narayan and Pritchett, 1997; Woolcock and Narayan, 2000). Grootaert (2000); Grootaert and Narayan (2000); Grootaert et al. (2002) found that in Bolivia, Burkina Faso and Indonesia, social capital had a positive and significant contribution to the household well-being. Moreover, Grootaert et al. (2002) established that families belonging to local associations with active ties have more access to credit even if monetary needs were not the primary goal of such groups.

In the absence of insurance opportunities and formal financial institutions particularly in non-industrialized countries, many households depend on community organizations to obtain monetary and social support and as a means of reducing the possibility of being exposed to shocks (Rosenzweig, 1988; Fafchamps, 1992; Townsend, 1994; Udry, 1994; Gakuru, 2002; Fafchamps and Lund, 2003; Bastelaer, 2003). Narayan and Pritchett (1997) argue that social capital may well act as a safety net for alleviating the effects of unfavourable consequences. This implies that societies that have large amounts of

social capital may engage in big profitable and risky projects because of greater distribution of household risk. As a result, such households are able to realize better returns.

Studies have further revealed that social capital promotes communal behaviour, thereby fostering economic well-being through enhanced sharing of information and elimination of unscrupulous tendencies because of rules that regulate conduct (Putnam, 1993; Grootaert, 1997; Uphoff and Wijayarathna, 2000; Woolcock and Narayan, 2000; Grootaert, Narayan, Jones and Woolcock, 2004; Cummings, Heeks and Huysman, 2006). Similarly, Narayan and Pritchett (1997) states that societies that have huge amount of social capital have a higher likelihood of lowering business costs, and reduce uncertainty because of improved access to information about the prevailing market conditions.

Social capital has also been extensively applied in explaining neighborhood improvement and social cohesion within the broader society especially in respect to the underprivileged and marginalized regions (Forrest and Kearns, 2001; Green, Grimsly and Stafford, 2005). For instance, Lang and Hornburg (1998) assert that programs of neighborhood improvement are more viable in communities with sufficient amount of social capital. Woolcock and Narayan (2000) also opines that being a member of a social network and associating with others in the community has prospects for procuring socioeconomic benefits to the member and also to the entire community. In addition, societies with abundant social capital are perceived to be well placed in dealing with vulnerability and poverty.

Research at the grassroots level has assessed the influence of social capital on household income. Narayan and Pritchett (1997) identified social capital as among the most important determining factors of households' income in rural Tanzania. The villages with adequate social capital in the form of reciprocity and sharing of information had a greater likelihood of adopting modern and improved farming practices, utilization of credit for agricultural improvement and accessing improved public services.

Despite the increase in the number of studies on social capital, the available studies on social capital in Kenya have not examined the relationship between social capital and poverty reduction among vulnerable populations especially the internally displaced persons. For example, Mwangi and Ouma (2012) focused on social capital and access to credit in Kenya; Bisung, Elliot, Schuster-Wallace, Karanja and Bernard (2014) studied the role of social capital in improving access to water and sanitation in marginalized communities; Mwakubo, Obare, Omiti and Mohammed (2006) assessed the influence of

social capital on natural resource management in marginal areas of Kenya; and Nyangena and Sterner (2008) focused on social capital and institutions in Kenya. This paper tests the relationship between social capital and poverty reduction among the households of the internally displaced persons in Kenya. The focus on IDPs was based on the understanding that displacement leads to disruption of livelihoods and impoverishment of the affected populations. Secondly, unlike refugees, IDPs are not recognized under the international laws. Although there is a set of Guiding Principles on Internal Displacement that were developed in 1998, these principles are not binding on the states. Therefore, in the absence of institutional support by both the state and the international community, IDPs remain a vulnerable and poor segment of the population.

METHODOLOGY

The data used in the empirical analysis below were collected from Nakuru and Uasin-Gishu counties. These are counties that during 2007/2008 post-election violence experienced severe tribal clashes that resulted in mass displacement of people. Multi-stage cluster sampling was used because of the vast geographical area of the two counties that made it too expensive, time-consuming and difficult to cover the entire area with random sampling. Constituencies in the selected counties comprised the first stage. The second stage consisted of the constituency assembly wards while the village units formed the third stage. In each county, five constituencies were selected using simple random sampling. In each ward two village units were selected. Hence twenty village units were randomly selected in each county. Once the village units were randomly identified, a list of households of victims of internal displacement was developed for each village with the help of the local administration (Chiefs). From each of the two counties, questionnaires were administered to 200 respondents. Since there were 20 village units in every county, ten households were sampled from each village unit using systematic sampling technique. Thus the total number of respondents that were involved in this study was 400. To completely eliminate bias in the selection of households, simple random sampling technique was used to identify the first household. Structured questionnaires and Focus Group Discussions were used to collect data.

RESULTS AND DISCUSSION

Group and Social Networks

Table 1 shows that nearly 74.0 percent of all the households sampled had membership into social groups. Using affiliation to a group as an indicator of social capital, it is evident from the data that there is substantial amount of social capital among the interviewed respondents.

Social capital is believed to have the potential of reducing the possibility of becoming poor and the

benefits that households generate from social capital are more particularly for the underprivileged households (Grootaert et al., 2002). The high level of affiliation to social groups by households can be associated with the expected benefits that are likely to accrue from self-help groups. Too often, investment in self-help groups is perceived by many people to have the potential of generating immediate and desirable outcomes that have a positive influence on the household well-being.

Community groups and social networks are commonly used by Kenyans as a strategy of accessing community resources, working and learning together in order to improve livelihoods.

According to Putnam, Feldstein and Cohen (2003), groups are said to provide avenues for civic engagement and for recreational and socio-political activities. Thus the mere participation in such groups can have an economic impact by providing opportunities for members to share information, enforce informal transactions and coordinate on cooperative outcomes (La Ferrara, 2002). Community groups can improve access to resources and services such as improved seeds and livestock breeds, farm technology and household items, provide collective labour, create opportunities for income diversification, moral and spiritual support, and access to power and decision making (Place, Njuki, Murithi and Mugo, 2004; Roberston, 1996).

Table 1: Group membership

Group membership	Frequency	Percentage
Yes	295	73.8
No	105	26.2
Total	400	100.0

Social Capital and Poverty Reduction

The pattern and scope of social interactions (social capital) has a significant influence in peoples' lives. However, it is particularly important to the unfortunate people who have less material possessions, meager income and without formal education (Woolcock, 2002). It is on this understanding that analysis on whether or not social capital contributed towards poverty reduction among victims of displacement was done. It primarily identifies the benefits obtained from a group and how such benefits influence households' well-being.

The contribution of social capital to household welfare was measured by gauging the level to which families were able to obtain various resources for welfare improvement from the groups and networks regardless of whether or not the individual was a member of a group or social network. The type of support provided to households by groups and social networks is summarized in Table 2. Nearly 93.0 percent of the respondents acknowledged to have been supported by their groups and associations to obtain schooling services. Schooling is a strong indicator of well-being. Access to education expands an individual's social understanding because of the mental and perceptual skills developed within and outside academic programs. It further broadens people's potential both economically and socially by making them become tolerant of others who are dissimilar from them.

Putnam (2000); Uslaner (1998); Brehm and Rahm (1997) show that individual social trust (social capital) is strongly correlated with individual education level. Therefore, through social capital, individuals are able to acquire education whose one

of the essential functions is setting moral standards and equipping learners with a basic sense of morality. Consequently, it encourages individuals to participate in civic engagements and join various social organizations which are often conduits of resources necessary for improving household welfare. Schooling is also necessary for individuals to develop human capital necessary for improving productivity which eventually translates to better quality of life.

At least 91.2 percent had obtained assistance on health care from the groups in which they were members. Most of the displaced families experience frequent health problems owing to greater exposure to infections due to either overcrowding or/and lack of proper hygiene. Therefore, receiving medical attention is a vital predictor of improved well-being. A family that falls sick too often and is not able to afford treatment, its over-all well-being has a likelihood of diminishing because poor health compromises households' productive capacity. This is because besides the ailing member who could be incapacitated by disease, other family members may be compelled to sacrifice their time and stay home to take care of the sick member. Their withdrawal from income generating activities directly deprives of the household the necessary means for smoothing consumption at the household level. From all the interviewed households, 86.0 percent stated that they got assistance in enhancing access to water and sanitation services. Water and sanitation is an important welfare indicator. Availability of water provides a wide range of benefits that range from production of food, revenue accrued from water sales and other goods that depend on water, minimal fatigue, and better health outcomes. Lack of water

and proper sanitation can lead to increase in disease burden in households which can even be fatal thus increasing mortality rates. Ordinarily, the benefits of better access to water and sanitation and improved well-being reinforce each other. Moreover, it brings down the degree of poverty within households. Frequent exposure to income shocks is a common problem for victims of displacement. Ability to receive credit is one method of effectively protecting victims of violent displacement from the threat of income volatility. The paper assesses the extent to which the victims of displacement obtained assistance from community associations in accessing credit. It emerged that 96% had been assisted with

credit. Normally, households living in conditions of deep poverty can hardly provide securities for obtaining credit from formal credit institutions. Therefore, they heavily rely on informal money lenders and group merry-go-rounds. Access to credit services enables impoverished families to secure capital for starting investments and promoting other capitals including human capital. Credit is thus an important determinant of well-being. The results further show that considerably high number of respondents, nearly 91% acquired technological and agricultural services through social networks. Access to these services can substantially promote the well-being of households.

Table 2: Social capital and access to essential services

	Response			
	Yes		No	
	Frequency	Percentage	Frequency	Percentage
Education	370	92.5	30	7.5
Health care	365	91.2	35	8.8
Water and sanitation	344	86.0	56	14.0
Access to credit	384	96.0	16	4.0
Access to farming materials and technology	363	90.7	37	9.3
Access to building materials	359	89.7	41	10.3
Access to information	380	95.0	20	5.0
Job opportunities	252	88.0	48	12.0
Foodstuff	361	90.2	39	9.8
Security	253	63.3	147	36.7

Table 3: IDPs' level of resettlement

Level of settlement	Frequency	Percentage
Fully settled	284	71.0
Not fully settled	116	29.0
Total	400	100

Generally, social networks and associations were found to be very useful in assisting internally displaced persons (IDPs) obtain essential commodities for improving their quality of life. These include building materials (89.7 %), food (90.2%), job opportunities (88.0%), security (63.3%) and information (95.0%). These items combined impact directly and positively on the overall well-being. Based on the foregoing findings, it is discernible that social capital certainly plays a valuable role in transforming the lives of people and communities facing economic difficulties. To establish the link between social capital and poverty reduction among IDPs in Kenya, the level of resettlement by IDPs was used as an indicator of well-being. Two levels of resettlement namely; fully settled and not fully settled emerged after data collection and analysis as indicated in Table 3.

Respondents' Level of Resettlement

In respect to the level of resettlement, the study found out that the majority of the respondents

(71.0%) were fully settled and 29.0 percent not fully resettled. The high number of resettled IDPs can be attributed to the existence of social networks and mutual support in the community they lived. Data presented in Table 4.0 corroborates this observation.

Social Capital and Mutual Support

Mutual support is a vital indicator of social capital since it is created through the social ties and expectations of reciprocity within a network of people connected by shared values and enjoying high mutual trust. In this study, mutual support was examined through participants' experiences and perceptions of willingness to engage in altruistic behaviour by contributing to others' well-being.

The survey questionnaire asked respondents five sets of questions on the social networks and mutual support category of social capital. First, whether members of the association or community helped each other out. The responses were ranked using the Likert Scale from "always helping" to "never

helping". Second, the likelihood that some people in the community or from the association would get together to help in case something unfortunate happened, such as severe sickness, or bereavement of a relative. The five responses ranged from "very likely" to "very unlikely". Third, whether there are people other than the nearest family and immediate kinship members from whom one can approach and borrow money enough to pay for expenses for the household for one week and would be willing to provide. The responses were ranked from "definitely" to "definitely not". Fourth, on whether social networks provided support to facilitate the resettlement of the internally displaced persons. The responses were either in the affirmative or otherwise. Fifth, the type of support received in case the response in the fourth question was affirmative.

The respondents demonstrated quite high levels of mutual support. For example, 88.8 percent of the

sample indicated that members of their association and community always help each other out. Another substantial proportion of 87.5 percent felt that it is highly likely that members of their community would be willing to provide support during an emergency. Also, 68.5 percent also expressed confidence that they would receive support from outside relatives and friends. Only 9.0 percent were completely uncertain of receiving support from outside their relatives and friends while 2.0 percent expressed doubts and only 1.0 percent of the households felt no one would be willing to help them.

Correlation test was carried out to establish whether there is an association between social capital and poverty reduction. Re-settlement of IDPs was used as an indicator of well-being or rather as an outcome of improved well-being which reduces the level of vulnerability to poverty. The other indicator was the support or help provided during resettlement.

Table 4: Social networks and mutual support

Statements	Responses	Frequencies	Percentage
Regularity of members of community associations helping each other out	Always helping	355	88.8
	Helping most of the time	37	9.3
	Helping sometimes	8	2.0
Willingness to provide help in emergency	Very likely	350	87.5
	Somewhat likely	42	10.5
	Very unlikely	8	2.0
Help from outside relatives and friends	Definitely	274	68.5
	Probably	78	19.5
	Unsure	36	9.0
	Probably not	8	2.0
	Definitely not	4	1.0

Table 5: Cross tabulation for social support by level of settlement

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	8.337 ^a	1	.004		
Continuity Correction ^b	7.097	1	.008		
Likelihood Ratio	7.539	1	.006		
Fisher's Exact Test				.006	.005
No. of Valid Cases	400				

Table 5 shows that the calculated Chi-square value is 8.337, the degrees of freedom are 1 and the significance level is 0.005. Therefore, at 0.5 percent significance level there is a statistically significant relationship between social support (social capital) and household well-being as indicated by the level of resettlement of IDPs. Resettlement is a robust indicator of reduced poverty among the internally displaced persons.

CONCLUSION

This paper has revealed that IDPs make use of their acquired social capital to resettle. Their social

networks serve as the primary forms of insurance that they depend on to smooth out the adverse effects of unforeseen exigencies. It also reveals that norms of reciprocity, values such as being trustworthy, and the belief that other people will reciprocate are essential features of community life. Subsequently, people are able to exhibit attitudes of benevolence and make sacrifices in order to help others in times of need. This suggests that trust in neighbors and community, and participation in network structures and groups improves the quality of life for the poor households. Therefore, social connections serve as conduits for assets that are important for improving

the household's well-being. This being the case, programs and policies aimed at improving social welfare of the underprivileged and vulnerable populations should incorporate social capital as an essential component for reducing social vulnerability among households.

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