UNDERSTANDING POVERTY IN KENYA
A multidimensional analysis

Report

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Executive Summary

The present report seeks to analyse development trends in Kenya and understand the ways in which various groups in the country continue to be left behind. Analysis of the nationally-representative Kenya Integrated Household Budget Survey (KIHBS) 2015/16, [together with life history interviews in two counties (Makena and Vihiga), and supported by key informant interviews in Nairobi in 2018] reveals that certain groups are consistently being left behind in Kenya, on account of income poverty status, gender, age, disability, area of residence, and intersecting inequalities. These logjams, or overlapping contextual maintainers of deprivation, include persistent wealth inequalities stemming from narrow economic growth and the stagnation of agriculture, high human capital deprivation with gender differentials increasing with age, historic ethno-political marginalization and social exclusion, and a weak state characterized by vulnerability to climate change and violent conflicts.

Figure 1: SIDA’s multidimensional poverty framework

The report explores how individuals and households are poor according to their resources, opportunities and choice, power and voice, and security (Figure 1). It contextualizes who is multidimensionally poor in an understanding of the political, socio-economic, environmental and conflict settings that affect life in the country today to get a sense of why these groups may continue to experience disadvantages on various fronts and often interlocking. According to this model and in line with the policy framework, poverty is not only about the lack of material resources but also other poverty dimensions such as the lack of power and voice. Hence, according to Sida’s definition, a person living in poverty is resource-poor and poor in one or several of the other dimensions.

Figure 2: The income poor and near poor in urban and rural Kenya, 2015/16

The report finds that the overwhelming majority of Kenyans, almost 80%, are either income poor or near the poverty line (Figure 2), with huge regional differences. For example, while Turkana had the highest poverty rate in 2015/16, almost all (98%) individuals in Mandera were either living in poverty or near the poverty line. Exploring income poverty dynamically through analysis of panel data also indicates differences in the way people in rural areas move in and out of poverty. Income poverty is also often linked to poverty in various non-monetary dimensions, as epitomized through Sida’s multidimensional poverty framework. Key messages around how individuals and households and poor in terms of these various dimensions are presented below.

Resources: “Lack of resources means not having access to or power over resources that can be used to sustain a decent living standard and improve one’s life. Resources can be both material and non-material – e.g. a decent income, capital, being educated or trained, professional skills, being healthy.”

- Agriculture is the mainstay of the rural income-poor, who often rely on land and livestock as primary assets for livelihoods, and whose working pattern is less likely to be full-time and more likely than non-poor individuals to be in the form of casual labour. Several constraints exist in the sector. The cost of feed, absence of veterinary services, and theft of livestock limit the viability of
rearing livestock for business purposes. Dysfunctional crop markets can perpetuate chronic poverty, while climate change has threatened the sustainability of natural resources.

- Availability of improved water sources in this context could mitigate the effects of drought, but its availability in 2015/16 was lower amongst income poor and households headed by people with disabilities, as well as those in rural areas.
- Education is an important intangible asset but inequalities prevail, with the gender gap widening for education levels beyond primary school.

**Opportunities and choice:** “Opportunities and choice concerns what possibility you have to develop and/or use your resources so as to move out of poverty. Access to e.g. social services, to infrastructure, to capital, to land, or to natural resources affects the opportunities and choices.”

- While primary education is free, parents’ quality concerns push many children into low fee schools that ultimately widen education inequalities in later years due to limited seats for these students in public secondary schools. Girls and children with disabilities face additional burdens and inadequate support that often cause them to drop out or not attend school.
- As much as 78% of Kenyan workers are employed in the informal sector, many of whom lack security of employment, have few labour rights, lack trade union organization, and suffer from low access to social protection. Women, youth, and persons with disabilities are even less likely than other groups to receive benefits, including health benefits, when engaged in the informal sector.
- Loans, remittances, and government assistance are primarily used to meet subsistence needs amongst the income poor. Women are more likely to receive loans due to the proliferation of informal lending institutions, and tend to use these funds to build the human capital of children in addition to meeting subsistence needs.
- The high cost of electricity especially for income-poor rural households reduces its coverage to just 6% of income poor, rural households in 2015/16. Internet access and poverty are also highly inversely correlated, though in both areas, improvements have been made since the survey.

**Power and voice:** “Lack of power and voice relates to the ability of people to articulate their concerns, needs and rights in an informed way, and to take part in decision-making that relate to these concerns. Power is a relational concept that allows us to better understand socio-cultural hierarchies and relations of which gender is one, others include age, caste, class, religion, ethnicity and sexual identity.”

- There is a massive power imbalance between elites and ordinary people in Kenya. However, there are some mechanisms – social movements, and more bureaucratic grievance processes, which are capable of giving income poor people some voice.
- In the two years preceding the KIHBS, 16% of households experienced a grievance, mainly related to resources, in particular land. To resolve their grievances, one in five households (22%) approached the Chief or Assistant Chief to resolve their grievance. Households chose their intermediary based on its authority, legitimacy, and capacity, alongside convenience.
- Marginalized groups were often less likely to experience dispute resolution, such as the income poor, female-headed households, and heads with disabilities. Instead, these groups were often more likely to have pending matters related to their articulated injustices.

**Human security:** “Human security implies that violence and insecurity are constraints to different groups’ and individuals’ possibilities to exercise their human rights and to find paths out of poverty.”

- Poverty, unemployment, and multidimensional, historic marginalization and deprivation and group-based inequalities have contributed to mobilization of arms amongst the youth and particularly Kenyan Somalis and Muslims amongst them.
- Competition for resources, cattle rustling, and the availability of small arms have created intense pressures resulting in conflicts amongst pastoralists, and between farmers and pastoralists.
Scores of individuals have been displaced by violent conflict across the country, with one in four displaced persons found in Turkana. Districts with high levels of displaced populations are also amongst the poorest districts according to monetary and multidimensional measures.

Many households reported shocks. Conflict-related shocks, including theft, had high regional variations and were commonly experienced by Muslims and religious minorities (individuals identifying as Hindus, traditionalists, other, and having no religion). In response to shocks, income poor, rural women were the most likely group to engage in distress sales of assets.

The study also examines constraints and enablers of poverty reduction at a structural, contextual level. Key findings around the various contexts are presented below.

**Political and institutional context:** Politics in Kenya is electorally competitive, and patronage based. This means that opportunities for voice and for the representation of the interests of the poor are few. Policy change and reform happens when it fits with the prevailing patronage model of politics. Corruption is associated with poverty levels, when compared across counties. There is substantial information available and debate about corruption in public life, and increasing accountability is a major concern of Kenyans. In this situation the voices of the poor, women and other marginalized groups are muted. The space for CSOs has reduced recently, but local FM radio has become an important channel of communication.

**Economic and social context:** Growth in Kenya has been driven by the services sector. Agriculture in contrast has been constrained by factors including institutional weaknesses, land fragmentation, lack of downstream facilities, and poor rural infrastructure including irrigation has limited growth in agriculture. Human development sectors like education are also of poor quality, partly reflecting low budgets allocations. The coverage of households receiving cash transfers has improved over the years but still only reaches less than one in ten income poor households.

**Environmental context:** Inadequate laws, poor governance, and weak institutional capacity around the use of natural resources inhibit national efforts towards a green economy, and have contributed to poor land management and disputes. High population growth, income growth, and urbanization together have created compounded pressures on the environment. Poverty and food insecurity have also exacerbated pressures on natural resources. In addition to these human hazards, disasters also constrain opportunities. Kenya is identified as a high-risk country in terms of its hazards, vulnerability, and lack of coping strategies. Rapid-onset floods have resulted in the highest death rates, while drought has been responsible for the most people affected, particularly in the arid and semi-arid lands.

**Conflict/ Peaceful context:** The Kenyan context is characterized by multiple, often overlapping conflicts ranging from conflicts between farmers and pastoralists to election-related violence and various forms of crime. Its human security issues are also geographically concentrated – in the Coast, North and Northeast, and in the Rift Valley and West– and often correlated with income poverty in these areas. Because of these violent conflicts, scores of individuals are displaced, with one in four displaced persons found in Turkana where poverty rates are also the highest.

An exploration into overlapping contextual deprivations reveals a clear correlation between weak contexts and high poverty across counties. Certain counties—Turkana, Garissa, Mandera, Busia, Weir, and West Pokot—have a perfect storm of high contextual deprivation and high poverty rates.

While the above discussion has highlighted the ways in which people are currently poor and possible explanations for this embedded in an understanding of the complex contextual realities in Kenya, the report also suggests that positive undercurrents through the 2010 Constitution and devolution may offer a call for cautious optimism. If managed well, devolution could offer a new platform on which vulnerable groups can securely develop their resources and expand their set of opportunities to increase voice and agency, and the Constitution provides a strong basis for achieving equity across a number of dimensions. Governance and implementation then become critical areas of concern.
1. Background and approach

1.1 Introduction

Kenya has seen an upswing in its economic growth and an improvement in living standards following the turn of the century. Poverty in Kenya dropped 11 percentage points since 2005/06 to rest at 36.1% in 2015/16, according to national estimates of the poverty headcount rate, representing a decline of 0.2 million people in poverty. Similarly, the latest Household Budget Survey in 2015/16 also indicates that poverty rates remain considerably higher in rural areas (40%) compared to peri urban or core-urban areas (28-29%), with the annual absolute rate of reduction slightly slower in rural areas (1.2 percentage points) compared to peri-urban areas (1.5 percentage points), although poverty increased in urban areas. In addition, even these differentials mask regional variations, with areas of the north east in Turkana for example reaching poverty rates close to 80% (Figure 3).

Figure 3: Poverty headcount rates per county, Kenya, 2015/16

Source: KIHBS, 2018

The international commitment to reduce poverty in all its dimensions, everywhere, requires a deeper understanding of deprivation beyond traditional income measures. On a national level, Kenya’s Vision 2030 development program seeks to create a “globally competitive nation” with a high quality of life propelled by economic development, a “just and cohesive society” in a secure environment, and a democratic political system respecting the rule of law and protecting the rights and freedoms of all Kenyans (Government of Kenya, 2007).

In this setting, the present report seeks to analyse development trends in Kenya, and understand the ways in which various population subgroups in the country continue to be left behind. It contextualizes
who is multidimensionally poor in a sound understanding of the political, socio-economic, environmental and conflict settings that affect life in the country today to get a sense of why these groups may continue to experience disadvantages on various fronts and often interlocking.

The report reveals that certain groups are consistently being left behind in Kenya, on account of income poverty status, gender, age, disability, area of residence, and intersecting inequalities in contexts with ‘logjams’ of disadvantage. These logjams, or overlapping contextual maintainers of deprivation, include persistent wealth inequalities stemming from narrow economic growth and the stagnation of agriculture, high capability deprivation with gender differentials increasing with age, historic ethno-political marginalization and social exclusion, and a weak state characterized by vulnerability to climate change and continued violent conflicts. However, positive undercurrents through devolution offers a call for cautious optimism. If managed properly, devolution could offer a new platform on which vulnerable and minority groups can securely develop their resources and expand their set of opportunities, to increase their voice and agency. Governance and implementation then become critical areas of concern.

The next sub-section presents the methodology adopted in this report, focusing on SIDA’s multidimensional poverty framework. This is followed in Section 2 by an overview of who is poor according to typical income and multidimensional measures. Section 3 then provides a profile of how different groups of Kenyans are deprived in terms of a lack of resources, opportunities and choice, power and voice, and human security. This is then discussed in the light of Kenya’s political, economic and environmental context in Section 4, before Section 5 concludes with policy implications of the study.

1.2 Methodology
This report presents new analysis of poverty in the country, drawing from SIDA’s multidimensional poverty framework (Figure 4). The model illustrates the four dimensions of poverty in the middle and ensures a focus on identifying the main deprivations (how), in what dimensions one is poor, as well as who is poor in which dimensions and linking it to institutional, structural and developmental causes to poverty (why – the outer circle).

*Figure 4: SIDA’s multidimensional poverty framework*
To put who at the centre implies that the situation, needs, preconditions, priorities, and perspectives of poor women, girls, men and boys constitutes the starting point as well as the finishing point for analysis.

In the model, the development context has been added as an outer circle. The outer circle has several functions. Firstly, alongside the inner circle, it is also part of the explanatory framework for the degree and dimensions of poverty (why). What are the institutional, structural and development causes of the distribution of resources, opportunities, power and security which directly have an impact on poverty? Secondly, it also contains the main elements of a development analysis that explains opportunities and constraints both for an inclusive and sustainable development as well as for people living in poverty to change their situation. Thirdly, it can contribute to an understanding of poverty at a structural level.

All the dimensions in the inner circle and the development aspects in the outer circle of the model are interlinked. Different social divides, such as gender, age, sexual identity, disability, goes across all the dimensions and should be consistently considered to understand who is poor, how and why.

Furthermore, risks related both to the vulnerability of people and the resilience of the development processes, need to be considered to support an analysis of vulnerability and resilience of the society and of different groups to, for example, economic shocks, climate changes as well as tensions and conflict.

**Box 1: The four dimensions of poverty**

- **Being poor in terms of resources** means not having access to or power over resources that can be used to sustain a decent living standard and improve one’s life. Resources can be both material and non-material – e.g. a decent income, capital, being educated or trained, professional skills, being healthy.
- **Being poor in terms of opportunities and choice** concerns what possibility you have to develop and/ or use your resources so as to move out of poverty. Access to social services, infrastructure, capital, land, or to natural resources affects the opportunities and choices.
- **Being poor through lack of power and voice** relates to the ability of people to articulate their concerns, needs and rights in an informed way, and to take part in decision-making that relate to these concerns. Power is a relational concept that allows us to better understand socio-cultural hierarchies and relations of which gender is one, others include age, caste, class, religion, ethnicity and sexual identity. Reducing discrimination based on such socio-cultural relations may increase individuals’ and groups’ chances of escaping poverty.
- **Being poor in terms of human security** implies that violence and insecurity are constraints to different groups’ and individuals’ possibilities to exercise their human rights and to find paths out of poverty.

According to this model and in line with the policy framework, poverty is not only about the lack of material resources but also other poverty dimensions such as the lack of power and voice. Hence, according to Sida’s definition, a person living in poverty is resource-poor and poor in one or several of the other dimensions (Sida, 2017a).

The analysis in this report relies on the following sources:

- The Kenya Integrated Household Budget Survey 2015/16, a nationally representative household survey covering 21,773 households and 92,846 individuals, created to collect information on poverty and inequality indicators, derive the consumer price index, and update labour force and national account information.
• Life history interviews with 60 men and women in four rural settlements in Makueni and Vihiga counties (two wards per county).¹
• Insights from key informant interviews (KII) with development stakeholders in Nairobi in 2018.
• Analysis of secondary sources on the extent and nature of poverty reduction in Kenya.

¹ The sites were chosen for another study (Scott et al., 2018), which examined drivers of poverty dynamics and employed mixed methods research including analysis of the 2000-2010 rounds of the Tegemeo Agricultural Panel Survey, a survey representative of rural, non-pastoralist households in Kenya. Panel analysis revealed high rates of households in these counties that were once income poor but subsequently escaped poverty and remained out over the long term (a sustained poverty escape) or had escaped only to fall back into poverty (a transitory poverty escape). The specific households per site were then chosen during a participatory wealth ranking, or by local stakeholders based on their poverty trajectory.
2. Who is poor?
Growth in Kenya has taken a turn over the last two decades. Growth over the 2000-2009 period was largely volatile, averaging 3.6% annually and declining following the presidential elections, post-election violence, and the global financial crisis, aggravated by protracted drought. Since then, GDP growth has averaged 5.8% between 2010 and 2017 annually, in tandem with rising per capita incomes such that Kenya joined the ranks of lower-middle-income countries in 2014. Strong growth in the country is primarily attributable to Kenya’s service sector, particularly in mobile telecom and banking (World Bank, 2016).

2.1 Headcount and multi-dimensional poverty

Poverty, near-poverty, and vulnerability: The income story

Income poverty in Kenya dropped 11 percentage points since 2005/06 to rest at 36.1% in 2015/16, according to national estimates of the monetary poverty headcount rate, representing 200 thousand people being pulled out of poverty. Extreme or ‘hardcore’ poverty using the national lines also reduced by 11 percentage points over the period, reaching 8.6% of the population in 2015/16.

The poorest inhabitants by income in Kenya live in rural areas, where poverty rates are higher (40%, compared to 28-29% in peri- or core-urban areas) and per capita expenditures are lower. Even so, across rural and urban areas, the share of near-poor is consistent. When defined as individuals that are non-poor but living on less than twice the poverty line, there were around 43-44% near-poor individuals in 2015/16 in rural and urban areas of Kenya, a share that declines to 26-28% when defined with a stricter threshold of less than 1.5 times the poverty line (Figure 5). In other words, the overwhelming majority of Kenyans, almost 80%, are either income poor or near the poverty line. A focus on the near poor alongside income poverty diagnosis is important in assessing not only how to pull people out of poverty, but to ensure that households that are particularly vulnerable to poverty do not become impoverished over time.

Figure 5: The income poor and near poor in urban and rural Kenya, 2015/16

Source: authors’ analysis based on KIHBS 2015/16

New statistics by the KIHBS also reveal variations in the poverty gap and its severity (Table 1). Poverty remains concentrated in rural areas, and the smallest share of income poor in contrast is found in peri-urban areas. While the poverty index measures how many people are below the poverty line, the poverty gap depicts the distance of households from the overall poverty line and represents the amount of transfers needed to bring people above the line. In Kenya, the poverty gap reveals that income poor households in rural areas are farther to the poverty line compared to households in urban areas. The distribution of poverty is also more severe in rural areas, which is home to most of the country’s poorest populations.
However, it is often argued that urban poverty is likely to be under-estimated, although there is no evidence to think this is the case in the 2015 KIHBS.\(^2\) And a study of multi-dimensional urban poverty has indicated that the incidence of multi-dimensional poverty is lower in Nairobi (27%), and its satellite towns such as Ruiru (22%) and Thika (27%), than in other large secondary cities such as Mombasa (44%) and Kisumu (46%). However, we also find large disparities in poverty levels within these cities/towns. Location level poverty estimates in Nairobi range from more than 60% in Korogocho and Laini saba locations to less than 5% in Kileleshwa and Kilimani. There are gender gaps in poverty levels in all urban centres. Individuals living in female-headed households are on average poorer than those who live in male-headed households. Understanding these spatial inequalities in multidimensional poverty is crucial to improving the targeting of anti-poverty policy.\(^3\)

<table>
<thead>
<tr>
<th>Residence</th>
<th>Headcount</th>
<th>Poverty gap</th>
<th>Poverty severity(^4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural</td>
<td>40.08%</td>
<td>11.52%</td>
<td>4.96%</td>
</tr>
<tr>
<td>Core Urban</td>
<td>29.46%</td>
<td>8.93%</td>
<td>3.96%</td>
</tr>
<tr>
<td>Peri-Urban</td>
<td>27.55%</td>
<td>6.89%</td>
<td>2.63%</td>
</tr>
</tbody>
</table>

Source: authors’ analysis based on KIHBS 2015/16

All of these differentials also mask regional variations (Figure 6). While Turkana had the highest poverty rate in 2015/16, almost all (98%) individuals in Mandera were either living in poverty or near the poverty line. Yet other counties had relatively low poverty rates, but high near-poor populations. For example, while Kericho had a poverty rate (30%) lower than the national average, almost double its population in poverty remained near-poor (56%).

Figure 6: Inter-county differences in income poverty incidence

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\(^3\) [https://link.springer.com/article/10.1007/s12132-017-9317-0](https://link.springer.com/article/10.1007/s12132-017-9317-0)

\(^4\) Poverty severity, or the squared poverty gap, also considers inequality among the poor, or in other words the poverty gap amongst those who are poor.
Income poverty dynamics: Not a one-way street

Exploring income poverty dynamically through analysis of panel data indicates great differences in the way people in rural areas move in and out of poverty over the period 2000-2010 (Figure 7).\(^5\) As much as 13% of households were income poor across the 10 years. Approximately the same share of households either escaped poverty and remained out of poverty (7%) or escaped poverty but subsequently fell back into poverty (8%). Finally, 17% of households were non-poor initially but by the end of the survey period had become impoverished (Scott et al., 2018). These figures highlight the dynamic nature of poverty which is far from being a one-way street, and that monetary poverty is a reality for a considerable share of Kenyan households over the course of their lives.

*Figure 7: Poverty trajectories, agricultural rural Kenya, 2000-2010*

Beyond national and income-based measures

Figure 8 compares these national statistics to trends of poverty incidence using international poverty lines, to reveal a largely consistent pattern in the rate of poverty reduction. The national poverty line

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\(^5\) There is unfortunately no more recent panel data. This data is broadly representative of the different ecological regions of smallholder agriculture, but does not cover the pastoralist areas.
provides comparable figures to the share of individuals living under $1.90 a day, albeit with rural-urban variations.

Figure 8: Consumption poverty indicators using various poverty lines, 2002-2015

Source: authors’ analysis based on KIHBS 2015/16 and WDI, 2018

Comparing trends across monetary poverty measures alone offer limited insights into wider wellbeing as well as the capabilities of households to remain out of poverty over the long term. Multidimensional human development indicators such as the UNDP-Oxford Poverty and Human Development Initiative’s Multidimensional Poverty Index (MPI) – which measures poverty as a function of the three dimensions health, education, and living standards – indicates a rate of poverty that is consistent with national income measures of poverty, although the same people might not be identified as poor (Figure 9).

Figure 9: Multi-dimensional compared to income poverty incidence

Source: authors’ analysis based on KIHBS 2015/16, WDI 2018, and OPHI 2017

Disaggregating the multidimensional poverty index along its dimensions and indicators reveals that Kenyans are most often deprived in terms of their household living conditions, such as cooking fuel, floor material, drinking water, sanitation, and electricity, and relatively less so in terms of schooling (Figure 10). These conditions, based on survey data on actual conditions of Kenyans, are worse for households in rural areas, which also is home to a majority of the country’s income poor.
2.2 Constraints to poverty reduction: Population growth, jobs, and vulnerability

In spite of Kenya’s better economic prospects in recent years, certain factors continue to constrain economic growth and subsequently poverty reduction. These include high population growth, persistent inequality, the stagnation of agriculture, and the continued vulnerability of the population to shocks.

Kenya’s population more than doubled since 1990, to reach 49.7 million by 2017. The country has been ranked sixth in terms of sub-Saharan African countries with large populations in extreme poverty (Karanja, 2015). Most of its demographic constituents (41%) are children under the age of 15. High population growth of 2.6% since 2010 has lowered per capita income growth rates, which averaged 3.1% over the 2010-2017 period (down from 3.6% during 2000-2009).

As a result, even though per capita incomes may have been increasing in absolute terms, inequality remains high in Kenya, with a Gini coefficient of 39.1 in 2015/16 according to analysis of the KIHBS, and with high regional variations (Figure 11).
Additionally, the agriculture sector, which employs the majority of the income poor, has not grown at a pace adequate to meet the needs of job seekers. The same is true with regards to manufacturing. Instead, most jobs created are in low-productivity services primarily in the informal economy (World Bank, 2016).

Even so, the majority of Kenya's income poor remain engaged in the agriculture sector to meet subsistence needs, and so their level of subsistence is particularly vulnerable to shocks such as drought. Climate change is also contributing to changing patterns of rainfall which are aggravating conflicts between farmers and pastoralists. Insecurity from al Shabab insurgencies are also creating a conflict-climate nexus worsening conditions for the income-poorest and most marginalized populations. As a result of these shocks, at least 900,000 people were in need of emergency assistance between 2004 and 2012 (World Bank, 2012, NSNP Assessment).
3. How are they poor in the four dimensions?

In this chapter, SIDA’s definition of poverty is used to frame an investigation into deprivation in Kenya. Deprivations are categorized thematically into those related to a lack of resources, opportunities and choice, power and voice, and human security. The question that guides this analysis is: who is poor in these four dimensions, and in what way? This section relies mainly on data analysis from the Kenya Integrated Household Budget Survey, 2015/6. Where no source is given, this is the source; other sources of data are referenced.

3.1 Resources

“Lack of resources means not having access to or power over resources that can be used to sustain a decent living standard and improve one’s life. Resources can be both material and non-material – e.g. a decent income, capital, being educated or trained, professional skills, being healthy.”

Key messages

- **Agriculture is the mainstay of the rural income-poor, who often rely on land and livestock as primary assets for livelihoods, and whose working pattern is less likely to be full-time and more likely than non-poor individuals to be in the form of casual labour. Several constraints exist in the sector. The cost of feed, absence of veterinary services, and theft of livestock limit the viability of rearing livestock for business purposes. Dysfunctional crop markets can perpetuate chronic poverty, while a setting of climate change has threatened the sustainability of natural resources and contributed to food insecurity.**

- **Availability of improved water sources in this context could mitigate the effects of drought, but its availability in 2015/16 was lower amongst income poor and households headed by people with disabilities, as well as those in rural areas.**

- **Education is an important intangible asset but inequalities prevail, with the gender gap widening for education levels beyond primary school.**

Livelihoods and assets: Agriculture remains the mainstay of rural, income poor households

The main livelihoods for Kenyans were in the private sector (27%), agriculture and pastoralism (27%), and informal sector employment or self-employment (22%), many of whom are also likely to be farm households (Figure 12). Individuals in income poor households were more likely to engage in agriculture (34%) compared to those in non-poor households (24%). Income poor rural women are likely to engage in agriculture and pastoralism as their primary occupation (46%), as are economically active individuals aged 65 and older (68%). Working patterns also differ, with income poor individuals more likely to be engaged in casual labour.

Indeed, agriculture is the mainstay of income poor, rural households. In this context, land and livestock are two important resources to meet subsistence needs, as insurance in times of shock, and enabling additional production to promote sustained poverty escapes. Analysis of poverty dynamics in rural Kenya acknowledges the value of livestock as ‘stores of value’ (Scott et al., 2018). Constantine (Makueni) remembers that “I had 2 cows and 3 goats, but I had to sell a cow so that I get some money for medication”. While the insurance function of livestock particularly in relation to paying for medical expenses is robust in the fieldwork, the cost of feed, the absence of veterinary services, and prevalent theft of livestock limit the viability of rearing livestock for business purposes (Scott et al. 2018).

Similarly, though land is a valuable asset for rural households, this varies according to the amount and quality of land owned, which also varies significantly by county. Overall, the amount of land owned by households over the years in rural Kenya has decreased (Scott et al., 2018), which from focus group discussion with men in Makueni was seen to limit agricultural productivity and the ability of agriculture to provide pathways out of poverty.
Figure 12: Employment sectors, by poverty status and gender, 2015/6

Note: Informal employment is based on self-identified ‘informal workers’ in the KIHBS, distinguished from agricultural workers, pastoralists, and private household employment, of which the majority are likely to be informal. As such, the data is a gross underestimate of actual informal employment.

Source: authors’ analysis based on KIHBS 2015/16

There are also differences due to prevalent gender inequalities in land holding. While 96% of rural women in the country engage in farm work, just 6% of Kenyan women hold a title to land, reflective of unequal access and control over resources compared to men (Oxfam, 2018a). Moreover, theft of farm, livestock, and business assets were also common in fieldwork sites. For example, Christine (Makueni) notes that “two [chickens] were stolen as there is a lot of insecurity in the area.” Christine Benson (Makueni) remembers her struggles in making her business stable, because “several times thieves broke in and took everything… the thieves would reduce me to zero.” Similarly, Absolom (Vihiga) recalls that he bought a machine for his business but it was stolen within a week.

Many people are trapped in chronic poverty because of isolation from markets or dysfunctional markets, where they are exploited by middlemen setting low prices for produce. In contrast, sustained escapers tend to sell directly to the market (Scott et al., 2018).

Natural resources and climate change: Additional burdens for the rural income poor

Kenya has a wealth of natural resources including forests, wetlands, and drylands. The discovery of oil, water aquifers, gas and coal in 2012 in drought-prone Turkana added to its resource base, but the use of natural resources remains constricted by outdated legislation and conflict over natural resource management. In addition, communities in these areas are often sidestepped in resource planning, are not adequately consulted, and so do not fully understand issues around compensation and benefits (Oxfam, 2018b).

More generally, population pressures, polluted air and water, deforestation, overfishing and overgrazing, unstable weather patterns contributing to drought, and degradation of land and wider ecosystems threaten the sustainability of the country’s natural resources and contribute to food insecurity. For example, Lake Victoria continues to be at the mercy of largely uncontrolled overfishing, spread of the water hyacinth which uses up most of the oxygen in the water, and increasing levels of planktonic algae which also endanger marine diversity. This overcapacity amidst continued unsustainable practices threatens the futures of the one million people across the country who depend on fisheries for their livelihood (Kenya Land Alliance, 2015).

Agricultural households in rural areas are also largely at the mercy of drought, which can have long term effects of wellbeing and contribute to intergenerational poverty. One study found that children that were born in a drought year were more likely to be malnourished by as much as 50% (UNDP, 2007).
Greater access to water and sanitation can help reduce the negative effects of drought and so is an important aspect of improving household resilience to climate-related crises. Indeed, Joe (Makueni) notes that “water is... a problem since I need to invest in pipes to trap water from the springs down there”. In the KIHBS, while 71% and 66% of households had access to improved drinking water and toilets, respectively, these figures considerably dropped amongst income poor households (62% and 48%, respectively), in rural areas, and for households with a disabled head.

Natural resource and climate change are not only concerns for rural households. Polluted air for example is a particularly serious concern for cities. In fact, the amount of carcinogens in the air in Nairobi is 10 times higher than the threshold recommended by the World Health Organisation (Thynell, 2015, in Svensson, 2016). The income poor in urban informal settlements and slums, such as Kibera, are consistently exposed to these toxic fumes, worsening their health outcomes and multidimensional wellbeing.

**Education: An intangible asset with large inequalities by income and gender**

In contrast to these tangible resources, intangible assets like education stay with an individual even amidst shocks and so is a key resource in reducing capability deprivation. Previous work found that people making sustained escapes from income poverty often had acquired technical and/or business skills either through education or on the job training, and these formed a critical foundation for both escaping and staying out of poverty (Scott et al, 2018). Education is thus a resource that can build resilience and be used to sustain a decent living standard.

However, when some children access education and others do not, this can create inequalities that persist well beyond childhood and adolescence. In Kenya, net attendance ratio by level of education nationally was at 82% for primary education in 2015/16, and 38% for secondary education, with differences again based on area of residence and income poverty status that widens with higher education levels (Figure 13). For example, while there was an 11-percentage point difference between income poor and non-poor households in primary education enrolment, this differential increased to 23 percentage points for secondary education.

![Figure 13: Education enrolment by poverty status and location, 2015/6](image)

**Source: authors’ analysis based on KIHBS 2015/16**

Moreover, intersecting poverty status with county of residence indicates that some counties have large differentials in enrolment rates amongst income poor and non-poor children, which widen for higher levels of education. For example, while 63% of income poor children of primary-school age were enrolled in Laikipia, this figure rises to 93% amongst non-poor children. The differentials are even larger when comparing children in households that are hardcore income poor compared to households that are non-poor (Figure 14). Here, while 40-50% of hardcore income poor children were enrolled in Kirinyaga and Laikipia, a majority (93-95%) of non-poor children were enrolled in these counties. Four of the five counties in Figure 14 are also in the top half of most unequal Kenyan counties as reflected by the Gini coefficient, indicating that income inequalities are translating into multidimensional inequalities that in turn can act to prolong income poverty in a vicious cycle.
This section explored the various resources, both tangible and intangible, that households in Kenya can draw on, and the extent to which certain groups were deprived. The next section investigates the opportunities and choice that might affect the ability of individuals to use these resources profitably.

3.2 Opportunities and choice

“Opportunities and choice concerns what possibility you have to develop and/ or use your resources so as to move out of poverty. Access to e.g. social services, to infrastructure, to capital, to land, or to natural resources affects the opportunities and choices.”

Key messages

- While primary education is free, parents’ quality concerns push many children into low fee schools that ultimately widen education inequalities in later years due to limited seats for these students in public secondary schools. Girls and children with disabilities face additional burdens and inadequate support that often cause them to drop out or not attend school.
- As much as 78% of Kenyan workers are employed in the informal sector, many of whom lack security of employment, have few labour rights, lack trade union organization, and suffer from low access to social protection. Women, youth, and persons with disabilities are even less likely than other groups to receive benefits when engaged in the informal sector.
- Out-of-pocket health spending has resulted in the impoverishment of 1.36% of Kenyans, when poverty is measured using the international $1.90 line (WHO, 2017). Working age women, income poor individuals, and rural-dwellers are less likely to receive health benefits from employers to offset catastrophic health costs.
- Loans, remittances, and government assistance are primarily used to meet subsistence needs amongst the income poor. Women are more likely to receive loans due to the proliferation of informal lending institutions, and tend to use these funds to build the human capital of children in addition to meeting subsistence needs.
- The high cost of electricity especially for income-poor rural households reduces its coverage to just 6% of income poor, rural households in 2015/16. Internet access and poverty are also highly inversely correlated, though in both areas, improvements have been made since the survey.

State of education: Inequalities prevail amidst misapplied resources

The advent of free primary education in Kenya in 2003 saw an increase in enrolment by around 40% in four years (Clark, 2015). However, public and government primary schools tend to be viewed with suspicion and are often less present in certain areas like slum dwellings. As a result, in Nairobi alone, 60% of children attend low fee private primary schools instead. These schools do not offer the free education funds to children that are received in public schools, and so many households continue to pay for education (Ngware, 2015; Edwards et al., 2015).
Inequalities are then exacerbated in secondary schools. Entry into public secondary schools, preferred to private systems at this level, is allocated on a quota basis where students from private primary schools are only allocated one in four spots. As a result, income poor students in low fee private primary schools, typically found in urban areas, are disadvantaged to their wealthier counterparts from high cost, better quality schools (Ngware, 2015).

Families often pay high fees to ensure spots in public secondary schools, which may result in misapplied resources. For example, panel data analysis from 2000-2010 revealed that a formally educated household head does not improve the chances of a sustained escape from poverty in rural Kenya (Scott et al., 2018). This contrasts from studies in other African and Asian countries which typically reveal a positive association between secondary education and sustained escapes (Diwakar and Shepherd, 2018). The Kenyan result may be due to households misapplying resources to academic education where technical training might have provided better returns, as well as low quality of schooling and weak labour market links particularly in rural areas (Scott et al., 2018). This is ironic, as previous qualitative research has shown how family members co-operate to raise the capital to send children through education, and that this is seen as a high priority. The recent commitment to fee free secondary education should free up some of this capital for investment elsewhere.

A refocus on technical, and vocational education and training (TVET) is also useful in this context. Life history interviews reveal several instances where respondents improved their wellbeing following an apprenticeship or some technical education. Tutus (Makueni) states: “While at home I learnt carpentry through my grandfather, so I could even fix furniture at home. In 1978 I went to Nairobi after I was connected by my sister at an Asian shop where I worked as an assistant to the carpenter in that furniture shop. Within just two years I was able to be the main carpenter after my senior retired.”

**Constraints for school attendance**

Education accumulation and quality are relevant indicators for children in school. Many children do not attend school to begin with, while other drop out. The most common reason for stopping or not attending schooling at any level was its cost (58%), though highest amongst working-age individuals before free primary education came into play (Figure 15).

Amongst children for whom primary school has been free, only 19% cited school costs as reasons for not attending or stopping school, while the main reasons attributed were instead because their parents did not let them (28%), they were ill (11%), or school was too far (9%).

**Figure 15: Reasons for dropping out of school, 2015/6**

![Figure 15: Reasons for dropping out of school, 2015/6](image)

*Source: authors’ analysis based on KIHBS 2015/16*

Girls face additional burdens. Bejine (Vihiga) notes that “educating girls was not a priority... so none of us girls went to school; they said a girl would just get married so I dropped out in primary.” Similarly, when Florence (Vihiga) wished to continue her education, she remembers how her father “refused and told me to stay home and help my mother.” In the KIHBS, too, 11% of girls did not attend school either because of marriage, no female teachers, pregnancy, and lack of sanitary towels. This particularly afflicted girls beyond primary school age. An estimated 23% of girls are married before
they turn 18 in Kenya, with the rates highest in the North Eastern and Coast regions of the country (Girls Not Brides, 2017).

Rural women and girls may also spend hours to collect water and firewood. Girls in income-poor households may be required to take part in these chores to complement household welfare, so affecting their school attendance and impacting longer term wellbeing.

Children with disabilities are another disadvantaged group when it comes to school attendance, with 86% of primary school age children with a disability stopping school on account of own or family illness or disability, a figure that drops to just 5% amongst children without disabilities. As a result, disabled men and women in Kenya tend to have lower primary education completion rates and higher multidimensional poverty compared to individuals without disabilities (SIDA, 2014).

Persons with disabilities may also be victims of sexual abuse and have difficulties in seeking justice beyond the education system. Stigma and discrimination continue to inhibit their participation in public spheres at the local level, and at the national level there remains inadequate implementation and reach of national policies like the Special Needs Education Policy of 2009 or the Social Assistance Act of 2013 (SIDA, 2014).

Employment in the informal sector: access to benefits are a distant dream for many

As children age into productive years, many will join the labour force. The labour force participation rate in 2015/16 was 77.4% of the working age population in Kenya, comprising individuals who were working for pay, profit, family gain, or were looking for employment (KIHBS, 2018). Of this, as much as 78% of Kenyan workers are employed in the informal sector (UNECA, 2015).

Ease of entry and low capital requirements may pull formal employees to move to the informal sector. A push factor often cited for working in the informal sector is under or unemployment, particularly of youth (Ndegwa, 2015). Indeed, ILO estimates the 26% of youth in Kenya were unemployed in 2017, a figure that rises to 33% amongst female youth (WDI, 2018).

Access to rights, benefits, and social protection

Informal sector employees may lack security of employment, have few labour rights, lack trade union organization, and suffer from low access to social protection (Barrientos and Barrientos, 2002). Social protection in Africa typically reaches only around 10% of its informal workers, compared to for example 50% in Latin America and the Caribbean (UNECA, 2015). In Kenya, informal workers are less likely than other employed individuals to be engaged in associations or receive medical benefits from employers, even when restricted to the narrow definition of self-identified informal workers from the KIHBS dataset (Figure 16).

*Figure 16: Association membership and employer contribution to benefits*

<table>
<thead>
<tr>
<th>% of employed individuals</th>
<th>Association (trade, labour union, etc)</th>
<th>National Social Security Fund</th>
<th>National Health Insurance Fund</th>
<th>Paid annual leave</th>
<th>Medical benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-informal</td>
<td>0%</td>
<td>14%</td>
<td>16%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Informal</td>
<td>0%</td>
<td>2%</td>
<td>4%</td>
<td>2%</td>
<td>2%</td>
</tr>
</tbody>
</table>

*Source: authors’ analysis based on KIHBS 2015/16*
This is particularly problematic for already vulnerable groups, such as persons with disabilities or the elderly, who may be in most need of these benefits. Intersections of these characteristics brings additional challenges to this narrative. Almost 17% of individuals aged 65 and older reported having a disability, compared to 2.8% overall. The World Health Survey (2011) puts the figure at 8.6% of the working age population, which in 2015/16 population figures comprise around 3.9 million persons with disabilities in the country. Of those older people with disabilities, over half (55%) reported having difficulties in engaging in economic activities as a result of their disability in the 2015/16 survey.

Yet informal sector workers, including persons with disabilities, are not the only category of workers with lower engagement in associations and lower access to benefits. Employed youth aged 15 to 24 years old are the least likely productive age group to be engaged in associations. Women and youth are also less likely to receive employer benefits compared to others, a result of the informal jobs they often engage in. These groups all overlap significantly, of course.

Workers outside the informal sector may also see their opportunities curtailed in ways that are not linked to their current benefits. For example, Aggrey (Vihiga) was unable to advance much in her career as a result of nepotism. She recalls: “At the end of 1987 I was earmarked as one of the staff to go to Norway to pursue a dip in fisheries. Nepotism and corruption affected this, someone else was chosen to go to Norway.”

**Healthcare: progress through devolution, but significant bottlenecks remain**

Benefits are important in reducing the health burden of households especially in a context where health care expenses are often high. Almost 6% of Kenyans had health expenditures at 10% of their household consumption, while for 1.5% this reached a quarter of their total consumption (WHO, 2017). Moreover, only 19% of Kenyans had medical insurance in 2015/16, with the figure dropping to just 8% amongst the income poor, and even lower for the income poor living in rural areas. Out-of-pocket health spending has resulted in the impoverishment of 1.36% of Kenyans, when poverty is measured using the international $1.90 line (WHO, 2017).

The government has made a move to eliminate payments for primary and maternal health services in public health facilities, which has resulted in a falling maternal mortality ratio (Chatterjee, 2017). Since devolution outlined in the 2010 Constitution was implemented from 2013, healthcare has been run primarily by county governments. As a result, many counties today have upgraded their health facilities and are able to deal with a wider breadth of ailments that earlier were only referred to a handful of national hospitals (KIHBS, 2018).

Another promising development has been the expansion of coverage in the National Health Insurance Fund, including specific targeting of the informal sector in recent years. Health insurance subsidies for the income poor, severely disabled, and elderly have also been introduced to help ensure that the most vulnerable segments of society have adequate health coverage to prevent further impoverishment due to health shocks (Chatterjee, 2017; World Bank, 2014). There have been some visible benefits to life history interviewees who are registered with NHIF, and impoverishing effects of ill health for those without coverage (Box 2).

**Box 2: Ill health and insurance**

**Pauperising effect of ill health:** Magdaline (Makeuni) was not under NHIF coverage, and so when her second son was diagnosed with meningitis and hospitalized for several months, the high medical expenses forced the family to instead organize a harambee (self-help events) to clear the bill.

**Benefits of NHIF:** Leonard (Makueni) had his hospital bills covered when his wife gave birth. He remembers, “I remember I even got a taxi to bring my wife home after the caesarean operation. It could have cost me 30,000/= if I were not under NHIF.”
Even for individuals registered with NHIF, concerns remain around quality of healthcare. There are under 16 nurses or midwives for every 10,000 people in Kenya (WDI, 2018). As a result, the quality of maternal healthcare remains low, with only 9% of the population receiving effective antenatal care at the county level (Hodin, 2017). While the infrastructure is adequate, many health facilities even post-devolution lack essential supplies. These problems are aggravated for income poor women, who receive just one third of the basic clinical antenatal care compared to wealthier women in the country (Hodin, 2017). Moreover, fewer income poor compared to non-poor parents take part in community nutrition programs or the Growth Monitoring Clinics. As a result, inequities in child health outcomes could widen, and over time act to reinforce the intergenerational transmission of poverty.

*Employer contributions to medical benefits*

Employer contributions to medical benefits also leaves much to be desired, particularly for certain groups of workers. Employed youth aged 15 to 24 years old are the productive age group who are least likely to receive NSSF, NHIF, PAL, and medical contributions from their employers. For example, only 6% of employed youth receive NHIF contributions from their employer, compared to 17-28% amongst the rest of the productive workforce.

Other groups of employed individuals are also disadvantaged in receipt of benefits. Working age women are less likely than men to receive NSSF, NJIF, PAL, and medical benefits. Income poor individuals and those in rural areas are also less likely to receive these benefits. Just 1% of income poor, rural women receive NHIF contributions from their employer, compared to for example 8% of urban income poor women and 13% of urban income poor men who are employed. The virtual absence of health benefits amongst income poor, rural women could render them particularly vulnerable to impoverishment in the face of health shocks.

*Access to credit, remittances, and government assistance to expand opportunities*

Employer benefits and transfers can provide households with safety nets in times of shock and funds with which to invest in longer-term wellbeing. Access to credit, receipt of remittances, and government assistance can similarly widen opportunities for individuals in and out of the labour market, particularly when the transfers obtained is spent on productive activities or human capital development. Equally, a lack of these transfers can inhibit opportunities available to individuals and households. In 2015/16, a high share of households received remittances (25%), almost all from domestic sources (99%). Another 15% of individuals aged 15 and over took out a loan in the year preceding the 2015/16 KIHBS survey. Just 4% of households received government assistance. These sources are explored below.

Loan receipt varied drastically across the population. Only 4% of youth aged 15-24 years took out a loan, compared to one in four individuals aged 45-64 years. Certain groups were more likely to obtain loans. For example, loan rates were higher for income poor women (7%) compared to income poor men (4%). This is mainly due to the proliferation of micro lenders, Savings and Credit Cooperatives (SACCOS) and self-help groups, some of which have policies emphasizing loans to women. Indeed, these entities offered loans to 39% of total loan recipients, and a higher share among women.

Most of the loans were used to meet subsistence needs, particularly amongst the income poor. In urban areas, female-headed households were more likely to spend on health and education (28%) compared to male heads (21%). Overall, men were more likely than women to spend on agriculture and other assets (22%, compared to 14% amongst women).

Similarly, remittances from abroad, which constituted 2% of all households receiving remittances, were typically spent on food (51%), followed by education (36%). Female-headed households were more likely than males to spend international remittances on education (54%, compared to 27% for men) (Figure 17). Likewise, in part due to the specificities of government assistance such as school feeding programs and bursaries, the majority of the assistance was spent on education (61%),
particularly in urban areas (72%). However, amongst the income poor, food expenditures still constituted the majority spending from government assistance.

*Figure 17: Spending from international remittances by gender of head, 2015/16*

The increased spending from loans and remittances on human capital investments by female-headed households points to a fruitful policy direction for nurturing these sectors. While the impacts of microfinance on poverty reduction in the international literature has shown mixed results, the investments of micro loans by women indicate benefits in terms of preventing the intergenerational transmission of income poverty and building resilience for future generations.

**Enabling infrastructure: A focus on electricity and internet connectivity**

Electricity and ICT helps enhance the productivity of households and expands the set of opportunities and choices available to them. For example, access to electricity could be used to improve the productivity of agriculture through irrigation, power non-farm businesses and widen the set of non-farm income-generating activities that household members engage in. Similarly, ICT could improve living standards, narrow the digital divide and address poverty reduction through effective use of the internet in certain sectors including education and agriculture.

While 42% of households had electricity from mains or a generator for their lighting in 2015/16, this figure drastically reduced to 20% amongst income poor households, and just 6% amongst rural, income poor households. The most commonly cited reason for not having electricity in the household was its high cost, particularly for income poor households (55%), female-headed (44%) households, and those in rural areas (53%).

Regionally, huge differentials emerge, with 20 counties having less than one in four households with electricity from mains, yet Nairobi, Kiambu, and Mombasa with more than triple that share. The share amongst income poor households is starkly lower, with 19 counties having less than 10% of income poor households with electricity from mains. These figures are likely to have increased since the KIHBS. For example, 1.3 million households were newly connected to Kenya’s electricity grid in 2016, raising the percentage of Kenyans connected to 55% (Kuo, 2017).

Internet access in the household was higher than electricity access, and again negatively correlated with income poverty (Figure 18). In 2015/16, 30% of households had an internet connection, mainly through mobile phones, though a much smaller share amongst the income poor (13%), and even lower amongst the income poor in rural areas (8%). Internet rates were lower amongst households with older heads, particularly beyond the youth threshold.
Lack of infrastructure amongst slum dwellers

Other sources also indicate severe deprivations faced by slum dwellers and informal settlers. For example, Kibera is the biggest slum in Africa, housing around 250 thousand people, or 10% of slum dwellers in Nairobi. Residents of Kibera comprise 60% of Nairobi’s population but occupy just 6% of its land and lack tenancy rights. An enabling infrastructure is a distant reality in these settings. Electricity coverage is low, there are few toilet facilities, and no government clinics or hospitals (APHRC, 2014).

Even for individuals that do manage to access essential services and infrastructure, an inability to engage in decision-making processes can disempower and prevent their longer-term wellbeing. The next section explores what might inhibit power and voice amongst population subgroups, particularly when faced with common grievances.

3.3 Power and voice

“Lack of power and voice relates to the ability of people to articulate their concerns, needs and rights in an informed way, and to take part in decision-making that relate to these concerns. Power is a relational concept that allows us to better understand socio-cultural hierarchies and relations of which gender is one, others include age, caste, class, religion, ethnicity and sexual identity.”

Key messages

- **There is a massive power imbalance between elites and ordinary people in Kenya.** However, there are some mechanisms – social movements, and more bureaucratic grievance processes – which are capable of giving income poor people some voice.
- **In the two years preceding the KIHBS, 16% of households experienced a grievance, mainly related to resources, in particular land.** To resolve their grievances, one in five households (22%) approached the Chief or Assistant Chief to resolve their grievance. Households chose their intermediary based on its authority, legitimacy, and capacity, alongside convenience.
- **Marginalized groups were often less likely to experience dispute resolution, such as the income poor, female-headed households, and heads with disabilities.** Instead, these groups were often more likely to have pending matters related to their articulated injustices.

**Exercise of political power by the poor**

The distribution of political power is discussed in section 4.1. There it is suggested that the nature of Kenyan politics is such as to make it unlikely that the poor have a powerful voice at the table. However, there are specific institutional forms which enable some expression of that voice. For example, there are social movements in Kenya which attempt to spell out to those in power the interests of poor...
people. These are mainly urban, and a leading example is the Bunge La Mwananchi Movement (Box 3). However, rural organizations that come together over a political cause is also evidenced in the life histories (Box 4).

**Box 3: The Bunge La Mwananchi Movement – the ‘People’s Parliament’**

This movement of people’s parliaments originated in Nairobi but has spread around the country’s cities and towns. ‘It is a social movement that conducts its business in open parks, bus stands, markets, community centres and newspaper stands. A vocal grass-roots organisation, with no formal membership required, it is made up of whoever chooses to be part of it. The majority of its members come from the lower socioeconomic strata of Kenyan society (Kimari and Rasmussen 2010). Its leaders (spokespeople, organisers, activists) emerge from within its membership.’ Its protests are sometimes given attention by elites, especially where the issue crosses class, gender and geographical divides; a high point was the 2010 protest against famine. Where such alliances do not occur, it can be easier for the movement, or individuals within it, to be co-opted and distracted.

Source: Otieno et al, 2016

**Box 4: Rural organization for activism against corruption**

In 2007 Rafael became involved with a political party as an activist and was pushed run for public office. He was attending a large rally on the back of a flatbed truck, when the truck met an accident, breaking his arms and fracturing his leg. He was in a wheelchair for six months. The political party refused to accept responsibility, even refusing to give the license number of the truck as that would have linked the truck to them. This prevented Rafael from claiming insurance for his injuries. et the party in disgust and since then has disliked tribalism and sectarian politics.

In 2009 Rafael began another way of political activism by starting an organization, Mama MWIKI Link Society (MWIKI), to fight to human rights and to campaign against corruption. MWIKI denotes Machakos, Makueni, Mwingi and Kitmi. MWIKI conducts civic education and aids common people in effecting public participation. MWIKI receives funding from Farm Africa (a NGO supported by a German foundation). MWIKI is a grassroots social movement. Farm Africa provides seed money and hopes the MWIKI can become independent.

MWIKI does not distribute funds but helps people make cases to government and NGOs and follows up if the initial case is not successful. The way it decides what to prioritise is through ‘assemblies’. Rafael is currently working on a MWIKI scheme to support elderly people in the area by training them to be more self-sufficient (practicalities like budgeting expenses, using the local transport, using mobile phones, etc.), thereby benefitting both them and also their children since the old people will be less of a burden on their children.

Source: LHI with Rafael, Makueni

Often the power of income poor people is significantly less than that of others. For example, the power imbalance between powerful mining interests and local, often vulnerable communities in remote regions is a new source of concern. Legislation to regulate mining and relationships between extractives and communities has been passed in 2016, but the problem is implementation and the governance arrangements (“Resource curse”, 2018).

A more institutionalized arrangement is the process of making complaints and addressing grievances. The ability to seek redress is a critical aspect of a functioning political system which is responsive to income poor people. The next section analyses poor people’s abilities to get their grievances attended.

**On justice: Grievance and resolutions**

The ability of individuals to articulate injustices they face and access adequate grievance redress systems is central to promoting social accountability. In the two years preceding the KIHBS, 16% of
households experienced a grievance. Grievances related to resources (e.g. personal property, divorce, land, natural resources) were cited by almost half (49%) of households experiencing any injustice (Figure 19). The most commonly cited grievance was related to land (24%), for example around squatting, allocation, titling, use, boundaries, and ownership. Land grievances were more common amongst income poor households (29%) compared to non-poor households (22%), and more commonly amongst rural (30%) compared to urban (16%) households.

![Figure 19: Types of grievances experienced by Kenyans 2015/6](image)

Source: authors’ analysis based on KIHBS 2015/16

Injustices commonly cited in the fieldwork were also related to land. For example, Stephene (Makueni) remembers how land disputes caused her family to fall further into poverty (Box 5). Land grabs are common in a setting of increasing land scarcity underpinned by patriarchal norms and pervasive corruption. Stephene (Makueni) noted that “because of corruption, somebody just grabs your land because you cannot do anything about it.”

**Box 5: The impoverishing effect of land disputes**

I retired I 1993 and things were ok shortly then disagreements arose in this family… we started fighting over our father’s wealth un divided land. My father was a rich man and he died before sub diving some of his land. We had so many court cases, we rose against one another and that drained my savings, left me poor and just spoilt my old age. I only depend on my little pension, Ksh.1000 per month. My wife does some little farming; maize beans and cassava and we supplement… you know without unity a family can’t progress. I had saved Ksh.60000 by the time I was retiring but it was finished with the many cases I didn’t even improve my house. The bank sent me a letter and when I went they told me my account had nothing left.

Source: LHI with Stephene, Makueni

Source: authors’ analysis based on KIHBS 2015/16

Gender differences also emerge in the types of grievances reported. For income poor male-headed households in urban areas, the most common grievance mentioned was over criminal matters including murder, sexual offenses, theft, and assault. Analysis of fieldwork data in two counties in rural Kenya relatedly found theft to be the most commonly reported crime shock in recent years, particularly where farm land is far from households’ residence so facilitating the theft of crops, and more so for women and older heads of households (Scott et al., 2018).

In contrast, women across the wealth spectrum were likely to list family matters as grievances they experienced, related for example to divorce, paternity, and child custody. While women in rural areas typically found this to be their second most common grievance after land issues, it was the primary concern for women in urban areas (21%), and even more so for income poor women in these areas. Qualitative findings in Scott et al. (2018) add to this narrative, finding that land and divorce, separation, or widowhood are typically intertwined.
The choice of intermediary

To resolve their grievances, households may rely on various individuals or institutions, such as family members, the opposing party, elders or chiefs in the community, or formal courts. One in five households (22%) approached the Chief or Assistant Chief to resolve their grievance. A comparable share (20%) did nothing. Income poor households were less likely than non-poor households (14% vs 24%) to employ courts, lawyers, or the police to solve their grievances, as were rural households (17% in rural areas compared to 27% in urban areas). Exploring intersections reveals compounded disadvantages, with income poor rural households the least likely group to access these entities (6%).

The reasons households choose their interlocutors can reveal insights into community-based power structures and perceptions of legitimacy. The main reasons most households chose their intermediary include: 1) the party had the power or authority to address the dispute (31%), 2) because the party has the community or family respect (18%), 3) because of proximity (12%), and 4) because the party has the technical skill (10%). These reasons relate directly to the entity’s authority (reason one), its legitimacy (reason two), and its capacity (reason four) - three commonly-cited pillars of effective governance.

While income poor and non-poor households were most likely to cite power and authority for their choice of intermediary, the income poor were also more likely to list other primary factors such as family respect and proximity in their decision process (Figure 20). Rural households were also more likely than urban households to cite respect as the primary reason.

Figure 20: Choice of intermediary for grievance resolution

Source: authors’ analysis based on KIHBS 2015/16

Of course, many income poor households are unable to choose an official intermediary due to financial constraints. For example, Ann (Makueni) secured a job working as a security officer at a local security firm in 2016, but was receiving just half of the Ksh 6000 stipulated in her contract, and eventually left following unpaid dues and lack of leave. When she tried to ask for her remaining dues, she was told to procure a lawyer, which she could not afford and so she gave up.

In other instances, wealth inequalities are exploited by the rich to settle land disputes. Dorcas (Makueni) recalls that his father was in jail because of boundary disputes with a neighbour. “The neighbour was rich and used his wealth to ensure he is jailed as he could not meet the costs of the case.” Similarly, Ester (Makueni) suffered following her father’s death, when hostile neighbours tried to force her family off their land.

The outcome

Positively, most households (60%) managed to have their disputes resolved by the intermediary, though marginalized groups were often less likely to experience dispute resolution, such as the income
poor (56%), female-headed households (56%), and heads with disabilities (55%). Urban women were again less likely to have their grievances resolved (50%) compared to urban men (56%) or even rural women (58%). Instead, these groups were often more likely to have pending matters related to their articulated injustices (Box 6).

**Box 6: A pending land issue with the courts**

When my husband was sick, his brothers subdivided the land and took everything without my knowledge, including the shamba which my father in law had given my husband to use. My brother-in-law working with the National Youth Service encouraged others to intimidate me so that I would leave and return home. He was in for a shock, because I filed a case to get back what belonged to my husband. [However], the case is still pending and has never been resolved.

Source: LHI with Esther, Vihiga

A lack of power and voice might be exacerbated in situations of state fragility or subnational violence. Insecurity is a powerful constraint on poverty reduction insofar as it can reduce the resources available to individuals, limit their opportunities, and reduce the effectiveness of grievance redress mechanisms. The next section explores aspects of human security for Kenyans.

3.4 Human security

“Human security implies that violence and insecurity are constraints to different groups’ and individuals’ possibilities to exercise their human rights and to find paths out of poverty.”

Key messages

- Poverty, unemployment, and multidimensional, historic marginalization and deprivation and group-based inequalities have contributed to mobilization of arms amongst the youth and particularly Kenyan Somalis and Muslims amongst them.
- Competition for resources, cattle rustling, and the availability of small arms have created intense pressures resulting in conflicts amongst pastoralists, and between farmers and pastoralists.
- Scores of individuals have been displaced by violent conflict across the country, with one in four displaced persons found in Turkana. Districts with high levels of displaced populations are also amongst the poorest districts according to monetary and multidimensional measures. Gender-based violence is normalized in these settings, with displaced people more likely to be raped, assaulted, or engage in child labour.
- Many households reported shocks. Conflict-related shocks, including theft, had high regional variations. Muslims and religious minorities (individuals identifying as Hindus, traditionalists, other, and having no religion) were particularly likely to experience theft or conflict. In response to shocks, income poor, rural women were the most likely group to engage in distress sales of assets, so deepening their vulnerability over the long term.

Historic ethno-religious political marginalization

Forced displacement, insurgencies, exploitation of ethnic tensions for political gain, socio-political marginalization, and relatedly grievances over land distribution have contributed to an unstable political environment in the country since its independence (Peace Direct, 2017). These conditions have fuelled post-election violence and other conflicts which have had long-term direct and indirect impacts on civilian populations.

The qualitative interviews reveal impoverishing effects of post-election violence, particularly through affecting the livelihoods of the poor or those near the poverty line. Hebert (Vihiga) notes: “I went to Kapsabet where I had secured a tender to supply log trees at Chebut Tea Factory limited. The post-election violence made me to flee the area. They still owe me close to 100000/= This also brought me
down.” Similarly, Alice (Makueni) remembers that her son’s business was burnt down and her children had to migrate back home during post-election violence.

Young people, against a backdrop of poverty, unemployment, and multidimensional, historic deprivation, continue to be mobilized to arms through ethnic and identity-based drivers articulated by those benefitting from conflict (Sharamo, 2014; Kituku, 2012). Horizontal or group-based inequalities and deprivations have also fuelled these conflicts. Kenyan Somalis have long been viewed as the ‘other’ since the time of colonial governments, and “given a largely criminal identity, and seen as a security threat”, thus affecting their feeling of citizenship and access to equal rights (Lind et al., 2015).

Kenyan Muslims more widely have also historically marginalized. Religious tensions recently have resulted in and been driven by assassinations of prominent Muslim businessmen and activists, without arrests or prosecution of perpetrators. Security forces are perceived to remain isolated from communities, and have been rumored to participate in the assassinations, so that minorities have little trust in them (Rohwerder, 2015).

In this context, many Muslim youth believe the atrocities committed against Muslims and Somalis as government-imposed. Al-Shabaab and its affiliate Al-Hijra in Kenya has manipulated these injustices and historic inequalities in its recruitment process, running on a platform of self-defence for East African Muslims (African Union, 2015). These acts have further radicalized populations, while perceptions of government and its inaction has contributed to lower confidence in institutions by disenfranchised youth (Anderson and McKnight, 2014).

Nevertheless, there are positive undercurrents in recent years that has the potential to reverse some of these conflict instigators. Article 56 of the 2010 Constitution recognizes the rights of minorities and marginalized groups. Moreover, through county government there is scope for ethnic minorities to be able to participate in governance and ensure inclusion and access to state resources (Kwaka et al., 2011). This move towards social and political inclusion could help dissipate tensions and reduce the likelihood of future conflict.

**Conflict and climate change**

Other dimensions of conflict relate to border disputes, around land tenure, and intersections with climate change. Severe drought has reduced access to pasture and water required for the survival of livestock. Furthermore, almost 70% of the population in rural areas rely on small-scale agriculture for their livelihoods, though just a third of the agricultural land in the country is arable (Government of Sweden, 2016). Yet, efforts to address grievances over inequity in land ownership and access has been limited at best (Halakhe, 2013).

In this context, competition for resources, cattle rustling, and the availability of small arms over the years created intense pressures resulting in conflicts among pastoralists, and between pastoralists and farmers (Pkalya et al., 2003). Reduced resources have also pushed pastoralists into farmlands in attempts to continue their livelihoods. The move of pastoralists into farmlands has resulted in regular raids and violent clashes between these groups (Peace Direct, 2017). “Inadequate policing and state security arrangements, [and the] diminishing role of traditional governance systems” add to the intensity of these conflicts (Pkalya et al., 2003).

**Populations displaced by conflict**

As a result of these myriad and often violent conflicts, scores of individuals have been displaced across the country. In 2017 alone, 24,000 Kenyans were newly displaced by conflict, while another 35,000 were newly displaced by disasters. This brought the total of Kenyans internally displaced by conflict and violence to 159,000 by the end of 2017 (IDMC, 2018).

Districts with high levels of displaced populations have also been amongst the poorest districts in Kenya according to monetary and multidimensional measures. School enrolment rates in these areas
are generally low, malnourishment and mortality is high, water and sanitation inadequate or inaccessible to most pastoralists, and poverty rates are also high (Pkalya et al., 2003). The two-way causality theorized between conflict and poverty thus continues to be experienced by Kenyans across the country.

**Sexual and gender based violence in times of conflict**

Armed conflict is also known to normalize other forms of violence, not limited to the public sphere. A patriarchal society nurtured during colonial rule has fostered a context where sexual and gender-based violence is largely normalized (Njeri and Ogola, 2014). As much as 45% of women aged 15-49 have experienced physical or sexual violence and 47% of married women experienced emotional, physical or sexual violence according to reported statistics which may already underestimate the true extent of the issue (Rohwerder, 2015). Relatedly, 32% of girls experience sexual violence, while 66% experience physical violence (UNICEF, 2012).

In times of conflict, violence against women intensifies. During post-election violence, research in select urban areas of the country found that cases of SGBV also increased. Instances of gang rape also multiple during these times, and women and girls are faced with “sexual harassment, rape, female genital mutilation, psychological torture, forced divorce or separation, and physical abuse which sometimes led to death... [while] some men also suffered mutilation of their sexual organs, forced circumcision, sodomy, and castration, and forced divorce or separation” (Thomas et al., 2013). The intersection of ethnic identity politics and gender is often cause enough for attacks in these zones of armed conflict and violence.

Displaced people are also more likely to be raped, physically assaulted, resort to prostitution, and engage in child labour (Pkalya et al., 2003). Even following post-election conflicts, women displaced by the conflict and living in camps continue to face structural violence and intimate partner violence. Many young girls are sexually abused while others are forced to engage in transactional sex (Njiru, 2013). This increases the rate of pregnancies in the camps, resulting in yet higher poverty levels in a vicious cycle (Rohwerder, 2015).

**Household shocks: Insecurities prevail beyond and related to conflict**

Gender-based violence is not the only shock experienced in conflict settings. Other shocks, both in conflict areas and elsewhere, can exert a downward push on individual and household wellbeing. The KIHBS asks households to list shocks negatively affecting them in the five years preceding the survey. Shocks affected almost two in three (62%) of households during the 2010-2015/16 period. Shocks impacting a household’s human capital were most commonly cited (35%), followed by environmental or agricultural shocks (32%). Rural areas were more likely to cite the latter, while urban areas were instead more prone to experiencing human capital and price shocks.

Shocks related to conflict had high regional variations. Conflict as a shock affected 10% of households in Mombasa, but 14% when restricting the sample to income-poor households and even higher at 29% when focusing on households with disabled heads. The relationship between conflict and disability is complex. The general literature indicates that people with disabilities are “disproportionately impacted by civil conflicts through the loss of basic needs and an increase in the numbers of persons with disabilities from combat and civilian casualties” (Aaron et al., 2014). This could be the case in Kenya, reflecting the high rates of conflict reported by disabled heads.

Instances of theft may also be higher in conflict-affected or conflict-prone area. Analysis of the KIHBS indicates that more than one in five households in Mombasa, Kiambu, Kisumu, and Mandera counties experienced shocks related to conflict and theft during the 2010-15/16 period. Urban areas were more likely to experience these types of shocks (12%) compared to rural areas (7%). Within that, households headed by youth aged 15-24 were more at risk of insecurity, even more so for male youth.
prevalence of theft has led many Kenyans to now treat it as “a normal burden of citizenship” (Omba,
ka, 2015, p. 13).

Another group more likely to experience theft or conflict were Muslims and religious minorities in the
country, such as Hindus, Traditionalists, and people with no religion or belonging to other religions
which together made up 17% of the population. These groups listed conflict and theft occurring in
12% of the group, compared to 8% for other religious groups.

Coping strategies to negative shocks

Most households were likely to not do anything in response to shocks (28%), while a similar share
(24%) were likely to draw on their savings. Income poor households, however, were less able to draw
on savings, and instead often resorted to help from families and relatives to cope in times of distress
(Figure 21). Female-headed households were also more likely across the wealth spectrum to draw on
help, compared to men. A similar pattern was observed amongst disabled heads of households. The
latter group was also more likely to resort to prayer in times of shock (7%) compared to non-disabled
heads (3%).

Figure 21: Coping strategies to shocks, 2015/16

Sales of assets were also more common (8%) amongst income poor households, rural households, and
households with disabled heads, compared to their respective comparator groups. This was also true
for income poor households that had listed conflict as a shock which had negatively affected them.
Income poor, rural women were the most likely group to engage in distress sales of assets, followed
by post-productive women. These distress sales are likely to deepen their vulnerability and reduce
their capabilities over the long term. Urban women, instead, were more likely to increase production
through for example working longer hours, starting a new business, or selling more crops.
4. The development context: What are the underlying causes?

This section outlines the context that can affect the resources, opportunities, power, and security of individuals explored above. This brief overview of context provides an examination of causes of poverty at a structural level, and the constraints as well as enablers allowing poor individuals and households to change their situation.

4.1 Political and institutional context

Key messages

- Politics in Kenya is electorally competitive, and patronage based. This means that opportunities for voice and for the representation of the interests of the poor are few.
- Policy change and reform need to fit with the prevailing patronage model of politics to succeed.
- There is substantial information available and debate about corruption in public life, and increasing accountability is a major concern of Kenyans.
- Corruption is associated with poverty levels, when compared across counties.
- The voices of the poor, women and other marginalized groups are muted. The space for CSOs has reduced recently, but local FM radio remains an important channel of communication.

Politics and accountability

Public participation in decision-making is focused in Kenya as in many nascent multi-party democracies on elections for national and county governments, participation in the political parties competing for power, or at least identification with the main parties which is strong (Afrobarometer, 2018) and to interaction with the justice system in the pursuit of grievances. The latter has been analysed above.

Politics is characterized by relatively weak ideological platforms, competitive clientelism, patronage and vote buying, relatively high pay for MPs and other political appointees, and access of political decision-makers to public procurement contracts. The public participates fundamentally as clients of elite political actors.

Social protection: An example of limited policy reform

The degree of policy change and reform which can be achieved is limited by the patronage basis of Kenyan politics. This can be seen clearly in the case of social protection. Cash transfers have been extended and expanded since their first introduction in 2003 because they are popular with politicians who can use them in the distribution of patronage to constituents. Orphans and vulnerable children, older people, and eventually persons with disabilities have been the major beneficiaries, and NGOs and CSOs have successfully lobbied on their behalf.

Even so, cash transfers only cover 2.5 million, while there are 20 million poor. And there are significant inclusion and exclusion errors as might be expected if patronage is the leading political dynamic. The government has nevertheless accommodated the concerns of donors to the scheme, where the patronage benefits have outweighed the costs. The fiscal costs of cash transfers have not yet been fully internalized, however, but it may be difficult for the government to avoid stepping in as donors pull out, given the patronage networks which have grown up around the transfers.

Meanwhile the expansion of the National Health Insurance Fund was resisted in the 2000s, because it challenged the patron-client basis of politics. Opposition from key clients in the private sector (private insurers and health management organizations), unions, the Ministry of Finance, and donors scuppered the first attempt to expand the NHIF into a social insurance scheme in the early 2000s, with a parliamentary bill failing to get presidential approval (Wanyama and McCord, 2017). The risks included significant financial commitments by the treasury which were not underwritten by donor contributions.
More recently the World Bank supported a pilot programme, which the government has now accepted to scale up to cover 9 million people by 2020, with assistance from the Bank, and the government has committed itself to providing free membership of the NHIF to people over 70 (Kuguru, 2018). By 2016/7 membership was still low but expanding rapidly in the informal sector (IEA, 2018).

This comparison also indicates the kinds of voices which can have an impact in Kenyan politics and which are effective clients, with some voice in the system.

**Vote buying and corruption**

Vote buying promotes corruption, as office holders are keen to recoup the investment they have made in getting to office (KII, 2018). More generally, corruption is high, with the highest bribes being paid for procurement of contracts and employment. Substantial bribes are also paid out for bailing out arrested individuals, and up to KSh200 for KRA Pin, NSSF and NHIF cards (EACC, 2018).

Figure 22 plots the average bribe received per county against the share of poor people in that county, which reveals a positive correlation whereby counties with higher poverty also typically have a higher value of bribe.

![Figure 22: Average bribe and poverty rate by county](image)

**Source: authors’ analysis based on KIHBS 2015/16 and EACC (2018)**

In an effort to reduce corruption in politics, a law limiting political party expenditure in elections was eventually passed after the 2013 elections; however, there is little reporting on whether this is implemented (Kisoro, 2017). There is little public information about who is financing the political parties; the assumption is that the bulk comes from large companies and high net worth individuals – a small elite, which gains undue influence. Opposition supporters are considerably more dissatisfied with the economy and the state of politics than ruling party supporters. Even before the traumatic 2017 election, most opposition supporters thought the country was going in the wrong direction (Afrobarometer, 2018).

On the other hand, ethnic as opposed to national self-identification has declined over the years; a majority of the major political party supporters appreciate Kenyan democracy, agree it is more important to have an accountable government than one which gets things done, with presidential accountability to parliament, and agree that corruption is the most important issue the government should tackle. Other issues on which there was agreement included crime and security, and unemployment (Afrobarometer, 2018).

Citizens know that government is highly corrupt, so improving accountability may be a way of achieving greater pro-poor efficacy in a situation where political system promotes highly competitive,
winner takes all politics. In the longer term, the view that accountability is more important than efficacy is potentially problematic from a poverty eradication point of view – the income poor need above all an elite with a shared vision of development and the determination to implement it, with reliance on closely fought elections a mighty distraction from achieving efficacy as so much time and resources are spent on winning elections (Golooba-Mutebi, 2018). It is possible the cross-party alliance will be able to achieve something of this going forwards.

**Voices of the income poor and marginal groups**

The voice of the poor within political processes is little known, probably relatively weak, as the poor cut across the categories which do have access to some political power, like ethnic or professional groups, including farmers. Which groups are listened to and matter in policy and implementation decisions? Do any marginal groups – women, disabled, older people, youth – have influence?

Which groups are listened to? The above analysis of social protection suggests that the organized formal private sector, trades unions, and the ministry of finance have strong voices within the system. Other than these, there may be occupational associations which have some voice – sugar or maize producers, for example – but their influence can be topped by narrower vested interests, such as those of importers of the same commodities (KII, 2018).

Something is known about the ability of women to participate in political parties and stand for office. They may get little support from their parties, have difficulty getting selected, which is expensive, and also raising finance for election campaigns (Ohman and Lintari, 2015). At the same time, they have to spend more compared to men to gain credibility. This is perhaps explained by women’s relatively poor place in Kenyan society as a whole (Box 7).

**Box 7: Decision making power of women**

The Global Gender Gap Report 2017 ranked Kenya 76 out of 144 countries with significant inequalities between men and women in terms of school attainment, health outcomes, political representation, and labour force participation (WEF, 2017). Transition of girls to post-primary education is limited, Kenyan women face lower access to land and credit in spite of constitutional reform, and unpaid care and domestic work continue to create additional burdens that limits their mobility and agency (USAID, 2018). Relatedly, even where there has been an increase in women’s access to education, this has not translated into more gender equality in political participation (Ponge, 2013).

Instead, gender norms and expectations continue to impede women’s ability to exercise agency in and out of the household (USAID, 2018; FIDA, 2017). For example, Salome (Vihiga) notes that “as women we can’t go out looking for chances in learning institutions, that’s the role of the man... when a woman goes it would be said that she has gone to her own businesses... ameenda kwa njia zake... (implying going out with other men).”

However, some women are exhibiting strong agency in spite of these norms, and often enabled through legal frameworks. For example, when Alice’s (Vihiga) husband died, there was originally an issue with land inheritance, disputed by her brother-in-law. Fortunately, she had the documentation which she used to prove at the Chief’s office that the land was legally hers to inherit.

Other examples of women’s agency is also manifest through financial inclusion. Agnes (Makueni) paid for her son’s school fees from the merry go round activities that she was involved in as well as table banking activities. She similarly managed to finance renovations of the house by taking a loan from a SACCO. This emphasis on collective financing is an avenue particularly prevalent for women, who then exert their decision-making ability to often invest in the human capital of children or wider household wellbeing.
Youth, constituting over half the population and 42% of the electorate in recent elections, participate little in political parties. There are party youth leagues, but this does not provide them with voice or influence. They are dependent on their political party, and act as the party’s instrument rather than a voice for youth (KRFU, 2016). It is unlikely that income poor or near-poor people (women or men) are able to stand for office successfully in such conditions.

The role of civil society

Are there successful initiatives to enhance their voice? Civil society organizations, which might be expected to play the part of an interlocutor for deprived people, do not yet have the capabilities and capacities to hold county governments to account (Munene and Thakhathi, 2017). However, there are interesting initiatives, such as ActionAid’s attempt to involve marginalized people in the SDG discourse (Box 8).

In general, the space for CSOs tends to grow before elections but shrink afterwards. More recently, this space has shrunk dramatically since the 2017 elections, and the cross-party government formed in 2018. At the same time civil society organisations are intimidated and discouraged from national campaigns, which then get watered down. An example would be the campaign for women’s land rights, led by the Kenya Land Alliance, and including grassroots organisations, where the Women’s Parliamentary Association and UN Women dropped out as a result of pressure. Even meeting space is now at a premium. The Open Society, for example, is now unprecedentedly providing spaces for CSOs to meet and strategize.

Box 8: Conclusions from ActionAid’s research with marginalized people

A number of conclusions can be drawn from this process. In all countries, some groups are left behind. Not only are they left behind, but they know it, and moreover they have solutions and demands. But in the regular course of things, they do not get the chance to articulate these, or to be included in the decision-making process. Where citizens are given the opportunity to participate, participation itself brings many benefits: (i) It clarifies each community’s proposals at a level of fine detail. (ii) The process of participation gives an empowering sense of agency. (iii) It can bring people to a position where they can hold decision-makers accountable, and provide a forum where change to cultural norms can begin.

Citizens want to contribute to their own development. However, they can only go part of the way themselves: there is a recognition of the need for government-led policies to provide public services and regulation that can only be done on a large scale for the benefit of everyone. Fundamentally, governments hold responsibility for ensuring that national development addresses the concerns and demands of marginalized groups. If democratic and participatory processes are not well set up, there is a risk. SDGs will be co-opted by those who are already powerful.

Currently, essential public services are often insufficient in developing country contexts, partly because democratic participation and accountability mechanisms need to be stronger, but also because there is not enough available finance. Furthermore, the current global trend in many areas is for increasing private provision and financing of essential services. This trend is likely to reduce rather than increase the ability of marginalised communities to hold duty-bearers to account.

Source: ActionAid, 2018

Importance of media outlets

Can the media enhance the voices of the poor? Certainly newspapers carry stories about poverty incidence, and compare Kenya with other countries; they cover the variation of poverty across

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6 Women own a tiny proportion of agricultural land in Kenya, despite being the effective farmers in many situations. Joint ownership is also limited at 5-6% (Gaafar, 2014)
counties, but there is little analysis of the reasons for poverty or what can be done about it. There is also little public discussion about programmes which are designed to reduce poverty, and what is working or not working. Perhaps this is because few of these get evaluated. Regular and transparent evaluation of social protection programmes in several Latin American countries made them a topic of media reporting, and helped to build a cross-political party consensus on their utility. The Hunger Safety Net Programme in four northern counties supported by donors has been comprehensively evaluated after 8 years of programme existence (Merttens et al, 2017), but others have not.

Kenyans listen most and get their news from to the radio (MarkLives, 2014). Local FM radio stations are very active, and often have strong social purposes, for example, in calming potential conflict situations (Harsch, 2012; KCOMNET, 2018). However, radio can also be used to foment violence, and as an outlet for hate speech (MarkLives, 2014; Rajab, 2017). Youth can use FM radio to ‘create and maintain social networks in the form of support groups, theatre and income generating clubs with the objective of creating wealth, thereby boosting identity through assertive self-expression. The youth can then articulate and influence policy on social, political and economic affairs by sharing information on health, HIV/AIDS, political representation and governance roles’ (Ojwang, 2017). More broadly, radio can be very informative about all kinds of development issues (Sang, 2015). Some capacity development support has been provided, but there has not been a full assessment of the role of FM radio, or the media more generally in contributing to poverty reduction.

4.2 Economic and social context

Key messages

- **Growth in Kenya has been driven by the services sector. Agriculture in contrast has been constrained by factors including institutional weaknesses, land fragmentation, lack of downstream facilities, and poor rural infrastructure including irrigation has limited growth in agriculture.**

- **Human development sectors like education is of poor quality, partly reflecting low budgets allocations, especially when viewed as a share per poor person. The coverage of households receiving cash transfers has improved over the years but still only reaches less than one in ten income poor households.**

Snapshot of the economy

Kenya experienced an economic upturn at the start of the century, with accelerated growth pushing it into the group of lower-middle-income countries by 2014. This growth was largely driven by the services sector, particularly mobile telecom and banking. Between 2006 and 2013, services were responsible for 72% of the increase in GDP (World Bank, 2016). This growth, however, has not kept pace with population growth and job creation. Between 2009 and 2013, while three million youth entered the job market, just 2.6 million nonfarm jobs were created, mostly in low-productivity, informal activities (World Bank, 2016).

More generally, structural transformation has experienced limited success in the country, with agriculture and manufacturing growing slower over the period linked to limited value chain progressions. Institutional weaknesses, land fragmentation, lack of downstream facilities, and poor rural infrastructure including irrigation has limited growth in agriculture (World Bank, 2016). The large number of workers leaving the sector in turn has been absorbed mainly by the services sector (AfDB, 2015). In manufacturing, though the base exists, the country faces difficulties in developing “deep public-private networks of regulation, facilitation, skills, and infrastructure, which advanced manufacturing economies need.” This has contributed to a “clogged exports engine” which as a percent of GDP has been falling since 2005, amidst rising imports (World Bank, 2016). It is these rising

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7 Including by SIDA (UNESCO, 2016).
imports around which a new political economy of vested importer interests has emerged, which is now constraining agricultural growth (KII, 2018).

**Human development for the income poor**

Figure 23 lists county development and recurrent final expenditures (in 100,000 Ksh) in 2016/17, and also divides this overall value by the number of income poor people per county to derive a value of budget expenditures per poor person. This value excludes nation-wide expenditures not specific to a county, and does not reflect actual expenditures allotted per income poor person, but still provides an indication of the size of a county’s budget spending relative to the size of its income poor population.

Turkana had the lowest level of expenditures per poor person as a share of its development and recurrent expenditures, followed by Bomet, Wajir, Busia, and Tharaka Nithi, all under 15,000 Ksh per income poor person. In contrast, in Lamu, this value was close to 90,000 Ksh in expenditures per income poor person.

These figures are not purely a result of high numbers of poor people. Tharaka Nithi, for example, was home to the third lowest number of income poor people across counties. Moreover, though Nairobi County had the fourth highest absolute number of income poor, it still had a high share of expenditures per income poor person (over 30,000 Ksh), above the average across counties.

*Figure 23: Expenditures by county, total and as share per poor person, 2016/17*

There is also a huge underspend across years. In 2015/16, the revenue absorption rate reveals high levels of inter-county inequalities (Office of the Controller of the Budget, 2016). For example, Garissa spent just 21% of its budgeted expenditure during the year, compared to Nakuru which achieved over 99% of its target. Most of the spending (35.7%) across counties went to general public services, compared to 24.2% for health and just 7.9% for education (KNBS, 2018).

There were also huge county differences in the share of expenditures allocated to health and education when calculated per poor person (Figure 24). Despite having the largest share of households living under the national income poverty line, health expenditures per poor person were lowest in Turkana and Mandera. However, when viewed as a share of total expenditures per poor person, Figure 24 indicates that the budget allocated to health and education was lowest in Nairobi City, followed by Kakamega and Laikipia.
Figure 24: Health and education spending as share of total expenditures per poor person, 2016/17

Social protection also leaves much to be desired, with just 0.1% of expenditures allocated to social protection in 2015/16. Relatedly, though the cash transfers program has expanded, it still reached less than 1 in 10 income poor households (World Bank, 2016). Spending on education has similarly increased, but has been offset by continued high rates of teacher absenteeism and the poor quality of education. The health sector has also seen limited gains, with spending remaining less than 2% over the last decade, confirmed by resulting high maternal deaths and child malnutrition.

**Progressive social change**

While the above discussion has focused primarily on spending on human development sectors, other less tangible drivers of progress in these sectors are needed to create lasting change, especially for certain groups experiencing lower wellbeing multidimensionally. Women remain underrepresented in the political arena and other decision-making positions in the country. Women typically also have less access to land, affecting rural women in particular (Harrington, 2010).

Progressive social change is a key component to poverty reduction required in these contexts. Existing social orders (on the basis of gender, caste, race, etc.) can perpetuate discrimination and social exclusion on a structural level and prevent poverty escapes. The chronic poor thus often need poverty reduction policies alongside a society that allows them to express their voice and enables their rights (Shepherd et al., 2011). There are examples of initiatives that can tackle both, such as programs that include a focus on negotiated norm change to tackle gender inequalities. In addition, social protection can not only help households in times of distress and meet the immediate needs of the chronic poor, but can also offer a ‘window’ for debate around how to ensure inclusive growth and foster progressive social change (Shepherd et al., 2011).

4.3 Environmental context

**Key messages**

- Inadequate laws, poor governance, and weak institutional capacity around the use of natural resources inhibit national efforts towards a green economy, and have instead contributed to poor land management and disputes. High population growth, income growth, and urbanization together have compounded pressures on the environment. Poverty and food insecurity have also exacerbated pressures on natural resources.
• **Kenya is identified as a high-risk country in terms of its hazards, vulnerability, and lack of coping strategies. Among disasters, rapid-onset floods have resulted in the highest death rates, while drought has been responsible for the most people affected by disasters, particularly in the arid and semi-arid lands.**

Kenya’s Vision 2030 includes policies and frameworks to foster environmental management and climate change adaptation. The Green Economy Strategy and Implementation Plan (GESIP) 2016-2030 provides a framework for this transition to a green economy through an integrated approach across social, economic, and environmental sectors. It focuses on five thematic areas to achieve this transition: promoting sustainable infrastructure, building resilience, sustainable natural resource management, promoting resource efficiency and social inclusion and sustainable livelihoods (Government of Kenya, 2017).

One area where Kenya has made rapid and deep progress is moving to reliance on renewable energy. Following a severe drought in 2000 (the worst in 60 years), adding to two preceding years of drought, there were repeated and damaging power cuts as hydro-power water supplies ran dry (The Point, 2000). In subsequent years a far-sighted Energy Secretary developed an energy security strategy which emphasized geo-thermal, and subsequently solar power supplies. As a result, Kenya is now in a situation where the great majority of its power supplies are renewable, and it can easily meet its climate change obligations (KII, 2018). This was in addition to commissioning emergency power supplies to address periods when hydro-power could not meet demand (Goss, 2010).

**Constraints around the natural resource base**

While GESIP provides a hopeful blueprint towards a green economy, inadequate laws, poor governance, and weak institutional capacity around the use of the natural resources and land in the country inhibit these efforts and have contributed to poor land management and disputes (Cesar et al., 2014).

Governance constraints are a key part of the problem, but by no means the only constraint. High population growth, urbanization rates, and rapid economic growth that is reliant on increasing energy demand is creating further pressures on the environment (Cesar et al., 2014). For example, a study of Lamu Island found that population and income growth in tandem with urbanization is expected to considerably increase demand for water more than independent growth of any one factor. Over time this growth nexus is expected to lead to “increased sea water up-coning, salinization and overall degradation of water quality” (Okello et al., 2015).

Kenya’s natural resource base also is negatively affected by socioeconomic activities including agriculture, poaching, and deforestation. Human-generated waste contributes to water pollution in the country, aggravated by the use of pesticides. All of this in turn has increased poverty, food insecurity, and inequality (Cesar et al., 2014).

**A range of hazards with high costs**

Development outcomes are influenced by governance and existing demographics, but also by the many disasters such as flooding and drought which affect the Kenyan landmass. Kenya is identified as a high-risk country in terms of its hazards, vulnerability, and lack of coping strategies (INFORM, 2015). Floods were the most frequent hazard between 2000 and 2014, affecting particularly the lowlands in the West and coastal areas. Other common hazards were epidemics, drought, and landslides.

The effect of climate change, including droughts and other disasters, is estimated to cost the economy USD 500 million annually, or 2.6% of Kenya’s GDP (Sida, 2017b). There is also a moderate link between poverty rates and the natural hazard score, indicating that counties with higher physical exposures to flood and drought are also sometimes those with higher poverty rates (Figure 25).
While rapid-onset floods have resulted in the highest death rates, drought has been responsible for the highest number of people affected, particularly in the arid and semi-arid lands (ASALs) (Diwakar et al., 2018, forthcoming). The ASALs cover 89% of Kenyan landmass and account for 36% of the population and 70% of its livestock herd (Ministry of Devolution Planning, 2015). Recurrent droughts, locust plagues, and pastoralist conflicts has disrupted livelihoods and contributed to heightened food insecurity, malnutrition, illness, death, and conflict over natural resources (Masih et al., 2014; Wanyama, 2014; Development Initiatives, 2017).

**A vicious cycle: Poverty and environmental pressures**

Poverty and food insecurity in turn has exacerbated pressures on natural resources. Only a third of the agricultural land is arable in rural areas, yet almost 70% of the population in these areas rely on small-scale agriculture for their livelihoods (Government of Sweden, 2016). Without concerted actions in these sectors, by 2030, Kenya is projected to be one of 11 countries that will have high numbers of people in poverty, alongside high multi-hazard exposure and inadequate capacity to minimize its impacts (Shepherd et al., 2013).

### 4.4 Conflict/Peaceful context

**Key messages**

- *The Kenyan context is characterized by multiple, often overlapping conflicts ranging from conflicts between farmers and pastoralists to election-related violence and various forms of crime. Its human security issues are also geographically concentrated – in the Coast, North and Northeast, and in the Rift Valley and West– and often correlated with income poverty in these areas.*

- *As a result of these violent conflicts, scores of individuals are displaced, with one in four displaced persons found in Turkana where poverty rates are also the highest.*

**Overlapping contexts**

The various contexts described above are all highly linked to conflict. For example:

> “Institutional factors driving conflicts include contested borders, weak land tenure rights, and failures of policing and justice; economic factors include extractive commercial enterprises without adequate benefit sharing, land alienation, divisive politics and corrupt local administrations; whilst social factors relate to historical marginalisation and exclusion, as well as issues of identity, gender and ethnicity” (Gibbons, 2014, p. 1).

The overlap of the environmental and conflict context is epitomized through conflicts between different pastoralist communities and between farmers and pastoralists. This has intensified with climate change and disasters, environmental degradation, the proliferation of small arms, and with
devolution and weak traditional governance systems (Sharamo, 2014). Cattle rustling, ethnic violence, displacement, and long-standing revenge attacks are common features (Okumu, 2013).

These webs of conflict vary by region, both in terms of conflict incidence and type. The human security issues are geographically concentrated – in the Coast, North and Northeast, and in the Rift Valley and West. Nairobi had the highest level of violent events involving state forces between 1997 and 2013, urban areas include regular militia activity, the Rift Valley sees high levels of communal violence, borders with Somalia see spillovers threaten any hope of stability in the north-east, and drought is fuelling the farmer-pastoralist conflicts in the ASALs (Rohwerder, 2015).

The links with income poverty compared to armed conflict or crime also vary by region and county. On the former, there is a clear positive correlation between average fatalities from armed conflict per 100,000 people and poverty rates across counties (Figure 26). Lamu is an outlier in this regard, having the highest level of fatalities from armed conflict stemming from Al Shabaab clashes with Kenyan security forces, but a relatively lower poverty rate affecting under a third of its population.

\[\text{Figure 26: Average fatalities of armed conflict and poverty rate by county, 2015-2018}\]

\[\text{Source: authors’ analysis based on ACLED data and KIHBS 2015/16}\]

On crime, while the link between income poverty and actual reported crimes according to police data is variable, perceptions of crime is highly positively correlated with various offences, including assault involving bodily harm, possession of illicit brew, theft of stock, terrorism, rape, gender-based violence, and human trafficking. For example, Figure 27 indicates that more survey respondents tended to mention assault involving bodily harm to be prevalent in counties where the poverty rate was high. The fact that gender-based violence and rape are common in the survey data, but much lower in police reports, partly reflects under-reporting in these areas (NCRC, 2016).

\[\text{Figure 27: Perceptions of assault and poverty rate by county, 2016}\]

\[\text{Source: authors’ analysis based on KIHBS 2015/16 and NCRC, 2018}\]
**Election-related violence**

Across these regions, politicians and elites are perceived to “feed inter-ethnic competition and stereotyping” and employ political militias for violence and intimidation in an effort to garner votes (Cox et al., 2014). Mobilizing groups against each other has also facilitated spikes of violence and riots in the post-election periods. The 2007 post-election violence led to 1,200 deaths and 300,000 internally displaced (Peace Direct, 2017).

In search of a silver lining, the spate of violence following the 2007 elections may have sparked momentum for constitutional reform in 2010 (Lind et al., 2015). Even with these reforms, however, there has been an increase in the incidence, gravity, and intensity of violence (Rohwerder, 2015). The recent rise in tensions stemming from albeit limited post-election violence following the 2017 elections reflects Kenya’s continued political instability (Peace Direct, 2017).

**Inter-state conflicts and displacement**

Political violence on a national scale also overlaps with inter-state conflict. The involvement of Kenya in Somalia beginning in 2011 to help target Al Shabaab has prompted retaliation by insurgents in Kenya resulting in civilian deaths, and attacks on Kenyan military bases in Somalia (Peace Direct, 2017). The difficult terrain in the north-eastern border of Kenya has also rendered it easy for Al-Shabaab to infiltrate (Anderson, 2014).

As a result of these various conflicts, the country today has two of the largest refugee camps in the world, home to 600,000 refugees mainly from Somalia and South Sudan. The labour market opportunities of the refugees are largely constrained, and ongoing conflict renders it difficult for them to return home to pursue longer-term livelihood strategies (Government of Sweden, 2016).

4.5 A perfect storm leaves certain counties behind

**Key messages**

- Various counties emerge as having particularly weak political, socio-economic, environmental, and conflict contexts conducive to poverty reduction.
- There is a clear correlation between weak contexts and high rates of poverty across counties. Certain counties—Turkana, Garissa, Mandera, Busia, Wajir, and West Pokot—have a perfect storm of high contextual deprivation and high poverty rates.

While the above contexts highlight potential causes for deprivation, on account of institutional bottlenecks, inadequate budgets for human development, natural hazards and continued conflict, individuals’ lives are shaped by multiple, often overlapping domains. Figure 28 maps Kenyan counties based on how they rank relative to others in several measures reflective of political, environment, socio-economic, and conflict contexts. These contexts are proxied, respectively, by: corruption measured by rates of bribes, public expenditures on health and human development as a share of poor people in the county, risk of natural hazards, and fatalities from armed conflict as a share of the county population.

Various counties emerge in this analysis as having particularly weak contexts conducive to poverty reduction. These are highlighted in darker shades of blue, while counties that have both high contextual deprivations and high poverty rates are additionally highlighted in red in Figure 28. In the figure, counties with average scores on the border are classified in the lower decile. So, for example, Turkana, which received an average decile score of 8, is classified in the 6-8 band of the legend.
There is also a clear correlation between these contexts and poverty rates across counties (Figure 29). Certain counties, highlighted in red in Figure 29, have both high poverty rates along with high deprivation scores. For example, Turkana has the highest poverty rate, but also the second highest contextual deprivation score, while Garissa has a high poverty rate and the highest contextual deprivation score, meaning that these counties consistently emerge in the weakest-performing decile with regards to the contextual dimensions explored. Along with Mandera, Busia, Wajir, and West Pokot, these counties together have contexts where large shares of the population continue to be left behind in terms of income poverty and face multidimensional deprivations to varying degrees.

A number of counties showed increased poverty incidence between 2005 and 2015/6: at very high levels of poverty these include Busia, Garissa, and Samburu. At median levels of poverty were Kajiado, Uasin Gishu, and Vihiga (Kenei, 2018).

The significance of this analysis is that a number of counties are faced with a set of factors which will make it difficult for them to rise off the floor of development without massive corrective interventions. Of course, the deprivation score is sensitive to the choice of composite indicators, but the correlation of deprivations with poverty incidence lends credence to the aggregate scores as illustrative of some of the constraints faced by these counties. It would be worth assessing whether adequate interventions are in place to prevent the inequalities from persisting and deepening.
5. Conclusion

This report explored the extent of multidimensional poverty in Kenya, and in particular how individuals and households are poor according to their resources, opportunities and choice, power and voice, and security. The analysis of the Kenya Integrated Household Budget Survey (KIHBS) 2015/16, [together with life history interviews with in two counties (Makueni and Vihiga)] presented in this report reveals that certain groups are consistently being left behind in Kenya, on account of income poverty status, gender, age, disability, area of residence in logjams of disadvantage.

The report importantly found that an overwhelming majority of Kenyans, almost 80%, are either income poor or near the poverty line. Negative income poverty trajectories, such as transitory escapes and impoverishment, are also common, affecting almost a quarter of Kenyan households in the preceding decade from 2000-2010 (Scott et al., 2018). In this context, vulnerability to income poverty is a serious concern, and households near the poverty line may be just a tipping point away from falling back into poverty. Yet social protection initiatives like cash transfers still just reach one in ten poor households, and so there is scope for a renewed emphasis on preventing descents into poverty.

Whereas escapes from poverty were substantially achieved through agriculture, and agriculture is still important in the lives of the majority of Kenyans, the policy environment is not particularly favourable, and it is clear that alternative livelihood opportunities are critical for escaping and staying out of poverty today.

The analysis in this report adopted a multidimensional conceptualization of poverty and deprivation, offering conclusions that a unidimensional analysis of income poverty might have missed. For example, the analysis revealed that the intersection of income poverty with other markers such as gender and area of residence compounded inequalities and rendered households even more resource poor, often with lower access to services, less agency, and often with limited ability to cope in the face of shocks and security threats. These disadvantages exist across spheres, from political, socio-economic, environmental and conflict settings, which in many ways continue to negatively affect the lived realities of Kenyans. This is particularly the case in certain counties that this analysis innovatively shows to face a perfect storm of contextual deprivations—Turkana, Garissa, Mandera, Busia, Wajir, and West Pokot—which limits poverty eradication. In this context, poverty reduction policies and programs in turn that continue to solely target income poverty will continue to pick off lower hanging fruit, leaving the most vulnerable populations facing intersecting inequalities and structural constraints far behind.

The report positively suggests that undercurrents through the 2010 Constitution and devolution may offer a call for cautious optimism. If managed well, devolution could offer a new platform on which vulnerable groups and can securely develop their resources and expand their set of opportunities to increase their voice and agency. Devolution has certainly highlighted the geographical inequalities across Kenya, and the government has begun to develop measures to address this. Governance and implementation are then critical areas of concern, explored in the associated policy brief (Shepherd, 2018).
References


