

KENYA'S VISION 2030:

AN AUDIT FROM AN INCOME AND
GENDER INEQUALITIES PERSPECTIVE



SID

Society for International Development

Published by:

Society for International Development
Regional Office for Eastern Africa
Britak Centre, First Floor, Ragati/Mara Road
P O Box 2404 – 00100
Nairobi Kenya
Telephone: +254 - 20 - 2737991
Fax: +254 - 20 - 273 7992
Email: sidea@sidint.org
Website: www.sidint.org

ISBN: 9966-7026-9-5

© Society for International Development, 2010

Copyright of the photographs used in this publication resides with their owners and are used with their kind permission

Permission should be sought from SID before any part of this publication is reproduced, stored in a retrieval system or transmitted in any form or by any means. Agreement will normally be given, provided that the source is acknowledged.

Design, Print and Publishing: Ascent Limited
Tel: +254 - 20 - 2725303
Email: publish@ascent.co.ke

SYNOPSIS

This report constitutes an attempt to audit Kenya's Vision 2030 from both an income inequalities and a gender inequalities perspective, and to assess the ability of the Vision to respond to both of these persistent development challenges. Historically, Kenya has been one of the most unequal societies in the world. The launch of the Vision 2030 thus provided a key opportunity to suggest ways of better conceptualizing and addressing these inequalities for the good of development in the country. The rationale for this audit was grounded in what is now a well-acknowledged fact, that both income and gender inequalities hinder development. They have been found to negatively affect development efforts and present a challenge to the sustainability of development gains at individual, household and country levels.

The objectives of the audit are to contribute to enhancing development planning and resource allocation towards greater equity and equality. The audit is intended to help build understandings of government actors engaged in development planning and resource allocation, as well as their partners in civil society and the private sector, on the impacts of inequalities on development performance generally and specifically.

I FIRST CHAPTER (BY MWANGI WA GITHINJI):

This chapter explores Vision 2030's abilities to tackle income inequalities. With the adoption of an export-led model of development, which has occurred with relative equality in East Asia, it is appropriate to examine whether Kenya's vision successfully incorporates the ability to develop with relative equality.

This chapter suggests that critical to the success of the Vision is its ability to tackle the drivers of inequality:

1. First are the relatively low earnings on average in the small holder sector which employs the largest part of the population;
2. Addressing the push factors behind rural-urban migration which results in depressed urban wages and an increase in informalization of jobs and the informal sector respectively;
3. Inability of the economy to create enough well-paying jobs to absorb entrants into the labor force;

Addressing inequality is argued to be beneficial in that a reduction in inequality reduces poverty; it broadens markets; it can provide impetus for local manufacturing and processing of agricultural goods. Where inequality is high it translates into mistrust within societies and sometimes social and political instability. This can in turn lower investment and gains from trade are also reduced.

The author argues that in order for the Vision to tackle inequalities, it would need:

1. To create sufficient jobs in the formal sector to absorb unemployed and underutilized labor in other sectors;
2. A more rapid rise in incomes of people in low-paying economic sectors such as the informal sector and small-scale agricultural sector;
3. The creation of a large number of new entrepreneurs – but in order for this to be equalizing the new entrepreneurs would have to differ from existing entrepreneurs by race, ethnicity and sex.

The methodology used in this chapter to evaluate the Vision's abilities to achieve the above, includes actual simulations to estimate the impact of growth on inequality as envisioned in Vision 2030. The simulations cover employment and income effects at the national level, employment effects by sex at the national level, and regional employment effects.

The analysis of the employment effects of growth on the formal sector by using gross employment elasticity concludes that the formal sector is unable to produce sufficient jobs to absorb the new entrants into the job market, even at the very high growth rates assumed in the Vision. Because of this and the suppression of wages that will occur, there is likely to be increased inequality. Job seekers are thus forced into the informal and smallholder sectors where their increasing numbers will tend to further suppress the already low wages in the sector. The simulations are also done for sex, region and rural versus urban sectors. In all instances, despite using the most generous assumptions towards the Vision, the chapter finds that inequality increases for a period of time as the formal sector fails to generate sufficient employment.

A further examination considers whether the sectoral emphasis proposed in the Vision can make up for the failure of growth to produce sufficient formal sector jobs. On the whole the plans for the sectors are commendable but they do not address the structural causes inequalities in Kenya. Of the key sectors targeted by the Vision, two stand out as potentially equalizing i.e. the tourism and agricultural sectors. With tourism there is a plan to diversify the tourist product and creating new tourist resorts; there is an emphasis on community-owned and run facilities. On agriculture, any programme that raises agricultural outcomes for small holders is likely to have a beneficial impact. It will however be difficult to gauge the impacts on employment of the other sectors. With manufacturing it will depend on how labor-intensive the sector is. The BPO and finance sectors will likely be less equalizing because they tend to employ more highly educated labor.

The author concludes by saying:

1. Growth alone will not produce sufficient jobs in the formal sector to absorb all the new entrants into the labor market. As the excess supply of labor remains in the smallholder sector or moves to the informal sector, wages in these sectors will be repressed by the over abundance of labor. This repression of wages will affect inequality in two ways. The first is that the direct repression will lead to either the maintenance of the present gap between the formal sector and the reserve sector or the expansion of that gap. The second is that the overall suppression of wages will lead to a larger gap between wages and profits – also increasing inequality. The people most likely to be affected by these processes are the youth;
2. Secondly, regional and sex differences are also likely to continue unless addressed specifically. Here we must also emphasize the coincidence between regional inequality and ethnic inequality. This form of horizontal inequality is of particular importance because it is a source of political instability and if not dealt with appropriately could have dire consequences for the country;
3. Lastly there is a need to improve the data collection for work on inequality. Of utmost importance is the creation of a time series data set on income that would allow for household comparisons over time.

A number of policy recommendations are drawn from the findings, notably that government, through collaboration and other mechanisms, should aim to:

1. Improve information on inequality, employment and productivity to allow for better planning;
2. Intensify the use of labor-intensive methods in both the public and the private sectors;
3. Articulate and implement land redistribution which need not take place in every region, but which via a well-structured tax policy, can see the better use of used, and the raising of resources for land bank (through the taxes raised) for land distribution purposes;
4. Create jobs and enhance food security through labor-intensive rural environmental conservation programmes;
5. Involve the private sector in an urban housing: and redistribution scheme;
6. Make micro-enterprises a platform for exports through the institutional development of associated service linkages;
7. Encourage worker- and community-owned enterprises.

SECOND CHAPTER (BY BERNADETTE WANJALA AND MAUREEN ODONGO):

Chapter 2 considers the economic pillar from a gender perspective; which issue is said to be critical, given the negative impacts of such inequalities on growth.

Gender gaps in education and formal sector employment have led to lower rates of growth. Inequalities in access to land and productive inputs reduce agricultural productivity, investment and modernization, and inequalities in time burdens, alongside a high demographic burden, contribute to reducing women's ability to participate effectively in, and benefit equally from, growth and poverty reduction. It is also recognized that gender equality and the empowerment of women and girls are among the most effective ways to 'combat poverty, hunger and disease and to stimulate development that is truly sustainable'

Specifically, the chapter:

1. Undertakes a situation analysis, highlighting the current gender disparities within the economy and an overview of the areas in which the Kenyan government has made deliberate attempts to improve gender equality;
2. Provides an understanding of the links among gender, economic development and the macro economy;
3. Analyses the flagship projects of the key sectors in the economic pillar of Vision 2030 from a gender perspective; and,
4. Provides policy recommendations for achieving gender equality in Kenya.

The author states that gender gaps in a number of areas determine the gender dimensions within the Vision 2030 economic pillar. The persistence of significant disparities in employment and wage rates; combined with considerable gaps in asset ownership; are said to seriously limit women's economic opportunities.

The audit finds that:

1. Gender issues have not been captured under the core sectoral indicators and targets in Vision 2030. Gender is treated as a social issue, even though the analysis has shown that there is no clear cut distinction between the social and economic aspects of the Vision. The link between the social and economic aspects of the Vision arises because economic policies do have implications for the social aspects of the economy, especially gender.

2. There are no clear gender-related benchmarks and indicators within the implementation of the sectoral projects, which impedes monitoring and evaluation of the implementation of sectoral and national objectives and the pace of gender mainstreaming. Appropriate benchmarks need to be identified for the implementation of sectoral projects. This will entail identification of key indicators that relate to specific gender dimensions of every activity.

Some challenges however exist on the side of the drivers of the Vision:

1. The availability of sex-disaggregated data is inadequate. There is need for timely collection, analysis and dissemination of sex-disaggregated data (especially on time use).
2. Secondly, efforts are also needed to build gender-aware macro models to enable policy makers to assess the gendered impact of policies.
3. Thirdly, there is also need for increased awareness and capacity (technical and financial) within the various ministries to enable them to mainstream gender within their core activities.

General recommendations: To ensure gender equity within the economic pillar, gender must be mainstreamed into the entire policy design, planning and implementation process. This requires that:

1. The Vision 2030 must be directly linked with the key gender policy documents such as the Plan of Action (2008–2012) to Implement the National Policy on Gender and Development;
2. Adequate gender-disaggregated data must be collected and analyzed.
3. All programmes within the key sectors need to be evaluated in terms of their gender implications and appropriate measures put in place to address existing gender disparities.
4. Clear gendered monitoring and evaluation indicators be developed for each programme.

THIRD CHAPTER (BY HULDA OUMA AND BETTY N. MAINA):

The third chapter applies a gender perspective to the social pillar.

In terms of the trends that exist with regards to gender disparities, males and females have generally been found to have strikingly different levels of access to assets, and opportunities, in health, education, economic welfare and political agency. Women and girls have commonly been found to have poorer access than men and boys to human capital development opportunities, physical and financial capital, and employment and earnings. Distinct disparities also exist between the sexes in terms of their political voices, access to opportunities for participating in political processes, and in their decision making capacity generally, both inside and outside the home. These differences have been seen to be mutually reinforcing, affecting the quality of life, welfare, vulnerability and capability, and overall wellbeing of males relative to females, with females commonly found to be the more disadvantaged.

The approach taken for this audit was to combine aspects of two gender analysis tools, i.e., the Harvard analytical framework and the Moser framework.

The audit first briefly reviews the respective agendas of the sub sectors of the social pillar, then, using the selected frameworks (and incorporating quantitative data); the discussion delves into how gender differences and disparities contribute to the challenges facing each sub sector and relates these issues to the proposed strategies and targets provided for each sub sector.

Additional strategies are suggested under each sub sector for ways in which the Vision could have been engendered. These suggestions are not exhaustive; they seek mainly to highlight some ways in which the Vision could target gender disparities.

Differences were found to exist in the extent to which the various sub sectors attempted to integrate some gender analysis within them.

The education and training and the health sub sectors referenced gender inequalities within the context of addressing inequity within these sub sectors.

However, only the education and training sub sector went to the extent of including sex-disaggregated target indicators, specifically for promoting equity in access to education.

In the health sub sector, two indicators are specific to females, while all others are non-disaggregated. The environment, water and sanitation, and housing and urbanization sub sectors, on the other hand, were generally gender-blind in the situation analyses.

The bulk of the social pillar's concern with gender issues is reserved for the sub sector on gender, youth and vulnerable groups. Here, specific gender issues were identified – areas of inequalities in the social, economic and political areas. Specific strategies and targets are articulated, including gender mainstreaming and gender-responsive budgeting. With respect to the latter, however, it is not clear how this will be undertaken under the Vision. No institutional or process mechanisms are given on what plans the government will put in place to ensure that gender issues are mainstreamed across each of the broad areas where inequalities have been identified.

General conclusions:

1. Overall, efforts at gender mainstreaming were found to be limited. From the content of the analyses and strategies, the impression that comes out is that while these issues do have a place, they are not central to understanding the development challenges facing Kenya.
2. Gender mainstreaming requires that a gender analysis be undertaken of any development issue, first to identify the differences and inequalities that exist around the specific issue, and then to determine the extent to which these contribute to the challenges of the development sub sector. The outcomes of such analysis can be used to articulate gender-specific objectives for the sub sector. Both the "how" and the "what" of gender mainstreaming objectives must then be articulated within the operation of development activities and in the desired outcomes, i.e., the monitoring and evaluation of development objectives and activities. None of these issues seems to have been considered for most of the Vision's social pillar, but they need to be addressed if the country is to reduce the inequalities and inequities that hinder Kenya's development progress.

Broad recommendations for gender mainstreaming generally:

1. Make a gender analysis of issues, a prerequisite to any situation analysis i.e. understanding the gender dynamics of the challenges facing each of these sub-sectors so as to ensure that development plans respond to them;
2. Collect sex-disaggregated and gender-sensitive data in each sector to inform the above analysis;

3. The government needs to engender performance monitoring and evaluation frameworks i.e. set sex and gender-related targets and develop appropriate indicators for all sub-sectors of the social pillar.
4. Ensure budgeting is gender responsive: in line with the above gender analysis and set targets and indicators.
5. Build awareness, capacity and ownership of the drivers and implementers of the Vision on an incremental basis.
6. Strategically locate the Ministry of Gender and gender focal points i.e. the ministry in charge of coordinating the address of gender issues, and gender focal points within the different line ministries, need to be given the relevant authority, financial and technical resources, to ensure the effective gender-mainstreaming of plans, programmes and activities.