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Artwork on the cover: “Pulling into Tomorrow” by Mitchell M. Gatsi

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FRIEDRICH EBERT STIFTUNG
Namibia Office

Acronyms and Initialisms

AMCU	Association of Mineworkers and Construction Union
BEPS	base-erosion profit shifting
BIEN	Basic Income Earth Network
BIG	basic income grant
CCN	Council of Churches in Namibia
CEDAW	UN Convention on the Elimination of All Forms of Discrimination Against Women
CSOs	civil society organisations
DSD	Differences of Sexual Development
ELCN	Evangelical Lutheran Church in Namibia
ELCRN	Evangelical Lutheran Church in the Republic of Namibia
ESOP	Employee Share Ownership Plan
FMS	Finnish Missionary Society
GBV	gender-based violence
GDP	gross domestic product
GEWE	gender equality and women's empowerment
GRB	gender-responsive budgeting
GRN	Government of the Republic of Namibia
HDI	Human Development Index
HTA	Hai||om Traditional Authority
ICCPR	International Covenant on Civil and Political Rights
ICESCR	International Covenant on Economic, Social and Cultural Rights
ICT	information and communication technology
IFFs	illicit financial flows
ILO	International Labour Organisation
IMF	International Monitory Fund
IMR	International Mineral Resources
IOC	International Olympic Committee

LMS	London Missionary Society
MAWLR	Ministry of Agriculture, Water and Land Reform
MGEPESW	Ministry of Gender Equality, Poverty Eradication and Social Welfare
MGEPESW	Ministry of Gender Equality, Poverty Eradication and Social Welfare
MPI	Multidimensional Poverty Index
MPUCT	Madhya Pradesh Unconditional Cash Transfer
MTEF	Medium-Term Expenditure Framework
NLF	Namibia Labour Force
NNSCH	Namibian Senior Secondary Certificate Higher-level
NPC	National Planning Commission
NSA	Namibia Statistics Agency
NSSCH	Namibian Senior Secondary Certificate Higher
OECD	Organisation for Economic Cooperation and Development
PDS	Public Distribution System
PIT	personal income tax
RMS	Rhenish Missionary Society
SADC	Southern African Development Community
SEM	structural equation modelling
SEWA	Self-Employed Women's Association
TAA	Traditional Authorities Act (No. 25 of 2000)
TVUCT	Tribal Village Unconditional Cash Transfer
UCT	unconditional cash transfer
VAT	value added tax
WHO	World Health Organization
WMMS	Wesleyan Methodist Missionary Society
WSWB	willing-seller-willing-buyer

Fighting Inequality through Basic Income Support: Lessons from India, Kenya, and Namibia

Nkululeko Majozi

Introduction

Inequality refers to differences in the distribution of power, resources, and opportunities between and within different groups in society. These differences can relate to income, employment, earnings, assets, health, education, and access to basic services and infrastructure (Maluleke, 2019). Namibia and South Africa are amongst the most unequal societies in the world, characterised by a myriad of social and economic inequalities, including in income and wealth, health, education, energy and, gender (Deghaye et al., 2014). These inequalities are rooted in the countries' brutal racist history of colonialism and apartheid and thus strongly pronounced along racial lines.

With the achievement of independence and democracy in the

Photo: Dirk Haarmann

1990s, there was an extension in the provision of basic services to the black majority but the transformation in the ownership of the land and economy has been very slow. White people, transnational corporations and a small black elite monopolise economic ownership to a large extent resulting in persistent gross levels of income and wealth inequality. Thus any intervention to fight inequality must be premised on providing the vulnerable majority with income security and access to wealth-building assets such as land.

There is an ongoing debate in South Africa and Namibia about the practicality and viability of implementing a basic income grant (BIG) as an effective measure for fighting poverty and inequality and for stimulating the economy. Proponents of a BIG view it as a necessary means for enhancing income security for all through the redistribution of wealth generated by all.

The paper provides a summary of the key findings emerging from the BIG pilot experiments in India, Kenya, and Namibia. It draws some key lessons to be learned from the three BIG pilot projects and shows the impact of a BIG on five main matrices of human life, i.e., self-worth and well-being; earnings, employment and labour market participation; health and nutrition; food security; and women's empowerment.

Justifying a BIG

The idea of a universal basic income is one that has long-standing history, with various theoretical underpinnings that are sometimes conflicting and overlapping. However, all these theoretical underpinnings share a common thread in that they view basic income as a necessary means to enhance social security for all through the redistribution of wealth generated by all. Currently the two dominant theoretic justifications for a basic income are those that view a BIG as a means for social justice and those who regard the BIG as an important element of human security.

According to the co-founder of the Basic Income Earth Network (BIEN), Prof Guy Standing:

> … basic income is a means for social justice, because since public wealth is created over generations … our income wealth is fundamentally due to the contributions of previous generations. Therefore, if you allow private inheritance then we should also have public inheritance as a social dividend on public wealth created.
>
> *(World Economic Forum, 2017)*

This is one of the overarching reasons driving the idea of redistributing income wealth as a way of closing the inequality gap. Advocates of basic income as a means for social justice often argue that income disparities are a product of rentier capitalism. According to this view, rentier capitalists are wealth hoarders who are in the business of perpetually widening the income wealth inequality gap. This is because rentier capitalists create their wealth from scarce public resources that create generational income preserved for a particular group of individuals. Thus, proponents of basic income argue that rentiers should be taxed to create a fund that will finance basic income based on the premise of the redistribution of wealth.

The second theoretical justification underpinning the BIG views the BIG as an important element of human security:

> … It is a means of providing people with basic security. It is about handling the issue of insecurity more than it is about ending poverty. Mental health is improved by basic security. The emancipatory value of a basic income is greater than the money value in that it gives people a sense of control of their time so that the value of work grows relatively to the demands of labour. So that the value of learning and public participation grows, so that the values of citizenship are strengthened. It is part of distribution system we should be building for the 21st century.
>
> *(World Economic Forum, 2017)*

Proponents of this view argue that people often make sound and rational decisions when they have basic security. They further argue that a BIG provides people with the freedom to make choices without being constrained by the stress of having limited resources. People can decide how they want to contribute to the economy in a manner that will be less strenuous to their mental health and overall well-being.

Defining a BIG

A BIG is a social security measure in the form of a periodic cash transfer that is unconditional and permanent and paid to all individuals in society. Namibian and South African civil society groups support the BIEN's definition of a BIG as "a periodic cash payment unconditionally delivered to all on an individual basis, without means-test or work requirement". BIEN identifies the following five characteristics of a BIG:

1. Periodic – it is paid at regular intervals (for example every month), not as a once-off grant.

2. Cash payment – it is paid in an appropriate medium of exchange, allowing those who receive it to decide what they spend it on. It is not, therefore, paid either in kind (such as food or services) or in vouchers dedicated to a specific use.

3. Individual – it is paid on an individual basis – and not, for instance, to households.

4. Universal – it is paid to all, without a means test.

5. Unconditional – it is paid without a requirement to work or to demonstrate willingness-to-work.

(BIEN, n.d.)

Case Study 1: India's BIG Pilot Project (2011 – 2013)

India's BIG pilot projects are amongst the best known in the Global South. The pilot projects were prompted by contentious political debate regarding the potential of unconditional cash transfers to alleviate poverty. In 2005, India launched a conditional cash transfer programme, Janani Suraksha Yojana, to reduce the maternal mortality ratio through the promotion of institutional births. India's main social security programmes were the Public Distribution System (PDS), the Mahatma Gandhi National Rural Employment Guarantee Act, and other social services such as the public health and education systems. The PDS distributes both food and non-food items to India's poor populations at subsidised rates through a network of what are known as fair price shops (or ration shops). The Mahatma Gandhi National Rural Employment Guarantee Act is a labour law and social security measure that "aims at enhancing the livelihood security of people in rural areas by guaranteeing [a] hundred days of wage-employment in a financial year to a rural household whose adult members volunteer to do unskilled manual work" (Government of India, 2005).

Both the PDS and the Mahatma Gandhi National Rural Employment Guarantee Act are targeted and conditional. Prior to the BIG projects, the state's food subsidy programmes and other social programmes aimed at poverty alleviation had failed to achieve their objectives. Despite the food subsidy programmes and after two decades of high economic growth, over 300 million (30%) of India's population was still affected by hunger and poverty (Standing, 2013a).

Thus in 2010, UNICEF (United Nation's International Children's Emergency Fund) funded two BIG pilot projects in India to test the efficacy of BIGs in alleviating poverty among India's poor populations. The two pilots were carried out in Madhya Pradesh, India's rural and fifth-largest state by population with 72 million residents. A local women's organisation, the Self-Employed Women's Association (SEWA) (known as a 'Voice organisation'), acted as the facilitator of the project (Standing, 2013a; 2013b).

The first pilot was known as the Madhya Pradesh Unconditional Cash Transfer (MPUCT) and the second as the Tribal Village Unconditional Cash Transfer (TVUCT). The MPUCT involved 20 rural villages that were divided into two groups. The first group comprised eight villages where every man and woman received an initial monthly unconditional cash transfer of 200 rupees and each child received 100 Rupees through their mother or registered guardian. These amounts were increased to 300 and 150 Rupees per month respectively a year later (Standing 2013a). The second group was made up of 12 villages that acted as control villages and did not receive any cash transfers. The MPUCT ran for 18 months and covered 6 000 people who received the grants. The TVUCT only involved two tribal villages: one village received the monthly cash transfer grants of 300 and 150 Rupees per adult and child, respectively, for a period of 12 months, whilst the other village acted as the control village and did not receive any cash transfers (Standing, 2013a; 2013b)

Additionally, in both pilots, SEWA was only present in 50% of the villages. This was in line with the project's aims of testing whether the presence of a local Voice organisation would be effective in the disbursement of the cash transfers. SEWA's role in the project would be to assist beneficiaries to open National Bank accounts or SEWA co-operative bank accounts into which the cash transfers would be paid.

The two pilots in Madhya Pradesh had three related purposes (Standing 2013a):

- to identify the effects of basic income on individual and family behaviour and attitudes;
- to identify the effects of basic income on community development; and
- to test whether basic income grants would work better if implemented through a Voice organisation (SEWA) that would presumably give members of the community the capacity to act in unison.

In both pilots, the cash transfers were offered without any conditions. The researchers and designers of the pilots rejected the notion of offering people cash transfers with conditions attached as paternalistic and based on the assumption that the intended beneficiaries do not know what is best for their own interests. Imposing conditions on cash transfer programmes (i) makes the programmes susceptible to corruption and harassment, and (ii) increases the burden of cost for both the government and the people. Conditionality means that people must prove that they have complied with the conditions by obtaining certain certification or written proof from local officials that they have indeed complied with the conditions (Standing, 2013a).

The cash transfers in both pilots were offered on a universal basis without targeting certain groups of people. This was done because "targeting in practice does not work: identifying the poor is administratively difficult, costly and prone to errors of omission. It may be less costly to universalise, recognizing that rich people may choose not to receive them" (Standing, 2013a, p. 2).

The cash transfers were distributed on an individual basis. Every participating person in the project was required to open an account within the first three months of the project. Funds were directly transferred into these accounts which gave recipients financial autonomy and ensured greater financial inclusion than if transfers had been paid to households or heads of households (Standing, 2013a). This proved to be especially beneficial to women and people with disabilities.

Key Findings

A large baseline census was conducted with all the villages involved in both pilot projects. It covered mainly areas that would be affected by the introduction of the cash grants, such as health, nutrition, school attendance, work and labour, income, and savings. The baseline census was followed by an interim evaluation survey and then a final evaluation survey before the end of the pilot projects. Both the interim and the final evaluation survey covered the same areas of evaluation as the baseline census. The main findings were the following:

The BIG enjoyed a high rate of uptake by the village populations. By the first month of the implementation of the pilots about 93% of the people had signed up for the grants and opened their accounts. The grants uptake was significantly higher amongst women and amongst those who opened SEWA cooperative accounts compared to those who used accounts with national banks.

The BIG led to a significant increase in spending on home improvements or the construction of new dwellings amongst grant recipients, with better lighting, repairs to roofs and walls, and better latrines being chief amongst the improvements. There was also more movement by grant recipients towards more preferred sources of energy for cooking and better sources of drinking water, such as an own tube-well.

There was a marked improvement in nutrition and diet amongst grant recipients. This was especially true for young girls whose age-to-weight ratios underwent significant improvement. Also quite noteworthy was the shift from the over-reliance on subsidised staple foods to the inclusion of more fruits and vegetables in household diets. There was also an increase in food security especially amongst the tribal villages, from 50% in the baseline census to 78% in the final evaluation survey .

The BIG had a very positive impact on overall health and healthcare. There were fewer incidents of common illnesses, with households attributing their improvement in health to better nutrition and diet, particularly households in the TVUCT tribal villages. Better healthcare was also reported to be a result of having more money to spend on healthcare and medicines, especially private healthcare.

The BIG was especially beneficial for people with disabilities because it allowed them to have a greater say in how money is spent in the household. It also allowed them to participate more in the community, giving them better access to food and medical care.

There was a positive impact on school enrolments and regular school attendance in both pilot projects. There was a reported 12% increase in school enrolments within cash grant households and a 29% increase in regular school attendance amongst cash transfer households as compared to 13% in control villages. There was also an improvement of grades amongst children of cash grant-receiving households as compared to the control villages.

Contrary to the stereotype and criticism of cash transfers being associated with increased dependency and laziness, there was a reported increase in labour and productivity amongst BIG recipient households as compared to control villages. There was an increased move towards more entrepreneurial activity and self-employed work amongst BIG recipients. This was especially true amongst women, who made more investments in small production items such as sewing machines, seeds, and fertilizer. As the communities involved in the study are rural farming communities, there was also increased investment in livestock in order to increase production. In TVUCT tribal villages, there was a reported 70% increase in livestock ownership.

In terms of incomes, both pilots found that BIG recipient households were more likely to increase their income from work. This had a positive spill-over effect in terms of saving and reducing household debt as BIG recipient households were found to be saving more from their incomes and using their cash transfers to reduce debt and avoid slipping further into debt (Standing 2013a).

Case Study 2: The BIG Pilot Project in Kenya (2011 – 2013)

Kenya has the biggest economy in East Africa and the fourth biggest economy in sub-Saharan Africa, and yet remains plagued by high levels of poverty. About 36% of Kenyans were reported to be living in poverty in 2016 as measured by the international poverty line of US$1.90 per day (World Bank, 2018). Poverty rates are even higher in the rural areas, with 39% of the population reported to be living in poverty (World Bank, 2020).

Most Kenyans are dependent on the agricultural sector for their livelihoods, especially in the rural areas where 72% of the population resides. They rely on land and livestock for their income. However, sustained stagnation in agriculture over the past few years has led to a significant decline in the incomes of Kenya's rural poor. This can be attributed to, amongst other factors, food price instability, and drought-inducing climate change which has led to rising conflict among pastoralists and between farmers and pastoralists over competition for farming and grazing land, as well as other constraints such as the rising cost of feed, the absence of veterinary services, and theft of livestock (Diwakar & Shepherd, 2018). A 2018 multi-dimensional study into poverty in Kenya found that almost 80% of Kenyans were either income poor or near the poverty line (Diwakar & Shepherd, 2018).

The Kenyan BIG pilot was a randomised controlled trial carried out by GiveDirectly Inc., an international non-profit organisation whose mission is to give direct, unconditional cash transfers (UCTs) to poor households in developing countries across the world. The pilot was carried out over a two-year period between 2011 and 2013 among rural households in the villages of the region of Rarieda in the western part of Kenya. One-hundred-and-twenty-six villages were chosen to be part of the pilot experiment and were divided in half, with 63 serving as the "treatment group" and the other half as the "control group". 503 households were randomly selected from the treatment group villages to receive temporary UCTS of KSh25 200 (US$404), whilst 432 households were randomly selected as control group villages and did not receive the transfer. Of the 503 treatment group households, 258 were assigned to receive the transfer monthly for a period of 9 months in instalments of KSh2 800 (US$45) per month. The remaining 245 households were assigned to receive the transfer of

KSh25 200 (US$404) as a once-off lump sum. The transfers for both groups were made between June 2011 and January 2013. Of the lump-sum transfer group, a further 137 households were randomly selected to receive an additional transfer of KSh70 000 (US$1 121) in seven monthly instalments beginning February 2012. This means that the total transfer amount received by these households was KSh95 200 (US$1 525) (Haushofer & Shapiro, 2013).

The overall aim of the BIG pilot in Rarieda was to measure the impact of the organisation's UCT programme on poor rural households' economic and psychological well-being. In addition, the study had three specific goals, namely to test the relative welfare impact of the UCTs in accordance with three treatment arms:

1. the gender of the transfer recipient;

2. the temporal structure of the transfer payment (lump sum vs. monthly transfer); and

3. the magnitude of the transfer.

(Haushofer & Shapiro, 2013).

The BIG pilot targeted poor rural households in Kenya. The villages in Rarieda were selected on the basis of the proportion of households lacking metal roofs, i.e., villages with a high proportion of households with thatched roofs. This targeting criterion was seen as a good predictor of poverty amongst households. Further, the UCT was not distributed on an individual basis but was rather paid to either the principal female or male head of the household through a randomly selected process. The cash transfer was offered on a fully unconditional basis to every household without any requirements to be fulfilled or conditions to be adhered to (Haushofer & Shapiro, 2013).

The project utilised the famous Kenyan mobile money transfer system *M-Pesa* to distribute the money to recipients. *M-Pesa* is a safe and easy-to-use mobile money transfer system that is popular amongst Kenyans. The system requires the recipients of the UCT to sign up for an *M-Pesa* mobile account by registering a SIM card in their names. Simply put, "*M-Pesa* is, in essence, a bank account on the SIM card, protected by a four-digit PIN code, enabling the holder to send and receive money from other *M-Pesa* clients" (Haushofer & Shapiro, 2013, p. 8).

Key Findings

The pilot study measured the impact of the transfers on consumption, asset holdings, self-employment activities and earnings, health, education, food security, female empowerment, and psychological well-being. The following were the key findings:

The study reported significant increases in consumption expenditure, investment in self-employment activities, and earnings. There was increased food security, female empowerment at the village level, and psychological well-being. However, the transfers had no significant impact on education and health outcomes.

There was a significant increase in all consumption categories in all treatment group households compared to control group households. There was an increase in food, medical and education expenses, durables, home improvement, and social events. Expenditure on food accounted for the largest increase (19%) in consumption, coming in at US$20 per month.

There were significant increases in investment in durable goods and income-generating assets among treatment households. Investments were particularly pronounced in durable goods such as metal roofs (23% increase) and furniture items like beds, tables, chairs, etc., (26% increase). This was especially true for large lump sum recipients of transfers as they were in a better position to invest in such goods than monthly recipients of the transfers. Income-generating livestock holdings also experienced a significant increase of 51%, particularly cattle holdings, which increased by 56%.

There was a positive impact on self-employment activities and earnings from treatment group households relative to control group households. However, this increase in self-employment activities did not translate to significant increases in profit. There was a notable monthly increased investment in non-agricultural business activities (e.g., inputs and inventory) and livestock.

Food security was the most impacted aspect of the cash transfers, more so among the monthly recipients of the transfers than large lump sum recipients. Monthly recipients were found to be more likely to spend on current consumption goods such as food than expensive durable goods such as metal roofs and furniture for two reasons: firstly, their monthly transfers (US$45) were too small to allow them to save up to spend on such durable goods; and secondly, the short period over which cash transfers were made (nine months) prevented borrowing on the promise of a future transfer. Therefore, monthly recipient households were found to be characterised by credit-and-savings constraints.

There was an increase in female empowerment at the village level due to the cash transfers. This was especially so among large lump sum households as compared to monthly recipient households. However, the transfers did not have any overall significant gendered differential impacts on most outcomes since they were temporary and therefore did not significantly alter the bargaining power between household members.

The pilot study recorded significant increases in the psychological well-being of all treatment households. Increases in psychological well-being were found to be larger in large lump sum recipient households than in monthly recipient households. A greater reduction in worries and a greater increase in self-esteem was recorded in female recipient households compared to male recipient households (Haushofer & Shapiro, 2013).

Case Study 3: Namibia's BIG Pilot Project (2008–2009)

Like South Africa, Namibia is a product of colonialism and racial apartheid. The country has a long history of political and socioeconomic discrimination based on race, the legacy of which remains intact to this day in the form of a labour market which is systematically exploitative of the labour of black people, whilst white people in Namibia continue to enjoy the privileges of secured, permanent jobs as skilled, professional and managerial workers. Namibia's historic discriminatory policies have not only affected the labour market, but have also extended to the country's education, health, and social services systems (see Jauch, 2015).

It is no surprise, then, that in the post-independence era, the majority of Namibians found themselves in a state of vulnerability and destitution due to the country's high levels of poverty, inequality and unemployment. Prior to the implementation of the BIG pilot in 2008, unemployment (defined broadly as being without work whilst being able to work) figures stood at an all-time high of 51.2%, with the rate of unemployment being highest amongst women (58.4%), and youths aged 15–24 years (75%). The number of Namibians estimated to be living in poverty in 2008 stood at 82% (when calculated using a basket of essential goods and services costing N$399.80 per person per month in 2004 prices); 62% (when using the crude international poverty line of US$1 per day); and 28% (when using the *Namibia Household Income and Expenditure Survey 2004*, which classified Namibians who spent about 60% of their monthly income on food as being poor) (Jauch, 2015).

It is in the context of such stark realities of poverty, inequality and unemployment that the democratic government of Namibia in 2002 through the country's tax commission called for the implementation of a BIG for all Namibians as a measure to fight poverty and reduce inequality within a short period (Basic Income Grant Coalition, 2009; Jauch, 2015). However, the call for the BIG in Namibia only gained traction within the country with the formation of the Namibian BIG Coalition by local civil society organisations in 2004.

The formation of the Coalition was spearheaded by the Evangelical Lutheran Church in the Republic of Namibia and brought together a number of organisations such as the Council of Churches in Namibia, the National Union of Namibian Workers, the Namibian NGO Forum, the Namibian Network of AIDS Service Organisations, the Legal Assistance Centre, the Labour Resource and Research Institute, the National Youth Council, and the Church Alliance for Orphans (Jauch, 2015).

Upon formation, the Coalition would spend the next three years lobbying policymakers in Namibia in an effort to convince them of the viability, practicality, affordability and effectiveness of a BIG as a tool to fight poverty. However, the government remained divided on the issue with the Ministry of Finance, in particular, pushing back against the idea. Hence, the Coalition identified a site wherein a pilot project could be launched to test the BIG in practice and to convince the government of the viability of a national BIG programme. The Coalition identified the informal settlement of Otjivero in the district of Omitara, which had a population of about 1 000 people, mostly black evicted former farmworkers from the surrounding white-owned commercial farms who had lost their jobs and had nowhere else to go (Jauch, 2015).

The BIG pilot project commenced in January 2008. All residents below the age of 60 years received a basic income grant of N$100 per person per month. For children under the age of 21 years, a primary caregiver was identified by the household who received the grant on behalf of the child – by default, this was a female caregiver. The project would last for two years until December 2009. It was designed and implemented by the Namibian BIG Coalition and funded through voluntary contributions from local supporters and international organisations and donors, particularly churches (Basic Income Grant Coalition, 2009; Jauch, 2015).

In terms of the research design, the BIG pilot project first conducted a baseline study in November 2007 to identify the prevailing social conditions. This was complemented by a parallel process of panel surveys conducted in July and November 2008. The process of evaluating the BIG pilot was an ongoing one with key-informant interviews, supplemented by a series of detailed case studies. Furthermore, data from the local clinic, school and police station were evaluated (Basic Income Grant Coalition, 2009).

The Basic Income Grant was offered to all residents in the settlement below the age of 60 years. It was offered without regard for the social or economic status of residents of the settlement. No conditions were attached, and only those people receiving the state pension were not eligible for the BIG.

For the first six months of the pilot, the BIG was distributed as a direct cash transfer to every individual recipient at a designated cash pay-out point. This process was managed by a private company which used an armed cash-in-transit vehicle. The company allocated a “smart card” to every recipient of the BIG as a form of identification for the cash pay-out, and to capture information regarding the date and site of the grant payment in order to avoid double payments. After six months, the distribution of grants was carried out by NamPost (the Namibian Post Office), which paid the grants into a NamPost smart card savings account. Therefore, every recipient was required to open an account with NamPost (Basic Income Grant Coalition, 2009).

Key Findings

Before the introduction of the BIG, unemployment, hunger and poverty were the biggest problems in Otjivero. People were entrapped within a cycle of unemployment, hunger, and poverty as there were no jobs within the area and they also had no money to travel to Gobabis or Windhoek to look for jobs. Thus, people in the settlement had little hope for the future as their everyday lives were characterised by hunger and deprivation.

The introduction of the BIG ignited hope amongst the residents as it allowed them the financial means to feel in control of their lives, because they could afford to pay for their daily needs. The community responded to the BIG by electing its own 18-member BIG committee whose role it became to mobilise the community before and during the BIG pilot and to offer advice to residents on how to spend their grants responsibly. Thus, the BIG assisted with community mobilisation and empowerment.

The BIG led to a significant drop in household poverty. Prior to the introduction of the BIG, 76% of the residents of Otjivero-Omitara were classified as living under the food poverty line of N$152 per month, and that number dropped significantly to 37% within one year.

There was an overall increase in economic activity, including increases in employment from both wage work and increased entrepreneurial or self-employment activities. The employment rate rose by 11% due to income-generating activities, both work for pay or for profit. People established small businesses such as tuck shops, brickmaking, baking, sewing and dressmaking. These findings run contrary to critics' claims that the BIG would lead to laziness and dependency.

There was an increase in household incomes. Mean income from self-employment activities rose from N$170 to N$681 between November 2007 and November 2008, representing an increase of 301%. Incomes from wages rose from N$581 to N$692, representing a 19% increase.

The BIG resulted in a huge reduction in child malnutrition. Prior to the implementation of the BIG, 42% of the children of Otjivero had been malnourished, with a majority (82%) of these children being under three years old. However, after six months of BIG implementation, the malnourishment rate had dropped from 42% to 17%, and it dropped further to 10% a year later. This represents a significant developmental achievement, as malnourishment has been found to have long-term, irreversible effects on the physical and cognitive development of children.

The BIG also had a positive impact on the health of adult residents of Otjivero, especially those living with HIV/AIDS. Before the implementation of the BIG, a lot of the residents of the settlement avoided seeking help for minor illnesses from the local clinic as they could not afford the clinic fees of N$4. As a result, they only made use of the clinic when they were extremely ill. However, with the introduction of the BIG, people started making use of the clinic for common illnesses such as colds and flu. This was also reflected in the finances of the clinic, whose monthly income prior to the introduction of the BIG averaged N$250 per month, but then increased to N$1 300 per month within the first year of the BIG. As for residents living with HIV/AIDS, the spotlight cast on Otjivero by the BIG pilot project resulted in the government's decision to make ARVs available in the settlement. This meant that the residents no longer needed to spend substantial amounts (N$100 for a round trip) to travel all the way to the city of Gobabis to fetch their ARVs every month. As a result, there was a twelve-fold increase in people receiving ARVs from the local clinic – from three people in late 2007, to 36 in July 2008 (six months after the introduction of the BIG).

Before the introduction of the BIG, 49% of school-going children within Otjivero-Omitara did not attend school regularly. Half of the households attributed the non-regular attendance of their children at school to financial difficulties linked to the parents' inability to pay for the N$50 per year school fees. The prevailing poverty also had a direct negative impact on school pass rates, which stood at about 40% and resulted in high drop-out rates. After the introduction of the BIG, the rate of the payment of school fees increased to 90% and most of the children acquired school uniforms. Non-attendance at school for financial reasons dropped by 42%, while drop-out rates at school were reduced from 30–40% in November 2007 to 5% in June 2008, and further to almost 0% in November 2008.

The BIG contributed to the reduction of household debt as the average household debt fell from N$1 215 to N$772 within 12 months. However, overall debt trends fluctuated during this period as some households took on some debt to start up new businesses. Savings increased during that period with more people opening NamPost savings accounts for themselves and their children. The upsurge in savings was also reflected in the increasing ownership of large livestock, small livestock and poultry.

High crime rates are usually associated with highly unequal societies. In poor communities, crimes are usually economic in nature and associated with the need to meet daily survival needs. These include stock theft, illegal hunting and trespassing, and housebreaking. With the introduction of the BIG, overall crime rates – as reported to the local police station – were reduced by 42%. In particular, there was a significant decline in stock theft, while illegal hunting and trespassing declined by 95%, from 20 reported cases to just one.

One of the most crucial findings of the BIG pilot study was that women's dependency on men for their survival decreased. Prior to the introduction of the BIG, one of the drivers of HIV infections in the settlement was the phenomenon of women engaging in transactional sex with workers employed on the neighbouring commercial farms. These workers frequently came to Otjivero to drink on weekends after receiving their wages. Thus, by empowering women and putting money in their hands through the BIG, women gained a measure of control over their own sexuality, and were to some extent freed from the pressure to engage in transactional sex (Basic Income Grant Coalition, 2009).

Conclusion: The potential Socio-transformational Impact of a BIG

The BIG pilot studies explored in this paper all point to a BIG's potential to reduce inequalities. One of the key findings is the increased sense of dignity, self-worth and well-being resulting from having a basic income. This gives people the ability to cover their monthly basic needs thus affording them basic security, which in turn has a number of benefits for the physical and mental health of people, their opportunities and ability to make choices, their social relationships, and their ability to fully participate in society. This has a direct bearing on South Africa's Constitution, which is founded on the fundamental right to human dignity as encapsulated in the Bill of Rights, and which obligates the state to respect, protect, promote, and fulfil South Africans' rights to dignity, equality, and freedom (Republic of South Africa, 1996).

Participants in all three pilot studies reported a positive impact of the BIG on their physical and mental health. This is linked to better nutrition and diet. Participants were able to spend more on food in all three pilot studies and experienced decreased stress levels over running out of money for food in the middle of the month. In India and Namibia, there were decreased rates of malnutrition among children, which had a direct impact on school attendance in both cases.

Participants also reported an increase in spending on healthcare and medicines. India recorded increased use of private healthcare as opposed to public health facilities, thus pointing both to the poor state of the Indian healthcare system and participants' increased ability to afford medical care. In Namibia, participants attributed their increased use of the local clinic to their increased ability to afford the clinic fees as a result of the BIG. This is a significant finding in a context where quality healthcare is primarily available to those who can afford private healthcare.

In all three BIG pilot cases, food expenditure was the major spending item for project participants. This is unsurprising given that all three BIG case studies were carried out in low-income communities where households usually struggle to meet their food requirements. Thus, the basic income transfer proved to be pivotal in providing participating households with greater food security.

One of the major reasons given by opponents of the BIG in Namibia and South Africa is that it will increase public dependency on state social assistance grants and breed a culture of laziness amongst the populace.

However, evidence from the three BIG pilots point to the contrary. All three cases highlight increased levels of labour market participation and self-employment activities from the study participants. The three pilots show how basic income support leads to people using their BIG transfers for purposes of generating more income for themselves and their families. A BIG can therefore play a major role in reducing income inequality.

Women in the three BIG pilots were the most impacted by the BIG transfers and engaged in a range of business activities such as baking, sewing and dressmaking, and retailing. A similar effect was observed in South Africa with the introduction of the COVID-19 R350 Social Relief of Distress Grant in 2020, where some women started small businesses as a way of generating more income for themselves (South African Government News Agency, 2021). The financial independence of women that has been fostered by BIG transfers through increased self-employment activities has translated to sexual freedom in some instances where prior to the pilot, women have faced pressure to engage in transactional sex in order to meet their daily needs. Therefore, a BIG has the potential to reduce gender inequality and the scourge of gender-based violence that is linked to women's financial dependence on men.

The evidence from the case studies shows how the implementation of a BIG could serve as an entry point to reduce inequalities regarding income and wealth, health, education, and gender. The BIG cash transfers have had a significant positive impact on five main matrices of human life, namely self-worth and well-being; earnings, employment and labour market participation; health and nutrition; food security; and women's empowerment.

A BIG is an inherently redistributive intervention, especially if it draws on the wealth currently monopolised by an elite to fund a basic income for all. However, a BIG is not the panacea and should be accompanied by additional interventions to transform the structure of the economy and to allow more access to income and wealth generating assets such as land, property, and other economic and financial assets.

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