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Cash transfers: Good for people, bad for the community?


Concern Worldwide

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Some 24 million people around the world now receive money instead of food or goods from humanitarian and development agencies. But the glowing reputation of the mushrooming cash-transfer sector is being undermined by recent ethnographic research about the unintended consequences of cash on community social relations and the inability of standard evaluations to capture the full picture. "The official story is quite different from the real story," said Jean-Pierre Olivier de Sardan, principal researcher with the Laboratoire d'Etudes et de Recherche sur les Dynamiques Sociales et le Développement Local (LASDEL) in Niamey, which uses socio-anthropological methods to study development. Starting in late 2012, Olivier de Sardan and his LASDEL colleagues conducted qualitative fieldwork into cash transfers in 21 villages in Niger, using local languages and immersing themselves in the communities. In contrast to the mostly positive official evaluations and reports about these programmes, LASDEL found a substantial amount of malaise in the cash transfer communities. In papers published in April and July 2014, Olivier de Sardan examined the reasons behind this dissatisfaction.

He found it was especially linked to the way beneficiaries had been selected - only some people received the transfers - which had a negative impact on the way people in the communities felt about each other. "Almost everywhere people were not comfortable with it," Olivier de Sardan told IRIN. "It was seen as introducing jealousy and conflict inside the community." Olivier de Sardan said there is no question that the emergency cash transfers given out during Niger's many food crises help mitigate the situation. That money helps people buy food or make investments in livestock or education that support their overall resilience. But they also lead to an atmosphere of discontent that irritates the social fault lines of the communities and pits neighbour against neighbour. Community members described cases of fraud where the selection process included people who were not poor, but were well connected to village leaders, or who had misrepresented their conditions in order to be included. One local official cited in the papers said it is something the villagers know, but they do not tell outsiders. "Usually, we do not criticize each other in front of strangers, especially when it is an older person doing it," he said. But such silence exacts a toll on the people who maintain it, especially if they do not receive a cash transfer, too. Even in cases where the selection process worked well, community members suspected that authorities had fiddled with it. Another local official quoted in the papers explained that a cloud of suspicion hangs over the heads of those involved. "With food distributions people are already very suspicious, and they are even more so with cash distributions. They think that we elected officials always win something and it really hurts." In some ways, these conflicts are only to be expected, said Leila Bourahla, the Niger country director for Concern Worldwide. "As long as you choose one group that receives and one that doesn't, there is tension," she told IRIN. In fact, there has long been discussion among researchers about how cash transfers might be contributing to jealousy, resentment and distrust in target communities all over the world. Bourahla said Concern Worldwide tries to counter the tension by explaining why they choose certain poor and vulnerable people and not others. They follow a similar protocol at the World Food Programme (WFP) in Niger, said Giorgi Dolidze, the head of the rural development unit. "We've been distributing cash in Niger for more than four years and have been closely monitoring the distributions every year and measuring the outcomes," Dolidze told IRIN. "And [we] have been receiving positive feedback from the beneficiaries and communities." This gap between what community members say to evaluators and what they say among themselves might be accounted for in several ways. One reason might be that people in local communities and programme implementers often do not have the same definitions of poverty and vulnerability when it comes to beneficiary selection, said Nicola Jones, a research fellow at the Overseas Development Institute (ODI). She worked on a DFID-funded study about the perceptions of cash transfers in Africa and the Middle East. "One of the tensions is that a lot of the programmes are supported by institutions like the World Bank and they have a formula that does not capture context-specific sources of vulnerability," Jones told IRIN. She said the determination of vulnerability has to go beyond assets and money to examine issues like substance abuse and domestic violence. According to LASDEL's research, though, there may be a more subtle dynamic at play. "They [the non-beneficiaries] thought it was completely unfair, but they wanted it to go on," said Olivier de Sardan. Why? Because they hoped that the next time, they might be the ones to benefit. Olivier de Sardan explained that in many communities, they view these transfers as gifts or as "manna" from heaven. They do not complain because they fear that this manna might disappear from their villages if the programme teams knew the whole truth. Yoann Tuzzolino, the focal point in West Africa for the Cash Learning Partnership, said this was one of the most interesting questions raised by LASDEL's research. Tuzzolino posited: "Is there some kind of informal agreement, between the beneficiaries, local representatives and tribal chiefs to keep the cash transfers in the communities?" If so, then they may need to use different methods to reveal the truth. Most cash transfer project evaluations focus on their objectives. Did it help food security? Did it help improve school attendance? Did it improve their finances? But maybe these evaluations should include another question, according to Tuzzolino. "What impact does it [the cash transfer programme] have on the organic solidarity of the community?"**Learning to communicate** For his part, Olivier de Sardan noted that cash transfers are doing some good, but also, undeniably, causing some harm. He believes that organizations need to change the process to become more responsive to each community's needs. "Cash transfers are not the devil," Olivier de Sardan told IRIN, explaining that cash is not creating conflicts out of thin air. "They are sharpening conflicts that are already there." These are issues that implementers will have to confront as they scale up their programmes. "It's more than ensuring that the money gets to the right person," Jones at ODI told IRIN She said a few measures could help minimize conflict: better communication with local people; a more inclusive selection process; and the creation of ways for local people to interact and speak with programme implementers. Many of these measures are already best practices in the cash transfer world, but are hard to do well, according to Jones. Concern Worldwide-Niger was the organization that originally asked LASDEL to research the socio-cultural impacts of cash transfers. Bourahla said they collaborate with research projects because they want to know how to improve their programmes. Although LASDEL's research did not include any recommendations, Bourahla said her team is refining how to target the most vulnerable people and using more qualitative methods in their evaluations. The team also realized they needed a better response mechanism to hear about the things the programme was doing correctly and what it was doing wrong. So, they established a hotline for community members to speak with the programme implementers. "We have more and more complaints," said Bourahla, which, paradoxically, is a good thing. "People are being encouraged to report the errors."
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