

ABSTRACT

Poverty Alleviation Efforts in Kenya: Combining the Top Down Approach and the Bottom Up Approach

Vanessa Nyaboke Onguti

Director: Steven Bradley, PhD

In the quest for poverty alleviation, there are typically two approaches undertaken: the bottom up and the top down. The bottom up model consists of grassroots efforts focused on programs in specific communities or individuals. This often takes the form of local social movements, small scale investment through micro-finance and savings and targeted problem solving such as deworming practices to see an increase in school attendance. On the other hand, the top down entails macro efforts that require scale to effect efforts for a country as a whole. Education reforms, better health care systems or limiting corruption via a checks and balances system are all means various governments utilize to decrease poverty levels in their respective countries. This thesis explores both approaches using Kenya as a case study for more careful analysis of a country's causes of poverty. I conclude that both approaches be applied in conjunction with each other to address poverty on both a national and local level as a quicker means of alleviating if not eradicating poverty.

APPROVED BY DIRECTOR OF HONORS THESIS:

Dr. Steven Bradley, Department of Management and
Entrepreneurship

APPROVED BY THE HONORS PROGRAM:

Dr. Andrew Wisely, Director

DATE: _____

POVERTY ALLEVIATION EFFORTS IN KENYA: A COMBINATION OF THE TOP DOWN
APPROACH AND THE BOTTOM UP APPROACH

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By
Vanessa Onguti

Waco, Texas

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CHAPTER ONE

Introduction and Over-View

International organizations and developed nations have set an ambitious goal to halve the number of people in the world living in poverty by the year 2015 (World Bank, 2000). While investment has led to rapid economic growth in many countries (e.g China, and India), the challenge remains to include the poorest in the economic development process (Bruton, 2010; McMullen, 2011). While international support is certainly a part of the equation to alleviating poverty, there is also a growing recognition that each country will have to address causes of poverty from within. A current overarching debate is whether to emphasize macro-level problems, a “top down approach,” or start with individuals at the local level using a “bottom up approach.” The top down approach emphasizes institutions and infrastructure accomplished by government, non-governmental organizations (NGOs) and the infusion of both foreign aid and international loans. The bottom up approach emphasizes a localized search process that addresses individual needs primarily through microcredit and business development (Easterly, 2006; Moyo, 2009; Karlan & Appel, 2011; Banerjee & Duflo, 2011). There has been much debate and a theoretical divide between these two camps as to the most effective approach to address poverty.

In this thesis, I argue that both the top down and bottom up approach have particular advantages and disadvantages and should be integrated to speed the process of

development. The causes and solutions to poverty are complex and at times seem intractable. Therefore, it might seem ambitious for an undergraduate to offer input to this issue. My perspective draws from three distinct vantage points that allow me to humbly step to the platform and speak to this issue. First, I am Kenyan and have seen and experienced many of the issues addressed in this study. Second, I have worked with an NGO to work towards solutions to poverty and have seen glimpses of what might work and what does not work. Third, I am part of what Ghanaian economist George Ayittey calls the “Cheetah Generation, “ a young generation of Africans who are ready to put aside corruption in our countries and lead the way in business and poverty solutions (Ayittey,2008).

A variety of reasons have been provided to account for the causes of poverty ranging from a lack of proper governance (corruption), aid dependency, a poor health care system, and lack of opportunity for the poor. Some economists such as Jeffrey Sachs and even Paul Collier have gone beyond identifying a particular cause of poverty to using a collective term famously known as the ‘poverty traps’. Poverty traps suggest that “certain low-income countries face particular constraints and circumstances other than just low incomes that make it much more difficult to fight poverty,” (Radelet, 2010). Jeffrey Sachs has emphasized health and geography as key contributors to poverty traps. Diseases such as malaria and AIDS, reduces worker productivity and deters investors, leaving people poor and even more vulnerable to disease (Sachs, 2006).

Paul Collier, has also addressed geographic disadvantages which include being landlocked with bad neighbors, as well as the resource trap, conflict and bad governance. Geography can also lead to resource disadvantages such as lack of access to waterways,

needed minerals for production or climate that limits agricultural input. Collier argues in *The Bottom Billion*, that “low incomes and slow growth make countries more vulnerable to conflict, and conflict keeps countries mired in poverty in a vicious negative cycle,” (Collier, 2007). In addition, bad governance or corruption, entrenches poverty in countries as leaders siphon off resources and undermine economic opportunity. Thus making it more difficult to form the proper institutions and form proper institutions and improve governance. While it is not impossible therefore to rid a country of causes of poverty traps, it is difficult and will take an ‘all hands on deck’ approach through integrating both top down and bottom up solutions.

A controversial approach that some argue could serve as a starting point in eliminating these traps is aid. Foreign Aid, to many organizations such as the World Bank and the International Monetary Fund, is a means whereby financial assistance is stipulated with institutional reform is a means where development efforts can be jump started. Some economists disagree with this approach and argue that aid has actually been ineffective and that alternatives must therefore be sought. Dambisa Moyo, a Zambian born and Harvard educated economist is completely against aid to developing countries and even dedicates a chapter in her book *Dead Aid*, discussing the myth of aid. She argues that aid causes a vicious cycle as it corrupts governments providing them with too much access to cash that may be misused rather than applied towards solutions to poverty (Moyo, 2009). Thus, there are several reasons that account for reasons for Africa’s low levels of development and there several suggestions of how to combat these factors.

What is referred to as the top-down approach is a concept that is typically undertaken by international organizations such as the World Bank or the United Nations, bigger non-governmental organizations (NGO's) and even donor countries. This approach consists of policy reforms such as making education or health care easily accessible to or an economic reform to increase taxes via tariffs. A country's government can make these policy reforms or it could be the result of a collaboration of a government and an international organization. Ghana is an excellent example of a government that implemented some top-down models that were of great benefit to the country. President Jerry Rawlings invoked an 'economic recovery program,' where the focus of the program was to increase government funds (Radelet, 2010). This was realized by cutting expenditure and strengthening tax collection, "bringing the budget deficit from over 6 percent of GDP in 1982 to near zero in 1986," (Radelet, 2010). Other significant changes occurred, including economic growth averaging 5 percent per year for 25 years, life expectancy increasing from 53 years in 1980, to 60 years as of 2010, and even an encouraging increase investment jumping from 7 percent to 37 percent (Aryeetey et al, 2008). Ghana an example of how effective some top down approaches, when carefully planned out and followed through can be. Many economists however are not in favor of this approach. The reason usually cited is this model formulates good intentions but they rarely carried out. In William Easterly's *White Man's Burden*, he laments, "in foreign aid, planners announce good intentions but don't motivate anyone to carry them out; searchers find things that work and get some reward," (Easterly, 2006). In essence, the top down model in its approach does have good intentions, but as a result of the a dis-

connect between the top (law makers) and the bottom (the very poor), these intentions are rarely realized.

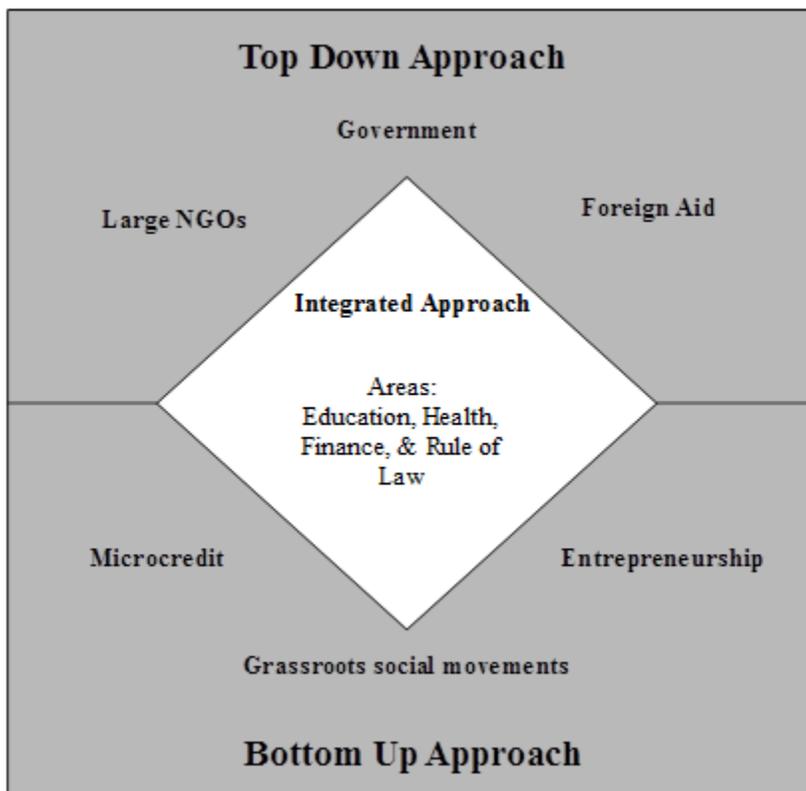
The bottom up approach is one that is intentional about the individual or community that it seeks to assist and thus seems as a more appropriate avenue to take in efforts aimed at combating poverty. The aim of this model is to empower a specific individual or community into being self-sufficient. This approach is more conversant with local grass roots or smaller non-governmental organizations with a clear agenda and a tailored plan to fit the specific needs. According to William Easterly, “a searcher believes only insiders have enough knowledge to find solutions, and that most solutions must be homegrown,” (Easterly, 2006). This has been achieved in several ways such as deworming school children and supplying them with school uniforms to increase school attendance and will be explored in greater detail in this study. It could also involve setting up mobile clinics and supplying free or very cheap treatment of diseases such as malaria and AIDS that are endemic to Africa (Radelet, 2010). The most famous means this approach is known for is providing loans that can finance very poor individuals, enabling them to startup businesses and eventually become self-sustaining. This approach is perhaps more effective because it finds out the true needs of a community or individual and it imparts custom made solutions that are tailored to address the specifics of the situation, all the while tracking the changes and making the necessary changes to achieve better results. Therefore, the chances of success in this model are far greater than those of the top down approach where there is a divide between the actions the top few take and what the bottom poor actually need.

Though both these approaches have caused several debates with economists and international organizations arguing over which approach is better, it must be realized that each model has its own strengths and its own weaknesses. The top down model has the capacity to provide funds necessary to build schools and hospitals all of which are necessary in development. However, particularly with monetary aid, this approach also allows corruption to thrive (Moyo, 2009) and delays progress in diminishing poverty. As for the bottom up approach, though it may be well calculated and initiated, I find that it may take considerable time for a country to truly realize a reduction in poverty levels seeing as each solution is tailor made to suit an individual's or a community's needs. If the bottom up approach was the sole means to reducing poverty levels, how many children might die of hunger while custom made solutions are made designed? Seeing as there are 925 million people in the world that are under nourished, according to the world food programme (wfp.org, 2012), I believe this figure speaks for itself and can contribute to the need for the integration of both models in order to achieve quicker and longer lasting results. It is important to realize that this integration is possible as a result of technology. Technology such as the internet or cellphones has really paved the way for integration to occur more efficiently and at a faster rate. This contribution is one that has been full of impact in the development field and its results have been widely felt.

I will thus explore both models while giving brief suggestions for integration. I will pay particular attention to Kenya so as to narrow this proposal down and see how this idea could be implemented in a specific country. Given the myriad of potential problems to address related to poverty, I will focus my study on four key areas – education, health, finance, and the rule of law as shown by the model in Figure 1 below.

My study will often draw from particulars in the Kenyan situation, but should generalize to other countries with similar conditions. The organization of my study is as follows. In each Chapter, I address a key area from the top down, bottom up and then an offer a suggestion for an integrated perspective as shown in Figure 1. I then finish the thesis by giving an example of a grassroots organization in Kenya that I feel that integrates both approaches and I conclude with a summary.

Figure 1: Overview model of study.



CHAPTER 2

Education and Poverty Solutions

The Top Down Model

Attaining an education has numerous benefits in all levels be it to a country, community or an individual. Education enables skills to be imparted and builds better leaders who can in turn formulate better policies (Radelet, 2010). With education comes better jobs, better health, and even better gender equality (Karlan and Appel, 2011).

Less than a decade ago a plan to expand free education in Kenya was launched. This was strategic for the government of Kenya to focus its development efforts as education is key to increasing productivity, reducing social inequality and consequently serves as an integral road map to economic development (Council of African Ministers of Education, 2000). This however was not Kenya's first effort in tackling its high levels of poverty via education. In fact, according to Bourguignon (1998), Kenya in comparison with other countries spends more of its scarce funds on education, shedding light on just how serious the government actually prioritizes education.

The main question however is whether all these efforts to enhance enrollment in provide intended benefits. These efforts should show an increase in the numbers of children in schools as well as in the quality of education. In earlier years when Kenya adopted this program of free education, it was abandoned when costs became too high and was done away with by the Structural Adjustment Programs (SAP's) (Vos et al., 2004). Consequently, there was a decline in school attendance in both the primary and

Secondary levels due to the fact that the parents were left with the burden of footing the tuition bill along with school uniforms and textbooks. The approach, though full of good intentions, became counterintuitive and contributed to Kenya's deteriorating levels of educational development.

“Education performance is most strongly associated with factors that determine the access to the educational system. That is, while issues of internal efficiency of education are also important, the more critical issue is to make sure children enter the schooling system in the first place,” (Bedi et al.,2002). The above quote stresses one of the core areas in education reform the Kenyan government ought to focus its strengths on. This was not the case in Kenya and in fact, with the free education came a decline in the school enrollment rates “Gross primary education declined from 98.2 percent in 1989 to 88.67 percent in 2002, while the secondary school enrollment rate dropped from 29.4 to 23 percent during the same period. Why then the decline in enrollment rates when education was free? Over-crowding. The teacher to student population was too high and resulted in minimal learning that was not up to par with the standards present in private schools or in the international scene. Many parents either relocated their children into private schools or simply pulled them out of school altogether as learning was minimal while money was being ‘wasted’ on books, transportation as well as school uniform costs. Even with the free education, some children were still not enrolled in school due to reasons like child labor or even the lack of schools within their vicinity. In the instance of Kibera, the largest slum in Kenya, many children were still seen loitering the streets during school hours according to an Oxfam survey (Oxfam 2003) and this was attributed

to the lack of schools within the slum area or in close vicinity. Inadvertently then, the government with the free education reform actually did a disservice to many.

The Bottom Up Model

For educational improvements to develop from the bottom up, it requires local community members affected to take a stand for reform where educational policies or spending are off target. A study of education in Uganda revealed that nearly half of the schools did not receive the funds allocated to them by the government. Those who did receive funds only received approximately 13 percent (Banerjee and Duflo, 2011). The results of the study prompted the headmasters of the schools that did not receive their funds to initiate formal complaints. As a result the Ugandan government began to publish the exact funds each school in each district was meant to receive and it since it was public knowledge (the information was also published in the local languages), the percentage of the money being disseminated quickly rose to 80 percent (Banerjee and Duflo, 2011). This Ugandan story is simple yet encouraging, especially seeing that the headmasters were in part responsible for the much needed reform.

Similar to the top-down model, education is an integral area for the bottom-up model to focus on. Both models agree that with education comes progress and positive change hence both embrace plans promoting education “The declaration containing the MDGs was adopted by 189 nations and signed by 147 heads of state and governments,” (Karlan and Appel,2011). Clearly, it is not debatable that a solid education can bring about a great amount of change directed to enhancing the development process, and it can also leave an individual with common knowledge that can go a long way in daily

interactions. Education is an indispensable area for the bottom-up model to focus on as it is typically a requirement for acquiring jobs which consequently aid with the model's eventual goal of self-sustainability. However, not many children in the slums or very rural areas of developing countries are able to regularly attend schools and this occurs for a variety of reasons. One typical reason is the lack of school uniforms. Although Kenya implemented the free primary education reform, parents were still required to purchase school uniforms, proper school shoes, textbooks and a small fee if extra tuition was needed for a child struggling in a certain subject. For many families however, these extra fees incurred turn out to be a burden and some resolve to either educate one child typically the male child while others decide to keep their children home to help with the farm work or the family business. Where the government had set up a program with the intentions of making education more accessible, some are still left out of the loop and do not get to be a part of what could be life changing. This is where non-governmental organizations (the much smaller ones) step in, in that they make a conscious effort to attempt to reach those that seem to be forgotten by their governments.

Aid from non-governmental organizations may take different forms but the end target is the same: increase educational opportunities. Some organizations such as Huruma which was founded in 1998 (Huruma.org 2008), may simply engage in a project as simple as offering scholarships to students who would otherwise have to for-go a secondary school or a university education. The hope is that recipients of these scholarships attain an education that will eventually help them find work with relative ease, and that with this job they can support themselves and their families, thus in a

sense, there is a spill-over effect that benefits more than the one person that was initially invested in.

Integration

The first example that comes to mind when thinking of how the government could engage in development partnerships with grassroots organizations is the Peace Corps. Founded in 1961 by Senator John F. Kennedy in an attempt to achieve world peace and friendship by working in developing countries, the Peace Corps has attracted more than 200,000 volunteers over the years (peacecorps.gov). The Peace Corps is an initiative led by the American government in partnership with developing countries where recent college graduates are placed in these countries (typically in the rural area), and in an effort to foster understanding between these two distinct cultures, the volunteers dwell and work there for a minimum of two years. The volunteers focus their efforts in the following areas in a developing country: education, health and HIV/AIDS, business development, youth development, agriculture (peacecorps.gov).

In the effort to increase education, the Peace Corps volunteers might engage in teaching the English language to members of the community or perhaps even building a library to enhance literacy. Some volunteers may engage in teaching sciences in order to advance the socio-economic development of a development of a country as was the case in Ghana, “Volunteer’s focus on teaching, led to the establishment of a commendable secondary school science curriculum that was pivotal to Ghana’s technological advancement,” (Frontani and Taylor, 2009). What the United States government is doing in this instance is spectacular because not only can volunteers exchange knowledge with

community members, they can also learn a new way of life and perhaps new customs even. With this exchange, new information is gained and hopefully friendships are developed as well. The peace corps is not the only government initiative that can generate such development; the Fulbright is another similar endeavor.

The Fulbright was introduced by a freshman Senator William J. Fulbright in 1945 and a year later President Harry Truman signed the bill into law (Fulbright.state.gov). The Fulbright since its inception has fostered relationships with the countries and governments they have worked with and have as a result played an important role in economic development. Martin Fisher was a Fulbright recipient who graduated from Cornell University in 1979 with a bachelor's degree in mechanical engineering (kickstart.org). Mr. Fisher's Fulbright placement was in Kenya where he intended on spending ten months, but found himself still residing there seventeen years later. Mr. Fisher is an excellent example of the benefits of programs such as the Fulbright as his investment in Kenya via the money maker pump was immeasurable.

While in Kenya Mr. Fisher met Nick Moon, the man who would later become his business partner in their attempt to aid Kenyan farmers to make more money. The money maker pump is a tool that was developed to help farmers increase their production in order to sell more and hopefully earn more. This piece of technology has helped several farmers to date move from being subsistence farmers to being commercial farmers, an important contribution that could be one means of alleviating global poverty. The money maker pump is able to tap water from underground or from a river upwards to a hill. This is encouraging considering at the time, less than ten percent of Kenya's farmers utilized

irrigation techniques (kickstart.org). Thus there is less dependence on irregular rainfalls and consequently more yield.

The Fulbright and the Peace Corps are a few examples of a how a government led initiative can take on grassroots like ways, which this thesis argues. It is particularly special that friendships can be generated all the while developing innovative ways to end poverty.

CHAPTER 3

Health and Poverty Solutions

Top Down Approach

Health is an integral aspect of development as healthy people tend to contribute more to an economy (Perkins et al, 2006). Health is so instrumental to economic development that it is one of the few areas that the top down supporters and bottom up supporters can agree on. People in good health can not only work but they can work even longer and as a result contribute more to the development of the country as a whole for instance via taxes they would pay. Due to rapid deteriorating trends in Kenya in the 1990's and 2000's the Kenyan government implemented the health care reform. This reform was critical due to the fact that life expectancy levels had declined to 49 years, a figure that is distinctly lower than 62 years where it previously stood in the nineties (Flessa et al, 2011). This disturbing reduction in life expectancy levels was startling considering the government's health care budget had increased in absolute terms whilst the health care services for the rural and urban poor had deteriorated significantly (Flessa et al 2011).

The government responded by opting to abolish user fees. User fees were first realized in Kenya like many other African countries in the 1980's "as a result of economic restraints and international donor pressure," (Chuma 2009). By doing away with user fees the government reasoned, there would be a significant increase in the Kenyan people utilizing health care services. This would mean that many would be cured

of the typical ailments that otherwise hindered them from carrying out their tasks in their jobs or businesses. This decision was based in part on evidence from Uganda where many began making use of health services when user fees were abolished. Practically all health services in Uganda immediately reported a 50-100% increase in attendance, with roughly 50% of the increase being attributed to among adults in poorest quintile within the first year (Chuma 2009).

In 2004, the Kenyan government re-embarked on this no-user fee system (which was in place the previous decade). This program only required a ten to twenty shilling cost for registration which was the equivalent of twenty to thirty cents base cost. Also, children under the age of five with ailments endemic to the region such as tuberculosis or malaria were exempted from the registration charge. A by-product of this was a 70% increase in healthcare services utilization in the first year alone (Chuma 2009). This appeared to be a beneficial program initially. However, it quickly became apparent that this system was only popular among patients and not health care workers. Since there was an absence of user fees and registration fees were very minimal, the quality of treatment began to dwindle as a result. There was a drug shortage and most laboratory services could not be performed. In Makueni district, an area where typhoid was prevalent, there was an absence of drugs thus many had to seek medication from private hospitals, or in some case patients died due to a lack of treatment. Despite the good intentions of the abolition of user fees, the program had unintended negative consequence. Had the government carefully and strategically planned through the process and accounted for the funds required to cater for such a program, it is not hard to argue that the results would have been much different.

This was a good depiction for an application of both top down and bottom up approaches. With the government's ideas, grassroots organization or other governments with successful user free programs could easily have come in by assisting not only with better strategies but also with funds. The Kenyan government would have benefitted from having more money at their disposal because more hospitals or health facilities such as dispensaries could have been built and more money could be allocated to health workers and running the health facilities efficiently and appropriately. These funds however would have to be clearly accounted for and the charitable organizations would serve as a checks and balances system for the Kenyan government in the implementation of this user free health facilities program. However, this would entail the Kenyan government being open and willing to partner with other organizations.

The Bottom Up Approach

In order to classify a health care solution that focuses on the bottom up approach, the innovations would have to be either 'home grown' or localized. Erick Njenga, a 21 year old IT and three of his friends are responsible for a creating a code that would enable to Kenyan health workers to report and track diseases in minimal time via mobile phones. Prior to this project, "handwritten reports and text messages describing deaths and new cases of diseases would stream in from more than 5,000 clinics around the nation and go through more than 100 district officers before being manually entered into a database in Nairobi, (Talbot, 2012). Initially, the Kenyan government was seeking an international contractor to create a code for this program. In exchange for this code, they were ready to part with \$1.9 million dollars, whereas thanks to Erick and his friends, the government only had to spend about \$150 a month (Talbot, 2012). Not only will this cut down the

costs for the Kenyan government, but the program, created by Kenyans for Kenyans can be perfectly tailored to suit the nature of the country's needs. Most importantly, this mobile phone app will assist the World Health Organization to better assess responses to contagious diseases such as malaria and typhoid that are endemic to Kenya (Radelet, 2010).

Another example of a bottom up approach in health care is the example provided by the deworming practice conducted by a group known ICS and two researches in Western Kenya. The problem of worms be it hookworms, roundworms, or whipworms is one that had a surprising effect on researchers Michael Kremer and Edward Miguel (Karlan and Appel 2011). Together with ICS a nonprofit also working in the same area in Kenya, they were able to supply pills for free to students in western Kenya in 1998 and the outcome was amazing. Approximately 80% of the parents signed up their children for this program (meaning people were actually interested) but by far the most encouraging result was in the increase in school attendance. The rate of absentees was cut by nearly a quarter (Karlan and Appel 2011), which is phenomenal social return for a simple pill costing 20 cents for each pill,” (Karlan and Appel 2011). Consequently, the children were in better spirits and many of them went back to school allowing their parents more time for work. Also for those who are still unable to attend school for whatever reasons, these very children who were previously confined due to the worms could also assist their parents with house work, farm work or even the family business. With children back in school that meant more kids acquiring an education and with parents back to work that meant more money being generated in the economy, both of which are means of advancing development.

Integration

One means integration could occur in health care is when the government steps in and assists grassroots organizations in pursuit of their goals. Dr. Helena Ndume, is an ophthalmologist who was born and raised in Namibia and later pursued an education in Germany only to return to Namibia and work for the largest eye clinic that is run by the government. Dr. Ndume noticed the prevalence of cataracts, a disease that causes blindness. Cataracts are prevalent in Namibia, affecting tens of thousands and recognizing that the country has a population of about two million, the number of people ailing from cataracts is quite high (CNN). Along with her team of international volunteer doctors, they began offering screenings that were followed by thirty minute surgeries (per patient) that enabled many to regain their sight. Integration would then occur by the government stepping in and providing Dr. Ndume with more staff at her personal clinic since she mostly works with International doctors who volunteer. Also, the Namibian government could choose to fund Dr. Ndume and assist her in opening up more clinics throughout the country, as cataracts affect a large majority of the senior population in Namibia (CNN).

It would be of great benefit then for the government to focus on assisting private practices as they are more innovative and would make better uses of resources. This is a result of their narrow focus, like Helena Ndume's example has provided and consequently more effort is going into dealing with a particular illness eventually leading to better results.

CHAPTER 4

Rule of Law

Top Down Approach

In Kenya the term ‘kitu kidogo’ meaning something small, is used on a daily basis and is one that anyone visiting the country ought to familiarize themselves with as they will come across this it numerous times. ‘Kitu kidogo’ is referenced in multiple scenarios be it attempting to acquire a passport quicker, avoiding a traffic violation or simply eating at a local restaurant (street beggars) one may easily encounter this term more than five times in a day. It is easy to fall for this ‘kitu kidogo’ culture as it gets services performed faster and delivered quicker. However, it fuels corruption and as earlier established, corruption is a stumbling block for economic development. Typically international organizations such as Transparency International would be the front runners in exposing corruption, however things have taken an interesting spin in Kenya lately and the corruption fight has now moved into the hands of the public.

The Kenyan government must be acknowledged for its efforts in fight corruption that dominates the country by forming the Kenya Anti-Corruption Commission (KACC). However, the KACC has caused strife among Members of Parliament who have been reported on due to corrupt dealings. As a result, division and un-cooperation began to occur, and these are two effects that deter development. Transparency International should also be applauded for its tireless work in evincing corrupt governments and the likes all in an effort to enhance economic development in a country. International

organizations however are not the only ones advancing this bottom up effort, the Kenyan people are too.

Bottom Up Approach

I paid a bribe.or.ke founded as recently at 2011, enables citizens to record instances where they acquiesced to paying bribes for services or to avoid repercussions. This innovative idea is not only comical when people share their stories, but it helps get a sense of just how widespread corruption levels are and hopefully with the knowledge of this information, more can be done to ride the country of corruption.

I particularly respect this organization because it is home grown and it encourages more Kenyans to take up this fight for rule of law that affects economic growth and poverty rates. Anthony Ragui published the site in order to make bribes for simple tasks such as acquiring identification documents or even getting admission into a school vanish (Strom, 2011). The site has had over fifteen thousand hits and over four hundred bribe stories (ipaidabribe.or.ke). Interestingly enough, the site also contains instances where people did not have to pay a bribe and instances where people rejected to pay bribes along with stories of those who did pay bribes. I say interesting because these instances where people opted not to pay the bribes can serve as an encouragement to others that way the next time they are caught up in similar circumstances they too will hopefully reject the convenience of paying a bribe. Hopefully this will slowly tear down the corruption walls dominant in Kenya.

Kenya is not the only country to see grassroots efforts to curtail corruption via the site 'I paid a bribe'. Similar websites exist in other countries as well. Countries such as Pakistan where corruption cost the government a staggering 94 million dollars and in India where one often has to pay fees for obtaining a birth certificate have seen similar efforts to root out corruption (Strom, 2011). These efforts ought to receive more recognition as the benefits may be profound. However, it cannot be denied that many governments are unhappy with these sites, as it makes the country look bad and may even deter investors.

Integration

This area of development would be a little more difficult to integrate particularly because it falls under the 'rule of law'. However, the government could combine efforts with the founder of this type of website. One way they can do this is by guaranteeing the site "freedom of press" protecting this according to Kenya's new constitution, thus allowing the site's administration to freely publish the stories of their readers, even though some high officials may be caught up in some of the corrupt stories. Another form of integration actions by the government taken from information learned from reported cases. In Kenya, a traffic violation can be avoided by simply bribing an official. From a family member's experience, she claims it takes about 500 shillings to bribe a traffic officer whereas the fine would be in the thousands, that is after spending a few hours in jail. With this information, the government can then step up its efforts and keep a tighter watch on corrupt officials. These corrupt officers ought to be fined or even terminated upon knowledge of their mischief. This will hopefully serve as a means to curtail corruption levels, and

perhaps this could lead to a more appealing Kenya to investors as the regulations would be clearly spelt out and adhered to by officials.

CHAPTER 5

Finance

Top Down Approach

Top down approaches to poverty typically involve large scale expenditures on investment in infrastructure, health or education. Because poorer countries typically do not have enough capital, this financing comes from international loans or grants in the form of aid. In his 2005 work, *The End of Poverty*, Sachs writes "Africa's governance is poor because Africa is poor." (Sachs, 2006). Sachs is a key proponent of increasing aid from \$65 billion in 2002 to \$195 billion a year by 2015. This approach takes the view that an "initial push" through investment will overcome variables that entrench poverty. For example, he proposes large scale investment in agriculture to increase productivity, as well as other infrastructure projects like roads and dams. Much of this type of work is coordinated through the UN Millennium Development Project of which he was the director from 2002 to 2006. Sachs also founded the Millennium Villages Project which is a plan to end extreme poverty in various parts of sub-Saharan Africa through targeted agricultural, medical, and educational interventions. These large scale projects have gained international attention through celebrities such as Bono and Angelina Jolie, who also advocate other top down approaches such as debt forgiveness for impoverished nations. Others, such as William Easterly, Easterly have presented statistical evidence showing that many emerging markets attained their higher status without the large

amounts of foreign aid Sachs proposes. Easterly recommends a “searching” approach that targets local projects more directly and are less susceptible to corruption – a bottom up approach to which I turn next.

Bottom Up Approach

Perhaps the most well known bottom up approach is micro-finance which has been around for a while but started gaining fame in the 1970s when Muhammad Yunus founded Grameen Bank in Bangladesh (Armedariz and Morduch 2005). The idea was recognition that many of the poor had no access to financial capital due to a lack of collateral. No collateral would consequently mean no loan thus stagnating poverty and hindering development.

Collateral has always been and will continue to be a requirement in receiving a loan. Microcredit’s innovation is using social collateral finding others to form a group and back each other’s loans to provide security for the lender. These micro-lending organizations therefore provide a way for the poor to acquire loans and consequently become self-reliant. A famous micro-lending organization in Kenya is Faulu, an organization that is regulated by the central bank of Kenya (Faulu Kenya 2012). Faulu is very popular as it offers very low interest loans as small as 500 shillings which is the equivalent of 7 dollars. Their program is accessible in even the most remote parts of Kenya. These loans provide seed money with the hopes that businesses may grow and they may earn a more stable income to support themselves and their families.

Saving is another popular tool accompanied that goes along with micro-finance. I got to witness the benefits of savings first hand in Nairobi, Kenya at City Harvest Ministries (CHM). A group of about forty women, all who had tested positive for HIV/AIDS pooled the profits they made from their businesses (which they were able to build up from loans they received from CHM). They then used this saved money to purchase land as a group. Like other countries, land is an important investment in Kenya because it can be used for different purposes and it appreciates in value. Money used from the use or sale of land can then be used to generate additional income. It was encouraging then to witness this group of dynamic ladies willing to save as City Harvest really encouraged them to do so, and it is even more encouraging that their futures seem more secure financially. Changes such as the possibility of moving out of the slums, or finally being able to buy their children textbooks for school will eventually occur as a result of selling the land they intend to invest for a profit.

Grand as this approach may be, it is still very target specific and even with micro-finance a lot more women are granted loans than are men, which still leaves behind a portion of the population that continue lagging in poverty. I say target specific also to illuminate the fact that these efforts better an individual's life or a group of people in a community. However, it is not completely sufficient to lift an entire country out of poverty. This approach must be partnered with measures the government is taking in order to accelerate development.

Integration

A possible means of integration would be applying funds from aid money, to microfinance organization such as Faulu. This would give Faulu a greater capacity to reach more individuals in need of capital to start up their businesses. This would be a more efficient way of applying aid money because a majority of these loans will be paid back to the lender and individuals would be ensuring their self-sustainability. This then allows the country to slowly wean off of loans given by international organizations such as the International Monetary Fund or by other countries, which leaves more money in the economy of the country as opposed to money going back to pay off the loans, including interest.

CHAPTER 6

Integration Put into Practice

This last section of this thesis is devoted to examining grassroots organization that combines both approaches in an effort to pacify the high levels of poverty in Kenya. Hopefully then, this organization can serve as a model that will eventually lead to more emphasis being placed on integrating both models in poverty alleviation efforts.

Located in the eastern part of Nairobi, City Harvest Ministries is a local grassroots organization with the purpose of caring for those ostracized by society and assisting the poor. The ministry operates from a small building with a staff of about ten people including Pastor Edward Simiyu the organizations founder. Pastor Simiyu affirms that he started City Harvest with the intentions of welcoming those bearing the burden of HIV/AIDS especially since it was widely looked down upon to have the disease or the virus and many churches condemned the people suffering from this. Thus Pastor Simiyu's agenda was to provide a sanctuary where HIV/AIDS individuals could worship together along with other members who did not carry the disease or the virus, this way he reasoned he could lessen the amount of stigma present in Kenya at the time. With the disease came along a social stigma where neighbors, friends and even some family members would stop interacting with the infected individuals. This stigma went as far as vendors who were aware of a particular buyers status, would not sell to people carrying the disease or virus for fear

that the disease may be contagious via mere interactions such as shaking each other's hands and even hugging. Lack of groceries or of family support,

and then being condemned at church would then lead to some considering committing suicide, as one member who I got to meet last summer, confessed. Seeing a great need for care, Pastor Simiyu opted to cater to this group and see to it that they receive spiritual uplift and counseling.

Over the years, the organization has grown more and has over five different groups of about 15 per group, of people who tested positive with HIV/AIDS meeting monthly to offer encouragement to each other. These groups have even gone further than merely meeting to offer each other moral support; they create crafts that are sold locally in Kenya but also abroad (even here at Baylor University). This beautiful transformation has inspired many including many Baylor students but especially the group that started the Kianga project. Three Baylor students who all interned at City Harvest at some point during their time at Baylor University began the Kianga project as a means to help the poor members of City Harvest earn a living. These City Harvest members make jewelry, knit scarves and other types of artwork (which are really good might I add seeing as I have several of their pieces), in order to earn some type of income. I was privileged to meet Rukia, an avid City Harvest attendee and one of the many people who benefit from the Kianga project in that she has been able to send her children to school and purchase textbooks and school uniforms for them, and even pay her rent. These are just some minor examples of the various projects City Harvest has going on. The main project however that really stood out to me was one in West Pokot, an arid area, in the North West region of Kenya where Pastor Simiyu with combined efforts from private donors was able to build a school in that remote area. He was also able to bring running water to the community from private donors here in the United States and consequently has built

around eight wells whereas prior to his arrival, none existed. With the wells, the cattle can drink and more importantly so can the people. Hygiene can finally be a priority and plants can be irrigated in times of harsh drought. Even more importantly however, more conflicts can be avoided as prior to the wells, the Kenya Pokot tribe would have to find a means of acquiring water and the nearest source is in Uganda (Pokot borders Uganda), this however did not leave the Ugandan Pokot tribe very happy thus they would retaliate and violence would erupt.

Education, as mentioned earlier has been achieved in Pokot as well. The students learn English, and Kiswahili, both Kenyan national languages but the Pokot tribe seeing as it is so far removed from the typical Kenyan society, only speaks the Pokot language. City Harvest then in many ways has been able to champion the development effort in rural Kenya as it has provided education to a rural community and hopefully these very eager to learn students will continue on to further their education and eventually come back to their community and share their knowledge be it through teaching or even by suggesting a means by which development efforts can be enhanced. However, credit must be given where it is due and the Kenyan government in this instance ought to be applauded. Thanks to City Harvest, the government recognizes the school and as an added incentive for parents to keep their children in school, the government offers free lunch to all the students. This way parents are encouraged to release their children to attend school and are less stressed about what to put on the table as the government caters for at least one meal a day.

On the health topic, City Harvest (CHM) has also gone to great lengths by partnering with the Kenyan government. CHM has opened up a voluntary counseling and

testing center (VCT) whereby members of the Nairobi West region can receive free HIV/AIDS testing and counseling. The partnership consists of the government handing supplies to the center and the center carries out treatments and offers counseling afterwards. This combined effort can and has yielded positive outcomes and should definitely be replicated across the country and even the continent.

CHAPTER 7

Conclusion

I am aware that what this thesis posits is grand and perhaps difficult to attain. In my humble opinion however, I do have a strong conviction that it makes sense. Both these approaches have their weaknesses and their strengths. The top down approach essentially consists of policies and reforms a government can take that could change the dynamics of a country. As referenced to earlier, Ghana is a great example of the transformation that can occur as a result of well thought out policies. Granted there are also weaknesses such lack of accountability, but this does not merit this approach being completely disregarded. Positive change can actually occur from proper management of power via a checks and balances system for this approach. As for the bottom up model, it is more effective because it is focused, and tailored to fit the true needs of an individual or a community. However, this model is rather slow because of its approach to solving poverty. It is true, “better late than never” however with 925 million people undernourished (wfp.org), there needs to be rapid assistance.

Applying these approaches in conjunction may incur a few problems, however the possibility of what can be accomplished is what ought to count. Combining these approaches would result in a more accountable and more efficient technique in combating poverty. There need to be less debates over which approach works best, rather more debates on the quickest, most efficient and surest way to end poverty. Both approaches seem to work well (when well applied) in their own contexts, however, it is time then that

an integrated approach is considered. It would consist of what works best from each approach and what does not will be discarded with. One child dying as a result of malaria, or lack of food or simply a lack of clean water is unacceptable. Millions dying then is astounding and there needs to be action quick before any more lives are lost. The focus ought to shift to the good that each approach can bring, and then combine efforts. This will surely speed up the development process, and will hopefully contribute to eradicating poverty.

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