

Can universal cash transfers spur citizenship? An evaluation of Busibi CT's impacts on (perceived) political efficacy



Executive statement

The University of Antwerp's Institute of Development Policy (IOB) was entrusted by the Belgian non-profit organization Eight VZW to monitor and evaluate the effects of some of its universal unconditional mobile cash transfer (UCT) programs. Such CTs are devised, because of their design features, as small-scale basic income experiments. This brief follows Eight's pilot project, carried out in the rural Western Ugandan village of Busibi, through three different points in time (up to 2 years after the end of the program). The study focuses on the changes that were observed in recipients' citizenship, zooming in more specifically on (perceived) political efficacy. The preliminary descriptive findings provide ground for a few recommendations for policymaking, M&E, and further research on the topic.

Introduction

Given that the role of social protection, and especially of cash transfers, is often narrowed down to monetary poverty reduction only, just a few studies have analysed its potential to enhance the rights, social status and 'citizenship' of marginalized groups ([Plagerson et al., 2012](#)). However, especially in low-income contexts, the links created by social policy instruments represent some of the most important connections between a state and its citizens ([Kabeer et al., 2010](#); [Roberts, 2012](#); [Tessitore, 2011](#)). As such, social protection could play a fundamental role in affecting and shaping beneficiaries' perceptions of citizenship ([Oduro, 2015](#)). The latter acknowledgment partially reflects increasingly more supported definitions of social assistance that extend its aims to transformative improvements in equity, empowerment, and social relations ([Devereux & Sabates-Wheeler, 2004](#); [Molyneux et](#)

al., 2016) through rights-based and citizen-centred approaches (Ulriksen & Plagerson, 2014).

The study expands the limited available evidence around the effects of (non-governmental) cash transfers on citizenship. This brief focuses on one specific dimension of citizenship: (perceived) political efficacy (Wichowsky & Moynihan, 2008), relating to “the feeling that [individual] political action does have, or can have, an impact upon the political process” (Campbell et al., 1954, p. 187). Additional details on this study’s operationalization of citizenship are explored in more depth by Grisolia et al. (2023a). Producing knowledge on non-governmental CTs becomes crucial when acknowledging that non-state provision of social services – which is often expected to undermine government legitimacy (Brass, 2010; Fowler, 1991; White, 1999) and erode the social contract (Schuller, 2009) – is very prominent in low-income countries with limited infrastructure (Alik-Lagrange et al., 2021). Moreover, this phenomenon is prone to the rise of vicious circles, in which the state’s legitimacy is further exacerbated by low rates of citizen participation in political activities, that could in turn be possibly attributed to a lack of perceived political efficacy (Plagerson et al., 2012). While the overall evidence around CT impacts on citizenship in general is also scarce, the few existing pieces of literature analysing the effects on political efficacy only derive from governmental CTs – with rather positive insights. A study on Finland’s Basic Income experiment found, for instance, positive program effects on political efficacy (Hirvonen et al., 2022). Evidence from Mexico and Brazil also confirmed CT-led increases in political efficacy (Dunn, 2017), even though another source on Mexico’s Oportunidades, despite measuring enhanced political participation, did not observe statistically significant impacts on political efficacy (Schober, 2022).

About the study

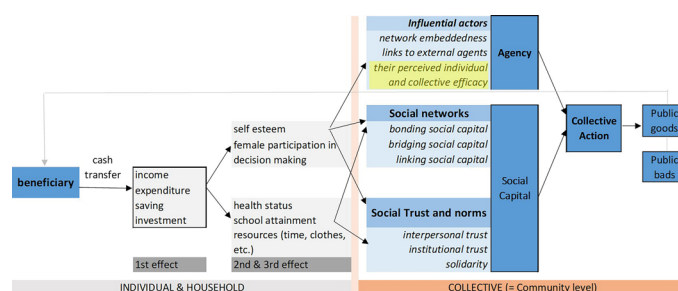
This research stems from an experiment of universal unconditional mobile cash transfer (UCT) conducted in the rural Western Ugandan village Busibi, in which all adults (and children, in a halved amount) received a monthly payment over a period of 2 years (January 2017 to January 2019) from the Belgian non-profit organization Eight VZW. The universality and unconditionality (together with a few other design characteristics) of the mentioned CT made it possible for the implementing organization to devise the project as a small-scale Universal Basic Income (UBI) experiment. For the purposes of this study, program recipients – together with the inhabitants of a control village – were interviewed three times: in January 2018 (midline stage), January 2019 (endline) and January 2021 (follow-up, two years after project closure), using a survey containing inquiries on a variety of individual-, household-, and collective-level outcomes. The follow-up survey was conducted with the aim to investigate the sustainability of impacts – namely, the extent to which effects would persist after the end of the program (OECD, 2021). The absence of a baseline measurement, together with the lack of targeting criteria (because of the program’s universality), made a cross-sectional quasi-experimental matching (Gertler et al., 2016) technique the only viable possibility for a quantitative evaluation of impacts. Cash transfer recipients were therefore ‘matched’ with members of the control group on the basis of a few objective, time-, or cross-group invariant covariates (i.e.,

age, gender, educational level and the size of the social support network at baseline). In this sense, the magnitude and significance of impacts were computed by applying two different methods, for robustness-checking aims: Coarsened Exact Matching (CEM; Iacus et al., 2012) and Mahalanobis Distance Matching (MDM; King et al., 2011). Descriptive and graphical findings, together with a few qualitative insights, were also included, in order to shed additional light on the observed effects, and on the contingent events driving them.

Analytical framework

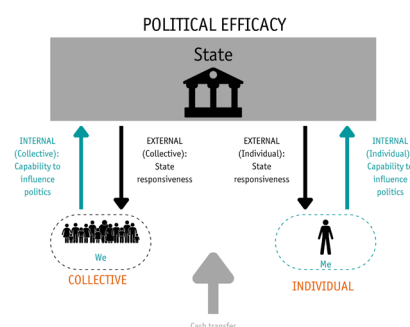
The present study is part of a larger (PhD) research project entitled “One for all and all for cash? An inquiry into social network and collective action effects of cash transfers in rural Uganda”, whose analytical framework is shown below (Figure 1). This brief summarizes a preliminary analysis of impacts on (perceived) political efficacy, including components of individual and collective agency.

Figure 1. Analytical framework of the doctoral project



In operationalizing the variable, political efficacy was differentiated between its internal and external dimensions. While *internal political efficacy* relates to the extent to which citizens believe they possess the skills and capabilities to be politically active (capability to influence politics), the concept of *external political efficacy* refers to whether they believe the government cares and is responsive to their concerns, or not (regime responsiveness; Balch, 1974; Dewachter & Holvoet, 2017). In addition, a further distinction between *individual* and *collective* actors was also introduced, leading to the definition of four separate indicators, as graphically shown and elucidated by Figure 2. More specifically, *external individual efficacy* was operationalized as the extent to which respondents believe public officials care about them, whereas *internal individual efficacy* reflected the villagers’ opinion on their ability to understand politics. Lastly, *external collective efficacy* and *internal collective efficacy* related to perceptions of how much would respondents, as a group, be respectively influential, and competent.

Figure 2. The dimensions of political efficacy



Research question and related hypotheses

The main research question that this brief aimed at providing an answer to was: “What were the impacts of the (non-governmental) cash transfer program in Busibi on (perceived) political efficacy?”

Table 1. Direction of the expected effects on the various dimensions of political efficacy

Dimension	Effect direction
External individual	+/-
Internal individual	+
External collective	+/-
Internal collective	+/-

Theoretically speaking (*Table 1*), we would expect a positive CT effect on internal individual efficacy, whereas the direction of the impacts on external individual efficacy is hypothesized to be less clear, given that the latter is more highly dependent on the level of community involvement of local politicians ([Dunn, 2017](#)). In the case of collective efficacy, the starting assumption was that the transfer, especially because of its characteristics – most noticeably unconditionality and universality –, might foster positive repercussions on the variable through an augmented sense of trust in others’ actions and competences ([Hirvonen et al., 2022](#)). Nevertheless, CT-led deteriorations in collective efficacy could also occur because of the decreased need for collaboration and political action that could be spurred by such a potentially beneficial social program – especially given its non-governmental nature ([Brass, 2010](#)).

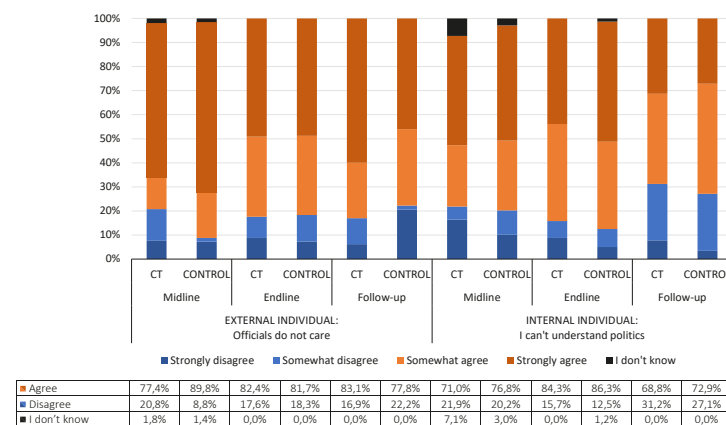
Study results

Result 1: The descriptive analysis suggests that the average perceived individual political efficacy was low

First of all, a descriptive analysis of findings clearly showed that individual political efficacy, both internal and external, was very low from the beginning, for the control and cash transfer villages alike (*Figure 3*). As a matter of fact, at least 75 percent of respondents – of both villages – partially or totally agreed at all times with the statement that “Public officials do not care much about what people like me think” (external individual efficacy). At the same time, at least 65 percent of them also always supported the idea that “Politics is too complicated for persons like me to understand” (internal individual efficacy). The former acknowledgement is likely to be linked to the characteristics of the decentralized Ugandan political system ([Albaugh, 2016](#); [Alava et al., 2019](#); [Okidi & Guloba, 2006](#)), in which the political regime’s responsiveness to individual political action is perceived as low ([Afrobarometer, 2019](#)). So, in sum, the citizens of both villages did not have much faith, overall, neither in their own political capabilities as an individual, nor in the

regime responsiveness to their individual concerns.

Figure 3. Individual political efficacy, differentiating between internal and external



Result 2: A small initial (but not sustained) CT effect on (external) individual political efficacy was detected

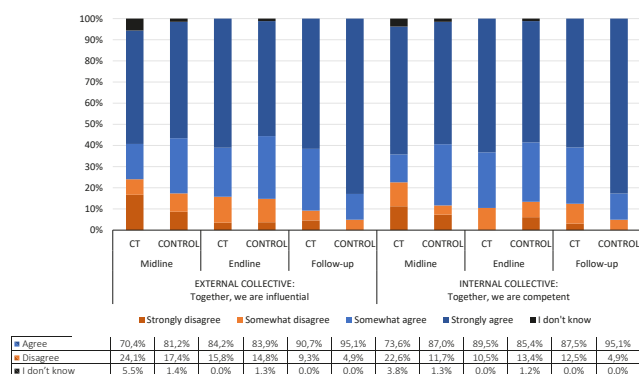
The graphical analysis of results contributed, then, to partially confirm the study hypotheses. The midline data indeed showed higher levels on both indicators – and especially on external individual efficacy – in the treatment group than in the control one. Almost 21% of Busibi’s villagers disagreed, at midline, with the statement that public officials did not care about them, against just 9% of their control counterparts. Nevertheless, while CT recipients scored higher than the control on internal individual efficacy at all rounds, the same could not be stated concerning external individual efficacy. As a matter of fact, after displaying comparable response structures at the endline stage, external individual efficacy increased at follow-up among control villagers. This finding could be related to the visits that government representatives paid to the control village in-between the endline and follow-up stages, providing recommendations related to COVID-19 and handing out protective masks. The latter could potentially explain the observed increase in perceived government responsiveness, unseen in Busibi, given that such visits did not take place there. Summarizing, an initial positive impact on – especially external – individual political efficacy was observed, but this did not last beyond the midline stage.

Result 3: Collective efficacy (both internal and external) on the other hand, was very high among interviewees of both villages

A descriptive analysis (*Figure 4*) confirmed the existence of high (perceived) collective efficacy, with not less than 70 percent of citizens feeling that “if all community members worked together, we would be able to influence policy decisions” (external collective efficacy) and that “Together, the community is a competent group of people, able to accomplish positive change” (internal collective efficacy).

As a middle-aged man from Busibi stated at endline, in fact: “We as fellow villagers believe in each other and in our skills, and we are always trying hard to make sure that everyone is uplifted and not left behind”

Figure 4. Collective political efficacy, differentiating between internal and external



Result 4: The CT may have initiated negative impacts on collective efficacy, even though these were probably not sustained over time

The plotted data showed that, despite being very high in both villages at all times, both internal and external collective efficacy were almost always higher in the control group, than in Busibi. More specifically, during the project (midline), scores for internal (70% vs 81%) and external (73% vs 87%) collective efficacy were lower in the CT village than the control one. This acknowledgement seems to validate the hypothesis that the CT could yield a negative impact on these variables. However, it is less intelligible whether such effects were sustained, or not. As a matter of fact, while very similar upward evolutions over time were observed for both indicators, the control group was always – with the exception of internal collective efficacy at endline – outperforming the CT recipients. If anything, then, eventual CT impacts on the variable would be slightly negative, even though it is not clear whether they did persist over time, or not.

Put together, the observed patterns highlight how individual political efficacy was quite low (at most 31%), in both of the analysed villages, whereas an analysis of the collective dimension of efficacy returned positive insights (at least 70%). While further research should be devoted at understanding these findings, the results of the analysis stress the idea that all four dimensions (collective and individual| internal and external) are fundamental variables to be considered when studying political efficacy as a crucial element for understanding citizenship in Uganda.

Result 5: The matching impact analysis partially confirmed the descriptive findings: positive and negative initial effects respectively – even if never sustained – on individual and collective political efficacy, respectively

The descriptive insights were in part validated by an analysis of the matching coefficients (Table 2) computed on the variables of interest. The initial positive and statistically significant effects measured at midline on individual (both internal and external) political efficacy did not last past this stage. As a consequence, it

was confirmed that some starting beneficial impacts on recipients' individual agency and capabilities (*individual internal*), and on the responsiveness of the government (*individual external*), were actually yielded by the cash transfer, but also that these were not sustained over time.

With regards to the collective efficacy variables, inconsistent patterns and unusual trends could be drawn, with significant negative impacts measured at every but the intermediate stage. Most noticeably, CEM detected a statistically significant worsening on both variables at the follow-up round. Nevertheless, such findings, as already demonstrated by the descriptive statistics, could be attributed to the steep increase in efficacy experienced by the control village, rather than to the influence of the CT program.

Table 2. Direction, magnitude and significance level of average treatment on the treated (ATT) coefficients political efficacy

	Midline		Endline		Follow-up	
	CEM	MDM	CEM	MDM	CEM	MDM
Internal individual	-0.272 (82)	-0.473* (124)	-0.211 (62)	-0.060 (105)	-0.170 (64)	-0.196 (86)
External individual	-0.425** (82)	-0.585*** (122)	-0.006 (62)	-0.180 (106)	0.171 (68)	0.211 (91)
Internal collective	-0.195 (81)	-0.396* (122)	0.481 (62)	-0.200 (106)	-0.420** (83)	-0.294 (101)
External collective	-0.517* (81)	-0.444* (123)	0.543* (61)	-0.120 (105)	-0.363* (83)	-0.211 (102)

Legend: * '0.1' ** '0.05' *** '0.01'. CEM = Coarsened Exact Matching; MDM = Mahalanobis Distance Matching. Number of observations in brackets.

Key message and recommendations

Key message: A first preliminary finding of this study is that very low levels of individual and very high of collective political efficacy were observed in both Busibi and the control village. Moreover, results suggest that a (non-governmental) cash transfer program can yield some initial positive impacts on individual (internal and external) political efficacy, yet there was no indication that these effects would or could last beyond the end of the CT. On the other hand, some negative impacts on – an already very high degree – of collective efficacy, were measured at midline, even though such patterns were inconsistent and not robustly maintained afterwards.

It should be pointed out that, alongside the impact of the CT program, numerous factors could have simultaneously intervened and driven the observed changes – such as the COVID-19 pandemic and the governmental response to it, as well as the January 2021 elections. In this sense, a more punctual explanation of the mechanisms of change would benefit from further in-depth qualitative analysis. Our study's findings, presented in more detail in Grisolia et al. (2023a), led to the formulation of three main recommendations: one each for researchers, policymakers and evaluators.

Recommendation 1: Research-wise, more conclusive statements on the topic could only be formulated after

More information

Eight VZW's website

<https://www.eight.world/uganda>

Research article on which this brief is based:

Grisolia, F., Dewachter, S., & Holvoet, N.

(2023a). Follow the hand that feeds you? The effects of non-governmental cash transfers on citizenship. *Social Policy & Administration*. <https://doi.org/10.1111/spol.12914>

Have a look at the

"Crazy Money" documentary on Busibi's cash transfer program

<https://www.eight.world/crazymoney>



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additional empirical evidence was produced. More specifically, no other proof around non-governmental cash transfers' effects on political efficacy is available, whereas the few existing ones analysing governmental CTs return rather positive insights. In this context, a clear research gap was individuated ([Brass, 2016](#)).

Recommendation 2: Even though the impacts were not sustained over time, it was demonstrated that cash transfers – even non-governmental ones – can yield (initial) positive effects on individual political efficacy. Policymakers and organizations implementing CTs should take such positive potential into account, when designing their programs. This finding proves to be particularly relevant for low-income contexts, by partially disproving the common belief that the (especially foreign) very prominent non-governmental social assistance programs, could undermine beneficiaries' citizenship, the legitimacy of the government, and ultimately the social contract ([Adato et al., 2016](#); [Corbridge et al., 2005](#); [Farrington et al., 2007](#); [Leisering & Barrientos, 2013](#)). On the contrary, in fact, it is claimed that purposefully designed CTs could spur (individual) political efficacy, even though complementary measures would probably be necessary, in order to ensure the sustainability of impacts. In the case of the highly politically decentralized Uganda, moreover, interested stakeholders could devote further efforts at understanding the reasons driving the levels of individual and collective efficacy of citizens, and at increasing their understanding of rights and responsibilities – besides at improving the responsiveness of the government to individual political action. On a more negative note, policymaking institutions should take into account that CTs such as the one under study could also negatively impact collective political efficacy indicators, even if just in the short term.

Recommendation 3: From the perspective of evaluation, the differences in findings for the different subdimensions of political efficacy hints at the importance of a proper operationalization of the variables of interest. More specifically, it is argued that, when studying political efficacy, all of its four components should be analysed in order to return a complete picture of the issue and to avoid flaws in construct validity ([Dewachter & Holvoet, 2017](#)). In addition, the collection of qualitative evidence proves to be fundamental to shed additional light on the pathways and events driving the changes observed quantitatively – especially with regards to perceived and self-reported matters.

Other outputs of the research project, so far

Grisolia, F., Dewachter, S., & Holvoet, N. (2023b). *Investigating the sustainability of cash transfer effects: the Busibi case*. Analysis and Policy Brief n°50. University of Antwerp: Institute of Development Policy. Available at: <https://repository.uantwerpen.be/docman/irua/816f89/apb.pdf>

Grisolia, F., Dewachter, S., & Holvoet, N. (s.d.). *Shifting the focus? From individual to collective-level effects of social cash transfers. A systematic review of the impacts on social capital* (under review for publication).

Grisolia, F. (s.d.). *Can cash transfers really be transformative? A literature review of the sustainability of their impacts* (under review for publication).

Grisolia, F., Dewachter, S., & Holvoet, N. (s.d.). *Evaluating the sustainability of the productive effects of a universal cash transfer in rural Uganda. Can impacts on savings, investment, production and labour persist after program end?* (in preparation).

Grisolia, F., Dewachter, S., & Holvoet, N. (s.d.). *Permanently exiting poverty all together? Evaluating the sustainability of the collective-level impacts of a basic income experiment in rural Uganda* (in preparation).