

From Protection to Production:

Impacts of the Ghana LEAP programme at community and household level



Livelihood Empowerment Against Poverty (LEAP) Program

Unconditional cash transfer program began in 2008

Eligibility based on poverty and having a household member in at least one of three demographic categories:

Single parent with orphan or vulnerable child (85%), elderly over age 65 (10%) and person with extreme disability unable to work

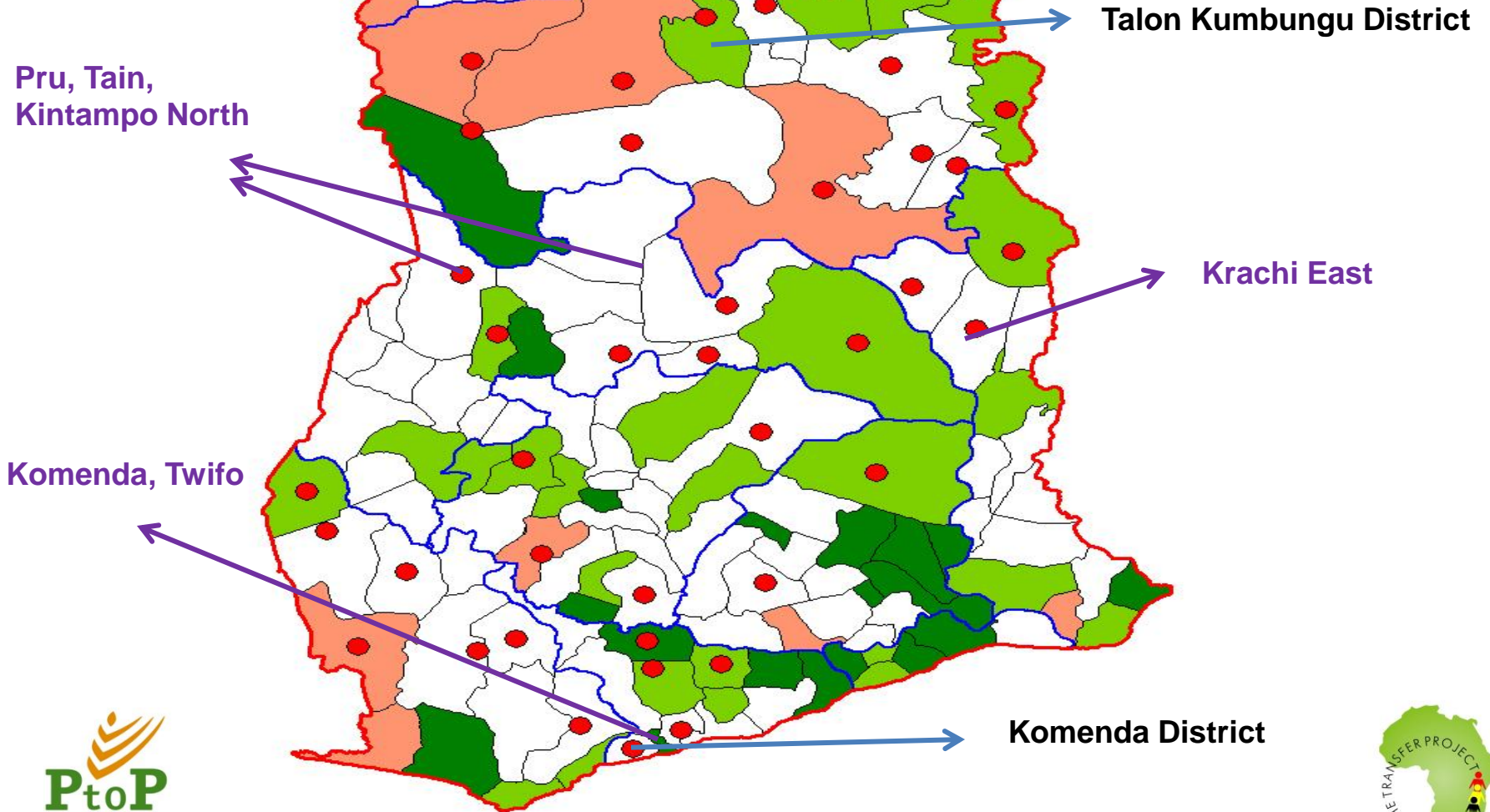
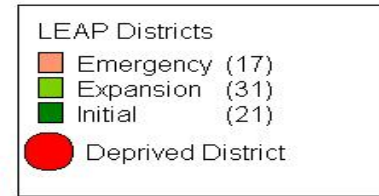
Community based targeting followed by central verification and final eligibility determination

Provides cash and health insurance to beneficiaries

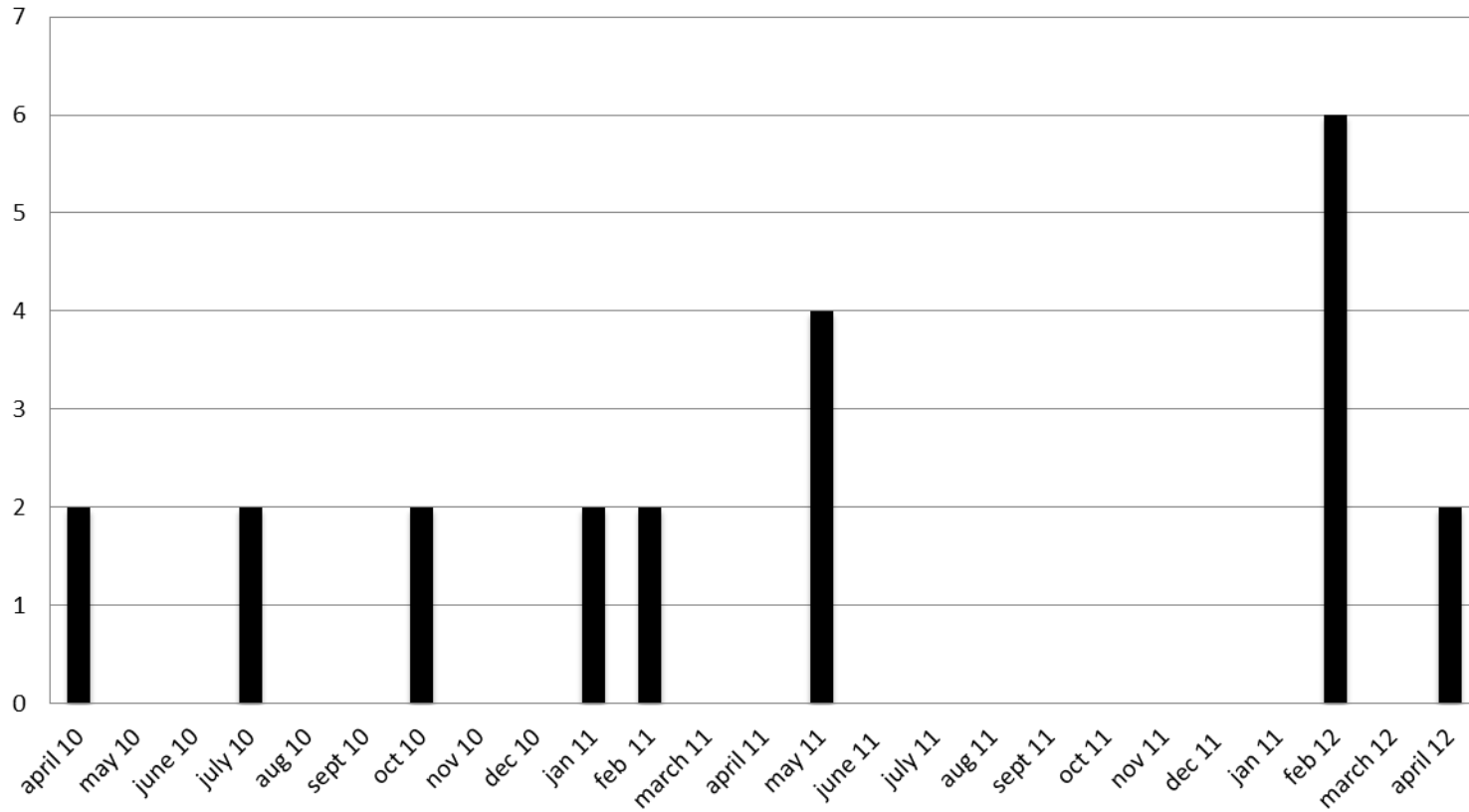
Reached 70,000+ in 2012, 100+ districts



LEAP Programme Districts

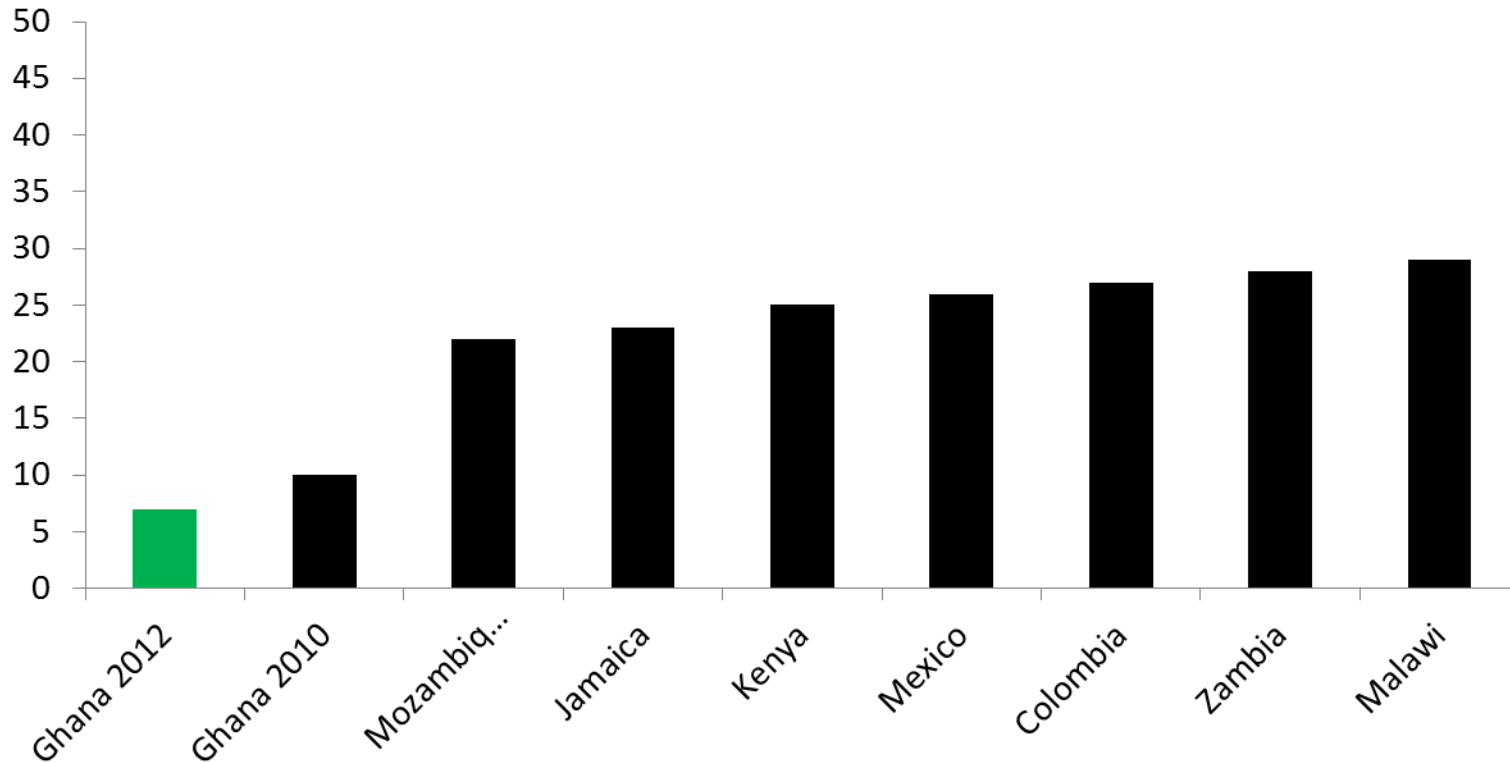


LEAP payments during evaluation: sporadic and lumpy



Transfer level very low during evaluation period (later tripled)

Share of household consumption



Key areas of inquiry driving qualitative research:

- **Household economy**
 - How are households' decisions/decision-making processes affected: livelihood choices, investments, savings, employment, consumption?
- **Local economy**
 - Are multiplier effects created through impacts on local goods, services & labour markets in the community? Why? How?
- **Social networks**
 - How are social networks effected - risk sharing, economic collaboration, social capital, trust?
 - Are there social inclusion effects for the most vulnerable – rising “voices”?
- **Operations**
 - How do operational arrangements impact at household/community levels?

Methodological approach to qualitative research

- Focus group discussions (FGD), Key informant interviews (KII) and household case studies (disaggregated by category: gender, wealth etc.)
- Triangulation of tools (social mapping, wellbeing analysis, livelihood analysis, institutional analysis (venn diagram), household income & expenditure analysis)
- Teams working in two different communities (1 week) in two regions and 1 day comparison community in both regions
- Nightly team debriefings to identify patterns
- Community validations to “confirm” findings; final debriefing with govt. and partners





Summary Findings: Household Economy

- Serving as a safety net: improved consumption (diversity and more nutritious), school attendance, health, basic needs, family contributions
- Some evidence of emerging HH investments in economic activities/production e.g. inputs, farm assets, hired labor, small animals, trade - *depends on HH situational context – asset base, enabling environment, local conditions*
- Reduced child labor—gradual labor shift to own farm- less casual labor - the “last resort”
- Greater creditworthiness but still risk averse – avoid credit in fear of debt
- Reduced negative coping strategies (*Kaaya-yei*, eating stocks, asset disinvestment, debt
- Women/FHH making own decisions-but typically HHs decide jointly & pool (depends on cultural context). Little transformation of patrilineal norms – small increase of women’s economic empowerment (access/control over resources) & influence in HH decisions



Local Economy

- Limited impacts on local markets: some increase in exchanges, increase & diversification of goods & services particularly in smaller villages (e.g. food preparation, soaps, HH goods)

“food bowls are now getting finished at the end of the day” (Dompoase)

- Typical “payment-day surge” purchasing in local shops/market- *but no price changes detected* – LEAP transfer too small
- Increased trust resulting in beneficiary creditworthiness, but reluctance to buy on credit, fear of indebtedness
- Change in labour patterns: beneficiaries withdrawing from labour market when possible and even hiring in depending on context (Dompoase) * limiting factor is labour, not land.



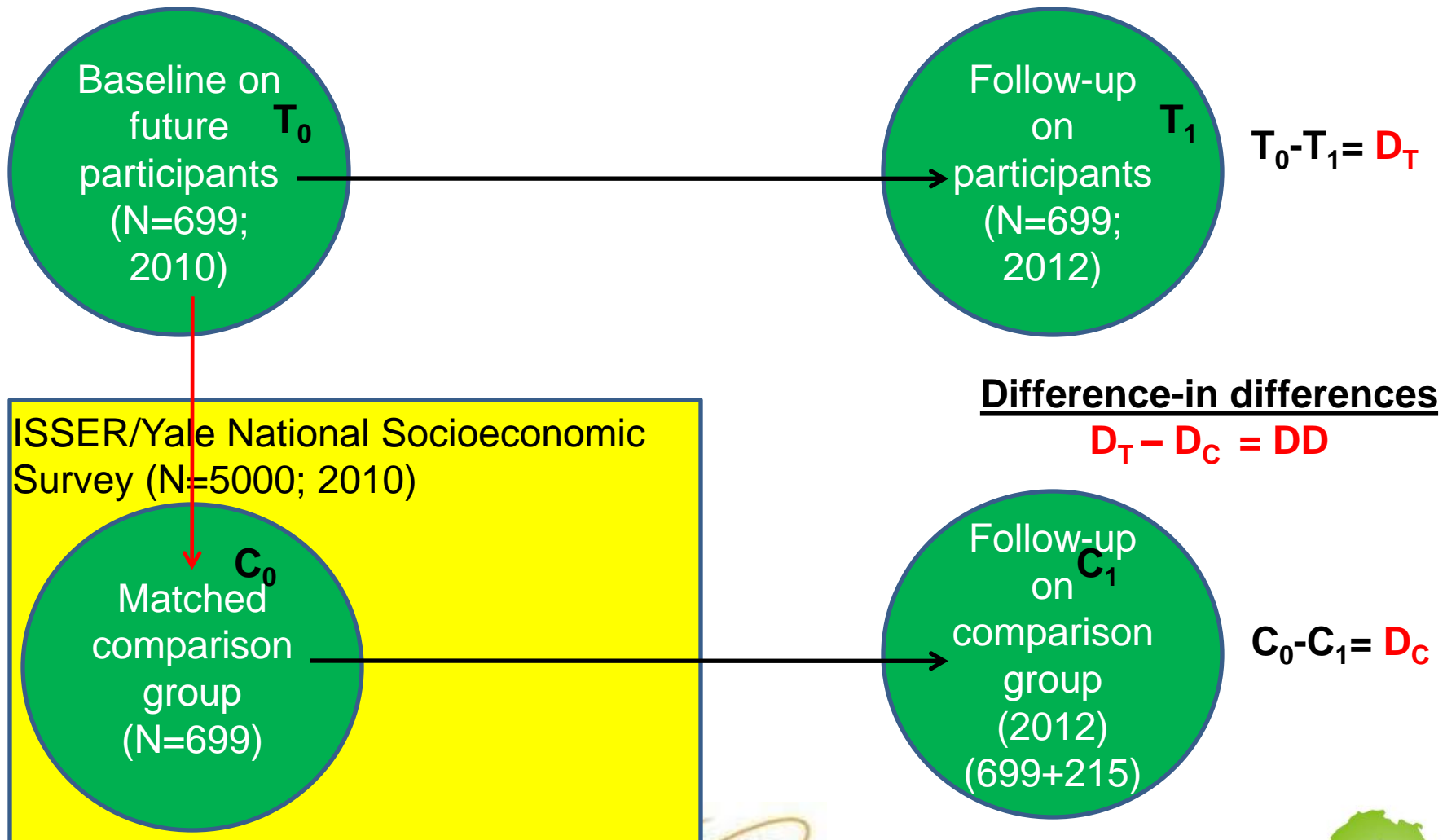
Social networks & risk-sharing

- Beneficiaries “re-entering” social networks, re-investing in alliances & social security - increasing social standing (family contributions, savings groups (*susu*), family levies (*abusua to*), church groups, funeral associations, welfare groups, social events)
“now when someone dies, they say come” (Agona Abrim)
- BENS viewed as less “drain” on others. More reliable, re-building & broadening social capital base, trust - builds self-esteem, confidence, hope *“now we are able to mingle.”* This strengthens potential for agency/change/empowerment
- Some beginning to “help” others in need - small gifts
- Jealousies- some tensions created (some “deserving” are excluded)

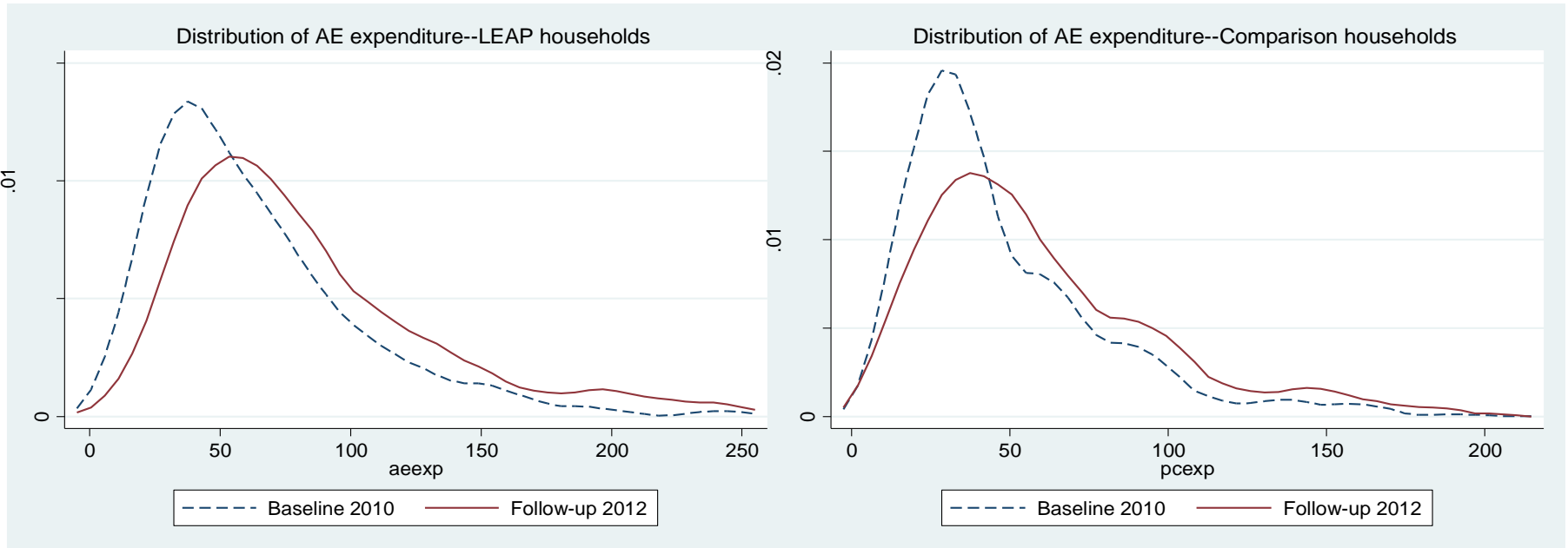
Operational impacts

- Payment delays have negative impacts: inability to plan, greater debt, asset disinvestment, reversion to coping strategies. Preference for frequent, predictable payments rather than lumpy – as needs are *immediate*
- Transfer diluted in larger households - not fully aligned with household size (4 max). Yet beneficiaries prefer broader coverage over increased amount – reflects value of social inclusion, equity, collective responsibility
- Weak communication and grievance systems (targeting) are limiting transparency causing misunderstandings/resentment/jealousies/tension and reducing messaging & complementarities. This is a missed opportunity for transformation
- Local community implementation structures (CLIC) are weak and in need of training, backstopping. They have a high potential to make a difference by strengthening human capital, productive assets, livelihoods, self-reliance
- Questions of the role of local power structure: mixed views - elite capture fears: by default leaders *are* involved

Quantitative Evaluation Design: Difference in Differences Propensity Score Matching



No impact of LEAP on consumption per adult equivalent: where is money going?



Increase in both samples of roughly the same magnitude between 2010 and 2012

Quantitative study indicates LEAP households spend on non-consumption items with goal of managing risk

- Increasing savings
- Paying down debt
- Re-engaging with social networks
 - More gift given out; more remittances received
- Investing in some productive activities
 - More hired labor, increased expenditure on seeds

Increased share of households save

Share of household with savings

Percentage points	overall	female	male	size ≤ 4	size ≥ 5
		headed	headed		
Impact	0.14	0.10	0.20	0.17	0.08
LEAP Baseline Mean	0.22	0.19	0.26	0.18	0.28
ISSER Baseline Mean	0.40	0.34	0.49	0.38	0.43
Observations	3040	1637	1403	1940	1100

Bold indicates statistical significance at 10 percent or less

Reduction in share of households holding loans (thus paying down debt)

Share of households holding loans

Percentage points	overall	female	male	size ≤ 4	size ≥ 5
		headed	headed		
Impact	-0.075	-0.079	-0.069	-0.124	0.011
LEAP Baseline Mean	0.246	0.241	0.253	0.237	0.261
ISSER Baseline Mean	0.164	0.147	0.189	0.121	0.240
Observations	3040	1637	1403	1940	1100

Bold indicates statistical significance at 10 percent or less

Increase in extending credit to others (even among these very poor households)

Impact of LEAP on amount of credit owed (as share of consumption)

Percentage points	overall	female	male	size \leq 4	size \geq 5
		headed	headed		
Impact	0.022	0.004	0.035	0.016	0.078
LEAP Baseline Mean	0.013	0.011	0.015	0.077	0.047
ISSER Baseline Mean	0.036	0.021	0.055	0.098	0.118
Observations	1817	973	844	1044	622

Bold indicates statistical significance at 10 percent or less

Reengaging with social networks— increase in the amount of gifts given out

Amount of gifts given (in adult equivalent Cedi)

AE Cedi	overall	female	male	size \leq 4	size \geq 5
		headed	headed		
Impact	1.60	1.80	1.11	1.88	1.11
LEAP Baseline Mean	1.97	1.92	2.05	2.18	1.62
ISSER Baseline Mean	4.84	4.94	4.67	5.96	2.81
Observations	2979	1593	1386	1881	1098

Bold indicates statistical significance at 10 percent or less

And an increase in the amount of gifts received!

Impact of LEAP on gifts received (as share of consumption)

	overall	female headed	male headed	size \leq 4	size \geq 5
Share receiving	0.024	0.031	0.012	-0.041	0.124
LEAP Baseline Mean	0.621	0.667	0.554	0.727	0.441
Amount received	0.111	0.136	0.070	0.115	0.103
LEAP Baseline Mean	0.083	0.095	0.066	0.120	0.020

Bold indicates statistical significance at 10 percent or less

Beneficiaries are happier compared to comparison households

Proportion happy with their life

Percentage points	overall	female	male	size ≤ 4	size ≥ 5
		headed	headed		
Impact	0.158	0.233	0.041	0.206	0.088
LEAP Baseline Mean	0.395	0.357	0.451	0.382	0.418
ISSER Baseline Mean	0.597	0.589	0.608	0.587	0.614
Observations	3036	1634	1402	1937	1099

Bold indicates statistical significance at 10 percent

Conclusions from Q² findings

- Consistent story at household level (mostly)
 - Indicating positive impacts on human capital
 - Some indications of investment into productive activities
 - Allows households to improve credit-worthiness, reduce debt, increase savings
 - Enables re-entry into social networks, increased gift-exchange even among these very poor households
 - Diverging findings on consumption at household level
 - Concerns with unpredictable (delayed) payments