

Transferring Spending Power to the Poorest: The Immediate Impact

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Background

Direct benefit transfer programmes, including monetary transfers have been gaining attention since the last few years as a feasible way of social protection. Sustainable poverty alleviation interventions are of central concern to the governments, civil society organisations, academia and international organisations alike, as is also reflected in the Sustainable Development Goals where complete elimination of extreme poverty has become a global objective.

One potential method of poverty reduction is the provision of unconditional cash benefits directly to households, the Universal Basic Income being one example of such mechanisms. The underlying rationale for such cash transfers is maintaining a decent standard of living with access to basic consumption and services. Another important advantage of such schemes is that the un-conditionality and monetary nature dramatically reduces the cost of implementation of such programs, though of course there is a fear of dependence as well.

If however the objective is that of a long term impact and not creating dependence then creation of capital, whether physical or human, becomes far more important. A one-time cash transfer would then need to be of a substantial amount, and therefore could become a potent tool in the hands of the beneficiary-decision makers. The fear of misuse, intoxicant abuse and withdrawal from workforce are however critical concerns.

The literature till date on the economic impact of such monetary transfers is not entirely absent but thin.¹ The evidence is also therefore not adequate across various kinds of programs, geographies and target segments.

¹Can Unconditional Cash Transfers Lead to Sustainable Poverty Reduction? Evidence From Two Government-Led Programmes in Zambia, Innocenti Working Paper 2016-21, UNICEF Office of Research, Florence, Sudhanshu Handa, Luisa Natali, David Seidenfeld, Gelson Tembo, Benjamin Davis

Cashrelief, an initiative of Agrani India Foundation conducted as a study of no-strings attached cash transfer pilot project in a tribal hamlet in Udaipur, Rajasthan, where recipients were free to use the money as they desired, without explicitly or implicitly suggesting spending in a particular fashion.

This study on the immediate impact of the cash transfer adds to the ongoing debate on the benefits and costs of cash benefits. It follows the earlier study on the socio-economic conditions of a small rural community on the outskirts of Udaipur where this project is based.² That study outlined the identification and instantaneous reactions of a transfer of a gift amount of INR 96,000 to all the 34 families in a single habitation within the tribal belt around Udaipur. In other words, there was no targeting and the transfer was universal, to all the households in the area. The amount in two or three tranches was transferred electronically to the bank account of the oldest working woman in the household, identified through a baseline survey.

Evaluation Background

As indicated earlier, this monograph delves deeper into the short-term impact by studying the nature of expenditures incurred, and associated economic, social and psychographic changes. Since the design of the pilot involved the transfer being made to the oldest working woman of the household, one of the focuses of the study is on the status of the women, before and after the intervention.

The qualitative evidence presented is from direct observations, semi-structured interviews and open-ended discussions with stakeholders such as the local moneylenders, Panchayati Raj Institution (PRI) personnel and school teachers in the area. These conversations took place in the local dialect of Mewari and have been translated to English before quoting here.

In each of the 34 households, a two-module survey with household and individual level queries was administered to the oldest working woman in whose bank account the amount was credited. Semi-structured interviews and focus group discussions were conducted to explore changes in household and partner dynamics following the cash transfers. Topics inspected include household decision-making, expenditures incurred and planned, relationship quality, conflict and changes observed within the family and in the community at large. The surveys and informal conversations were same as the baseline surveys along with some added queries, without any explicit association between the interviewer and Cashrelief. Care was taken to interview the respondents privately without the interference of household and other village members. The questionnaire used is attached in Appendix II.

Apart from the obvious welfare increasing possibilities, such transfers may also lead to negative outcomes. They may for instance carry the potential of increasing

²The study can be accessed [here](#).

financially motivated crimes (burglary, robbery and theft) as they increase the rewards from such actions available to potential criminals.³ Other possibilities include increased intoxicant abuse and gambling etc. Expenditures and investments from the cash transfer can also generate impact beyond the target population through initiating larger economic transactions.⁴ Such information was captured through conversations with the local money lenders, members of the Panchayat and residents of the surrounding hamlets who were not a part of the pilot.

Observations & Outcomes: Immediate Impact

The interviews were conducted within ten to thirty days after the transfer was made.⁵ The idea was to capture the general thoughts on such a transfer along with the immediate expenditures and plans. The Adult Hope Scale by Snyder too was administered to the oldest working woman to capture any changes on psychographic status.⁶ The general qualitative responses regarding such an intervention ranged from fear and anxiety, to relief and better mind space, to exploring possibilities and planning and investing for a better future.

We find economic welfare and psychological improving impact on a variety of outcomes. Note that these impacts have been assessed immediately after the transfer and may or may not have sustainable long-term impacts. The outcomes cover both protective and productive items.⁷ Overall, there were wide-ranging effects on the ultra-poor households, significantly raising their assets, consumption and material well-being. The general evidence is that such interventions have not only improved but also smoothened consumption and income and assisted in asset protection as well as asset building.⁸ We find that the Cashrelief transfer also led to general improvement in the psychological well-being, along with a strengthening of economic assets. Though this monograph presents early observations, they reveal interesting insights into personal, familial and social dynamics of the cash benefit transfers spanning gender, hierarchical and age-related matters.

Expenditure Allocations

³ Conditional Cash Transfers and Crime: Higher Income but also Better Loot, 2014, Fernando Borraz, Ignacio Munyo

⁴The Local Economy Impacts of Social Cash Transfers: A comparative analysis of seven sub-Saharan countries, FAO, 2016, Thome, K. Taylor, Filipski M, Davis B, Handa S

⁵Due to operational delays, for 4 households, this survey was conducted within 1-4 days of the transfer. These operational delays were caused due to inactive or small saving bank accounts. These households are still included in the analysis to be conservative (intent-to-treat.)

⁶ The Hope Scale is a psychological measurement tool to assess levels of hope. It is a self report questionnaire with twelve questions, answers to which are scored on a 8-point Likert scale, with high scores reflecting high levels of hope and vice versa. More details can be found in Appendix V of the Baseline Report.

⁷Protection Outcomes in Cash Based Interventions : A Literature Review, 2015, Michelle Berg, Louisa Seferis

⁸ Cash Transfers and their Role in Social Protection, 2007, Overseas Development Institute

Most households had withdrawn the amount fully post transfer within a few days and both the female beneficiary and her spouse were involved in the withdrawal process. Both data as well as conversations revealed that the woman had a significant say in the expenditure related decision-making.

Figure 1: Expenditures by Households

	Amount	No. of Households	Average Amount	% of Total Amount Spent
1. Agriculture and Related Assets	3,93,000			14.8%
Bore-well* (irrigation)	75,000	3	25,000	2.8%
Levelling Field**	2,23,000	5	44,600	4.2%
Livestock	75,000	3	25,000	2.8%
Flour Mill	10,000	1	10,000	0.3%
Enterprise (local shop)	10,000	1	10,000	0.3%
2. Other Assets	1,77,500			6.7%
Gold Jewellery	1,22,500	4	30,625	4.6%
Motorcycle	40,000	1	40,000	1.5%
Refrigerator	12,000	1	12,000	0.4%
Fan	2,500	1	2,500	0.1%
Mobile	500	1	500	0.0%
3. Residential Construction	6,27,000			23.6%
New House	6,27,000	9	69,667	23.6%
4. Residential Improvement	5,71,000			21.6%
Plastering	3,87,000	8	48,375	14.6%
Raw Materials**	89,000	4	22,250	3.4%
Painting	20,000	1	20,000	0.8%
Bore-well for drinking	75,000	1	75,000	2.8%
5. Social	3,01,000			11.4%
Wedding	1,95,000	8	24,375	7.4%
Last Rites	76,000	2	38,000	2.9%

Feast	30,000	1	30,000	1.1%
6. Income Enhancement	10,000			0.3%
Thresher Rent	7,000	2	3,500	0.3%
Fodder	3,000	1	3,000	0.1%
7. Other	5,78,500			21.8%
Debt Repayment	5,21,500	14	37,250	19.7%
Medical	13,000	4	3,250	0.5%
Loans	22,500	2	11,250	0.8%
Misc. Consumption	21,500	5	4,300	0.8%
8. Total Amount Spent	26,48,000			81.1%
9. Not Spent (cash or other account)	6,16,000			18.9%
10. Total Transferred	32,64,000	34		100.0%

Source: Mid-line survey of 34 households receiving the transfer.

Note:

*Villagers were told by the members of the Panchayat that due to the construction of new canals for the fields, no water would be available for irrigation for the next two years of 2018 and 2019.

**Levelling field includes income enhancement through purchasing seeds and fertiliser.

**Raw Materials include sand, roof, tiles, door, cement and bricks.

Figure 2: Percentages of Different Expenditures Undertaken

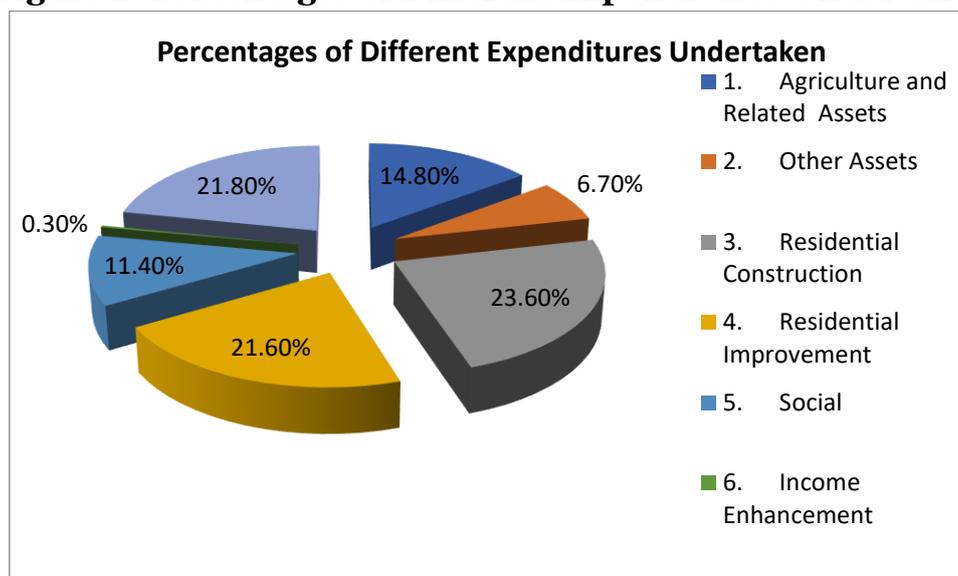


Figure 3: Percentage Expenditures for Agriculture & Related Assets

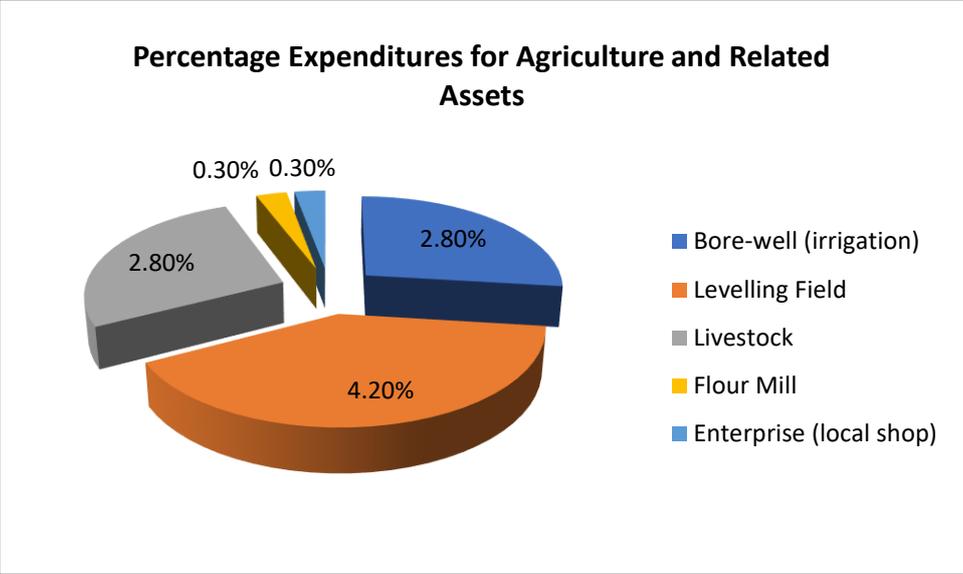


Figure 4: Percentage Expenditures on Other Assets

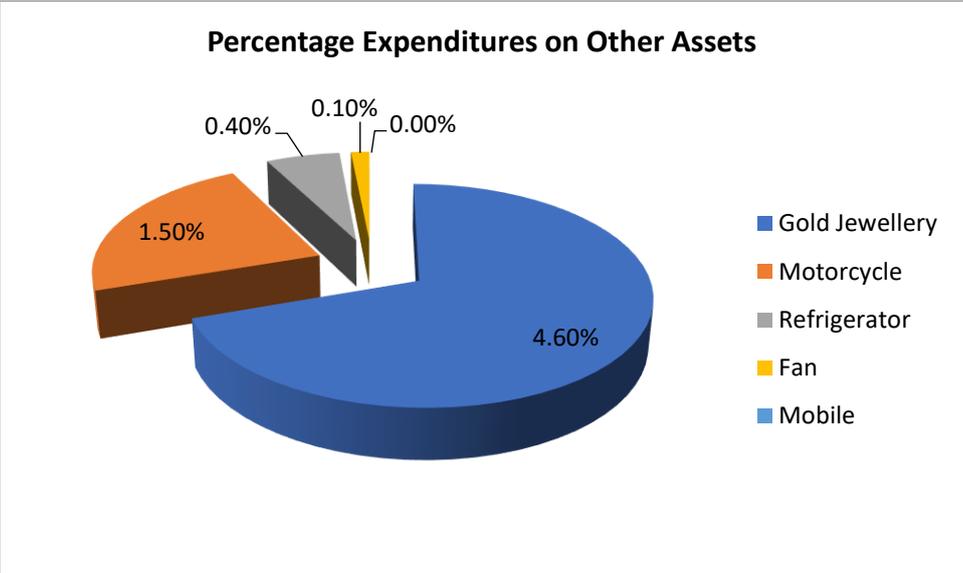


Figure 5: Percentage Expenditures on Residential Improvement

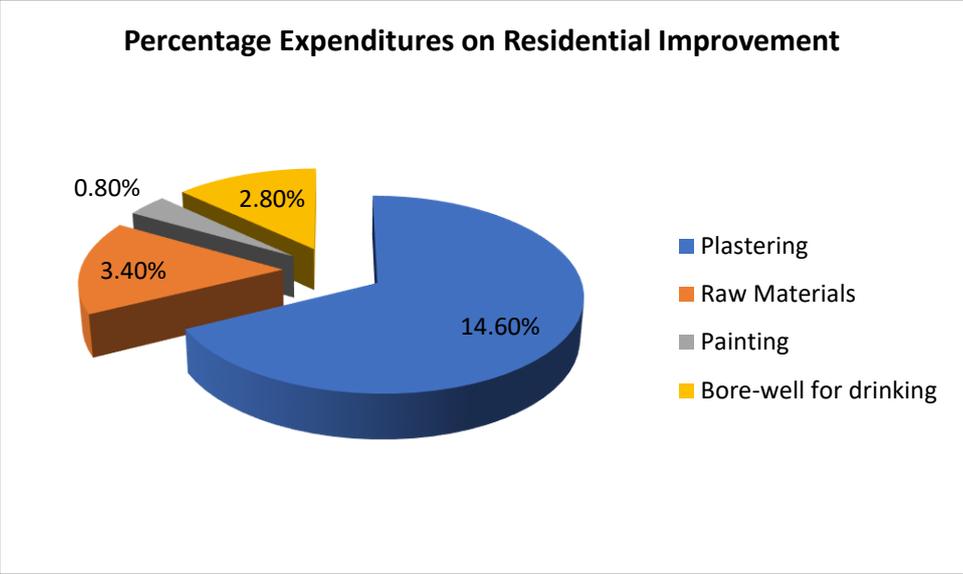


Figure 6: Percentage Expenditures on Social Events

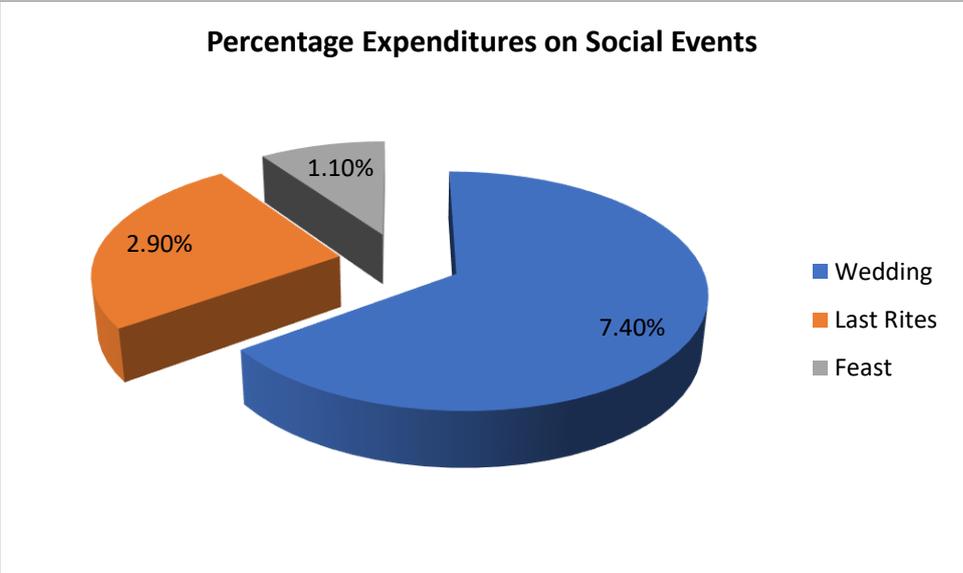


Figure 7: Percentage Expenditure on Income Enhancement

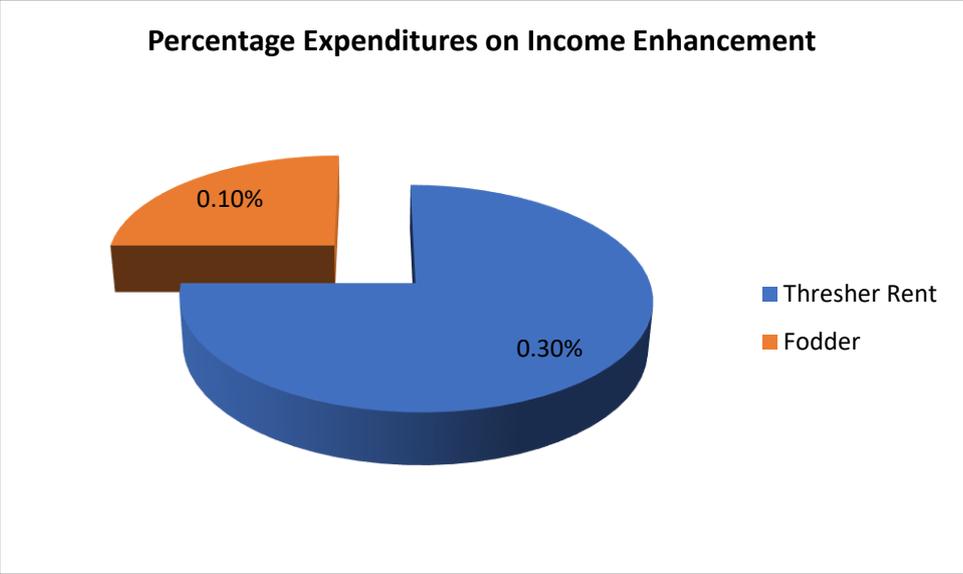


Figure 8: Percentage Expenditures on Other Items

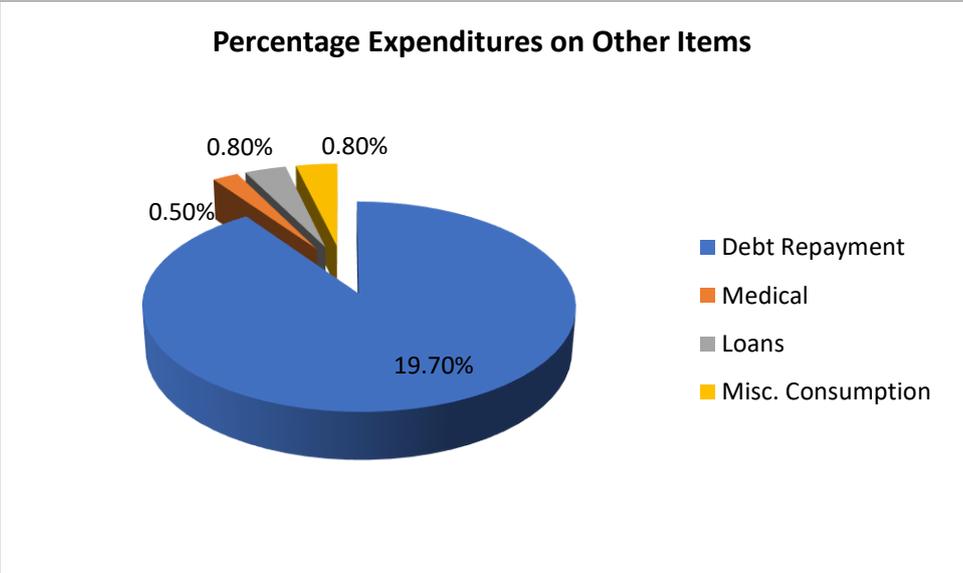


Figure 9: Bar Graph of Number of Households Incurring Different Expenditures

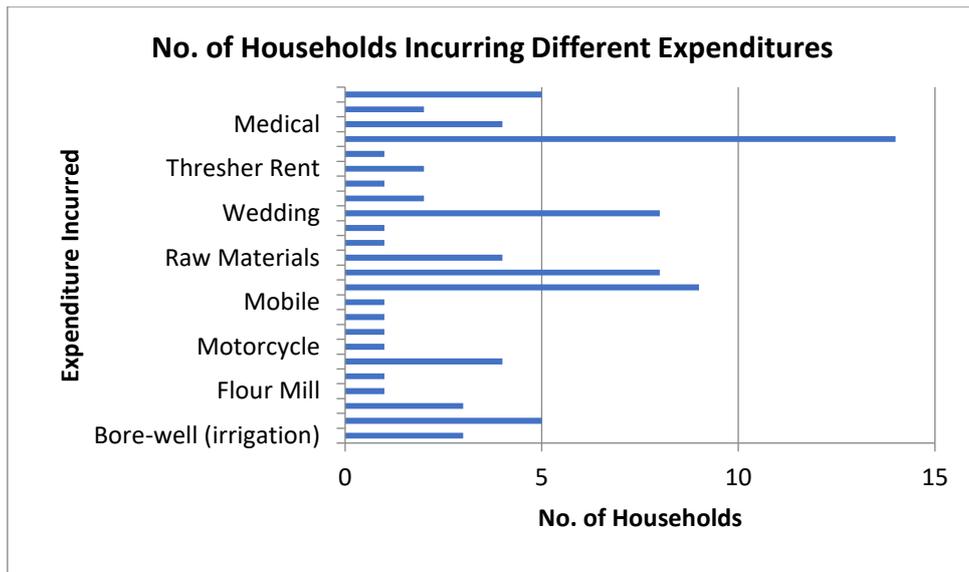
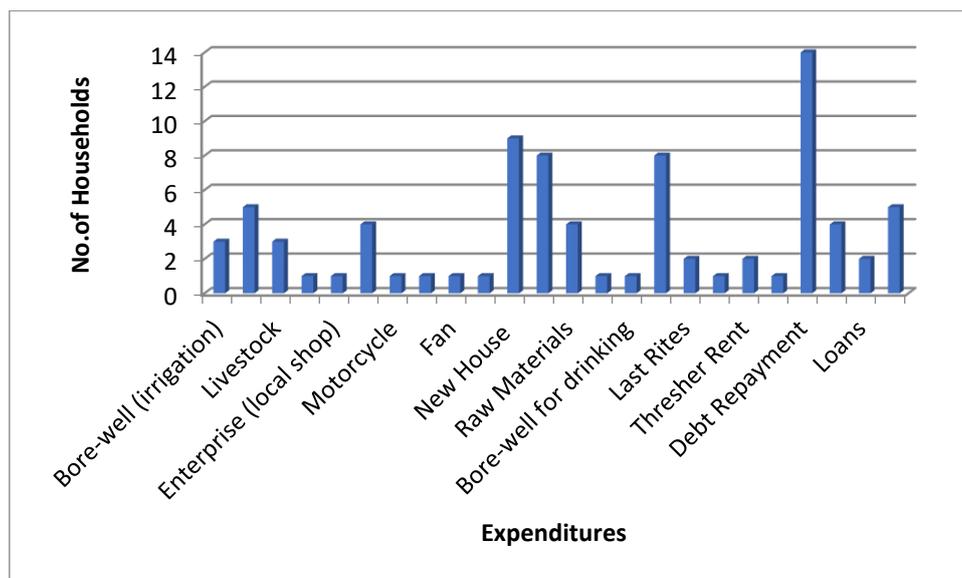


Figure 9.1: Bar Graph of Number of Households Incurring Different Expenditures



This transfer has enabled households to build assets. A total of INR 6,79,500 was spent on buying assets, an average of 20% of the total amount received. This increase is seen in terms of a positive impact in livestock accumulation and investment in bore wells, flour mill and gold and silver jewellery. Other assets purchased include motorcycle, inventory, refrigerator, fan and cell phone.

The greatest focus of the households was largely on single time payments related to assets of various types (see Figure 1). These ranged from home building (the largest allocations) to improvement related to repair and maintenance and putting a *pucca* roof. Together residential related improvements accounted for greater than a third of

the total amount transferred. Note that the government also allocates significant funds for home construction, however that is inadequate, and the Cashrelief transfer was used to improve the unfinished construction.⁹

Case Study 1

When the Cashrelief program was introduced and operations began, Bhaggu was not living in the village anymore. Unable to deal with the constant fights with her husband Ambalal and believing she had had enough, she had left with her children, with a firm resolve to not return. Ambalal shared this with the team that nothing he said convinced her to give their family a second chance. He requested the team many times to give him the money instead, since he too was a part of the hamlet. The team explained that the design of the program was such that only his wife could receive the money and if he was interested, he had no other option but to persuade Bhaggu. Since word had spread, other women who had received the money and their families were sympathetic towards Ambalal and inquired repeatedly about the possibilities, since they were sure that Bhaggu had left to not return.

The team was as helpless as Ambalal and believed that one household would be left out. However, to the pleasant surprise of all the villagers, Ambalal managed to bring his family back together again. Bhaggu sure came back, but all was not forgotten. She had returned with her children and a bunch of conditions. Ambalal appeared confused in dealing with Bhaggu when she spoke, asked questions and demanded what she wanted.

Currently, one of her conditions – of using the money received to repair the house (build a pucca roof and floor) is being fulfilled.

Case Study 2

Valu Bai was one of the last people to enrol for the Cashrelief programme, although having her house located in the beginning of the village, she was one of the first to be introduced to it. There was an altercation between the team and a literate guest from a nearby village who was then present.¹⁰ To the extent that he told everyone around that this is no gift and would have to be returned at some point in time. The team let matters be. However, a week after the incident, having seen everyone around them, including their elder son agree to participate in the programme, they reached out to the team and completed the formalities.

⁹ Home construction here refers to building of a separate single room.

¹⁰The guest asked to read the forms of those who'd enrolled and when the team refused for reasons of protecting privacy, he read the form and told that the money in fact was not a gift and would have to be repaid. The form made no such declarations.

Valu Bai, being a mid-day meal cook in the local village school, faced a lot of questions from the school teacher. The Sarpanch who lives in another hamlet too had questioned them indirectly, through members of the Panchayat and villagers from nearby hamlets. Valu Bai who never spoke and answered most queries with either a hesitant smile replied calmly -“वो सर और मैडम आये थे, उनको पूछो! मुझे कैसे पता होगा?” (Ask the Sir and Madam who had come. How would I know?) Surprising everyone she continued, “आप तो कुछ करते हो नहीं! इतने सालों से न कोई cc (cement concrete) road बना है, ना आंगनवाड़ी है... कोई और अगर कुछ अच्छा कर रहा है, तो वो भी नहीं करने देंगे? आपको आपका हिस्सा नहीं मिला खाने के लिए इसलिए??” (You do not do anything for us. It's been years, yet there is no cement road here, no anganwadi. If somebody else is trying to do something for the benefit of us all, you won't let that happen as well? Is it because you were not able to receive your share?)

Considering that the problems of the village are beyond her individual scope to handle, Valu Bai invested the money in constructing a new house for her son and his family.

The second largest item was escaping the debt burden, half the households allocated about a fifth of the total amount received for debt repayment. Seventeen households repaying old debts also changed the village economy and should have long term implications in terms of both consumption and welfare.

Case Study 3

“खाना खाने के लिए पैसे हैं, लेकिन मेरे पैसे लौटा नहीं सकती?” (You have money to spend on food, but not to repay me?) Kamla does not remember the last time she ate in peace. In fact, she does not recollect life without a nagging nervousness in the back of the mind.

Kamla's son, Ramesh has been married three times. Each time his wife left, she took away the peace of the family, along with the jewellery she was gifted by them. Three marriages indebted her to the extent that she had to use her own marriage jewellery, the only asset she owned and deeply prized as collateral.

With the money she received, the first thing Kamla did was bring back her jewellery from the Patel (local moneylender). Not having to carry the burden on her lone shoulders anymore, Kamla invested her energies in planning a better future for her and her family. She recently bought a metal door for her house, to prevent snakes and scorpions from sneaking in, especially during the monsoons. To protect

Ramesh's marriage, she also contributed to his new house building, although it is a little away from her.

The stress and worrying not only ate into Kamla's mental freedom but also her time. Hence, Kamla is gathering the women of the hamlet and figuring out avenues for income generation.

Case Study 4

The first thing that Khemi Bai did having received the money is buy herself a mobile phone. Although it is no more a luxury to own a mobile phone even in tribal belts of rural India, for Khemi Bai, this was an act of defiance, reclaiming her power because it meant ignoring her husband's warning that a mobile is of no use to her. It was the joy of doing something just for herself, having thought of everyone else for as long as she could remember. She is still figuring out how to operate it and uses it to call her sons, Mangilal and Premshankar who are away for most of the year for work. Khemi Bai is 65 years old and has been married for more than 30 years, yet like a child who never parts with her favourite toy, Khemi Bai refuses to share the phone with her husband Pima Ji. Even after all these years of togetherness, he is still insecure and accuses her of talking to other men on the phone and planning to elope.

Pima Ji spent a major part of the money received to clear off their debts. The moneylender was not happy receiving his money and questioned its source suspiciously. Used to reverence and fear from everyone in the village and the first to know of every major event, a curt response of "it doesn't concern you" from Pima Ji did not go down well with him and they had a scuffle near his farm.

Although she is relieved, she is planning to instead get a bore well since both her daughters-in-law are away and her age makes it difficult to go fetch water. However, Pima Ji dismissed her saying it is too expensive and asked her to be happy with the 500 rupees phone she got her way with.

Khemi Bai's resolve has not deterred in spite of such behaviour from her husband. Monsoon is soon approaching and her kutchra roof forces her to put containers to collect the rainwater. She manages the plight of collecting rainwater dripping through the roof, emptying the vessels only to repeat the process all through the day since money is always tight and never enough to build a roof. This year, however, since cash is no longer an issue, she is hopeful of convincing her husband that a wedding gift for their newly-wedded son's in-laws can wait but the rains won't.

Today, Khemi Bai and Pima Ji are free from debt. Even so, the money lender keeps returning and demanding devotion. Most times he does not find them, as they are busy in the farm with the bore-well, preparing for growing vegetables this agricultural season.

The transfers also contributed to debt repayments, savings and a reduction of loans and distress sales of assets in times of hardships. Cash transfers targeted to the poorest households have high productive impacts by reducing a few constraints brought on by market failure leading to lack of access to credit and empowering households to manage risk. Almost half (fourteen out of thirty four) the households participants of the program, repaid formal or informal debt borne amounting to a total of INR 5,21,500, 19.7% of the total amount spent.

Another significant component, about a sixth of the total amount spent, is that labelled as 'not spent'. Only time can tell whether the households will treat this amount as long term savings.

A significant amount was allocated to investments in improving incomes from agriculture and related occupations, slightly less than a sixth of the total. Most households are solely involved in agriculture and related occupations and therefore asset formation in this area would have long term income implications.

Social engagements including marriage, both within the receiver's house and that of relatives, accounts for a significant share as well - of about eight percent of the total. Note that in many cases marriages, deaths etc., require certain expenditures where the moneylender is often the most important source of funds.

Case Study 5

It has been months since Anju's wedding. The villagers still talk about it like it was yesterday. Dai Bai, Anju's mother has suddenly received acceptance in the informal social groups of the village. The socio-economic status remains the same, the social status has been altered, forever.

It was a no-brainer for Dai Bai and her husband, Ambra to spend the money on their daughter's wedding which was scheduled just a month after the cash was disbursed. Marriages are a big event in the community, hardly ever forgotten, both by the married couple and the many guests. The in-laws were so satisfied with the wedding arrangements which went ahead without any hiccups, they allowed Anju to stay back for a year to complete her higher secondary exam.

“मैं अगले दो-तीन सालों के दबाव से बच गया, वरना ज़िन्दगी के ३ साल तो साहूकार के सामने हाथ जोड़ने में ही चले जाते! अभी मैं कुछ भी काम कर सकता हूँ, खुद के लिए, परिवार के लिए!” (I am saved from the debt pressure for two to three years.

Otherwise, I would have had to please the moneylender for the next three years. Now I am free to work for myself and my family.)

In general, the cash transfers also strengthened social networks by increase informal transfers within the families during weddings and increasing the participation of the poorest households in these networks.

Case Study 6

Bhuri has been living in the same house since the last 45 years, yet she feels an eternal need to justify this act. To be fair, hers is an act of rebellion. She is living with her parents in her maiden home...along with her husband and son. Bhuri and her husband dealt not just with aging parents, a troublesome teenage boy but also neighbours and relatives unable to digest a simple fact that her husband, Moddi Lal is a ghar jamai (son-in-law living with his wife's parents) and okay with it.

Luckily for Bhuri, societal rituals provided a way out. She arranged a gala feast for the entire village (and a few neighbouring hamlets). It cost her INR 30,000, still, she is relieved. People are not going to forget the lunch for a long time and till then she too won't be 'judged' as the one living with her parents.

Having received the approval of the villagers, she bought sand and other raw materials to make a pucca house for her family!

Politically and culturally, cash transfers can be expected to bring about significant changes in the participation of excluded groups in politics and traditional local hierarchies. Such transfers further strengthen the relationship between the poor and the traditional authorities slowly dissolving established patronage and increasing political knowledge, support from individuals and collective actions.¹¹Local relations are found to be among the root source for continuance of poverty in rural India.¹² Historically, the caste system in Rajasthan has been extremely exploitative, dominated by the upper castes. In Udaipur district, where the research was conducted, the highly concentrated Bhil communities have long endured exploitation by the money-lenders.

Local power relations and caste-based discrimination at the institutional level seemed to have been altered to some extent and suggest a potential to end at least a few exploitative relations of patronage, based on an analysis of power alliances and

¹¹The impact of cash transfers on social determinants of health and health inequalities in Sub-Saharan Africa: A Systematic Review Protocol, 2016, National Center for Biotechnology Information, Ebenezer Owusu-Addo, Andre M.N. Renzaho, Ajay S. Mahal and Ben J. Smith

¹² From Development to Delivering Development: Challenges of NGO-led Development in Rural Rajasthan, India, 2017, Journal of South Asian Development, Saurabh Gupta

politics. Generally speaking, there has been a shift in the existing balance of power in the beneficiary habitation, creating new leadership from within the community.¹³

Case Study 7

Bhuri's two storied pucca house is a reflection of the position she and her family enjoys in the village. Being one of the richest in the hamlet with children who can read and write, Bhuri along with her husband Devi Lal, are the decision makers not just in their extended family but also for others in the community. All major community discussions take place at their house although it is at one end of the village and not convenient as a common meeting point.

After the cash was disbursed, Bhuri and her family members (except her daughter-in-law, Shanti who has been clueless since the money was received until it was completely utilised) have been telling others in the village that they are receiving calls from "Sir" and have been asked to repay the money and pass on the message to everyone else. At a few instances, they have assumed leadership positions to question the expenditures done by other households. Already troubled by taunts, questions and threats from others of the surrounding villages and not wanting to deal with it within their own village, they have ostracised Bhuri and her family and are ready to unite against them if need be.

Case Study 8

Moti Bai, Dhuli's mother-in-law is upset that although she is older and hence has more authority, she was not given the money instead of her daughter-in-law. The differences between the two always existed but are now getting wider.

Dhuli Bai's life was not just controlled by her mother-in-law, but also by the community hand pump. Her day began by fetching water and before she could sleep, no matter how tired she was, she had to fill a few pots, in case her family or any of the many guests who visited them needed water to drink in the night. Although this was the daily life of all women of the six households sharing the hand pump (barring the mother-in-laws), it was no consolation for Dhuli Bai. Having grown up seeing their mothers and sisters spending at least 5 hours each day fetching water, everyone had accepted this fate and believed their woes would end when (and if) they had a daughter-in-law. Dhuli Bai, however, could not wait any longer.

When cash was transferred, the otherwise voiceless Dhuli Bai, demanded a bore well. She was prepared to fight and when her husband and mother-in-law

¹³Effects of Cash Transfers on Community Interactions: Emerging Evidence, The Journal of Development Studies, 2016, Sara Pavanello, Carol Watson, W. Onywango and Paul Bukuluki

questioned who would pay the electricity bill, she shared her dream with all the neighbouring women with whom she had bonded over the hand-pump. Now the women feel empowered to collect water as per their convenience! All these “water-wives” have in-turn persuaded their families to contribute to the electricity costs, as their time is better spent elsewhere.

“अभी इतनी थकान नहीं होती है, इसलिए खुश लग रही हूँ!” (I am less tired these days and hence look happier.) With all the free time and mind space, she plans to admit her child to the anganwadi.

The otherwise sweet, soft spoken Dhuli is now a fiery, no-nonsense woman. Instead of arguing with Moti Bai, she has invested her time, energy and money in fast tracking the work for her new house which was lying incomplete since a long time due to lack of cash.

Case Study 9

When Kamla asked her husband Ambra Ji for her identity cards to enrol for the Cashrelief programme, he resorted to violence. Being married for over a decade, this response was not new for Kamla. For a woman who lived her life asking her husband for permission to eat, sleep, go out and talk, outright demanding something was an act of courage in itself.

Kamla requested the Cashrelief team to talk to her husband, since the chances of him listening to others had greater odds. However, before the team could personally introduce the Cashrelief programme to him, Kamla who never dared look her husband in the eye had persuaded him and was ready with all the required documents. She presented the same to the team while they were at another beneficiary’s house and got herself enrolled. Ambraji was supportive throughout the process, not just on days when he was drunk or in a good mood. Although immediately after the transfer, he withdrew all the money and deposited it in his own account. The money may come and go, yet the newfound reservoir of courage in Kamla is clearly here to stay.

Case Study 10

Homi Bai’s family has nine other members. When the enrolment procedure was ongoing, her son, Daula appeared and began demanding money too. When he was refused, he kept insisting that since he has worked in big cities such as Mumbai and Bengaluru, he be allowed to plan and execute the expenditures. Just like the grandchildren around him, Homi Bai and her husband Moga Ji also ignored him.

Homi Bai has invariably put her family before her – starting as a daughter to now a great grandmother. When the transfer was made, there were competing demands and Homi Bai had to decide whether to be a dutiful wife, mother or grandmother. She realised she had long pending duties for herself and went ahead to fulfil those first, buying herself a pair of the traditional silver Rajasthani anklet. The choice of the design was of Moga Ji alone, but that was another battle to fight...for another day. Homi Bai is excited to flaunt the anklets in an upcoming marriage in the village.

The next thing Homi did was complete the construction of a room behind her house, for her grandson and his family. “पहले अपने बच्चों को बड़ा किया, फिर उनके बच्चों को...अब उनके भी बच्चों को संभाल रही हूँ...ऐसे ही मर जाऊँगी!” (I first raised my own children, then their children and am now taking care of my great-grandchildren...I am going to babysit till I die.) Currently Homi Bai is helping her friend, who is also her neighbour, Tulsi Bai receive treatment. The motherly instinct in her will perhaps never die...still doing it out of choice makes her as happy as wearing her anklets.

Case Study 11

Panna Lal travels 14 kilometres everyday for his daily wage labour. That isn't too bad, except that he does so on a cycle. Savita, his wife recalls when he returns he is drenched in sweat. She waits for him each evening to have dinner, making his favourite dishes with whatever is available and yet on most days, he is too tired to even eat. “कभी कभी तो इतनी थक जाता हूँ की लगता है चक्कर आके गिर जाऊँगा” (Sometimes I am so worn out, I feel that I will faint.)

When cash was transferred, his brother, Devi Lal asked him to buy a motorcycle. Being the sole bread-winner of the family, taking care of his parents and yet to have children, Panna Lal thought of investing in an income-generating asset. Out of respect for the father-figure that his elder brother had come to be, he agreed. When he first went to work on the motorcycle, he realised that he didn't have to live a life of drudgery that he had accepted.

The motorcycle allowed him to save both time and energy and using that and the remaining money, he invested in levelling his agricultural field and buying good quality seeds and fertiliser. “काम कभी मिलता है, कभी नहीं...भूक तो रोज़ लगती है!” (Work and pay is uncertain, hunger, however, isn't.)

Savita doesn't go to bed hungry anymore, because Panna Lal not only eats with her but also appreciates her cooking sometimes. She cannot stop blushing when talking about how he took her on his motorcycle to Udaipur recently.

A change was also noted in productive strategies with new crops and techniques and new line of products and services. Cash transfers provide better ability to deal with risk and shocks and help avoid detrimental risk coping strategies like distress sale of productive assets. On the other hand, it also encourages risk-taking behaviour in investing in more profitable, higher value crops and vegetables. Agriculture and the allied sector provide livelihoods to more than 70% of the state's population. Given that, half of the receiving households (18) invested in agriculture for levelling their fields and purchasing high quality seeds and fertilisers. Other investments also include giving loan to relatives and friends.

Case Study 12

Mukesh, Narda's son wanted a vehicle, to be able to visit his family whenever he wishes to, and not only when the bus service and his factory supervisor decides. When Narda received the money, he requested her to loan him the amount for the same.

Narda, upset that Mukesh does not monetarily contribute to the family despite being aware of the hand-to-mouth situations that arise almost daily, plainly refused. Eternally bogged down by worries of "where will I get milk for tea today?" and "there is no money to buy oil and spices" Narda until now did not have the privilege of disagreeing with her husband or children. From the time these immediate needs are met, she is strategising for the future, planning for better education for her children and not just fulfilling everyday needs. Mukesh, too has now promised to send home a lump-sum amount of 25,000 rupees, yet does not understand the reasons his mother has suddenly started saying "no."

Cash transfers substantially increase purchasing power by providing access to economic resources and have shown to push demand for services through an income effect.¹⁴ Emerging evidence suggests that where markets are functioning, cash transfers increase the demand for goods, stimulating the local economy.¹⁵ Economic impact evaluations of cash transfer programmes have shown positive multiplier effects on the local economy.¹⁶

¹⁴The impact of cash transfers on social determinants of health and health inequalities in Sub-Saharan Africa: A Systematic Review Protocol, 2016, National Center for Biotechnology Information, Ebenezer Owusu-Addo, Andre M.N. Renzaho, Ajay S. Mahal and Ben J. Smith

¹⁵Cash Transfers and their Role in Social Protection, 2007, Overseas Development Institute

¹⁶Making the Most of It: A Regional Multiplier Approach to Estimating the Impact of Cash Transfers on the Market, 2007, Concern Worldwide (Malawi), Davies

The beneficiaries also changed their consumption pattern after the cash transfer. The transfers have boosted consumption with the families spending cash on a wide range of goods and services.

Interestingly, the transfers have not noticeably swelled the allocation for alcohol and tobacco. No evidence was found on increased expenditure on temptation goods including alcohol, tobacco and gambling, for instance. At the very least, the programme seems to fulfil the necessary initial step of allowing households to protect their consumption, while simultaneously developing their productive capacity. Most households have spent some of the transfer on agriculture, as a way to ensure food security.

Wellbeing

Transfers have increased psychological well-being of the beneficiaries and their families.¹⁷ Qualitative data confirms that the transfers expanded self-esteem, trust and social capital and allowed beneficiaries to re-join existing networks and own stronger negotiation power while borrowing money and in risk-sharing arrangements. There is better social cohesion at both at individual and community level.

Case Study 13

When the Cashrelief team introduced the programme to Kamla and her husband Shivram, he did not ask her even once and immediately enrolled her in the programme. After the money was transferred to her account, Kamla was yet again not included in any decision-making process as Shivram went ahead and spent almost 70 percent of the transfer. He even bought her gold earrings, albeit of his own choice.

Due to some internal conflict within the family, Kamla's mother-in-law, Vadmi now lives separately in a small, kutchra room which was earlier used as shed for cattle. However, during the identification survey, she was living with them and hence was not included as a possible beneficiary. The rift between them is now so deep that Shivram outright refused to help her open a bank account since she realised the benefits of having an active bank account from the other women in the village. Completely abandoned her by her only family, she now lives alone believing that the money will be over some day, but family will remain.

After the cash was disbursed, Shiva, among other things decided to paint his house in a shade of green. The colour is distinct, and his house can now be identified from

¹⁷Does money buy happiness? Evidence from an unconditional cash transfer in Zambia, SSM Population Health, 2018, Luisa Natali, Sudhanshu Handa, Amber Peterman, David Seidenfeld and Gelson Tembo

kilometres away, almost becoming a landmark for reaching the hamlet. He chose this particular colour at first glance, without much thought, merely because he liked it. Others in the nearby villages did not. They believed that he was asked to paint the house as a proof to “तुम तो इस्लाम में चले गए हो!” (you have converted to Islam), a pre-condition to receive the cash transfer.

Relief from worries regarding meeting basic daily needs ultimately improved mental health and wellbeing, observed by a significant reduction in stress and an increase in the standard deviation in hope.

Case Study 14

Gomi, like other mothers in the village is too troubled by her sons sitting idle at home, probably believing that the cash transfer has bought them relief for life. Gomi and her younger son have been unwell for some time now, hence it was a no-brainer for her to take care of the health expenses before thinking of possibilities, since she was about to sell a few bags of wheat to be able to visit the doctor. Bhaga Ji, her husband thought other expenditures of debt repayment and conducting last rites for his father in law were more important.

Gomi thought otherwise, but did not dare to put up a fight. “Money is there today and will be gone tomorrow, my husband will always be my husband and I have to live with him.” The otherwise obedient, not-questioning wife, Gomi started asking difficult questions to her husband, “Why is the dead father-in-laws function more important than the health of a living person?” “Why do I have to pay for it from my jewellery?” Bhaga does not give her any answers, yet Gomi has now started dreaming of her own jewellery, her own buffaloes, dreaming for herself, in singular apart from as a dutiful mother and a wife.

Case Study 15

When the programme was introduced to Lassu, she was so excited at the possibilities that she did not ask the Cashrelief team any questions. In fact, she did not even wait to consult her husband and enrolled herself immediately.

However, once the money was actually in-hand and Lassu expressed her wish of buying a few new clothes and jewellery for the upcoming marriages in the family and the village, Sohanlal, her husband disagreed vehemently and planned for the entire amount. A few times, when Lassu’s enthusiasm resurfaced and she tried suggesting, there were ugly fights at home. Sohanlal did not even pretend to listen or pay heed to what she had to say. Lassu convinced herself that her husband

knows the best when he opposed even buying a few kilos of rice which she enjoys eating but does not purchase because it is comparatively expensive.

Life for Lassu is still the same - getting up at the crack of dawn, cooking food, washing clothes and getting ready all before her husband wakes up and leaving to graze the goats when he leaves to find work for the day. Yet, when she comes back home, her presently cemented floor and pucca roof provide her some relief. “इस बार तो बरसात में बचपन वाला मज़ा आएगा, छत जो नहीं टपकेगी!” (I will be able to enjoy monsoons time, like I used to when I was a child. I don't not have to worry about a leaking roof!)

Case Study 16

Chatri Bai feels better at home, although she is unable to put it into words. Since she is not constantly worried about fetching water, building a pucca house, or having too much work, she is able to think of other possibilities. Having to plan her entire day around fetching water, she wanted a bore well and to make a convincing argument, took efforts to find its cost (which according to her was INR 60,000.) It took her everything she had in her and a little more strength to approach her husband Nara Ji and share with him what could be done with the money and why. Nara Ji just replied saying, “You don't know anything.”

Chatri's daughter, Rekha recently got married recently, soon after the transfer. The wedding was costly and the villagers still talk about how wonderful the arrangements were. Nara Ji is happy because he is free from the clutches of debt for the next two-three years, which would have held him had he taken a loan for his daughter's wedding. Making use of the opportunity, he did invest in a bore well to be able to grow vegetables.

There is also a general graduation in the socio-economic status of the household, with increased ability to afford health services.¹⁸

Case Study 17

Defying all norms of a traditional, patriarchal household, Parvati was an equal decision maker, despite being a daughter-in-law. Being the beneficiary of this cash transfer, ties with her in-laws are severed to the extent of only passive-aggressive conversations.

¹⁸ Cash transfers augment household incomes, improving the socio-economic status and ability to pay for health services. Thus, such transfers can increase access to health services by poor groups, developing the overall health outcomes.

During each visit to his house, Bhaira Ji, her father in law, was always lying in a corner near the buffaloes. He remained invisible, not just to his family, but also to everyone who visited them, unless he sat up for a few minutes and his milk white clothes contrasted with the coal black of the buffaloes. It was hard to tell from his expressionless face, whether his body was killing him or the helplessness.

He had not always been bed-ridden, though in the last few years, his health was deteriorating. This significantly added to the financial burden on the then become man of the house, his son, Jowa. The man was torn between being a dutiful son to his aging parents and a caring husband fulfilling his wife's desires. This tussle for equal attention (and resources) from Jowa led to frequent, ugly fights, animosity and blaming. It was almost as if a broken family was being forced to live under the same roof.

Since the transfer has been made, Bhaira Ji her father in law also receives better health care and has been sitting outside the door of his house, cheerfully waving and greeting everyone who passes his house. Availability to lump-sum cash allowed for his proper, complete treatment which was always pending due to lack of medicines or follow-up tests since years due to the paucity of cash. Unable to get up from his cot since last year, this is a big deal for the family and has changed the entire atmosphere of the house, from being hopeless to full of light. The newly white painted rooms give it a sense of a "home", from the earlier dark house. Kamla, Paru's sister-in-law regained her independence in spite of needing help to walk, by getting her sewing machine finally repaired and contributing to the family expenses. The passive-aggressive conversations have given way to brainstorming discussions to find ways to earn more money to complete plastering the new pillars built, and make the house a home!

Case Study 18

In spite of living in the same house and being from the same family, Pasmī was upset that her mother-in-law, Kalu Bai received the money. When the Cashrelief team had introduced the program to Kalu, Pasmī, her daughter-in-law quipped –“ अरे सर, ये तो कभी भी मर सकती है...मर जायेगी तो हमे पैसे कैसे मिलेंगे फिर? आप मेरे account में पैसे दीजियो!”(Sir, she can die any day...if she does how will we access the money? You send the money to my account instead.) All Kalu managed in response was a meek smile, which strongly suggested her position in the household. Since that day, the son and husband in Ramesh (Kalu Bai's son and Pasmī's husband) have been at odds with each other, putting a strain on the husband-wife relationship.

These differences run deep, with both having distinct aspirations. Pasmī does not want to put in any money on Kalu Bai's health or on repairing and plastering the old room where Kalu Bai spends most of her day and sleeps.

When the money was transferred to Kalu, although her body was ailing, she found the strength to stand up to her husband, son and daughter-in-law and state "my health comes first!" Disregarding the "family first" norm, she bought herself medicines to manage her pain and weakness and also saved some amount for future health emergencies.

Today too, Kalu smiles, as she hurries to give tea to welcome people in her newly repaired house!

Case Study 19

Jagdish, Tulsi's son took complete charge of the money matters. In spite of having the financial capacity that liquid cash provides, she is unable to do any work. Recently when she had gone to the fields to relieve herself, she fell down and was seriously hurt. She wants to use the money to improve her deteriorating health and spend on her grandchildren.

Currently, Tulsi is waiting to receive a second opinion of a doctor on whether to undergo a surgery or continue with physiotherapy. Money has helped the household buy access to health services and ensure a constant flow of life-altering medicines.

Case Study 20

Even a week after Bhuri Devi received 96,000 rupees in her bank account she is unsure how exactly she feels. She and her husband, Pratap are still contemplating on the possible usage of the money. Although, there have been discussions between them, there was hesitation and refusal to voice out what her own wishes were for the money she had obtained. On a little prodding, she revealed that she plans to spend the money on house improvement (plastering, pucca roof and boundary wall) and invest in agriculture for levelling the field and buying oxen to work in the farm. The immediate consequence in the household has been that Bhuri Devi's son, Prakash who did not actively contribute for the household expenses but worked for a few days a month, has now completely stopped working. Interestingly, although Bhuri Devi's family is small, with only four adult members Prakash and his wife, Mouni were not included in the household discussion. Uncertain of the benefits of such a gift, Bhuri Devi believes it is too early to comment on the repercussions of such a transfer and only time will tell.

At the moment, Bhuri Devi is extremely hopeful. Having repaid her outstanding debt, she does not have to think twice before buying oil or soap or even cooking dal baati for her family, lest the money-lender taunts her for “celebrating” and not repaying him. With the reduced stress, she is able to think clearly and is building a room for her son to force him to take responsibility. Now that her grandson is no more chronically unwell, she believes it is time to cut the umbilical cord once again. “He should be taking care of me, not the other way round”, she says.

There were some indications that cash transfers reduced domestic violence and increase female empowerment. Studies also suggest cash transfers reduce physical abuse of women and increase their decision-making power.^{19 20}

Case Study 21

From the time money was in her account, Gebi has been heaving sighs of relief. After a long time, she feels that everything is fine at home now. Her husband, Mohan is not always in a bad mood and she has stopped constantly looking over her shoulder. Small mistakes like putting less salt in the food, being a little late to serve tea and coming home late do not lead to blue-black marks on her body. “I feel a huge weight is off my mind. I can think now.” Constantly worrying about something – money, food, children, house, husband, she knew no other way to live. Gebi does not remember the last time she was able to breathe in peace before the transfer.

Case Study 22

Geeta always had problems with her mother-in-law, Kamla. So much so, that although they share a wall, she yet does not even enter their house, after having been part of the family for more than 2 years now. Tired of the tension at home, Geeta and Ramesh had been planning to build a new house from some time now. The plans were just that, since Ramesh earned merely 200-300 rupees working as a daily wage labourer and since it all of it was almost immediately spent, it never felt like ‘income.’ Their one room house, where it was difficult to accommodate more than two adults at once, pushed them to do the impossible – dream of owning and new house and believe that it would come true.

When Geeta received the money, it was just a matter of when to start – the plan was ready and the hope still alive. Ramesh wanted to build the house near the old

¹⁹Understanding the Impact of Cash Transfers: The Evidence, 2016, Jessica Hagen-Zanker, Francesca Bastagli, Luke Harman, Valentina Barca, Georgina Sturge and Tanja Schmidt

²⁰ Household response to income changes: Evidence from an unconditional cash transfer program in Kenya, 2013, Massachusetts Institute of Technology, Haushofer, Johannes and Jeremy Shapiro

house, close to his parents. Although wanting the same thing, a separate, independent house, which feels like home, Geeta differed. She convinced him to build the house on hill, within the hamlet, but far away from her old house, old life and old stress. Ramesh, being the “man of the house”, put up a fight – with ugly accusations, taunts and threats. Geeta was steady in her resolve, the ownership of the money made her confident she said.

Case Study 23

Shanti, whose world was what her husband told her, had no idea what to do with the money she had received. Her husband had withdrawn a small amount and since she had not seen the 2000 rupee note, which was recently issued, requested him to just let her keep it with herself. She safely tucked away the crisp, pink note in her blouse. Tired of working in the scorching sun for the entire morning, Shanti lay down in the afternoon with a smile on her face.

Shanti lost the 2000 rupee note. She did not know how and when and where. Knowing her alcoholic husband who got furious at her for putting less salt in the food, she knew the why, how and when of it did not matter. She feared for her life and her anxious mind was just thinking of sending her children to her relatives place for the day, when Shantilal, her husband realised something was amiss. She denied to the best of her ability in the fight or flight situation, but after he raised his voice and demanded to know again, she caved in and blurted everything out.

Shantilal did not do anything and calmly asked her to be more careful next time. Shanti still wonders what all she could have done with the money. Since their father is generally in a good mood and does not come home drunk each night, after they received the money, Bhavana, Priyanka and Neema have started sleeping in their own house at night instead of their neighbours.

The above cases illustrate the various dimensions of how cash transfers can change lives of women and men in a poor hamlet. The benefits are significant, which by itself is not unexpected as the amount shared was also considerable. Albeit the above studies are based on immediate post transfer impact, it appears that for a noteworthy number of households certain changes would be sustained. Later follow up end line study should better reveal that.

Conclusion

It is clear through the analysis of this pilot that unconditional cash transfers have wide ranging impacts in the short-term, leading to increased consumption and material well-being, stronger economic capacity through improved capital formation,

debt reduction and rising hope levels. This is in line with the findings and observations from similar studies conducted across the globe.²¹

If such a substantial transfer will translate into a long-term sustained impact on poverty alleviation remains to be seen. It is worth studying whether cash transfers are sufficient to address poverty and social exclusion on their own.

An end-line survey would be conducted to assess the same, in both the control and target hamlets identified initially. This would authenticate causality between the pilot intervention and the impact observed. These and future results would be the subject of a forthcoming paper by the authors.

Appendix I

²¹<http://cashrelief.org/resources/>

Based on the characteristics of the households observed during the baseline, the following case studies seek to understand some uncategorised impacts of the cash transfer on the family.

Case Study 24

Naval is a sceptic, questioning everything, though in her own mind. She says if it were up to her, her fear would not have let her spend even a paisa. Her husband Shankar, on the other hand knows no fear and after a night of celebration having received the money, went to all nearby villages and told them – “I am a rich man now. I have lots of money. A sir and madam who have a lot of money are stupid enough to give it for free. I will buy alcohol for every man in the village.” Word spread and questions were raised with a few women even being harassed. When it was discovered that Shankar had divulged this information to others, all villagers started maintaining distance from him. “If there is ever an issue, we will run away. What else can a poor woman like me do?”, says Naval.

Naval and Shankar are rebuilding their house now, to make it feel more like home.

Case Study 25

Huraj, Kanku Bai’s daughter-in-law is suffering from mental illness and is staying at her maiden house. This pushed her husband, Bhagwati to find solace in alcohol, pushing him deeper in the abyss. He only worked on days when he didn’t have enough money to buy local alcohol. However, since cash was disbursed to Kanku Bai, he keeps fighting with his mother for money, at times threatening her. Kanku Bai is the only one holding the last strands of hope for the mother-son and husband-wife relationships.

In spite of being the only decision-maker, Kanku Bai does not feel empowered. In such a situation, even such a substantial transfer may not bring any relief. However, she is determined, fighting her own son and community, and not giving in to what everyone else is thinking and doing. Kanku is taking her time to understand and explore the possibilities that the transfer entails. In the meanwhile, she is spending money on her grandchild, planning a better future for her.

Case Study 26

Such strong is the fear of repayment following disbursement of “free money” Tulsi says even if she were the only one to decide what to do with the money she received, she would just let it be. This is despite her belief that this intervention has improved the conditions at her home, with everyone being visibly less tense and at peace.

However, there is no difference she feels in herself, although she thought that having received the money, she will have a voice in the house, yet the family did not listen to her then and she her words fall on deaf ears even now.