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QUALITATIVE RESEARCH AND ANALYSES OF THE ECONOMIC IMPACT OF CASH TRANSFER PROGRAMMES IN SUB SAHARAN AFRICA

Ghana Country Case Study Report

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Executive Summary

Background: This report presents analysis and findings from a qualitative research case study conducted in April 2012 in Ghana, the first of a six country study of the economic impact of cash transfer programmes in Sub Saharan Africa. The Ghana Livelihood Empowerment Against Poverty (LEAP) cash transfer programme is the Government of Ghana's flagship programme, targeting extremely poor households with elderly, disabled or Orphans and Vulnerable Children (OVCs). The payment of between US$4-8 is made every two months through a local pay point. By 2012, LEAP was reaching over 70,000 beneficiary households across 100 districts nationwide.

Research areas and key findings: The research study examined the impact of the cash transfer in three interrelated areas: household economy, local economy and social networks.

- **Household economy impacts:** After meeting welfare needs, households were able to invest in a range of economic activities depending on their asset base and associated level of vulnerability. The LEAP transfer functioned primarily as a safety net, supplementing meagre household incomes and enabling resource-poor households to cope better, eat better and spend more on education and health without disinvesting in assets or getting into debt. The transfer also added to working capital for income earning activity. Depending on the asset base of the household, this activity ranged from petty trading to increasing on-farm productivity and in a few instances to more ambitious livelihood diversification strategies. It increased access to and control over resources amongst female-headed beneficiary households, but did not challenge patriarchal household norms, particularly in the Northern Region.
- **Local economy impacts:** The LEAP transfer contributed marginally to increased economic exchanges in the local economy, particularly in smaller community contexts where the aggregate injection of demand was more evident, and to increased diversity of products being bought and sold. The transfer also contributed to increased labour market hiring by beneficiary and non-beneficiary households, also with greater evidence of impact in smaller communities.
- **Social networks:** The LEAP transfer did not significantly increase overall risk sharing and economic collaboration in communities, but did impact positively on beneficiary inclusion in existing social networks through greater self esteem, visibility and a raised social status. It also enabled many beneficiaries to 're-enter' contribution-based social networks including extended family risk sharing arrangements, livelihood/labour farming groups and savings groups.

Operational recommendations: The study also explored how and why various LEAP operational arrangements affected decisions and economic impacts at household and community levels and raised a number of important operational recommendations for future LEAP transfers:

- **Increase the independence, transparency and communication of the targeting process:** The LEAP transfer contributed to mistrust and tension where non beneficiaries did not understand, or perceived a bias, in the selection process. Tension was sustained and even escalated in the absence of effective grievance mechanisms and where the local beneficiary forum mechanism was non-functional.
- **Strengthen the functionality and sustainability of the District and Community Implementation Committees:** Implementation committee functionality appeared to be patchy at best, functional for the initial targeting process but not subsequently in their sensitisation, monitoring and support roles. To sustain institutional delivery of LEAP, support is urgently needed through more continuous training, time protection and resources for monitoring and support activities. Critically, the local implementation committees can be also be more active in supporting beneficiaries to move from protection to production by providing technical support for group formation, network building and savings and investment decisions.

Table of contents

List of tables and figures

Abbreviations

CLIC	Community LEAP Implementation Committee
DECT	Dowa Emergency Cash Transfer
DFID	Department for International Development
DLIC	District LEAP Implementation Committee
DSW	Department for Social Welfare
FAO	Food and Agriculture Organization
GSS	Ghana Statistical Service
LEAP	Livelihood Empowerment Against Poverty
MESW	Ministry of Employment and Social Welfare
MOWAC	Ministry of Women and Children's Affairs
NDPC	National Development and Planning Commission
NGO	Non-Government Organisation
NHIA	National Health Insurance Scheme
NSPS	National Social Protection Strategy
OPM	Oxford Policy Management
OVC	Orphans and Vulnerable Children
P to P	Protection to Production
PWD	Person With Disability
UNICEF	United Nations International Children's Emergency Fund

1 Introduction

This report presents analysis and findings from a qualitative research case study conducted in Ghana over a two week period between the 16^{th} and the 30^{th} of April 2012 as part of the six country, DFID-funded 'Qualitative research and analyses of the economic impacts of cash transfer programmes in Sub Saharan Africa'. The Ghana case study is the first of the six case study countries to be undertaken. As a pilot case study, it has provided useful methodological insights which will be applied to the remaining country case studies. Together, the six country case studies fall within a collaborative project – *From Protection to Production (P to P)* – between DFID, UNICEF and FAO. The P to P project aims to provide evidence on the economic and social impacts of cash transfers focusing on impacts on household decision making, risk coping and adaptation strategies and local economies. In addition, it aims to strengthen data collection processes and build capacity around on-going evaluations by assisting in the design, testing and implementation of modules on economic activities, productive assets, social networks, climate change adaption, risk preferences and shocks. The P to P project also promotes a mixed method approach to researching the economic and social impacts of cash transfers.[1] This Introduction provides a brief background to the Ghana Livelihood Empowerment Against Poverty (LEAP) cash transfer programme, introduces the key evaluation questions for the study and details the research methodology.

1.1 Background: the LEAP Programme

Launched in 2008, the Livelihood Empowerment Against Poverty (LEAP) cash transfer is the flagship programme of Ghana's National Social Policy Strategy (NSPS). It aims to 'empower' the poor by enhancing their capacity to access government interventions and enabling them to 'LEAP out of poverty' (Ministry of Manpower, Youth and Employment, 2007). The LEAP programme is being implemented by the Department of Social Welfare (DSW) under the Ministry of Employment and Social Welfare (MESW). When the programme started in 2008, it reached 1,654 beneficiary households in 21 selected districts. Currently LEAP reaches 70,191 beneficiary[2] households across 100 districts nationwide (Department of Social Welfare, April 2012).

In addition to the provision of cash, LEAP promotes an 'integrated social development approach' which seeks to link beneficiaries with complementary services. For example, the MESW signed a Memorandum of Understanding with the health, education and agriculture ministries to provide free access to the National Health Insurance Scheme (NHIS), free school uniforms and access to agriculture support. Linkages to micro-credit through the Ministry of Women and Children's Affairs (MOWAC) are also an envisaged complementary service.

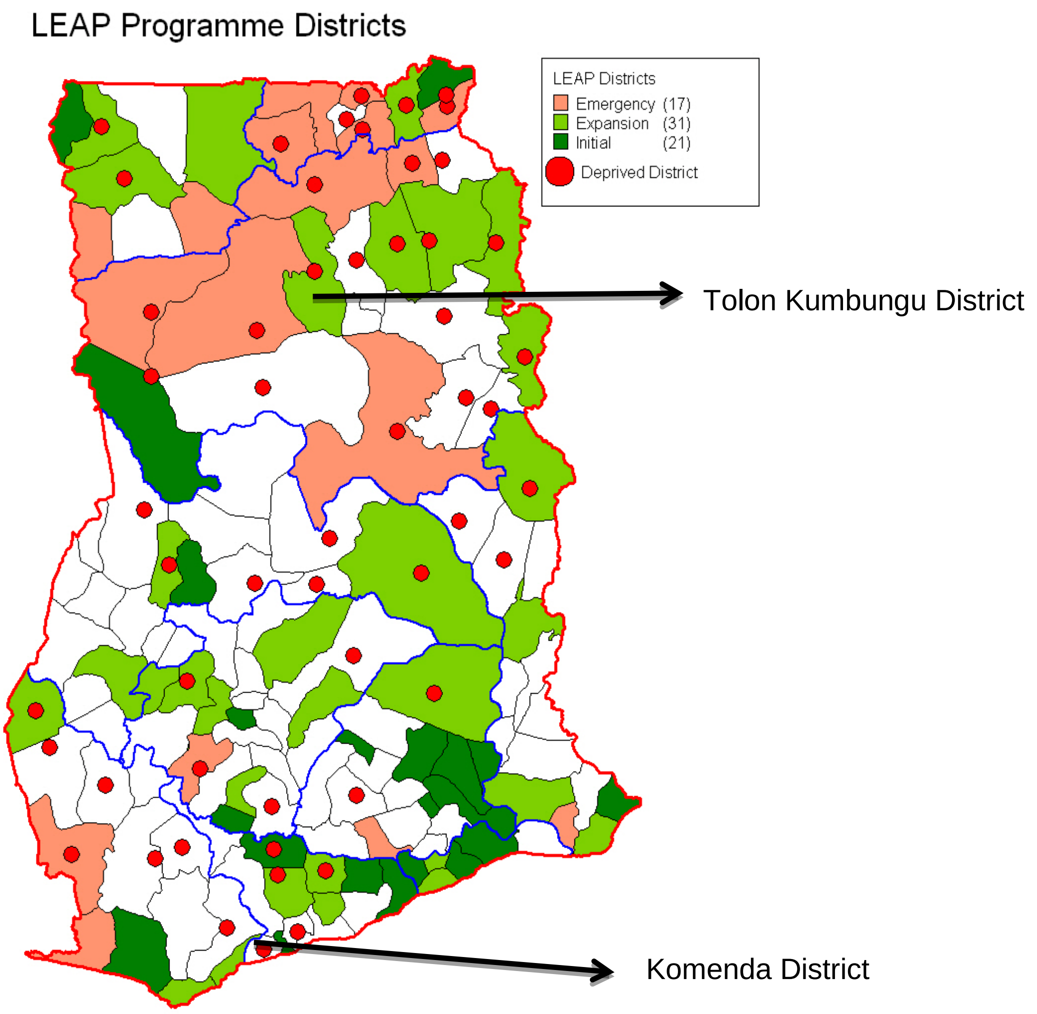
LEAP uses a range of targeting methods including geographical, community based, categorical and proxy means testing. Geographical targeting stratifies districts according to poverty indicators, with 'deprived' districts prioritised using a poverty map developed by the Ghana Statistical Service and National Development Planning Commission (see Figure 1.1). Within districts, beneficiary communities are selected by the District LEAP Implementation Committee (DLIC). According to the LEAP operational manual, the DLIC is made up of the District Chief Executive, a representative of the social services sub-committee, a representative of assembly men and women[3], the District

[1] Although this study presents findings from the qualitative study, the results will be triangulated with data and analysis from the on-going quantitative study when that becomes available.
[2] While the term 'beneficiary' is used throughout this report, we are aware that there is a debate about the use of this word as it implies that recipient households automatically derive a benefit from the cash transfer.
[3] This is an administrative term which refers to members elected to the district assembly. The District Assembly shall be the highest political authority in the district.

Social Welfare Officer, the Director of the Department of Children, the Director of Education, the Director of Health, the Director of Labour, the Director of Information, as well as religious and non-government organisation (NGO) representatives in the districts. More detail and analysis on local perceptions of operational arrangements is provided in Section 3.4 below.

The selection of beneficiary communities follows a range of locally-identified poverty criteria including: the prevalence of adverse health conditions such as high incidence of guinea worm, buruli ulcer and HIV/AIDS; the level of NHIS registration; the availability of and access to quality basic social services; the prevalence of child labour or child trafficking; and the degree of geographical isolation. There does not appear to be a clear or consistent methodology for weighting these various poverty criteria. This has been confirmed through subsequent discussions with the DSW.

Figure 1.1 LEAP districts mapped against district deprivation status, with fieldwork districts labelled[4]



Source: Attached to pers comm from DSW (map undated).

[4] At the time of writing this report, this was the most up to date map showing the geographical targeting of the LEAP programme made available to the research team by the DSW. Note that LEAP currently covers 100 districts across Ghana.

Selected LEAP communities are 'sensitised' about the objectives and the procedures of the programme. This sensitisation is the responsibility of the District Social Welfare Officer, together with community authorities.

At the community level, the selection of beneficiaries and overall implementation of the programme rest with the Community LEAP Implementation Committee (CLIC). This Committee should be composed of community members, a representative from education, health, NGOs and religious groups. The District Social Welfare Officer is responsible for training the CLICs on the targeting process, registration and the other tasks that they are supposed to fulfil on the LEAP programme.

The selection of beneficiaries follows a community based targeting approach. CLICs undertake an initial identification and produce a list of potential beneficiary households. The LEAP programme first targets extremely poor[5] households. From this population of extremely poor households, the programme then prioritises households with members that are elderly (over 65 years old), disabled or caring for Orphans and Vulnerable Children (OVC).

Following this initial identification, a means testing questionnaire is administered to households. Data is entered into a LEAP database and analysed based on weights given to the proxy variables that make up the eligibility formula[6]. A list of proposed beneficiaries is then generated within a resource limit set for each community. This list is sent back to the CLIC for verification and approval. According to the LEAP manual, a representative of the district social welfare office, together with the assembly representative, should go back to the community and present the list and the methodology used to arrive at this final list. This presents an opportunity for community members to express any complaints about the inclusion or exclusion of households and about the targeting process overall (Ministry of Manpower, Youth and Employment, 2007).

Approved households are then informed by the CLIC about their entitlements and the programme's procedures, terms and conditions. The necessary documentation is provided and beneficiaries are incorporated in the payment system managed by Ghana Post.

LEAP is not adjusted to household size, but the value of the transfer to a household depends on the number of eligible beneficiaries within that household (i.e. actual individuals such as OVC or over 65). The transfer ranges from a minimum of 8 Ghana Cedis (US$4.10) per beneficiary per month to a maximum of 15 Ghana Cedis (US$7.70) for four dependents[7]. Beneficiaries receive payments at designated pay points which have been established by the communities in conjunction with the District Social Welfare Office and the Ghana Post. In theory, beneficiary households should receive their transfers every two months, although across all study communities, delays were common. The operational implications of these delays are discussed in Section 3.4 below.

The receipt of the LEAP transfer is unconditional for people over 65 and People With Disability (PWD). However, OVC 'caretakers' must adhere to conditionalities which include: enrolment and retention of school-age children in school; birth registration of new born babies and their attendance at postnatal clinics; full vaccination of children up to the age of five; and non-trafficking of children and their non-involvement in the 'worst forms of child labour'. Monitoring of these conditionalities is the responsibility of the CLICs.

[5] The LEAP operations manual defines extreme poverty as 'citizens who are unable to cater for basic human needs including their nutritional requirements and (who) suffer from poverty across generations.'

[6] There are thirteen variables in total relating to household health status; education status of head of household; dependency ratio, housing condition; access to water and sanitation; household assets, livestock; access to land ; ownership of agricultural inputs; subsistence cropping; household income sources, level of external support and child labour.

[7] At the time of research, there were plans by the DSW to triple LEAP payments.

1.2 Research objective

The research seeks to understand the impact of social cash transfers in three interrelated areas: household economy[8], local economy[9] and social networks[10]. The study also uncovers how and why various operational arrangements affect decisions and economic impacts at household and community levels.

Below, we present the evaluation questions developed to guide the case study research. These are arranged under broad hypotheses which were tested in the field, along with a set of research questions under each hypothesis. This is the hypothesis set that is to be applied across the six country case studies. This hypothesis set has been informed by recent empirical research that has looked at cash transfer impacts beyond poverty alleviation and access to human development services. This recent evidence shows that cash transfers can foster broader economic development impacts[11]. These impacts can come through changes in household behaviour and through impacts on the local economy of the communities where the transfers operate. The household-level impacts follow three main documented channels: (1) changes in labour supply of different household members; (2) investments of some part of the funds into productive activities that increase the beneficiary household's revenue generation capacity; and (3) prevention of detrimental risk-coping strategies such as distress sales of productive assets, child school drop-out, or increased risky income-generation activities such as commercial sex, begging and theft. Research has additionally documented three types of local economy impacts: (4) transfers between beneficiary and ineligible households; (5) effects on local goods and labour markets; and (6) multiplier effects.

With this emerging evidence in mind, discussions during the inception phase of this research project generated the following set of hypotheses and attendant evaluation questions. Each hypothesis has an accompanying theory of change, with transparent underlying assumptions, that is tested during research fieldwork. The hypotheses, research questions and underlying assumptions are presented as a Research Framework in Table 1.1.

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[8] By 'household economy' we refer to the economic activity involved in accumulating and distributing resources within a beneficiary household.

[9] By 'local economy' we refer to economic activity beyond the beneficiary household which is impacted through the production and exchange of goods and services.

[10] 'Social networks' in the context of this study refer to risk sharing arrangements and economic collaboration underpinned by social capital (trust-based reciprocity).

[11] See for example: FAO (2011) 'From Protection to Production: The Role of Social Cash Transfers in Fostering Broad-Based Economic Development', Rome, FAO; Arnold, C. with Conway T. and Greenslade M. (2011). *Cash Transfers Literature Review*, Policy Division, Department for International Development, April; Creti, P (2010) 'The Impact of Cash Transfers on Local markets: A Case study of unstructured markets in Northern Uganda', In-house paper, Cash Learning Partnership (CaLP); Asfaw et al (2012) 'The impact of the Kenya CT-OVC programme on productive activities and labour allocation', unpublished draft paper, FAO, University of North Carolina at Chapel Hill and American University.

Table 1.1 Research Framework: Hypotheses, research questions and underlying assumptions

Hypothesis	Research Questions	Underlying Assumptions
Household economy, hypothesis 1: The introduction of a small but predictable flow of cash income improves livelihood choices and productive investments, although vulnerable households will be more highly constrained in their decision making on how to use the additional cash.	• How and why do beneficiaries make decisions regarding the allocation of additional funds (consume/invest/save)? • How does the additional cash affect beneficiaries' choices of livelihood activities and production strategies? For example, what favours beneficiaries' choices to invest? And their choices to engage or not in labour markets? • What is the effect on detrimental risk coping strategies, such as distress sales of productive assets, school dropout and child labour? Or on other strategies such as migration? • How do beneficiaries' attitudes to risk change as a consequence of a cash transfer? • Do different types of beneficiaries make decisions on how to spend the additional cash in different ways (e.g. male vs female; old vs young)? Why and how? • What are the main constraints (whether linked to networks, physical access, etc.) faced by households in engaging in income generating activities and how do these influence behaviours and choices?	• Beneficiaries (or caretakers of beneficiaries) are physically and mentally able to use additional funds as working capital • Beneficiary household demands on the cash transfer for coping and human capital investment (e.g. food, health and education spending) do not completely override livelihood and productive investments • Beneficiary households have access to and control over sufficient capital (land, labour, credit, social networks, productive assets) with which to make productive use of their cash transfer • Beneficiary households are not intrinsically risk averse – i.e. they are open to taking greater risks with cash transfers given the opportunity • Beneficiaries have access to and control over the cash transfer
Local economy, hypothesis 1: The whole community, including non-beneficiaries, will benefit economically from the injection of cash through multiplier effects on local goods, services and labour markets, although this will be mediated by the political, economic and social context.	• What is the perception of community members (including non beneficiaries) and local traders and businesses in terms of: increased opportunities for trade (higher purchases from beneficiary households and opportunities for business creation and/or expansion); increased labour market opportunities; increased demand for variety of goods and services offered; increased credit worthiness of customers; changing habits; increased competition; and inflation? • How do these changes affect traders in terms of their	• The aggregate injection of cash transfer capital into the local economy is sufficiently high as to make a significant impact on labour market and economic transactions (determined by aggregate size of transfer as a proportion of the total level of capital circulating in the local economy) • The local economy is sufficiently well connected to external markets for there to be a significant expansion and diversification of production and exchange activity

	strategies and profits? • What local circumstances favour or deter ripple[12] effects in the community? What effects are triggered by what circumstances and how can positive effects be enhanced?	
Social networks and economic impacts, hypothesis 1: Cash transfers increase beneficial risk sharing arrangements and economic collaboration underpinned by social capital (trust-based reciprocity)	• What were social networks like before the cash transfer implementation and how did they relate to livelihoods? • How are existing social and support networks affected by the introduction of a targeted cash transfer (including effects on sharing arrangements and disposition of existing networks)? • What is the importance placed upon changing social networks by community members (i.e. is the fact that networks are being affected by the cash transfer considered 'important' by people in the community)? How is this traded off against other programme impacts (i.e. do the overall benefits from the injection of cash make up for any negative social effects that may arise)? • Which networks are most affected and why? Which are the strongest [13]networks and why? Are these mostly kin-based? • Does the introduction of cash trigger the creation of new networks? If so, how? Which ones? Is there an increase in networks that extend beyond the reference community? What effect does this have? • What role does jealousy towards programme beneficiaries play? Was there any conflict within the community as a consequence of the programme?	• Social networks linked to risk sharing and economic collaboration are sufficiently well established and sustained for there to be an observable positive impact as a result of the cash transfer • The cash transfer is sufficiently large and predictable to make a substantive difference to existing social networks
Social networks and economic impacts, hypothesis 2: Changes in social networks linked to cash transfers positively affect the most vulnerable and least powerful people in a community through greater	• How do a beneficiary's social and economic identity (e.g. age and gender) or status affect their inclusion in community networks and decision making processes? What about their changing networks after the introduction of a transfer? • What social, economic and political factors influence	• Beneficiary households were sufficiently well targeted to be amongst the poorest and most vulnerable in their community • The poorest/most vulnerable households are more likely to be excluded from (both contribution and non-contribution based)

[12] 'Ripple effects' is a term used to describe a situation where an effect from an initial state can be followed outwards incrementally. In this case it refers to how beneficiary behaviour may affect others in the community.

[13] Note that here we refer to resilient networks – i.e. networks that are not eroded by the introduction of cash. This is not synonymous with the most 'useful' or 'positive' networks.

inclusion in decision making processes (including through an increased ability to make 'social contributions') and increasing their 'entitlement set' and livelihood choices	social dynamics across households when cash transfers are introduced? • Are communities with high prevalence of HIV/AIDS and orphans affected differently by the introduction of cash? • What are the community changes in terms of power dynamics[14]? What are the effects on local elites? And on gender relations and bargaining power, within and across households? How does this affect the community as a whole?	social networks • The cash transfer is sufficiently large and predictable to change perceptions/behaviour towards beneficiaries by members of existing social networks • Beneficiary households are willing and able to change their behaviour in order to 'enter' or 're-enter' social networks
Operational issues, hypothesis 1: Cash transfers can be improved through a better understanding of likely household and local economic impacts.	• What is the dynamic between social networks and the programme's processes (social mobilisation, targeting, registration, payment, communications and grievance mechanisms)? How does this affect the impact and sustainability of different cash and in-kind transfer systems[15] ? • How do cash transfers differ from vouchers or food aid in terms of household and local economy effects? • How do programme design and objectives (e.g. OVC, labour constrained households) affect household level decisions regarding the allocation of additional funds[16] ? • How do the amount, frequency, predictability and mode of distribution of payments affect decisions regarding the allocation of additional funds? • How can cash transfer systems be designed to complement and improve/make more inclusive local economic impacts?	• The degree and sustainability of cash transfer impact on households and local economies are mediated by the quality of the design and delivery of the cash transfer programme • The cash benefit institutional arrangements for delivering and supporting 'transformative' change are sufficiently well developed and resourced to be built upon and improved

[14] 'Power dynamics' are defined here as relationships that are characterised by inequalities in access to and control over social, economic and political resources.

[15] To be more sustainable, cash transfers need to be accepted by the community. While not all cash transfers are designed to be sustainable in the long term (see for example emergency cash transfers), some are designed to be or become part of an overall social protection strategy to provide a safety net for the poorest and most vulnerable population groups. In these cases longer term sustainability is an important goal to be achieved.

[16] Evidence shows that cash transfers aimed at specific population groups and declaring this in their title (for example an OVC grant) – even when not accompanied by explicit conditionalities – still achieves hoped-for behavioural change (for example spending money on education rather than business investment).

1.3 Methodology

In this section we outline the research methodology, including the sampling protocol for site selection.

1.3.1 Sampling protocol

Following the inception phase of the study, it was proposed that the selection of the research sites would be guided by two main sampling criteria: regional identity and degree of market integration, with one relatively remote and one relatively integrated community selected in each of two regions within the country. In addition to this, the importance of triangulating the findings from all six qualitative case studies with on-going longitudinal quantitative surveys taking place in each country was stressed. Consequently, within each country at least one field site for the qualitative research had to be within the longitudinal quantitative survey's sub sample.

Incorporating all the above, the selection of research sites for this study followed a three stage process: (1) sampling regions; (2) sampling districts; and (3) stratifying and sampling communities.

Through conversations with the DSW and FAO, two regions – one from the south and one from the north of the country – were selected to reflect two important and distinctive livelihood contexts in Ghana. Households in southern Ghana rely primarily on subsistence agriculture facilitated by a dual rainy season, which in turn reduces the risk of food insecurity. Some households also engage in cash crop production for the export market through cocoa production. In recent years there has been a shift towards non-traditional food crops such as pineapple for the European market. In southern Ghana there is also greater opportunity for off-farm diversification through fishing, small scale mining and timber logging.

Households in northern Ghana are highly dependent on rain-fed agriculture for their livelihoods, with little opportunity for off-farm diversification due to poor infrastructural development and limited access to markets. Northern Ghana, with its single rainy season, is highly food insecure in comparison to the south. In recent years, an unreliable rainfall pattern has limited households' livelihood opportunities still further. Drought, floods and bush fires, and fluctuating commodity prices, particularly of shea nut, have all contributed to economic insecurity in the north.

In southern Ghana the sampling methodology involved sub sampling from the longitudinal LEAP quantitative survey. The longitudinal quantitative research is working with a panel data set in three of the seven southern regions: Brong Ahafo, Central Region and Volta Region. The Central Region was selected for the qualitative field work because out of the three regions that the quantitative team is working in, it has highest number of LEAP beneficiaries and a livelihood profile that is typical of southern Ghana.

Northern Ghana was not included in the longitudinal LEAP quantitative survey, and so could not be used for combined methods analysis, but nonetheless was selected on the basis that it is highly food insecure and is susceptible to fluctuating commodity prices and natural disasters, such as the floods and drought in 2007. Among the three northern regions of Ghana (Northern Region, Upper East and Upper West) the team selected the Northern Region because the livelihood profile was typical of Northern Ghana and it also had the highest number of LEAP beneficiaries. It was also selected for logistical reasons, being the closest of the three regions in the north to the regional capital, Tamale. The country team leader also spoke the local language fluently and this was useful in terms of quality control.

In each region the qualitative fieldwork was conducted in one district. In the Central Region, the longitudinal quantitative survey covered two districts: Komenda and Twifo Praso. Komenda was randomly selected from these two districts. In the Northern Region, where there was no quantitative sampling frame from which to sub-sample, the team sampled Tolon Kumbungu district as it was representative of the 'average' poverty and livelihood status of the region. Of the LEAP beneficiary districts, Tolon Kumbungu was also the most feasible to cover logistically, both in terms of the research teams' language capabilities and also distance to Tamale.[17] The two sampled districts are labelled in Figure 1.1 above.

Within each district three study sites were selected: two 'treatment' and one control community. In Komenda district, the quantitative team was working in a sample of 13 LEAP beneficiary communities.[18] These 13 communities were first stratified into two clusters to reflect diversity with respect to market access (proxied by closeness to a main road). The two selected communities, Dompoase and Agona Abrim, were the closest to, and furthest from, the main road respectively.

In the Northern Region the team was not constrained to the quantitative sample. First the communities in the district were categorised into two clusters using the market access criteria outlined above. Communities in each category were then listed according to the number of beneficiary households per community and the community with the median number of beneficiary households was selected. Using this protocol, Tali and Dalung communities were selected for the field work.[19] In both districts a neighbouring control community was selected for 'with and without' comparison. The control community had a similar socio-economic profile to the two treatment communities. A similar process of control community selection was followed in the north (though without the need to fit to the quantitative survey community sample). Table 1.2 shows the communities sampled for field work by region.

Table 1.2 Field work communities

Region	Community type	Name of community
Central Region	Market access (treatment)	Dompoase
	Non market access (treatment)	Agona Abrim
	Comparison control community	Dwabor
Northern Region	Market access (treatment)	Tali
	Non market access (treatment)	Dalung
	Comparison control community	Kpalisogu

1.3.2 Sampling research participants

Within each community the agreed sampling methodology specified a minimum of four standardised categories of focus group respondents to hold discussions with: these were male and female beneficiaries and male and female non-beneficiaries. Focus group discussions (FGD) were held with between 5-10 participants. Additional respondents for FGDs and key informant interviews were identified through community poverty profile analysis (comprising social mapping and/or wellbeing analysis participatory tools) and by 'snowball sampling' through referral from focus group discussions and key informant interviews.

Participants for beneficiary FGDs were randomly chosen from the administrative list of beneficiaries (obtained from the District Social Welfare officer) in order to avoid biases. Although

[17] Tolon Kumbungu is approximately 24 kilometres from Tamale.
[18] There are a total of 28 LEAP beneficiary communities in Komenda district.
[19] This sampling methodology was developed and refined during in this 'pilot' research country, and will be applied in the remaining countries.

the research team did not have the overall population frames for probability-based sampling, participants for other focus group discussions conducted were selected as randomly as possible using a local key informant to identify a total population and then randomly selected from that group (for example by including persons from different neighbourhoods).

1.3.3 Data collection methods

As signalled above, the key research method employed was the focus group discussion. Conducted with a small number of socially stratified participants, FGDs enabled a wide range of opinions to be sought at once, with lively discussions between participants stimulating an in-depth evaluative debate. Key informant interviews complement FGD in that respondents were selected for their detailed knowledge on relevant study areas, allowing for a deeper probing around programme performance and impact.

Within focus groups, the team employed a small range of participatory tools. In common with qualitative research, participatory research tends to employ more contextual methods and elicit more qualitative and interpretive information, but brings an important additional commitment to respect local knowledge and facilitate local ownership and control of data generation and analysis.[20] Participatory tools are suited to group-based analysis of 'public knowledge', allowing participants to cross-check, contest and validate their descriptions and analysis of change. Critically they then allow participants to evaluate the often complex contribution of an intervention, in this case a cash transfer, to change at the local level. This process of moving from description of change to contribution analysis is evident in the tools summarised below.

Participatory methods are not limited to qualitative narrative analysis but can also generate quantitative data. Local people generate statistics in many ways, through mapping, measuring, estimating, valuing and comparing, and combinations of these.[21] They do so through open-ended group-based data generation and analysis, accompanied by in-depth diagnostic or evaluative discussion. 'Public knowledge' quantitative data was generated through the identification of resources in the social mapping exercise, through the estimate of employment distributions and valuing of those livelihood options in the livelihood matrices, and through the identification and valuing of local institutions in the institutional mapping. The use of the household income and expenditure analysis combined individual estimations of changes in income and expenditure with group explanations for this changing (or not changing) behaviour and analysis of the contribution of the cash transfer to any changes. By collecting income and expenditure data from a cluster sample of beneficiaries in each sampled community, the research team were able to establish the internal validity of the qualitative research findings lending rigour to the in-depth qualitative analysis of the 'typical' experience of a beneficiary in that community. Additionally this data set could also throw into relief 'outlier' stories that were not typical but none the less provided important insights into, for example, the reasons behind more dramatic changes in behaviour or outcome.

A significant risk with participatory group analysis is that one individual can dominate or even sabotage group analysis. This is managed in the first instance by stratifying groups in a way that creates an open and inclusive group dynamic. Facilitators must then watch carefully to make sure that an individual does not hijack the discussion and distort or bias the results. Any suspected distortions must be carefully noted. In extreme cases individuals can be taken out of the group setting for an 'individual interview'.

[20] Chambers, R. (1997) '*Whose reality counts? Putting the first last*'. ITDG: London

[21] Holland J, (2013). "Chapter 1. Participatory statistics: a 'win-win' for international development", in Holland J (ed), 2013. *Who Counts? The power of participatory statistics*, Rugby, Practical Action Publishing

Following the training and piloting, the team selected the following tools from a long menu of participatory tools to be used to facilitate group analysis and evaluative discussion: social mapping, community wellbeing analysis, livelihood scoring, institutional mapping and proportional piling for income and expenditure analysis. Research teams worked in pairs (a facilitator and note taker), using flip chart paper, pens and seeds and stones. Each participatory tool took up to 3 hours to complete and analyse.[22] A number of household case studies were also undertaken to capture the life history and household story line of selected beneficiaries.

Social mapping and community wellbeing analysis were used for community poverty profiling with the following objectives: (i) to understand the characteristics of wellbeing in the community and perceptions of differences in wellbeing amongst the population; (ii) to elicit estimates of the distribution of wellbeing; (iii) to understand perceptions of the characteristics of the most vulnerable in the community; (iv) to understand perceptions of the targeting effectiveness of the cash transfer; and (v) to prompt broader discussion on the four research themes (household economy, local economy, social/economic networks, operational issues).

Household income and expenditure analysis was conducted by a sub sample of individual beneficiaries and then analysed and interpreted within a focus group discussion. The objectives were: (i) to analyse the sources, size and frequency of household income for individual beneficiaries; (ii) to analyse the distribution of household expenditures for individual beneficiaries; and (iii) to understand the contribution of the LEAP transfer to changing income and expenditure distributions.

Institutional mapping (venn diagramming) was conducted with groups of beneficiaries and non beneficiaries with the following objectives: (i) to understand the importance and value attached participants attached to key institutions in the community, also reflecting frequency of contact; (ii) to understand the nature of social connectedness/exclusion among beneficiaries and between beneficiaries and non beneficiaries in their communities; and (iii) to understand dynamics of risk sharing and changes of alliances, trust, and perceptions of people's credibility/worthiness in economic exchanges.

Livelihood matrices were conducted by groups of male and female non beneficiaries, including market traders and farmers with the objective of: (i) understanding the range of, and preferences towards, different livelihoods within the community; (ii) understanding the contribution of the LEAP transfer to the household and local economy (markets, prices and employment).

1.3.4 Research team training, piloting and deployment

A five day training workshop for the Ghanaian research team was held in Accra from the 10th to 14th April, 2012. All researchers had a master's degree (or at least were in the process of completing one), had fluency in the local language and had experience in conducting qualitative research. The workshop delivered training on the LEAP Programme[23], principles and concepts of participatory qualitative research, the research methodology, guide and tools. It also allowed the research team to pilot and revise the methodology and tools to make them 'fit for purpose', based on insights into what worked best and why. It used an interactive process that followed the participatory principles underpinning the study.

[22] These five tools were prioritised from an initial list of participatory research tools (in the Inception Report) as they were found to elicit most efficiently the relevant information under the four research themes of the study. For more detail see the Research Guide (contact admin@opml.co.uk for details).

[23] During the training period, two guest speakers from the Department for Social Welfare (DSW) and from UNICEF joined the group to provide more in-depth overview and information on LEAP.

The research roadmap was introduced and discussed. Five days of field work time was allocated per region. In each region, the team split into two sub teams covering each 'treatment' community for four days. On the fifth and final day of field work, both sub teams converged and worked together in a selected nearby 'control' (comparison) community. At the end of each day of field work, the whole research team debriefed to reflect collectively and discuss their findings, analysis and working hypotheses from the day's field work. At the end of fieldwork, each team had an additional 'team brainstorming' day of synthesising key findings of data collection. Following this debriefing, each team was tasked to write a regional report to be submitted to the country team leader a week after field work had ended. Both reports will then be reviewed and will feed into overall country case study report.

The team were introduced to data collection and organisation approaches, geared to help systematic recording and analysis of qualitative data. Researchers were encouraged to organise the data collected in the field according to the four research themes. This facilitated efficient daily debriefing process. This structured way of organising the data also kept researchers focused on answering the key research questions, at the same time revealing research gaps to follow up on in the field. The researchers were also briefed on the procedure for negotiating community entry, obtaining consent, eliciting beneficiary lists, respect and confidentiality. The importance of stressing the research teams' independence was also emphasised.

A pilot session was held in a nearby LEAP beneficiary community[24], Aboagyir Zongo , to practice and further reflect on the research process and methodology, including FGD facilitation and best use of tools. The pilot also gave the team first-hand experience of some of the logistical challenges to be expected in the field. The pilot day was reviewed and discussed. First, researchers analysed research findings from discussions held. Researchers then raised issues and suggested improvements to the research guide and to the overall field implementation process as shown below. The researchers stressed the importance of forward planning, time management and as well flexibility in the field work approach.

[24] This community is in Akuapim South Municipal in the Eastern Region of Ghana. Its district capital, Nsawam, is about 23 km from Accra.

2 District profiles

In this section we provide an overview of the profiles for the sampled districts of Komenda in the Central Region and Tolon Kumbungu in the Northern Region. We describe the key livelihood, sociocultural and wellbeing features of the two districts, highlighting any patterns and trends that emerged through the fieldwork analysis. The district profiles are summarised in Table 2.1 for ease of reference.

Table 2.1 District profile summary: Komenda District (Central Region) and Tolon Kumbungu District (Northern Region)

District	Komenda	Tolon Kumbungu
Region	Central	Northern
Population[25]	114,705	112,331
Language	Fante	Dagbani
Dominant religion	Christianity	Islam
LEAP beneficiaries households[26]	783	785
Basic bio physical context	Coastal savannah	Guinea savannah
Main livelihood	Subsistence farming	Subsistence farming
Infrastructure, public services and institutions	112 health facilities; 109 primary schools, 82 junior secondary school, 6 senior secondary schools, 4 vocational and technical, 1 tertiary level institution. 180 km of feeder road[27]	19 health facilities; 131 primary schools, 26 junior secondary schools, and 2 senior secondary school. Single main road which connects district to tamale. Feeder roads impassable in rainy season[28]
Basic governance-leadership structure	56 District Assembly members comprising 37 elected members, 17 government appointees, 1 District Chief Executive and 1 Member of Parliament[29]	73 District Assembly members comprising 48 elected members, 22 government appointees, 1 District Chief Executive and 2 Members of Parliament[30]
Main socio-cultural characteristics	Extended family network is an important risk sharing mechanism for major life cycle events such as funerals Matrilineal society with greater access for women to productive resources through inheritance. Men often still primary decision makers and authority within the household	Complex and larger extended family structure- '*compound system'* serves as a risk sharing mechanism. Patrilineal society reduces women's access to productive resources through inheritance. Men maintain greater decision making authority over household resources

[25] Government of Ghana (2012c) *2010 Census data,* unpublished, Accra, Ghana Statistical Service.
[26] LEAP Database, April 2012.
[27] Government of Ghana (2012b), The Composite Budget of the Komenda-Edina-Eguafo-Abrem Municipal Assembly for the 2012 Fiscal Year.
[28] Government of Ghana (2012a), The Composite Budget of the Tolon/Kumbungu District Assembly for the 2012 Fiscal Year, Ministry of Finance and Economic Planning.
[29] Government of Ghana (2012b) op cit.
[30] Government of Ghana (2012a) op cit.

	Komenda (Central Region)			Tolon Kumbungu (Northern Region)		
Community	**Agona Abrim**	**Dompoase**	**Dwabor (Control)**	**Dalung**	**Tali**	**Kpalisogu (Control)**
Market access	Further from main coastal road, but a relatively busy market town	Close to main coastal road, but with few market links to the larger coastal towns of cape coast and Elmina	Further from the main coastal road	Further from main road	Close to main road, has links to market town of Nyanpkala	Close to main road. Close to Nyanpkala market
LEAP beneficiary households[31]	121	20	None	44	34	None
Livelihood	Mainly farming and (cocoa, rubber, cassava, vegetables) Petty trade	Mainly faming (maize, cassava, vegetable, sugar cane and oranges) and some trade	Mainly farming (subsistence-based: cassava, maize, cash crops: cocoa and palm) and petty trade	Mainly farming (maize, groundnuts, rice, soya beans), but diversification into petty trade, fishing, smock weaving, charcoal burning	Mainly farming (yams, millet, maize) but also petty trade, blacksmith, masonry, butchering	Mainly farming, but particularly women diversify into agro food processing
Infrastructure, public services and institutions	1 health centre, police station, 1 junior secondary	1 pre school provided by World Vision, 1 primary and junior secondary, a chemist, and teachers residence	N/A	3 health facilities with nurses block. Connected to electricity grid of Ghana. It has its own community market. 8 basic schools, community, radio station clinic	1 primary and junior secondary school No health facility. Nearest health facility is in Tolon	1 primary and junior secondary school. Nearest health facility is in Nyankpala

2.1 Komenda District, Central Region

District context

The Central Region qualitative fieldwork was conducted in the district of Komenda, where LEAP covers 27 communities and 783 beneficiary households. The district capital is Elmina. The district is bordered to the east by Cape Coast which is the Central Region capital. The district has a population of 114,705 (Ghana Statistical Service, 2012), with 70 per cent of the population living in rural areas.

The district is characterised by coastal savannah vegetation, with two main cropping seasons. The major rainy season spans from April to July with a short dry spell in August followed by a second

[31] LEAP Database, April 2012.

rainy season from September to November. Rainfall levels range from an annual minimum of 750mm to maximum of 1500mm.[32]

Like much of the inland Central Region, Komenda is a farming district, with local communities growing traditional crops of cassava and maize along with a range of fruits and vegetables. More recently there has been a shift to rubber plantations in some communities, with larger farmers leasing land to companies. Landowners in the district either farm their own land and/or enter into sharecropping arrangements with local farmers. There are two systems of share cropping common in the district, as in much of rural Ghana: *abunu* and *abusa*. Under the system of *abunu*, the completed farmland is physically divided into two, with tenant and landlord taking equal shares of the cropped land. In the case of *abusa*, the proceeds of the land are shared between the landlord and tenant in a ratio of 1:3. An important distinction between the two sharecropping systems is the relative contribution of labour and capital by the tenant farmer and the landowner. In the case of *abunu*, the landowner is expected to contribute some capital and seedlings, whilst under *abusa*, the landowner contributes nothing except for the tract of land in use.[33]

Although primarily a farming district, there is evidence of off farm diversification into boat making, salt mining and services such as hairdressing, tailoring etc. The tourism industry is also an emerging and promising sector for expansion.[34]

In terms of public infrastructure, there are one hundred and nine primary schools, 82 Junior Secondary Schools, six Senior Secondary Schools, four vocational technical and one tertiary school in the district. There are is also one general hospital, one specialist hospital, four health centres, seven Community–based Health Planning Service Zones, three maternity homes and 96 clinics. The main road that passes through the district is the main Cape Coast–Takoradi road (Takoradi is Ghana's third largest city). The district has a feeder road network of around 180 kilometres.

Socioculturally, Komenda district, as a Fante society, is typical of the Central Region. In Fante society the extended family network is important as an economic network for risk sharing, particularly around funeral costs (with respect for the dead a major feature), but only functions for someone if they are able to contribute financially. More crucial is the immediate family and investing in children so that they become economically active and can support parents as they grow old. Fante society is matrilineal and this has important implications for household vulnerability linked to inheritance and access to land, productive resources and capital. Lineage property can only be inherited by a member of the 'matrikin', with property and status transferred from the mother's brother to sister's son. This means that a man's nephew (his sister's son) will have inheritance priority over his own son. Women inherit from their mothers, sisters or female cousins, and are said to have taken over the deceased's "hoe".[35]

Community contexts

Within the district the research team sampled two communities (as discussed in the methodology discussion above). The first community of Dompoase is a relatively small community, approximately 1 km from the main coastal road but with few market links to the larger coastal towns of Cape Coast and Elmina. Despite this, Dompoase has a growing internal market so that the main occupations in the village are farming and trading. Using a proportional piling approach, a

[32] Government of Ghana (Undated), Komenda-Edina-Eguafo-Abrem Municipal Assembly, Strategic Environmental Assessment, Municipal Planning and Cordinating Unit (MPCU).

[33] Amanor K.S. and Diderutuah, M.K. (2001) Share contracts in the oil palm and citrus belt of Ghana. IIED, London.

[34] Government of Ghana (2012b) op cit.

[35] Arhin D., (2003) Traditional social security mechanism in Ghana in The solidarity of self interest: Social and cultural feasibility of rural health insurance in Ghana. http://dare.uva.nl/document/71032 [Accessed 5th May, 2012].

focus group of 8 non-beneficiaries in Dompoase estimated that typically 70 per cent of locally-grown crops are sold locally or to traders and 30 per cent are consumed. This estimate was confirmed through discussions with key informants in the community. Food and cash crops cultivated in the community include maize, cassava, vegetables (okro), sugar cane and oranges. Income distribution in Dompoase reflects this distinction between subsistence and commercial farming. Better off households are able to sell more rather than consume and so build up a source of working capital to invest in their farming and trading activities.

The second community of Agona Abrim is located further – some 10km – from the main road but has developed as a market town serving surrounding villages in the district. Despite this relatively high level of trading activity, incomes from trading remain modest. Farming is the mainstay of the community.

The community poverty profiles for the two 'treatment' communities revealed patterns of wealth distribution which shared key characteristics. In Agona Abrim, for instance, better off members of the community were landowners who were able to invest in productive activity as well as hiring out their land (see Table 2.2). They also tended to engage in larger scale trading activities. They earned enough money to invest in their children's education and even built and rented out houses. The majority 'middle income' group in Agona Abrim was subdivided into two groups. The *Autoahiaafo* ('a little better than the poor') sharecropped land and were able to invest working capital and hire labour to make this land productive. The 'nearly poor' relied on hiring themselves out as labourers on other people's land and lacked economic support from their immediate family. The ultra poor, or *Ohianaminami* ('from here you are dying'), were extremely vulnerable, with poor physical and mental health, few productive assets and weak social support networks.

Table 2.2 Community wellbeing analysis, conducted by a group of female potential beneficiaries, Agona Abrim community, Komenda district, Central Region[36]

Wealth category	%	Characteristics
Ultra poor (NB groups estimated that one half of these households are now LEAP beneficiaries)	18	*Ohianaminami* ('from here you are dying') Known locally as 'bottles' (i.e. 'you scratch them and nothing comes off') 'God is their only help' Physically frail or ill so no strength to work Not mentally sound so unemployable So poor that 'if you throw away rubbish they would want to keep it' They beg None to depend on: 'just roaming the world' They live off other people's leftovers No land or property Live in a family house (sometimes abandoned)
Nearly poor	22	Nearly *Ohianaminami* Still weak but can work They hire labour when they can to work on land Subsistence, no selling Cannot borrow or use credit because they cannot pay back Children not working or have died
A little better than the poor	29	*Autoahiaafo* (A little better than the poor) They have strength to work

[36] Full details on the procedure and analysis of this tool are provided in the Research Guide (contact admin@opml.co.uk for details).

		With a little working capital they can work better Farming and small trading Don't get credit but can borrow Don't own land but sharecrop (*Abuna* or *Abusua*)
Non poor	31	Landowners (inherited or acquired) Hire out land Benefit from family remittances Invest in their children's education Have better off children Sometimes own a car Build and rent out houses Lease land for rubber plantations (new trend) Go outside community to buy wholesale and sell inside the community Don't provide credit Lend amongst themselves
TOTAL	100	

The research teams also conducted qualitative research in the 'control' community of Dwabor, a village with no LEAP beneficiaries but with a similar community profile. This community neighboured Agona Abrim and had a similar livelihoods base but without the same relatively high level of market trading activity. Wellbeing analysis conducted with a group of key informants revealed a distribution of around 30 per cent extreme poor, 60 per cent middle and 10 per cent wealthy (see Table 2.3). As with the 'treatment' communities of Dompoase and Agona Abrim, wealthy residents in Dwabor had many more working capital and livelihood strategy options. Those in the middle income group typically owned farms but also hired themselves out as labourers and engaged in petty trade. Wealthy and middle income farmers in Dwabor were able to sell some 70 per cent of their crops. The extreme poor in Dwabor tended to have no productive assets and relied on hiring themselves out as labourers. The contrast between the wellbeing groups in terms of expenditure was also revealing: the extreme poor spent 90 per cent of their income on subsistence items, compared to 70 per cent for the middle income and only 30 per cent for the wealthy. Unsurprisingly, the wealthy were also able to save for emergencies, while the middle income group could save a little for immediate investments to make a little more money, and the extreme poor could save nothing.

Table 2.3 Community wellbeing analysis, conducted by a group of key informants, Dwabor community, Komenda district, Central Region

Wealth category	%	Characteristics
Ultra poor	30	Help from families and casual labour as livelihood strategies Spend 90% of their income on food Buy on credit Have no health insurance May give their own children to others to raise
Middle income	60	Engage in farming Hired labour Lease out own land (Abunu) Engage in pottery trade Sell firewood/make charcoal Rely on remittances Spend 70% of their income on food

		Save some to invest in in next season farming Some have health insurance All children in school
Better off	10	Engage in large scale farming and can lease land Have shops Remittances Own trucks for trading, and taxis Have rental properties Spend 30% of their income on food Are educated Have investment in businesses/IGA through savings Everyone has health insurance All their children in school Can save for emergencies
TOTAL	100	

2.2 Tolon Kumbungu District, Northern Region

District context

Tolon Kumbungu District is in the Northern Region of Ghana. Its district capital is Tolon. The district is bordered to the east by Tamale Metropolis. The municipal capital of the metropolis is the political capital of the Northern Region. There are a total of 226 communities in the district of which 19 are covered by the LEAP, with 785 beneficiary households. The district has a population of 114,705 (Ghana Statistical Service, 2012) with a majority in rural areas and three urban centres of Tolon (the district capital), Nyanpkala (bordering Kpalisogu, the control community) and Kumbungu.

As with the rest of the Northern Region there is only one rainy season, which begins in May and ends in the latter part of October, with July to September being the peak. Annual rainfall is around 1,000mm. The vegetation is Guinea Savanna interspersed by drought resistant trees. The major tree species include shea nuts, dawadawa and mango, which form an important part of the livelihood base in this area.[37]

Agriculture is the main livelihood activity in the district,[38] mainly in the form of rain-fed subsistence crop farming which includes the cultivation of maize, rice and yam along with fruits and vegetables. Cotton, shea nuts and ground nuts are also grown as cash crops, although on a very small scale. Compared to the Central Region, the Northern Region of Ghana, with its one farming season, is exposed to higher levels of food insecurity, a function of lower yields and more unpredictable incomes. This has resulted from insufficient and erratic rain fall, declining soil fertility, the high cost of farming inputs and continued poor access to markets. However, there is some diversification of livelihoods to include, for example, smock weaving, shea butter and groundnut oil extraction. The average monthly household income for the district is 20 Ghana Cedis, representing at least 40 per cent of LEAP monthly transfer.

With regards to social infrastructure, there are 19 health facilities in the district: five health centres, nine Community–based Health Planning Service Zones, two clinics, two reproductive and child health clinics and one private mission hospital (located in Dalung). While Dalung boasts three

[37] Government of Ghana (2012a) op cit.
[38] Agriculture accounts of around 74% of the districts labour force (see district profile).

health facilities, there are no health facilities in Tali and Kpalisogu. There are 131 primary schools, 26 Junior Secondary Schools and two Senior High Schools in the district. The district is served by a single main road which links Tolon and the market town of Nyankpala to the regional capital, Tamale. The rest of the district is made up of feeder roads which become impassable in the rainy season.

There are a number of NGOs operating in the district, including notably the School for Life organisation. The district also benefits from other nationally-funded social projects such as the School Feeding Programme and the National Youth Unemployment Programme, which provides income in the dry season by encouraging farming along the Goling and Botanga dam.

Risk in Tolon Kumbungu is seasonal. Risk is highest during planting 'hungry' season when food stores run low and when households incur additional costs in preparing their farm lands. Poor rainfall which hampers the farming activities is also a risk to crop productivity. The research confirmed that households coped with risk by making distress sales of assets such as food and livestock to smooth consumption but locking households into in a cycle of vulnerability. In addition, coping with risk also involved distress sales of labour, with women and children tending to bear the brunt of this strategy. For example, female 'caretakers' in Tali described how they engaged in *kaaya-yei* (head porterage). *Kaaya–yei* is a growing phenomenon in the large urban towns of Ghana.[39]

While most people engaged in head portering are young women, there is evidence of boys and girls as young as eight also being involved. The majority of these women and children are from northern Ghana, with Tolon Kumbungu well known for contributing significantly to the incidence of *Kaaya-yei* in the country. And as one respondent from Dalung told the research team, 'almost every household in this community has someone who has gone to the south for *Kaaya–yei*.' Women confirmed that they migrated to the south for short periods to escape from risks but also to build up assets against future shocks, although migrants and their families were subsequently exposed to even greater levels of risk and hardships.

Tolon Kumbungu is made up of the Dagomba ethnic group. In the traditional Dagomba society the 'compound system' is an important risk sharing mechanism between households. This is where several households (usually spanning two or more generations) live in one compound with each household having their own dwelling. At the nucleus of this family set up is a male head of a (typically polygynous) household. Attached to this are other relatives such as the brothers and sisters and their children and grandchildren. The result is a complex household structure, which can have up to 20-30 members. The head of the household, or *Yili Yidana*, is usually responsible for all decision making and the provision of major household needs such as food, education and health. This decision making is undertaken typically in consultation with other intra-family male heads within his expanded household. Household income is pooled from agricultural production on common land on which all household members work. In addition, each member can cultivate an individual plot and women especially may engage in off-farm petty trade, bringing in additional food and cash income, particularly vital when the household faces a shock.[40]

The Dagomba practice of 'fostering' of young children is another risk sharing mechanism. Traditionally, this practice operates as a platform for socialisation into one's extended family.

[39] Kwankye S., Anarfi J., Tagoe C., Castalso A., (2007) Coping strategies of independent child migrants from Northern Ghana to Southern cities, Working paper T-123, November; Awumbila M.,Manuh T., Quartey., Tagoe C., Bosiakoh T., (2008) Migration Country paper Ghana, Centre for Migration Studies, University of Ghana; Oberhauser A., Yeboah M., (2011) Heavy burdens: Gendered livelihood strategies of porters in Accra, Ghana , Singapore Journal of Tropical Geography, Vol (32) pp 22-37.

[40] Apusigan A., (undated) The gendered politics of farm household production and the shaping of women's livelihoods in Northern Ghana, [http://agi.ac.za/sites/agi.ac.za/files/fa12_feature_apusigah.pdf [Accessed 5th May, 2012].

However, this practice also serves as an important risk mitigation and coping strategy for poor households. Receiving families are typically better off and fostering is beneficial, as the child is an additional source of labour: Children can relieve adults of some chores, such as fetching water and fire wood, enabling them to enter to into productive income generating activities, although this can have negative impacts for children in the form of child labour.[41]

Community contexts

Within the Tolon Kumbungu District, the research team selected two communities (as described in the methodology section above): Tali and Dalung. Tali has a population of around 2,879 (821 households). Tali is immediately adjacent to the main road with links to the market town of Nyanpkala (17km away). The main livelihood activity is farming. In a group discussion with male traders, farming was deemed as the most acceptable livelihood ('farming is our culture') and bringing in the second highest income of around C600 (US$ 300) per acre per year. However, farming was also considered to be the riskiest and most unreliable source of income, particularly in recent times. Indeed, local analysts attributed an increase in other traditional livelihoods in recent years to the increasingly high risk nature of farming:

> *One of the biggest changes that has occurred in the recent years as farming has become riskier because of the unreliable rain fall patterns is that, almost everywhere, these traditional activities have become new sources of earnings for the households. That is why you find all these activities. (Male trader, Tali)*

The second community – Dalung – is located further – some 10km – from the main road. It has a population of over 3,500 people. The main livelihood activity in the area is maize farming, although other crops such as ground nuts, rice, soya beans are also grown. A livelihood analysis[42] with a group of non beneficiaries showed that farming brought in highest household income. Livestock was scored as the second highest source of income, confirming the importance of livestock in livelihood strategies in the north. In addition to farming, households also reported diversifying into off farm activities such as food processing (shea butter was mentioned among women), charcoal burning, smock weaving, fishing and petty trade to supplement incomes. These other activities were not as important as the main livelihoods but brought in supplementary income, enabling farming households to diversify income and spread risk. A transect walk undertaken by the research team revealed that despite its relative distance from the main road, Dalung boasted higher levels of infrastructural development in comparison to Tali. It had eight primary schools, a clinic with accompanying nurses' quarters, a large community market, community woodlots, a water treatment plant and several mosques. Dalung, like Tali, showed a high level of livelihood diversification, which is important as a more diversified livelihoods base can prevent a household pursuing negative coping strategies in the face of shocks.

There was a clearly perceived distribution of wealth in both communities, distinguished by asset ownership and physical wellbeing. In Tali, for example, the 'better off' were described as self-sufficient land owners, employing labour and able to invest in their children's education. In contrast, those in the 'poor' category lacked assets and a reliable income, while the 'ultra poor' were associated with old age and disability (see Table 2.4). LEAP beneficiaries were perceived to feature in both the 'poor' and 'ultra poor' categories.

[41] Rolleston C., (2011) Fosterage and access to schooling in Savelugu Nanton, Ghana, Consortium for Research on Educational Access , Transitions and Equity, Research Monograph, No 59.

[42] More detail on the methodology for arriving at these estimates is provided in the Research Guide (contact admin@opml.co.uk for details).

Table 2.4 Community wellbeing analysis, conducted by a group of key informants, Tali community, Tolon Kumbungu District

Wealth category	%	Characteristics
Ultra poor (*Naandaamba*)	22	*Wahala ni Ku ba* ('Hardship will eventually kill them') People with disability The aged, who are not 'useful' No farms They have no information in the community Lend amongst themselves
Poor (*Faralana*)	39	'They are none starters' Cannot give their wives 'chop money' Cannot afford children's school fees No farm implements Livelihoods activities based on erosive practices
Middle income *(Lagri kalinse)*	34	Finds it hard to build assets Can't pay all of children's fees in lump sum so relies on the rich for fees for his children Mainly face risks in the hungry season Relies on own labour
Better off (*Zangama Zungu*)	5	Cement houses with zinc roof Television with video player Employs 'by day' labour to work on his farm Invest in their children's education They do not rely on rain, they can buy fertiliser They know exactly when to start planting because they have the means to hear about weather forecast Farm size is about 10 -20 acres Can marry many wives and throw big wedding parties Have enough to eat
TOTAL	**100**	

The research team also conducted field work in a nearby 'comparison community, Kpalisogu, with a similar social and economic profile to Tali and Dalung. Farming is the mainstay of the community and, as in Tali and Dalung, women reported diversifying into rice and shea butter processing and petty trading. The community has poor infrastructure: no electricity, just one primary school and with a market and other amenities in a nearby village 2km away. A wellbeing analysis conducted in Kpalisogu with a group of key informants showed wealth distribution as follows: 30 per cent as ultra-poor, 50 per cent as middle class and 20 per cent as better off. These wellbeing categories shared similar characteristics to those of Tali.

The better off in Kpalisogu had a large range of productive assets. They also had a diverse range of livelihood activities: trade, income from rents, and relied on remittances. The better off were also described as self-sufficient and less reliant on support networks. In contrast, the extreme poor had no productive assets and thus relied on begging and in kind transfers from others. They also had no savings and could not join social networks such as savings groups etc. The research team also collected data on the expenditure pattern of all three wellbeing categories. While the extreme poor spent 100 per cent of their income on food, the middle class and better off categories spent 30 per cent and 20 per cent of their income on food respectively.

Table 2.5 Community wellbeing analysis, conducted by a group of key informants, Kpalisogu community, Tolon Kumbungu District, Northern Region

Wealth category	%[43]	Characteristics
Ultra poor	30	They rely on donations from others Hire themselves out as labour Dehusking Spend 100% of income on food and subsistence Houses have no zinc roof No animals Poor clothing: 'tat' Cooking is rare Can't sacrifice (give) to others Some children not in school No savings Cannot join associations
Middle income	50	Livelihood depends on farming and processing Some engage in food processing, firewood sales, petty trade and food preparation for sale Hire themselves out as labourers Spend 30% of income on food Own cattle Housing with zinc roof on some rooms At least 2 meals/day Decent clothing Have children in school Will buy on credit and they can repay loans (but only for emergencies, not for business) Small savings Many in social networks
Better off	20	Buy staples in bulk and resale Engages in farming and animal raising Spends 20% of income on food and subsistence Business is an important expenditure priority areas Good structure of house – i.e. 'no grass' All children in school Many wives in the house Have 3 meals a day and balanced meals (meat, fish, minerals) Change clothes daily Have a lot to save Not as much in networks (do not need them) Not trustworthy
TOTAL	100	

[43] These percentages were arrived at through group estimation using proportional piling with 100 seeds. More detail on this method can be found in the Research Guide (contact admin@opml.co.uk for details).

3 Research findings

In this section we present the synthesised findings from the qualitative research in the central and northern regions. We organise the narrative across the four research themes and present findings under a series of sub headings, linked to the research hypotheses introduced above, which are illustrated and analysed further in the text.

3.1 Household economy

At the household level the research explored the impacts of the LEAP transfer on beneficiary household welfare and risk-averse (i.e. 'eat first'[44]) coping strategies. Beyond this, the research focused on the hypothesis: *The introduction of a small but predictable flow of cash income improves livelihood choices and productive investments, although vulnerable households will be more highly constrained in their decision making on how to use the additional cash.*

3.1.1 Household coping and welfare

From survival to coping

Before LEAP, many beneficiary households had few reliable sources of stable household income. Household income analysis with beneficiaries in Agona Abrim in the Central Region's Komenda district, for instance, confirmed the importance of the LEAP transfer to filling safety net gaps created by a meagre household income (see Table 3.1). The beneficiaries conducting this analysis were elderly women (65+) living with dependents but without an independent source of household income. Before LEAP they relied for their daily survival mainly on cash and in-kind transfers from neighbours and relatives and on children's remittances. Focus group discussions with beneficiaries confirmed that many were not physically fit to work, had limited opportunities for borrowing and could not benefit from the few social networks that existed within the community (see Section 2.3 for a longer discussion on social networks). The poorest households in Komenda district experienced poor nutrition, poor health, poor housing, a struggle to send children to school and indebtedness. One beneficiary in Agona Abrim community commented: 'before LEAP it was all about survival. Some people might have died, but for LEAP'. A key informant interview with a religious leader in Dompoase also reiterated this in a similar sentiment: 'people would have died without the cash transfer'.

[44] See Asfaw et al (2012) 'The impact of the Kenya CT-OVC programme on productive activities and labour allocation', unpublished draft paper, FAO, University of North Carolina at Chapel Hill and American University.

Table 3.1 Household income and expenditure estimates, female beneficiaries, Agona Abrim community, Komenda district, Central Region

	Beneficiaries			
	Beneficiary 1 Elderly woman (65+) Eyesight problems Doesn't work Lives with 1 granddaughter and her 2 school-age children	**Beneficiary 2** Elderly woman (65+) Has health problems Stopped working 1year ago Lives with sister	**Beneficiary 3** Elderly woman (65+) Lives with orphaned granddaughter and her 3 children	**Beneficiary 4** Elderly woman (65+) Lives with orphaned grandson (14 years old) who does casual labour on Saturdays
Income source	**Income (monthly average)**	**Income (monthly average)**	**Income (monthly average)**	**Income (monthly average)**
Cash gift from family or friends	C10	C20	C20	C20
LEAP transfer	C36 (1st transfer) C38 (2nd transfer)	C36 (1st transfer) C44 (2nd transfer)	C25 (1st transfer) C24 (2nd transfer)	C35 (1st transfer) C25 (2nd transfer)
'By day' casual labour	--	--	--	C20
Expenditure item	**Proportion (%)**	**Proportion (%)**	**Proportion (%)**	**Proportion (%)**
Health	20	20	-	20
Food	40	40	50	30
Church offering	10	-	-	10
Contribution to extended family	30	10	50	10
School	-	30	-	30
Total	100	100	100	100

* A 'rubber' is a rubber paint pot

Avoiding asset disinvestment and indebtedness

The story is similar in the northern district of Tolon Kumbungu, where the poorest households struggled to survive before LEAP. In particular, those who were too frail to forage for fire wood and shea nuts relied heavily on their kin and friends for cash and in-kind support. Others who had accumulated some basic assets simply disinvested: The following quote from a female beneficiary in a focus group discussion is typical of the perspective of beneficiaries in the study communities:

> *Before (LEAP) when we faced a shock, we would sell our shea nuts or guinea fowl. Even then, the money will not be enough… imagine this… with a dying child in your arms. (Female LEAP beneficiary, Tali community, Tolon Kumbungu district)*

The LEAP transfer had reduced borrowing and financial risk and asset disinvestment amongst beneficiary households while increasing their capacity to cope on a day-to-day basis through risk-averse coping strategies. LEAP households were less likely to have to go in to debt (borrowing money from extended family) when they need money to survive. Now the beneficiaries had a more secure base. For some beneficiaries, LEAP had given them more financial credibility and financial trustworthiness, so that they could more easily access goods on credit if needed, pay these advances later – or directly pay at the time of purchase – reducing need for credit.

Improving diet and maintaining health

LEAP beneficiaries in all communities in both regions prioritised the use of the cash transfer for food, medical expenses and extended family contributions (see, for example, Table 3.1).

In addition to having more to eat, the LEAP transfer also enabled beneficiaries to eat better quality and more nutritious food. In the both the Central and Northern Regions, LEAP beneficiaries reported a significant improvement in their diets, being able to have a more diverse diet and serve sizable portions:

> *LEAP has allowed for improvements and changes in the diets of beneficiaries. Beneficiaries now able to cook with good magi and more fish. There is also more variation of foods we eat … (Female beneficiary, Dalung, Northern Region).*
>
> *Now we have more plantain in our fufu and eat vegetables such as Kontomire and garden eggs as well as Palm Oil. (Female beneficiary, Dompoase, Central Region)*

In a context of seasonal food insecurity in the north, because the cash transfer typically arrived in lump sums, beneficiaries in the Northern Region were better able to buy grains in bulk for storage and draw on these during the hungry season. This was important particularly for the elderly who were no longer able to work.

In both regions, the LEAP transfer also enabled beneficiary household members to maintain their health, paying for ongoing prescription medicines and even for major operations. Many beneficiaries were elderly and infirm, so that health spending was a significant concern. For example an elderly male in Dompoase mentioned that he underwent a long-awaited eye surgery and now was able to visit the doctor as required and to purchase necessary medicines.

This finding was strengthened by the perception amongst 'potential beneficiaries'[45] in the communities that LEAP beneficiaries were better able to cope, particularly with food and ongoing medical expenses (see below). One 'potential beneficiary' in Agona Abrim, Central Region observed: 'they (beneficiaries) can treat themselves when they are sick (and) they are able to feed, while we still cannot feed'. Another said, 'I've been sick. I went to borrow (from extended family) yesterday'. A third said ruefully, '(the LEAP beneficiary) would have made a cup of tea for breakfast. I don't have anything to eat'.

Keeping children in school and reducing child labour

There was a widespread consensus that the LEAP transfer had enabled those beneficiary households with school age children (including but not only OVC beneficiaries) to be better able to send the children in their households to school. In Dompoase in the Central Region, there was unanimity amongst both beneficiaries and key informants that school attendance had increased due to the LEAP transfer, with beneficiary households able to keep up with add-on fees and spend more on school books and clothes. This prioritisation of school spending was reflected in household expenditure analysis amongst beneficiary households with school age children. The impact of the LEAP 'conditionality' on household spending priorities and school attendance was

[45] These are individuals with similar characteristics to actual LEAP beneficiaries but who for one reason or the other were not selected.

less clear, but there were indications, particularly in Dompoase, that the conditionality attached to OVC household transfers had a positive effect on OVC school attendance[46].

An associated reported impact of the LEAP transfer was that it had brought about a reduction in child labour as children from beneficiary households who used to work all day now worked on farms and stalls only after school and on weekends. This reinforced strongly expressed views amongst beneficiaries and non-beneficiaries that children's education was highly valued and that only under extreme distress would they put their children into labour rather than into school.

A diluted impact in larger households

While the LEAP transfer took account (on a sliding scale basis) of the number of LEAP beneficiaries receiving a minimum of 8 Ghana Cedis (US$4) per beneficiary per month to a maximum of 15 Ghana Cedis (US$7.50) for four dependents, it did not take account for variations in overall household size. This could lead to a diluted impact for larger households.

In the Northern Region this was more likely to be the case. Polygamous households were common and many beneficiaries tended to live in a large extended family context (see discussion of *'compound system'* above)[47]. The LEAP transfer in extended family household contexts was pooled along with other household resources. Hence, because the LEAP transfer in this way became a resource at household level, the impact was likely to be diluted in the context of a large family size. Often the care provided to beneficiaries under such living arrangements where the household head faced multiple demands was deemed unreliable and inadequate. A larger household size often created difficulty in financing children's education and other household expenditures.

Unreliable payments threatening to reverse gains

In many cases the unreliable nature of LEAP payments affected how beneficiaries used the transfer, whether as a safety net or as a productive investment. Across all communities, beneficiaries were confident that their payment would arrive, although the exact timing of the transfer was perceived to be unreliable. For example in Tali, Northern Region, a group of female beneficiaries mentioned that when payments coincided with the planting season, LEAP was mainly used for farm inputs and hiring labour, whereas it was mainly used for consumption in the 'hungry season'.

Alarmingly, where payment intervals were particularly long, there was a likelihood of asset disinvestment to smooth and maintain basic needs consumption. In the Northern Region in particular, beneficiary households in both study communities mentioned distress sale of food and livestock when they faced risk. Such strategies kept households locked in a cycle of vulnerability, unable to withstand future livelihood shocks.

3.1.2 Household economic activity

Subsistence and welfare spending prioritised

For the most part, the proportions of spending (priorities) had not changed since the introduction of LEAP. As discussed above, for the majority of LEAP beneficiaries subsistence continued to dominate their household expenditure. What had changed was the amount spent, the quality of

[46] The programme's conditionality for OVC requires that all children of school going age (up to the age of 15) in the beneficiary household attend public basic schools on a regular basis, with an attendance rate of at least 80%.
[47] For LEAP targeting, a compound is considered a household.

consumption (a better diet) and the way that consumption was financed (i.e. without incurring debt). In the majority of cases, due to the (effectively implemented) targeting criteria for the LEAP transfer, beneficiaries were either too old, ill or disabled to work. In many instances, beneficiaries explained how they had retired from farming 10-15 years previously due to failing health. In other cases the LEAP transfer enabled them to withdraw from farming or day labouring because they were struggling physically.

Yet while household coping and welfare spending dominated beneficiary household expenditure, a significant number of beneficiary households were able to use the LEAP transfer as a contribution to working capital for income earning activity. Depending on the household asset base, this activity ranged from petty trading to increasing on-farm productivity and, in a few instances, to more ambitious livelihood diversification strategies. While many beneficiaries were no longer able to work, in cases where beneficiaries were more economically active or were supported by an economically active caregiver, LEAP transfers were often used for working capital. For the most part, however, beneficiaries were not yet 'LEAP-ing' out of poverty through (risk taking) strategic investments for diversified income.

Despite this, the research elicited evidence of a significant increase in the investment of LEAP transfers in household economic activity. The context for this investment was that the LEAP cash transfer in the prevailing rural household context was often considered and pooled as a household, rather than an individual, benefit or income. Hence in the absence of basic needs spending or priority welfare expenditures, such as an operation or medical expenses, the transfer tended to become part of the household's working capital. This took the form of petty trading activity, increased investment in farm productivity, or even diversification of livelihoods through investments in livestock.

Increasing farm productivity

Farming was the mainstay of the local economy in all communities and remained the most preferred economic activity. Women in Agona Abrim in Central Region, for instance, preferred farming due to its relatively high income (peaking in September) despite the risks associated with increasingly unpredictable rain patterns in the area (see Table 3.2).

Table 3.2 Livelihoods analysis (women) conducted by group of female market traders, Agona Abrim community, Komenda district, Central Region

Occupation	%	Avge monthly Income (Cedis)	Risk[48] (Scale 1-4) (1=high)	Reliability[49] (Scale 1-4) (1=high)	Overall Preference (Scale 1-4) (1=high)
Farming	40	C33	1	4	1
Fish selling	12	C10-20	2	1	3
Food selling (including cooked food)	27	C30	3	2	2
Small services (hairdressing, weaving)	21	C50	4	3	4

Significantly in the Central Region, the main constraint to farming productivity was not land availability but working capital. In both communities in the Central Region, those beneficiaries

[48] Risk here relates to the likelihood of events or shocks that threaten the livelihood.
[49] Reliability here relates frequency and regularity of income source.

without overwhelming subsistence or welfare needs mentioned that they had been able to use some of their LEAP transfer as working capital to hire labour to prepare their farms and farm the land more productively. This included women who were well past their working age but who were nonetheless able to organise productive farming activity. This impact was even more evident in beneficiary households where there was an economically active caregiver who was looking after the beneficiary. For example, a discussion with a female beneficiary (a caretaker of four OVCs) in Dompoase, revealed how LEAP had allowed her to hire more labour, buy farming inputs and expand farm size. This was in addition to using the transfer to start a business where she travelled between Dompoase and Elmina, the district capital.

In the Northern Region, LEAP transfers similarly enabled farmers to increase land productivity. In Dalung community in the Northern Region, for example, beneficiaries described how the LEAP transfer enabled them to make small investments in livelihood activities such as hiring additional farm labour or even a tractor (at a cost of 25 Ghana Cedis per acre). One beneficiary in the group explained: ‘in one way or the other, each of us is able to either hire an additional labourer and other farm inputs such as fertiliser and chemicals’.

An increase in petty trading activity

A common form of increased investment amongst beneficiary households was in petty trading, with ease of entry through small start up costs but with low profit margins. Petty trading involved small amounts of kerosene, household items and, notably for women, cooked food sales. This was the case, for instance, in Tali community in the Northern Region:

> *Some of the beneficiaries have started small businesses. They have put up temporary tables where they sell sweets, biscuits, matches etc. Others also fry koshe and kulikuli and they sell them in the market on the road. (Female beneficiary, Tali)*

Any small profit made was spent on immediate consumption, rather than being ploughed back into the business. The viability of such businesses as a sustainable livelihood source, particularly in the context of reliable payment schedules, was called to question. Nonetheless, petty trade activities provided beneficiary households with a small boost to overall household income.

Investing in livelihood diversification

In instances where there was less pressure to spend their LEAP transfer on food, basic needs or health costs, beneficiaries reported diversifying their income by investing in improving and widening the range of agricultural strategies. In Dalung community in the Northern Region, some beneficiaries were able to buy animals (e.g. goats, guinea fowl, etc) as part of a higher risk investment and diversification strategy. One such beneficiary explained: ‘We already fed before LEAP no matter the condition. We have, however, eased the excessive pressure of meeting the other basic expenditure aside from feeding at the household level’.

These incidents of investment and diversification brought those beneficiaries in line with those non beneficiaries that were able to use their income for working capital. Significantly, in these farming communities of the North, as in the South, the constraint on productivity for most households was usually not the availability of land but the lack of working capital to make the land productive.

Avoiding livelihood strategies that increase vulnerability

In the Northern Region, the LEAP transfer had also reduced vulnerability amongst those younger household caretakers who would otherwise have migrated temporarily to the south to take part in *Kaaya-yei* (working as a head porter). Vulnerabilities relating to *Kaaya-yei* affected both the migrant and their households as a whole and included ill health, unplanned pregnancies and deterioration of personal care for those elderly household members left behind. *Kaaya-yei* could also compromise the quality of childcare, leading to poor school attendance and performance. One male non beneficiary in the community of Tali, Northern Region, explained: 'They *[kaaya-yei]* think that they will get profits. But they bring losses. Like a pregnancy… and that adds to your burden…it's an additional mouth to feed.'

In this way LEAP helped beneficiaries to avoid those erosive livelihood strategies that increased vulnerability. One young caretaker explained: 'I used to always go for *Kaaya-yei*…. But since LEAP came, I don't go any more. My family had no source of livelihood. Now with LEAP I have a source of livelihood so I don't go…. If I go now… they will call me a prostitute.'

It is also possible that with LEAP serving as a new livelihood source which enabled households to meet the costs of education (see discussion above), children in LEAP beneficiary households might be less involved *Kaaya-yei*. Child labour in the form of *Kaaya-yei* was reported to be common among young children particularly during school holidays, with the risk that some children did not actually return to education.

3.1.3 Gender differences in access to and control over household resources

Gender relations in household decision making unchanged

There is an extensive literature on cash transfers and gender relations. This builds a body of evidence demonstrating the impact of putting cash directly into the hands of women on their ability to reduce risky coping strategies[50] and spend in ways that improve household welfare.[51] Beyond practical welfare improvements, cash transfers can also have a more strategic or empowering effect on women. In Mexico's *Progresa/Oportunidades* programme cash transfers strengthened women's decision-making role in household expenditure, financial security, self-esteem and social status.[52] In Brazil's *Bolsa Familia* programme, the cash transfer increased women's labour market participation.[53] In other contexts where women did not gain more influence over overall resource allocation decisions, their household bargaining position, along with the respect given to them, at least strengthened more generally as a result of cash transfers.[54]

This research confirmed that in both regions, gendered household decision making processes had not changed significantly with the introduction of LEAP. However, because the LEAP transfer targeting mechanism skews financial flows towards women-headed households, it had the net effect of increasing women's access to and control over resources. This was particularly evident amongst women who had increased productive investment in agriculture or started small income generating activities with the transfers. Where women themselves controlled income and profits, and made independent decisions over the use of such income, there was a potential for increasing empowerment in the long run.

[50] See Schubert, B. and Huijbregts, M. (2006). *The Malawi Social Cash Transfer Pilot Scheme: preliminary lessons learnt.* Paper presented at the conference *Social protection initiatives for children, women and families: an analysis of recent experiences.* UNICEF, New York, October 30-31.
[51] See Arnold, C. with Conway T. and Greenslade M. (2011), p40..
[52] See World Bank, 2008. *For protection and promotion: the design and implementation of effective safety nets.* Washington DC.
[53] Veras, F., Ribas, R. and Osorio, R., 2007. *Evaluating the impact of Brazil's* Bolsa Família*: cash transfer programmes in comparative perspective.* International Poverty Centre (IPC), Brasilia. http://www.ipc-undp.org/pub/IPCEvaluationNote1.pdf
[54] see Wallace T., and Chapman J. (2011) *Walking the Talk: Cash Transfers and Gender Dynamics*, Oxfam and Concern Worldwide]

In the Central Region's cultural context of matrilineal land inheritance, decision making in most households, including those regarding productive investments, was typically shared between men and women. Where there was no husband the woman took decisions concerning the household alone. In the Northern Region context of patrilineal land inheritance and relatively lower educational levels among women, decision making and control of resources rested more strongly with husbands, brothers and sons. In the Northern Region there were also strict cultural practices governing farming practices between men and women. Men were in charge of the staples, while women were in charge of vegetables and other condiments to supplement household food needs. In contrast to the Central Region, women described how they would have to 'beg' their husbands to release even a one acre fringe plot on which to cultivate vegetables. Unsurprisingly then, a group of female beneficiaries explained that women needed to consult their husbands for approval when planning expenditure for incomes independently earned by them. As one female beneficiary in Tali community explained: 'The income in the household belongs to the man. He is the main provider. You the woman belong to him, so the man does what he likes'. As in the Central Region, however, where there were no adult male household members, the woman made household decisions independently. In the Northern Region, the introduction of LEAP had not changed these household decision-making dynamics in beneficiary households. Though beneficiary women were consulted, there was still strong male dominance in decision making:

> *We must consult for approval when planning expenditure for incomes independently earned by us. Women and their wealth are owned by the husbands. (Female beneficiary, Dalung, Northern Region)*

> *I collect it for the entire household. I give the money to my husband who shows it to his father. But the money is for my husband's mother. We use it for urgent needs, but my husband decides what those needs are. It is only in name that I collect it. But my husband decides how it should be used. (Female beneficiary, Tali, Northern Region)*

A non beneficiary female respondent in Dalung reconfirmed this point, *"we must respect our husband's decisions, they own us."*

3.2 Local economy

Beyond the household level, the research explored the impacts of the LEAP transfer on the local economy and the hypothesis: *The whole community, including non-beneficiaries, will benefit economically from the injection of cash through multiplier effects on local goods, services and labour markets, although this will be mediated by the political, economic and social context.*

3.2.1 Economic exchanges

Price changes responded to exogenous factors

With a small proportion of beneficiary households in each community, the size of the aggregate LEAP transfer was not huge and this was reflected in the fact that prices were not perceived to have changed as a result of LEAP expenditure. Price changes were attributed instead to external factors, such as fuel price rises or the impact of weather events on crop productivity. In Dalung community, Northern Region, respondents were adamant that local price changes were not influenced by LEAP, but rather decreased during market days[55] due to competition between traders. Respondents in Tali community, also in the Northern Region, summed up the impact of LEAP on prices clearly:

[55] Traders did not arrive specifically around payments days. These market days were routine.

> *There are about 3000 people in this community and 34 beneficiaries, how can this lead to price changes? And look at the amount of money they are given. (CLIC key informant, Tali)*
>
> *We cannot increase our prices because of these few beneficiaries… how about those who are not beneficiaries, how can they afford? (Market trader, Tali)*

Aggregate LEAP transfer increased economic exchanges marginally

The research confirmed a marginal positive impact of the LEAP aggregate cash transfer on the local economy but more markedly in smaller communities with smaller local markets. The injection of LEAP spending had a more significant impact in the smaller communities, suggesting that the local economic impact of LEAP varied according to the size of the local economy. Hence in the larger and more economically active market town of Agona Abrim in the Central Region, the LEAP transfer was widely perceived to have had a negligible impact on the local economy. Similarly, the small and infrequent flow of money in the market town of Tali in the Northern Region was noted by a local trader: 'these people have only received payment four or five times, how can trading activity change in this entire community?'

In contrast, in the smaller local economy of Dompoase in Central Region, key informant interviews with local traders, beneficiaries and non beneficiaries confirmed that trading activity had increased due to LEAP transfers, with beneficiaries buying more in the local shops, particularly after payment day. Traders and vendors described a more vibrant local economy, with vendors' food bowls now getting finished at the end of the day. There were also more food vendors and petty traders than before and it was possible that as a result of this competition, prices in Dompoase had stabilised rather than increased.

3.2.2 Local products available (bought and sold)

Diversified goods on offer

An increase in economic exchanges due to LEAP spending was accompanied by a greater variety of goods being traded. While the aggregate injection of LEAP capital undoubtedly contributed to increasing diversification, the impact was affected by other external factors, including seasonal price changes, as discussed above, or new infrastructure. In Dalung community in Northern Region, for example, the LEAP local economy impact was mediated by the creation of a new (physical) market. Beneficiaries and non-beneficiaries in Dalung made it clear that despite increased aggregate purchasing power and ability to trade in a wider range of goods, the diversification in trade in the community was attributed additionally to the recent creation of this new market. This provided an opportunity for beneficiary household caretakers to invest in and expand their businesses, including food preparation and processing of rice and shea butter. This demonstrates concretely the *complementary* and synergistic local economy effect and the economic potential of the LEAP transfer. It was reported that LEAP money provided the necessary capital for this, in a context where start-up capital was the main constraint to emerging and growing businesses.

Beneficiary credit worthiness increased

The LEAP programme introduced a reliable and publicly-known income source which changed the creditworthiness of beneficiary households. Hence an important feature of increased buying and increased use of working capital amongst beneficiaries was their ability to purchase productive and consumption goods on credit from local shop owners, based on their ability to repay. Prior to the

LEAP programme, beneficiaries had been unable to borrow because they had been viewed as not credit worthy. In some instances prior to LEAP, beneficiaries were able to borrow through advances from shopkeepers and traders. In other cases even this modality of borrowing was not possible for this social group in the community. In the Dalung and Tali communities in the Northern Region, for instance, beneficiaries explained how before LEAP they were unable even to borrow from friends or neighbours, and that this was part of Dagomba culture. One beneficiary explained: 'Before LEAP, if you faced a problem… you couldn't go to your friend or neighbour to borrow. The lender would typically ask "what would you pay me back with?" (Amongst) us Dagomba if you have no source of livelihood it's difficult to borrow.' Similarly in the Central Region communities of Dompoase and Agona Abrim, local shopkeepers confirmed that they would now be willing to extend goods on credit to LEAP beneficiaries where previously they would not.

However, credit availability was set against continued risk-averse behaviour by beneficiaries, who were reluctant to take credit because it brought obligation and introduced risk. Furthermore, many beneficiaries remained unable to use their new income stream as working capital so remained wary of getting into debt. Female beneficiaries in Dalung community in Northern Region explained very specifically how they tried not to rely on credit purchases because these were seen as high risk.

Instead, most beneficiaries across both regions had used their new income stream to *reduce* borrowing – either through reduced purchases on credit or through drawing down on extended family networks – and instead operated using solid cash exchange. As discussed further in the social networks section below, beneficiary households had in this way shifted from being a drain on their extended family to being an active contributor with entitlements, able to enter into risk sharing arrangements and empowered through greater control over their choice making.

3.2.3 Local labour markets

Increased hiring amongst beneficiary and non beneficiary households

The increased level and diversity of trading discussed above due to the LEAP transfer was reflected in a marginal change in local labour markets, with signs of increased labour hiring amongst both beneficiary and non beneficiary households. Hiring of farming labour was evident, including amongst elderly LEAP beneficiaries who themselves had retired from farming.

As with price changes, however, the most significant labour market patterns and trends were attributed to other factors. In Tali community in the Northern Region, for instance, increased competition in the local market was attributed to increasingly unpredictable farming trends and low entry barriers to trading. A market trader in Tali explained: 'These days a household cannot rely just on farming… you know our women, when they see that one woman is making profit, they all join in the same business'. This creation of new markets in the Northern Region had, however, created a market opportunity for LEAP caretakers to invest and expand their businesses.

Size of local labour market

The impact of the aggregate LEAP injection of cash into the local labour market was also a function of the size of the local labour market. In the Central Region, the impact on the labour market in the larger market town of Agona Abrim was very difficult to discern. In the smaller community of Dompoase there was clear evidence of increases in farming and trading labour market activity attributable to LEAP. Beneficiaries in the small community of Dompoase, Central region described being able to hire up to five additional labourers to clear and farm their land. There had also been an increase in the use of chemicals/ herbicides to improve productivity.

There were also strong indications that the labour market had not benefitted from an increase in micro enterprises in Dompoase, as indicated by people limiting their use of electricity to domestic activity rather than for local business development. This finding is reinforced by comparing the trends in Dompoase with the comparison community of Dwabor, where electricity consumption was similarly restricted to domestic consumption.

3.3 Social networks

In this section we examine the research hypotheses around social networks and economic impacts:

> *Cash transfers increase beneficial risk sharing arrangements and economic collaboration underpinned by social capital (trust-based reciprocity)*
>
> *Changes in social networks linked to cash transfers positively affect the most vulnerable and least powerful people in a community through greater inclusion in decision making processes (including through an increased ability to make 'social contributions') and increasing their entitlement set and livelihood choices*

3.3.1 Risk sharing arrangements

Extended family support unreliable

Beyond the central importance of the immediate family in these communities, wider social support networks were less reliable. Crucially for the poorest and most vulnerable, they were unable to depend on extended family for unconditional support.

In the Northern Region, extended families lived together in a compound and the strength of support networks beyond the compound was weak. This was largely a function of prevailing economic hardship amidst livelihood instability. So while in Dagbon culture, 'you cannot have a full stomach while your sibling is hungry', it was increasingly difficult for people to be generous and help out: 'Nowadays nobody has… so how can they give? Now when I harvest, I eat it all for myself', explained a male non-beneficiary.

In the Central Region, the weakness of support for the poorest households was more due to the fact that extended family relations in Fante society were built on contribution: if you did not contribute then you became quickly sidelined. Consequently, extended family support for the most vulnerable was very patchy or non-existent. The level of extended family support in this matrilineal society also depended heavily on whether your mother's side of your family was able to support you. Once you were left relying on your father's side of the family, this became much more 'optional' and unreliable.

Beneficiaries in the community of Agona Abrim, Central Region, were scathing about the role of extended family members in their lives. In an institutional mapping (venn diagramming) exercise, they insisted on placing the extended family *outside* the community circle and giving it the smallest size in terms of its importance, explaining that: 'the (extended) family cannot look after you – it's every man for themselves'. Indeed, if you were not a contributing member of the extended family, it would often be only when you had a life-threatening health shock and were at death's door that the extended family would spring into action. The beneficiary focus group in Agona Abrim sang a song[56] about what it meant to be poor in their community which emphasised their exclusion from the extended family:

I'm a poor person so I'm of no use
The family have expelled me
When there's a gathering they don't call me.

Similarly in Dompoase, Central Region, an institutional mapping with a group of female non beneficiaries alluded to the fact that the nuclear family, much more than the extended family, was a more solid and a reliable basis for risk sharing. Beyond the nuclear family, in assessing the relative importance of social support networks, emphasis was placed on the perceived level or value of assistance that could be sought rather than physical closeness and accessibility. Hence a local pharmacist (an Alhaji) was considered a very important source of social support, despite existing beyond the community, because higher levels of support could be sought.

3.3.2 Beneficiary social inclusion and economic impacts

Beneficiary self esteem and sense of hope

As suggested above, the LEAP transfer had a positive material impact on the vulnerability of the poorest households in these communities. Accompanying this was a strong psychological impact on beneficiaries who appeared to have higher self esteem and be more hopeful about their lives and their futures. As one key informant in Dompoase, Central Region, commented: 'before LEAP, they (the beneficiaries) looked miserable but (they now look) happier and hopeful'.

Similarly, beneficiaries in Agona Abrim, Central Region, explained that they now had something to look forward to and a sense of hope, linked to a longer-term perspective. They went on to explain how the LEAP entitlement had increased their sense of self worth and self respect due to being better clothed, fed and able to 'mingle' (see discussion below). In the Central Region it was interesting to compare this perspective with the lives and outlooks of the poorest households of the comparison community of Dwabor, where focus groups described how life was 'tipping down'. This suggested that the absence of the cushion from a predictable income transfer for the most vulnerable in harsh economic times entrenched feelings of hopelessness.

These types of psychological impacts -- an increase in self esteem and a more hopeful outlook – are often overlooked in impact assessments, which tend to focus on proxies of wellbeing such as physical asset ownership, health status, educational access and food security.[57] Yet much of the broader applied research on social change points to psychological wellbeing as the fundamental building block for building individual and collective agency for change.[58] In the context of a potentially transformative cash transfer, there was compelling evidence that this transfer had a dramatic effect of re-injecting hope and aspiration into a group of vulnerable and elderly people who had previously felt cast out and were in a state of mind akin to 'seeing out their time' before death.

[56] This song can be viewed at http://youtu.be/ZWP-ZnQudQs.
[57] See for example the scope of coverage of the cash transfer literature reviewed in Arnold, C. with Conway T. and Greenslade M. (2011) op cit; for a Ghana example see Quaye W.(2008) 'Food security situation in northern Ghana, coping strategies and related constraints' in *African Journal of Agriculture Research* Vol 3 (5) pp 334-342, May.
[58] See for example, Friedman M and S Meer (undated) "Change is a Slow Dance: Three Stories of Challenging Gender and Power Inequalities in Organizations", Toronto: Gender at Work. http://www.genderatwork.org/article/change-is-a-slow-dance.

Beneficiary social inclusion and 're-entry' into contribution-based social networks

Despite high poverty levels and livelihood insecurity, the fieldwork confirmed a reasonably high level of contribution-based social networking in poor rural areas. These networks were often fragile, however. A lack of trust to pay fees and the necessary dues for these groups was one reason why groups might dissolve and then reform. For the potentially vulnerable in general, and for the LEAP beneficiaries in particular, it was very important to spread risk by trying to maintain links with social networks, with the most important risk-sharing network being the extended family. Beyond its impact on beneficiary self esteem and hope, the LEAP transfer enabled beneficiaries to enter, or 're-enter', existing contribution-based social and socio-economic networks.

In the Central Region, beneficiaries talked in focus groups about more active participation in Church-based activities. In the Northern Region, some elderly people who would previously hide indoors were able to attend social gatherings. In Dalung, Northern Region, prior to LEAP beneficiaries felt a sense of exclusion. They were usually not invited to be involved in decision making in the community and experienced a poor reception and not being 'seated' during social gatherings and events. LEAP increased beneficiary inclusion, as they were now able to not only participate in social gatherings, but now also contribute. Typical was the response of a caretaker in Dalung, who reported: 'I always give a proportion of the LEAP money to the aged beneficiary (father) so he could contribute to social events such as funerals, naming ceremonies and weddings'.

Crucially, the introduction of LEAP had enabled many beneficiary households to 're-enter' their extended family network, helping them to move from isolation and vulnerability to inclusion and risk sharing. In some instances beneficiaries had even been able to turn provider, loaning to other family members in trouble. In the Fante society of the Central Region, the LEAP transfer enabled beneficiaries to contribute to extended family networks through the 'family levy' (*abusua to*). This contribution is mainly for risk sharing around burial and funeral party costs. This is an *ad hoc* contribution so the LEAP transfer enabled beneficiaries to keep money aside for this expenditure. One beneficiary in Agona Abrim, Central Region, explained how even before LEAP she would still pay her family levy using family remittances. If you stopped contributing then, 'if you die you will be buried without a coffin'. The importance of a decent burial in Fante society cannot be overstated: 'People pay more respect to your coffin than when you are alive'. Extended family members, knowing that the LEAP contribution eases the burden of their support, were now more likely to provide support to beneficiaries. Beneficiaries in Agona Abrim ironically noted this change of position that financial contribution brings: 'Now when someone dies, they say "come come"!' This helps explain the contempt for the extended family, recognising it as essentially a financial institution, and why they put it outside the circle in the institutional mapping exercise.

In the Northern Region, beneficiaries explained how burdensome lifecycle ceremonies such as naming ceremonies, weddings, and funerals could be. The LEAP transfer enabled beneficiaries to make contributions to these events. In this way beneficiaries also built their own network for risk sharing and this reduced the reliance on the family. Beneficiaries found being unable to make these contributions 'shameful': 'In fact it's rather embarrassing… if something (birth, wedding or death) happens you cannot even show your face… what would you take there?'

Beyond extended family contributions, there were active economic contribution-based groups across the communities, particularly in the two communities in the Northern Region. While men tended to participate more in livelihood-based or labour groups that shared ideas and farming implements, women participated mainly in savings-based (*susu*) groups or rotating savings groups, which required regular contributions. Beneficiaries, despite their new income stream, could not automatically gain re-entry to these economic groups. They could still be excluded if they were considered a liability, either because they were too physically frail (particularly for male labour groups) or were seen to be a risk with regards to making the regular contributions needed to keep such groups going: 'We won't let them [the most physically frail] join us because they will be asking too much of us and yet they don't bring anything to the table,' explained a male non beneficiary. Similarly, while some female beneficiaries were able to gain entry to savings groups, one beneficiary explained: 'If they know that you are risky... they will be hesitant towards you… you will be the last person to access credit.'

Existing reciprocity-based relationships not displaced or undermined

While the LEAP impact was not sufficiently dramatic to stimulate new networks or groups in beneficiary communities, neither had it displaced any existing social support networks, with beneficiaries continuing to give and rely on support as before. Beneficiaries in both Dalung and Tali in the Northern Region, emphasised that informal support networks were still important despite receiving LEAP:

> *(The LEAP transfer) is not regular… besides the money is not enough. It doesn't stretch so I still need help. (Female beneficiary, Tali, Northern Region)*

> *You can't just leave them. You still need to help them… you are the one who has been helping them all this while, so you must continue (community leader, Tali, Northern Region).*

In some instances, beneficiaries were better able to offer assistance themselves, and this was confirmed by non-beneficiaries who mentioned that they sometimes received help from LEAP beneficiaries. This help was typically in kind, and respondents mentioned that this was because the value of LEAP money was small. Indeed previous evidence showed that people generally tended to give more readily in kind than in cash. A male beneficiary in Tali, Northern Region, noted: 'Before I used to rely on other people, now I give to others'. Over time this increased ability to offer assistance to others was likely to further improve beneficiaries' social standing.

A pattern of support revealed in the Central Region comparison community of Dwabor was the tendency for adults to take on children from relatives' or friends' households and raise them rather than providing direct support. A similar pattern of behaviour observed in the 'treatment' communities involved adults taking in OVCs from family member parents who had died, although there was no evidence that LEAP created an incentive for household to take on orphaned children.

3.4 Operational issues

In this section we examine the operational issues arising in relation to the impact of the LEAP programme, addressing the following hypothesis:

> *Cash and in-kind transfers can be improved through a better understanding of likely household and local economic impacts.*

3.4.1 LEAP targeting

LEAP's reach and inclusion of the poorest

On the whole, both beneficiaries and non beneficiaries in the communities perceived that the LEAP transfer was reaching the poorest households in the community. This was confirmed by wellbeing analysis (see for example Table 2.1), which clustered LEAP beneficiaries in with the ultra poor categories. Hence despite widespread confusion within communities, including amongst some CLIC members, regarding the criteria for targeting (see below), there was a general consensus that those reached were worthy of extra financial support. In Tali community in Northern Region, for instance, the LEAP transfer was known as *Lagri sheli bin'mali tiri nandaamba* which means 'that money given to the destitute'. Similarly the CLIC chair in Agona Abrim community in Central Region recalled being asked by the DSW: 'find me the *Ohianaminami'* (literally translated as 'from here you are dying').

Research participants, both beneficiary and non beneficiary, also pointed out that there were many others who should have been eligible for the LEAP benefit. Although there was an initial long list of potential beneficiaries 'sent to Accra', the list returned, they believed, with only a few beneficiaries on it. The CLIC chair in Agona Abrim community in Central Region, for example, explained how she would include double the requested number of potential beneficiaries on her list but (i) she could not include all the 'ultra poor' even on this expanded list and (ii) not all the potential beneficiaries on this initial list were subsequently selected by the DSW. She confirmed the analysis in Table 2.1 that an equal proportion of 'eligible' households in the community were included and excluded.

Looking to the future, many research participants believed that it was more important that the transfer achieved a broader coverage to include more of the poorest than it was to increase the value of the transfer to existing beneficiaries. A large number of informants opted for an increased coverage rather than value of the cash transfer payments when asked. It is most important that 'all can eat' said one beneficiary. This perception was shared by many and suggests an awareness of the importance of reducing resentment and strengthening social capital amongst beneficiaries, who on the whole felt that they were the 'lucky ones' out of many other eligible households in their communities. We expand on these inter-linked perceptions of tension and luck below.

LEAP's targeting procedure

Many non beneficiaries did not understand why they had been excluded. In the absence of a clear understanding of the targeting criteria and procedure, some put their exclusion down to bad luck. A woman in a focus group of 'nearly beneficiaries' in Tali community, Northern Region, commented: 'they say there is this thing called a computer… it picks the lucky ones to receive the LEAP transfer. It was just a matter of luck. We were just not lucky on the day'.

In some cases it appeared that poor sensitisation and misunderstanding had resulted in tension, confusion and even the exclusion of potential beneficiaries. In Dalung, Northern Region both beneficiaries and non beneficiary informants complained that targeting had created underlying tension. 'Nearly' beneficiaries complained amongst themselves of not receiving transfers, while beneficiaries 'worry' that because others were not getting transfers there were resentments and problems. In some cases, a lack of trust in the targeting process, particularly in the first round, caused some people to 'self select' out of the initial beneficiary list. In Dompoase, Central Region, for instance, non beneficiaries had linked the early round of LEAP targeting to the popular *sakawa* notion of fraud and so had withdrawn themselves.

In some instances, local perceptions implicated CLICs or local leaders in what were seen to be biased or even politicised household selection decisions. The transparency and consistency of the CLIC membership selection was an important element in building these perceptions. With CLIC membership including traditional leaders and assemblymen, issues of elite capture and conflict of interest surfaced and transparency was seen to be a concern. In some cases this was leading to CLIC members dropping out, contributing to a broader problem with the sustainability and effectiveness of CLIC membership (see below). In Dalung, Northern Region, potential beneficiaries were identified by a group of elders, an initiative directed by the CLIC at the time of targeting. This could be seen as a positive adaption to the circumstances which could potentially minimise conflicts and grievances because elders are seen as fair and have good knowledge of people in the communities. But there is also a risk of undermining transparency through this type of adaptation of procedure. In the Northern Region, for instance, Dagon culture frowns upon questioning decisions of elders which reduces accountability. In this same region, during one animated exchange in Dalung during the community validation process, some community members expressed great concerns regarding fairness in beneficiary selection, stating that in a community decisions are normally made in a group, not by one person. They raised concerns that the remaining CLIC member, the Assemblyman, was alone responsible for selecting each beneficiary – to which he responded, 'my hands are clean.' This confusion and perceptions of injustice had led to some jealousies and tensions, although these had been generally limited to those 'nearly beneficiaries' included on initial community lists but excluded by 'the computer' in Accra. CLIC members reported incidents involving angry exchanges and accusations of bias and malpractice from 'nearly beneficiaries' and others. In the LEAP design, enumerators collecting household information for appraisal and targeting are supposed to be drawn from inside the 'intervention' communities. Interestingly in Dompoase, Central Region, enumerators were deliberately identified from *outside* the community by the DLIC, perhaps in an attempt to minimise political interference.

Tensions were compounded by the way that payment dates were announced to the entire community through the public address system. This increased envy among the non beneficiaries. The inability of some beneficiaries to collect the money on their own led them to send young people to collect the money on their behalf, although there was no indication that this led to fraud. This sometimes, however, created confusion among non beneficiaries who assumed such young people to be beneficiaries. Some beneficiaries suggested that payment dates could be communicated to beneficiaries secretly through the CLIC and that payments could be mailed directly to beneficiary households by Ghana post.

According to the programme design, beneficiaries must lodge any complaints with CLICs who then notify the DLICs. Although it is not entirely in their remit, given their closeness to community members, CLICs automatically assumed responsibility for dealing with grievances. This could be problematic and with the potential for conflict of interest, particularly where beneficiaries wanted to complain about the CLICs themselves or about the targeting process. Furthermore, dealing with local tensions around perceptions of targeting appeared to be beyond the capacity and authority of CLICs. One CLIC chair, struggling on his own (with no committee members to help), explained that he did not know how to deal with grievances and just 'passed them up'. Furthermore, there was a widespread consensus that all community members should be sensitised about LEAP to varying degrees, while broader LEAP coverage could help facilitate social cohesion and relations.

3.4.2 LEAP's transformative potential

Building on household and local economic impacts

The research findings presented above confirm that the LEAP cash transfer could have a significant impact on household economic activity that goes beyond coping and household welfare. Through timely investments of working capital in productive inputs or start-up costs, even the most vulnerable of households, with the right support network of family and friends, could diversify their income and sustain and even grow their assets.

Beyond the household, the research also elicited some evidence of knock-on effects of beneficiary household economic activity, increasing marginally the level of agricultural productivity and diversity of economic exchange within the local economy, resulting in more money circulating, more jobs created and a greater range of products bought and sold. Given the aggregate small inflow of LEAP capital into these communities, however, this broader economic impact appeared to be linked closely to the size of the local economy: in larger communities with larger economies and markets the impact was much harder to discern.

The LEAP programme's innovative design envisaged a technical monitoring and support system organised through the CLIC. This committee system was seen to have the potential to help identify and support productive investment options amongst beneficiaries and their households. CLICs were designed to be core to meeting LEAP objectives, ensuring compliance, appropriate use of funds, supporting complementarities of services, altogether supporting people to 'LEAP' out of poverty. It is significant that the observed and reported household and local economic impacts of LEAP had been achieved largely without any support from the programme – through CLIC activities or the interventions. The potential for LEAP programmatic support to magnify this impact is discussed further in the recommendations section below.

CLIC membership and sustainability

The indications from this research are that the sustainability and effectiveness of the CLIC monitoring and support function have been extremely variable. In all four LEAP communities selected for the qualitative research, the CLIC was not operating as designed, typically with a low membership and infrequent meetings. In Dalung community in the Northern Region, the CLIC did not exist at all, with responsibility for the implementation of LEAP assumed by only the Assemblyman.

The retention of CLIC members was raised as a major issue in all communities, with the District Social Welfare Officers and CLIC members attributing this to low levels of incentives for this voluntary role. In Tali community, Northern Region, inadequate remuneration and incentives led to CLIC members being paid by beneficiaries themselves. One member of the CLIC reported that the District Social Welfare Officer had encouraged beneficiaries to give part of their LEAP payment to CLIC members to show appreciation. Beneficiaries in turn confirmed that they each gave 1 Ghana Cedi to the CLIC on payment days.

CLIC technical support function and enabling role

In addition to the above, the CLICs in all communities were largely ineffective because of poor guidance and the little support they received. The CLIC in Tali, Northern Region, for instance, was simply briefed about the basic functionality of the programme with the promise of further training in the near future, which reportedly never happened. Inadequate training and support of CLICs was perceived to have led to a lack of understanding by of CLICs of their own roles, as well as the rules and procedures of the programme. Partially as a result, conditionalities around health insurance and school attendance were not consistently monitored as reported by beneficiaries. In addition, CLIC members did not understand why beneficiaries had different payment entitlements. In turn inadequate training and support for CLICs resulted in poor sensitisation of beneficiaries and non-beneficiaries, resulting in heightened confusion and tensions. Finally, although beneficiaries could nominate a 'deputy' to receive payments on their behalf in their absence, this system was not functioning effectively across all four study communities, with some beneficiaries consequently missing payments and many respondents expressing a sense of frustration. Particularly in the context of severe delays, they were never entirely aware when the transfer would arrive, which reduced the ability to plan for other livelihood activities around this. Similarly, links to complementary services were non-functional. For example, many beneficiaries still had to pay to register and renew their NHIS premiums, although this was supposed to be free for LEAP beneficiaries.

Beyond monitoring conditionalities, the DLIC has a role with great enabling potential, introduced above, to encourage and support economic activity within beneficiary households. The 'Beneficiary

Forum' is designed as an opportunity to build sensitisation and education into the LEAP disbursement process with further possibility for economic and livelihoods technical support. On payment day, forums were designed to be held, where talks are given to beneficiaries on pre-determined thematic issues such as immunisation and child trafficking. Beneficiaries were also to be given advice on how to spend LEAP the money 'judiciously'. The indications were, however, that the functioning and effectiveness of these forums were patchy and poorly resourced. In fulfilling these functions in Tolon Kumbungu district, Northern Region, for instance, the District Social Welfare Officer himself had only ever received a week's training prior to LEAP being initiated, and no further training had been given since.

The DLIC oversight role

The research also suggests that there was an issue with uneven performance of the District LEAP Implementation Committees (DLIC). In Tolon Kumbungu district, Northern Region, the DLIC had never even met. Although the District Social Welfare Officer had convened a few meetings, other DLIC members failed to attend as they felt that decisions taken at these meetings would not be actionable due to limited resources. A lack of fuel allowance and vehicles, for example, made community level monitoring impossible. As a result there was no direct oversight of the implementation of LEAP at the community level.

In this indicatively common scenario where the DLIC was non functional, the role of the entire committee fell on the shoulders of the District Social Welfare Officer. The District Social Welfare Officer in Tolon Kumbungu district, Northern Region, gave training, sensitisation and monitoring to CLIC members. This was minimal and *ad hoc* with the District Social Welfare Officer 'piggy backing' on other programmes to undertake their roles and responsibilities required for LEAP: 'We are always circulating in these communities because of the UNICEF Child Protection Programme. But we monitor the LEAP indirectly. Monitoring LEAP is not done systematically'.

Irregular payments

During the discussions, beneficiaries presented a mixed view about the payment delays and irregularities. On the one hand they mentioned how irregular and infrequent LEAP payments made it difficult to smooth consumption and plan investments and expenditures. Despite this, beneficiaries remained 'certain' that the money would come. Across the communities, those beneficiaries that prioritised the use of the transfer for investment over consumption smoothing preferred lumpier payments. This was particularly noticeable in the better-off community of Dalung, Northern Region. Across both communities in the Central Region, most, but not all, beneficiaries expressed a preference for smaller, more frequent payments to help with 'chop (food) money' and everyday consumption. It is important to note here that there was a risk of strategic bias entering the research process on this question. In addition to being genuinely grateful (to God and the government) for their luck at being a cash benefit beneficiary, respondents typically had an incentive to express satisfaction about the existing modality and schedule of payments. This was because they were reluctant to present opinions that they thought could affect their benefits.

4 Conclusions and Recommendations

4.1 Conclusions

Household economic impacts

The research addressed the hypothesis: *The introduction of a small but predictable flow of cash income improves livelihood choices and productive investments, although vulnerable households will be more highly constrained in their decision making on how to use the additional cash.* Cumulative findings from global research on cash transfer impacts in different countries have confirmed that small but reliable cash transfers can help poor households to diversify livelihoods and increase income by avoiding short-term distress sales of labour or assets[59] and by supporting longer term investment in assets. Cash transfer experiences, for example from Maharashtra, India and from Ethiopia, provide evidence that 'transfers allow households to make small investments; and in some cases take greater risks for higher returns'.[60]

Correlating this broader body of findings, this research found that after meeting welfare needs, households were able to invest in a range of economic activities depending on their asset base and associated level of vulnerability. In summary, the research revealed that the LEAP transfer:

- was a certain and predictable (in payment if not in timing) source of income which aided household decision making, allowing households to manage risk and reduce their vulnerability;
- functioned primarily as a safety net, supplementing meagre household incomes and enabling resource-poor households to cope better without disinvesting in assets or getting into debt;
- enabled beneficiary households to maintain and improve household welfare through health spending, ensuring a better diet, sending children to school and reducing child labour;
- added to working capital for income earning activity: depending on the asset base of the household, this activity ranged from petty trading to increasing on-farm productivity and in a few instances to more ambitious livelihood diversification strategies;
- was not (yet) enabling the majority of beneficiaries to 'LEAP' out of poverty through (risk taking) strategic investments for diversified income, however it did show modest indications for potential in this direction;
- increased access to and control over resources amongst female-headed beneficiary households, but did not challenge patriarchal household norms, particularly in the Northern Region.

Local economy impacts

[59] See for example, Slater, R. et al (2006), *PSNP policy, programme and institutional linkages,* Final Report, ODI, the IDLgroup and Indak International, London, September .
[60] Arnold, C. with Conway T. and Greenslade M. (2011) op cit, p35.

The research addressed the hypothesis: *The whole community, including non-beneficiaries, will benefit economically from the injection of cash through multiplier effects on local goods, services and labour markets, although this will be mediated by the political, economic and social context.*

Existing research on the local economy impacts of cash transfers is quite limited, with more research required on this second order impact.[61] There is, however, some scattered evidence that cash transfers provide a local economy stimulus in the shape of increased demand for consumption goods, inputs or assets. These findings are supported by the tendency for poor people to spend locally, and on locally produced rather than imported goods. An impact assessment of the Dowa Emergency Cash Transfer (DECT) programme in Malawi, for instance, found economic multiplier impacts exceeding two Kwacha for every Kwacha disbursed.[62]

This research confirmed the hypothesis and correlated existing literature by eliciting evidence of marginal positive impacts of beneficiary household economic activity in the form of increased agricultural productivity, the building of market synergies, and a greater level and diversity of economic exchange within the local economy. This resulted in more money circulating, more jobs created and a greater range of products bought and sold. This finding was certainly not unequivocal, however. In the context of small aggregate LEAP cash injections, the local economy effect in larger communities was far less apparent. In summary, the research revealed that the LEAP transfer:

- contributed marginally to increased economic exchanges in the local economy, markedly so in smaller community contexts;
- contributed to increased diversity of products being bought and sold, particularly in smaller communities;
- contributed to increased labour market hiring amongst beneficiary and non-beneficiary households, again with greater evidence of impact in smaller communities.

Social networks

The research addressed the two inter-related hypotheses:

> *Cash transfers increase beneficial risk sharing arrangements and economic collaboration underpinned by social capital (trust-based reciprocity)*
>
> *Changes in social networks linked to cash transfers positively affect the most vulnerable and least powerful people in a community through greater inclusion in decision making processes (including through an increased ability to make 'social contributions') and increasing their entitlement set and livelihood choices.*

Wider research on the impact of cash transfers is limited but suggests that transfers can build self-esteem, status and increase choice amongst vulnerable people, including the elderly, enabling them to be active members of their households and communities, rather than perceived as 'burdens'.[63] Qualitative research in Namibia and Lesotho found that social pensions have improved

[61] Arnold, C. with Conway T. and Greenslade M. (2011) op cit, p35.

[62] Davies, S. and Davey, J. (2008). 'A regional multiplier approach to estimating the impact of cash transfers on the Market: the Case of Cash Transfers in Rural Malawi.' in *Development Policy Review*, 26(1):91-111.

[63] Arnold, C. with Conway T. and Greenslade M. (2011) op cit, p41.

the status of older people without relatives, who might otherwise have been isolated and excluded from community life.[64]

This research confirmed existing evidence on social inclusion impacts and elaborated further on social capital and existing evidence base. The LEAP transfer did not increase overall levels of social capital and associated risk sharing arrangements and economic collaboration and alliances. This was because they the transfers occurred in contexts where prevailing labour and credit/savings risk sharing arrangements were fragile beyond the nuclear family (Central Region) and extended family compound (Northern Region). There was a pattern of groups and networks forming, fragmenting and reforming due to economic hardship and associated low levels of trust and reciprocity. LEAP transfers did, however, impact positively on beneficiary self esteem and on their inclusion in existing social and contribution-based networks and groups, with the potential (to be further tested) for future increased social capital, risk sharing and economic collaboration. In summary, the research revealed that the LEAP transfer:

- did not significantly increase overall risk sharing and economic collaboration in their communities;
- impacted positively on beneficiary self esteem, increasing hope and a inculcating a longer-term perspective;
- impacted positively on beneficiary inclusion in existing social networks – including religious and social gatherings and community decision making – through greater self esteem, visibility and a raised social status largely due to enabling them to make some contribution to community causes;
- enabled many beneficiaries to ‘re-enter’ contribution-based social networks including extended family risk sharing arrangements, livelihood/labour farming groups and savings groups.

Operational issues

The research addressed the hypothesis: *Cash and in-kind transfers can be improved through a better understanding of likely household and local economic impacts.* The final hypothesis addressed by the research is somewhat delinked from existing evidence on cash transfers but builds on the broader notion that impact evaluation can feed back into what is described as ‘evaluative practice’, in which reflections on impact motivate improvements in design and delivery.[65] The focus in this research was on the relationship between understanding household and economic impacts and improving operational support for a more transformative, productive use of the cash transfer. The research revealed that the transfer was reaching the poorest households, but because a large minority of households were perceived to be in the same boat there was a consensus amongst beneficiaries and non beneficiaries that future rounds should include more of the poorest households. Although most community members, beneficiaries and non beneficiaries alike, expressed this preference for increasing LEAP target coverage, unsurprisingly, some beneficiaries also called for an increase in the value of the LEAP transfer to enable them to manage their risk better and to use the surplus for working capital (the productive use of the transfer). Beneficiaries discussed the relatively ‘lumpy’ nature of the agglomerated LEAP transfers. Those beneficiaries most reliant on the LEAP transfer for welfare spending (the safety

[64] Save the Children UK, HelpAge International, and Institute of Development Studies (2005). *Making cash count.* Brighton: Institute of Development Studies.

[65] See for example Abbott D., Brown S. and Wilson G. (2007). ‘Development management as reflective practice’, in *Journal of International Development* 19(2) 187-203.

net use of the transfer) were more likely to express a preference for smaller, more frequent sums to cover ongoing subsistence spending and avoid having to buy goods on credit, linked to their dislike of indebtedness. Beneficiaries discussed the increased risks associated with delayed payments, threatening household welfare, asset disinvestment and withdrawal from social networks. Non beneficiaries were vocal about mistrusting the selection and targeting process, and it was clear from discussion that mistrust and resentment resulted from poor communication and understanding about targeting and eligibility and in some cases perceptions of politicised and biased targeting. Lack of understanding of the targeting procedure even extended to CLIC members themselves in some cases. In the absence of grievance mechanisms and local CLIC capacity to manage conflict, local resentment could linger and even escalate. It was evident too, that CLICs were often unable to provide effective monitoring and technical support of the kind that would promote more productive and transformative use of the LEAP transfer by beneficiary households. In summary, the research revealed that the LEAP transfer:

- was widely perceived to reach and provide benefits to some, but not enough, of the poorest households;
- contributed to mistrust and tension with the CLIC where non beneficiaries did not understand the selection process, or perceived bias, with tension sustained and even escalated in the absence of effective grievance mechanisms and CLIC capacity to manage conflict;
- provoked different reactions regarding timing and lumpiness, with more vulnerable households likely to prefer more frequent payments for everyday consumption reflecting the clear need for safety net assistance;
- was not sufficiently backed up by a technical monitoring and advice system for beneficiary households, with opportunities lost to support a shift from welfare to transformative LEAP spending.

4.2 Recommendations

The conclusions reached by the research raise a number of important operational recommendations in support of future rounds of LEAP transfers supporting and sustaining economic impacts and moving beneficiary households from protection to production.

Increase the independence and transparency of the targeting process

Operational attention should prioritise the independence and transparency of the targeting process. Misunderstanding and lingering mistrust of the selection process created and sustained divisions in the communities, with serious questions raised concerning the credibility, political interference and respect for poverty criteria during selection of communities.

Increased attention to sensitisation and education of beneficiaries and non-beneficiaries on the LEAP programme regarding its selection criteria and targeting is required. The beneficiary forum mechanism appeared to be non functional. This was manifested in CLIC and beneficiaries and non-beneficiaries unawareness of conditionalities as well explanations of why some people were on a list and never selected and never told why. Communication and information was almost completely absent.

Strengthen the functionality of DLICs

Within the structure of support to LEAP implementation there is a need to revisit the functionality and effectiveness of the DLIC. Training needs to be more continuous than the one-off approach evident in the LEAP programme (notably for the District Welfare Officer). DLIC members' time needs to be protected for DLIC duties and there need to be resources available to support monitoring and support activities and maintain members' interest and belief in the process. There are strong indications from the research that DLIC functionality nationally is likely to be patchy at best. It is likely that many DLICs would have been operational for the initial targeting process but subsequently did not function in their sensitisation, monitoring and support roles. The ongoing DLIC function, specifically the role of the District Welfare Officer, appears to be limited largely to the payment window period. We would argue that the operational challenges of LEAP start from and are eroded by the challenges to functionality faced by the DLICs. Without their effective operation and support, the rollout and functioning of the LEAP institutional structure is severely constrained.

Strengthen the functionality of CLICs

Below the level of the DLIC, the research confirms the operational imperative of reviewing and strengthening the functionality of the CLICs. Their procedures, training priorities and incentive arrangements need to be reviewed and scaled up in order to ensure that membership levels are sustained with members that are committed, properly informed and guided, and able – with adequate resources as required – to fulfil their function. One specific area of capacity building is in ensuring that the 'deputy caretaker' system works effectively so that if a beneficiary is absent or incapacitated during a payment window, an appointed deputy can collect the money on their behalf and so avoid 'losing' the payment. Additionally, CLICs need to be empowered and sufficiently trained to managing conflict and grievances at the local level in order to reduce any corrosive impact of the LEAP transfer on community cohesion and relations. One operational area for reducing tension that can be considered is the option of using the Ghana Post system to deliver cash transfers directly and privately to beneficiaries as an alternative to the public address and collection system.

One important operational precondition for ensuring a well functioning CLIC system is to revisit and review the CLIC membership appointment criteria and the implementation of those criteria in practice. This needs to be reviewed carefully as part of a broader push to ensure sustainability. Any perceived politicisation of CLICs can greatly affect performance of the CLIC and its effectiveness and this links back to how they are selected. There was also some suggestion that beneficiaries were themselves CLIC members in some instances, which raises possible conflict of interest issues and should be examined.

Improve training and technical competence of CLIC to enable a transformative impact

The household and local economy impacts summarised above, and the role of social networks in mediating this impact, indicate the main operational recommendation from this research, building on the 'operational issues' hypothesis above. This is that there is a clear opportunity for the LEAP programme to improve its impact through understanding of and supporting economic behaviour that starts to move beneficiary households from coping to transformative and sustainable productive strategies.

A key principle of the LEAP programme is decentralised operations, yet for this decentralised role to be both effective and transformative, CLICs must be resourced and empowered. As with DLIC capacity building, one-off training is not enough: ongoing coaching and exchange visits maintain high levels of operation. Training should focus on effective monitoring of programme activities, conditionality adherence and beneficiary behaviour, as well as ensuring active synergies with complementary services. This should be allied to a very clear portfolio of activities that supports beneficiaries and economically active peers to move from protection to production. Through an expanded beneficiary forum system, well trained CLICs can support beneficiaries, where possible and appropriate, around group formation, network building and savings, and provide the advice to beneficiary households around making investment decisions with working capital for increased and diversified livelihood activity. With this type of support, beneficiaries will have a greater chance of gradually LEAP-ing out of a safety net system into sustainable productive livelihoods.