

PROJECT PAPER

**ETHNIC VALUE SYSTEMS AND THEIR COMPARATIVE SOCIO-ECONOMIC
IMPACT ON SELECTED COMMUNITIES IN KENYA: A CASE STUDY OF
KOROGOCHO SLUMS IN NAIROBI**

By

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A project paper submitted in partial fulfilment of the requirements of a degree in Masters of Arts, Sociology (Rural Sociology and Community Development) at the University of Nairobi.

DECLARATION

I DONALD ODHIAMBO do declare that this paper is my original work and has not been submitted for examination in any other University

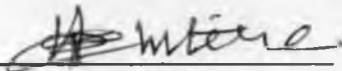
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This paper was submitted for examination with my approval as the University supervisor

Signed 

Date 23/11/06

Prof Orieko Chitere

DEDICATION

This paper is dedicated to my mother, Anna Amollo. The most stoic, most hardworking woman in the world, whose desire to live tomorrow better than today should be a clarion call to the whole of humanity.]

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I would like to state my heartfelt gratitude to several people without whose assistance in one way or another, this paper would not have been possible. First, I would like to thank Prof. F. O. Chitere for his eternal patience, thorough and painstaking supervision, to make this paper half decent.

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CHAPTER ONE: INTRODUCTION

1.0 Statement of the Research Problem

In the year 2001, the *Human Development Report — Kenya*, entitled Addressing Social and Economic Disparities by the University of Nairobi, published a comparative study on the social economic disparities between the major regions in Kenya.

Central Province had the highest achievement in terms of social-economic well being, with a Human Poverty Index of 30.7% while Nyanza and Rift valley Provinces had Human Poverty indices of 44.3% and 36.8%, respectively.

The Human Poverty Index (HPI) is a measure of the extent of lack of opportunities and choices of the study group, which includes but goes beyond income and expenditure. Therefore the higher the Human Poverty Index (HPI) the higher the number of people living in poverty and vice versa.

It is a truism to say that Central Province has the largest population of the *Kikuyu* ethnic group while Nyanza Province has the largest population of the *Luo* ethnic group in Kenya.

This study corroborates an observation made by the researcher of this study at Korogocho slums of Nairobi, back in 2001. In this observation, out of a scheme started by the Action Aid Kenya in 1991, aimed at poverty alleviation through support of self help groups based in Korogocho slums, the *Kikuyu* showed an improved social economic well being over and above their counter parts from the other ethnic groups.

In 1990 the Action Aid Kenya facilitated the formation of over 50 self-help groups made up of the people dwelling in *Korogocho* slums. These groups were formed on the basis of friendship, with each group comprising 90% members from individual ethnic groups.

Korogocho is made up of people from the *Luo*, *Kikuyu*, *Luhya*, *Kamba* and *Somali* ethnic groups; these groups reflected this ethnic composition.

Ten years down the line, most groups had collapsed, while those left going strong were those made up of individuals from the *Kikuyu* ethnic group.

The other groups had either totally dissolved or had very little working capital to successfully run their enterprises. Some had even shifted focus, from enterprise to social welfare. It must however be noted that all the groups were started off in the same year, and with equal amount of loan received from the Action Aid Kenya.

These two scenarios, form the background of this study which seeks to understand the level to which ethnic values play a part in the social—economic achievements and therefore the well being of a given society.

Explaining this observed disparity taking as the units of study, a comparison between the *Kikuyu* and the *Luo* ethnic groups, is shrouded in controversy, One side of the controversy has included such explanations as :-

- That the *Kikuyu* have historically lived in agriculturally fertile land.
- That the *Kikuyu* have greatly benefited from proximity to the city of Nairobi and thus have accessed markets for their agricultural produce.
- That the *Kikuyu* have the history of having been evicted from their rich agricultural land by colonial settlers and as a result became enterprising as a survival mechanism.
- That the *Kikuyu* benefited from having the political clout derived from the incumbency of Mzee Jomo Kenyatta, a *Kikuyu* President.
- The *Luo* on the other hand had none of the above advantages and this explains their lesser achievements in social economic well being.

The above explanations are at once criticised on the basis that :-

- It can be argued, that all the above explanations derive from what can be summarily termed as *Blaming the outside actors and factors*. The above explanations attribute the Kikuyu s social economic achievements to *geographic* and *historical* factors operating outside the influence of the ethnic group entity. The explanations greatly ignore the influence of factors peculiar to the specific ethnic group entity.

According to Foster (1977), there are unique social values peculiar to social groupings that determine how they react to situations. That is, the Kikuyu can be said to have:-

certain modern attitudes that are a precondition to development and to creating a modern society and economy.

This is to say, the achievements of the *Kikuyu* over their *Luo* ethnic group counterparts can be explained not only on the basis of geographical and historical factors but just as importantly, on the basis of ethnic values, attitudes and certain modern psychological and cultural traits , Bradshaw and Wallace (1996:40). These traits they numerate as;

- the *desire to work hard*,
- *culture of investing and saving money*;
- the quest for profit over and above *mere subsistence living*.

It is the effort of explaining the perceived disparities in social economic achievements, from these opposing viewpoints that form the problem of this research study.

That is, whether this disparity can be explained on the basis of historical and geographical factors or whether they can be explained on the basis of cultural values and psychological attitudes of the two ethnic groups.

This proposed study will seek answers to this problem based on the argument for the cultural values and psychological attitudes perspective as playing a more important role than the historical and geographical explanations.

1.2 Goal and Objectives of the study

1.2.1 The Goal

The overall goal of this study was:-

- To add an ethnicity angle to understanding 3rd world underdevelopment.

1.2.2 The Objective

To investigate the contribution that the ethnic as opposed to capitalistic value system of a group of people has on their socio-economic achievements.

1.2.3 Questions of Study

The study sought to answer the following questions.

- i) Is there a relationship between ethnic values and socio-economic achievement of a group?
- ii) Does the adoption of *Capitalistic* values lead to *Socio-economic* development?
- iii) What proportion of the two study communities (Kikuyu and the Luo) can be characterised as ethnic?
- iv) What proportion of each community can be characterised as capitalistic?
- iv) What is the variation in socio-economic achievement among the 2 groups?

1.3 Justification of the Research

This study was important in filling in two key gaps in knowledge. First, ethnicity as a factor in the study of underdevelopment, has been ignored by many social science theories.(Bradshaw & Wallace 1996:54). As such, in the pursuit of answers to explain global inequality, and especially 3rd world poverty, little has been done in this regard. Bradshaw & Wallace (1996).

The study explored ethnic factors, especially as concerns traditional values; and sought to relate this to the adoption level of Capitalistic value orientation.

Second, this study was important in testing the validity of the proposition that:-

The existence of certain modern attitudes (values) constitute necessary preconditions to development (Long 1977:59).

Long (1977) carried out a qualitative research among the Tzintzuntzenos ethnic community to study the hypothesis that; peasant cognitive systems and associated institutions constitute major cultural obstacles to change.

This study therefore applied the same ethnic value perspective in studying its relationship with the socio-economic achievements. The approach here was to test this perspective in a Kenyan context.

The study will be significant for several reasons. It will introduce a new factor in the analysis of poverty at a time when Kenya is especially negatively impacted by poverty. This is in view of the fact that most poverty alleviation programs; starting with the Kenya government's Poverty Reduction Strategy Paper (PRSP), to the bulk of Non-Governmental Organizations (NGO) programs, do not address themselves to the ethnic value component.

Most poverty alleviation programs to-date, emphasise the adoption of Capitalistic value orientations such as improved technology, capital availability and credit availability. These values have, largely been imposed on traditional ethnic values without an understanding of their inter play on the traditional values held by the people (Mbithi 1974).

The researcher of this study, had in 2001, spent 4 months with the ethnic groups in Korogocho slum area in Nairobi. In the process, it was noted that various poverty eradication strategies had been tried out in these communities since 1990.

These poverty alleviation strategies had been initiated by Action Aid, an NGO; through the grant of loans to over 50 self help groups, to enable the latter start and invest in small enterprises.

It was especially noted that these groups were formed on the basis of friendship; (Brager & Specht)and as such most groups were made up of people from the same ethnic backgrounds. Thus of the over 50 self help groups, some were made up of *Kikuyu* ethnic groups, others of *Luo, Luhya, Kamba and Somali* ethnic groups. In most cases, the individual groups were made up entirely of one ethnic background or at least 90% of the members were from the same ethnic background.

10 years down the line, most groups had collapsed and those left going strong were those made up of individuals from the *Kikuyu* ethnic group. The other groups had either totally dissolved or had very little working capital to successfully run their enterprises. Some had even shifted the focus, from *enterprise to social welfare*. This was with the background that all the groups had started off with equal amounts of loan.

It is the questions raised by this scenario and the wider implications to general poverty eradication efforts that underlie the significance of this study.

The results of this study may be useful in justifying the adjustment of previous poverty eradication strategies to include the ethnic factor. In this way the study should be useful to all stakeholders in poverty eradication efforts, namely the government, non-state actors and the academic community.

1.4 Scope and Limitations

The study was limited only to the Luo and Kikuyu ethnic groups set up by Action Aid Kenya in Korogocho slum area of Nairobi.

The study was focused only on purposively selected people, with connection to the 60 or 50 groups that received financial support from Action Aid from the early 90 s onwards.

CHAPTER TWO

2.0 REVIEW OF THE LITERATURE

Max Weber pioneered the study of the relationship between the variables of *Capitalistic ideology* on the one hand and *religious ideology* on the other hand. This was in his book. *The Protestant Ethic and the Spirit of Capitalism*. In proposing his controversial perspective, he sought to explain the paradox he observed in his time.

It had been observed that religious devotion was usually accompanied by a rejection of mundane affairs; whereas people engrossed in economic pursuit tended to be indifferent to religion (Bendix 1962). Yet the paradox was with certain protestant denominations whose teachings apparently fuelled capitalism. A good example, given is the Calvinism religious order.

It is these pertinent questions that Weber dealt with; that has in the past sparked studies by psychologists and sociologists, to seek to find the relationships between cultural attributes of a people and their level of economic achievements.

This study has the parallel aspirations, to find the connections between traditional ethnic values in Kenyan communities, and the level of economic achievements contrasted between these communities.

According to Hoebel (1972:6) *Culture* is a learned behaviour pattern. These characterise members of a society and are not the result of biological inheritance. In the same text, Kroeber and Kluckhohn (1972:7) are quoted as saying;

the essential core of culture consists of traditional ideas and especially their attached values;

In this way, therefore, is found the parallel factor between Weber's study on religion and this study's variable of ethnic values. Both of them are cultural attributes.

Weber's *Protestant ethic and Spirit of Capitalism* at once inspires this study, while at the same time revealing a gap that was left open in his treatment of the subject. His perspective, though, was limited by the study of religion alone, without extrapolating his findings to the whole cultural sphere.

Weber has nevertheless managed to inspire numerous scholars to investigate the unique development of the Western Hemisphere and to seek functional equivalents elsewhere (Sills, 1968).

Goldthorpe (1985:212) in a study inspired by Max Weber's *Protestant Ethic and the Spirit of Capitalism*, writes about a study done on the Ismailis in Tanzania. In this study, the Asian population's business enterprises are credited with having played a notable part in East Africa's development. In Tanzania were two Asian groups, the Patidars and the Shia Ismailia Khoja. The more economical dominant of the two groups, the Ismailia, were a Muslim group, owing their allegiance to the Aga Khan, whom they regarded as their Imam.

An important factor that the study attributes to their success in business and Industry, is the role of Aga Khan III, Sir Sultan Muhammad Shah 1877-1960. He was instrumental in urging his followers to modernise their attitudes and practices. For instance, he was strongly opposed to infant marriage, instead urging his followers to seek modern methods of childcare. He mobilised the lavish gifts given to him by followers to set up trust funds for investment in the enterprises of Ismaili businessmen.

The study likened the Ismailis practices and values in hard work, frugality, trustworthiness and consistent shrewd reinvestment of profits to the puritans of Europe.

The clear connection between religious values and economic achievement is undeniable in the above study. The study here again exposes the gap of lacking extrapolation of the findings, to a broader context. It goes to show the need for a study

that carries an equivalent comparison based on ethnic values rather than mere extension of Weberian argument. Its importance in furthering Weber's findings, in a setting far from Europe is however enlightening and of great academic contribution.

Foster quoted by Long (1977:41) carried out a study on the Tzintzuntzenos ethnic community. His study sought to show how peasant cognitive systems and associated institutions constitute major obstacles to change. According to him, certain cultural and normative factors, act to make it possible for economic development to either take place or not to take place.

He backs up this perspective with the Tzintzuntzenos religious fiesta called *mayordomo*. The community has a code of morality, which emphasises that individuals or families should not make public evidence of material or other improvements, lest they arouse envy and criticism from fellow villagers. The Tzintzuntzenos, thus neutralize the imbalance created by wealth through applying pressure on the rich person to sponsor a religious fiesta (*mayordomo*). The obligation involves heavy financial expenditure to finance the feasting, drinking and ceremonial activity. In this way, social prestige, which is more acceptable is offered in place of wealth.

It becomes therefore very tricky for an outsider to try to encourage economic development for the Tzintzuntzenos, Long (1971:56) puts it aptly.

*the existence of certain modern attitudes is a precondition to
'development'.*

Long (1971:59) continues

*..attitudinal and value changes or reinterpretations of ideology
are essential prerequisites to creating a modern society and economy*

In the above study, Long has extended Weberian argument in the study of religion's impact on economic development. In so doing, he can be criticised for failing to explore other social-cultural variables, other than religion, in connection with economic achievements.

Dominic (1987:59-69) carries out an interesting study, a comparative analysis of social values of Chinese compared to American children. His study is based on children from the two different cultures, who are given similar scenarios and asked to complete the scenario/puzzle. For example, the children are given a composition that begins with one or 2 sentences and asked to complete the story. A case in point was:-

As Peter and Frank walk to school, Frank throws Peter's cap into a tree and retrieval is difficult ..

another:-

A teacher finds that some money is missing from his desk .

Out of the resulting composition, Dominic isolated social values based on his hypothesis as follows:-

Chinese exhibit greater social orientation through completing stories; with greater number of story characters introduced. Presence of more social interactions, greater emphasis on public shame, fewer interpersonal confrontation and more teamwork.

Chinese reflect greater preoccupation with moral and ethical rectitude.

The Chinese show less economic orientation.

The study findings gave substantial support for the above stated hypothesis. The study findings are relevant in showing a finding based on similar variables to *this* proposed study. Dominic's focus is on mere economic orientation, while *this* proposed study focuses on socio-economic achievements.

Dominic's study is hereby relevant in providing what can be considered ground breaking findings, that are inspired by Weber but goes further than just - religious versus economic achievements. He has taken it out of that mould and carried it to the cultural values level. It would be interesting, had he taken his study beyond the children, to show how much this economic orientation carries over into adulthood. A test of the same hypothesis between two ethnic communities should prove enlightening.

In a study on adoption of innovations by African farmers Mbithi (1974) brings out a clear connection between traditional values and social-economic achievements. In a perspective comparable to Long (1977), they both concur that certain factors act to make it possible for, or encourage economic development to take place, e.g. *improved technology, its adoption and use in farming*.

That is, technology adoption and use only take place in the context of what (Mbithi 1974:55) calls the right socio-economic environment.

He gives an example of certain communities who refused to adapt certain colonial agricultural programs. These communities were thereby termed conservative, lazy and apathetic. These same communities later adopted these programs at great sacrifice under *Harambee* self-help. To Mbithi (1974:55) therefore, adoption of technical innovations or, what *this* proposed study refers to as capitalistic value orientation, is tantamount to social-economic development.

This adoption of new ideas, does not happen on neutral ground, but in an environment where there is safeguarding of vested interests. That is, adoption of prescribed actions in order to achieve certain goals is enhanced when the group in question's worldview is consistent with the prescribed actions.

This means that any contradictions in worldview between the traditional system and the prescribed actions will certainly mean, at best, only temporary adoption. Mbithi

(1974:60) goes on to point out that the community context in which outside agents seek to facilitate change is governed by cognition, values and beliefs. In this setting, therefore, deviancy evokes punishment for the errant. In such a setting, cultural values dictate the level of adoption of innovation and as a result, the social-economic achievement level.

2.2 Theoretical Framework

This study was grounded on three separate theoretical frameworks namely:

- The World System Theory
- The Modernisation Theory
- The Weberian Perspective on Protestant Ethic and the Spirit of Capitalism

2.2.1 The World System Theory

The World System as introduced by Immanuel Wallerstein, states that the affluence of rich countries in the contemporary world results from the long-term economic exploitation of poor countries. These exploitative relations perpetuate the poverty in poor countries. This leaves the poor countries very little opportunities to lift themselves out of the bottom of the World Capitalistic System, Bradshaw and Wallace,(1996:44)

This theory divides the World into three parts, based on this exploitative relationship. That is, the Core countries, Peripheral countries and Semi-peripheral countries. These are the Rich, Poor and Middle-income countries, respectively.

The Rich or Core countries have formed and maintained a relationship with the Periphery through the creation of an exploitative system of accessing abundant raw materials and cheap labour at the expense of the latter. This system has been maintained since the fifteenth century through slavery and colonialism - in the early days.

through slavery, the Core was able to access cheap labour for their farms and industry, while through colonialism, they secured control over the source of their raw materials. The exploitative system in the contemporary world has maintained basic components of harnessing cheap raw materials from the periphery through a subtle system —Neo-colonialism, Leys (1975)

2.2.2 The Modernisation Theory

The Modernisation Theory dating back to the 1940s and 1950s posits that the third world stays poor because they lack modern economics, modern psychological traits, modern cultures and modern institutions. Long (1977) echoes this thinking when he says that change in attitudes is a precondition to development. This theory focuses on the micro-sociological level of analysis, factors within a country as the major explanations of underdevelopment, Seligson et al,(1993:211).

Modernisation theory prescribes that for development to occur, then the people in a country must have a receptive attitude, to the Western lessons on development and attainment of growth. In the words of Bradshaw and Wallace (1996:40), development of a people must be characterised by modern economies, modern psychological and cultural traits and modern institutions that function.

According to Valenzuela and Valenzuela quoted in Seligson et al (1993), the Modernisation theory unlike the World System Theory, has no limitations in the temporal dimension, it is applicable universally to all human beings. They see the theory as one of change, based on human behaviour. Human behaviour to them underlies the theory's assumption - due to its relativity.

This theory is fundamental to this study based on its propensity to lend itself to micro-sociological level of analysis in which the focus is on individuals or aggregates of individuals, their values, attitudes and beliefs.

The great contribution of this theory will be that, the time element or the historical comparison of the past and its influence on the present is of secondary importance. Its strength will therefore lie in the two pronged factors whereby change is possible since it rests on the principle that cultural values and beliefs underlie the patterns of economic action, Valenzuela and Valenzuela cited in Seligson et al,(1993).

2.2.3 The Weberian Perspective on Protestant Ethic and the Spirit of Capitalism

Weber, in his thesis, *the protestant ethic and the spirit of capitalism*, postulates a controversial perspective. In carrying out a study of the society at his time, he noticed a paradox relating religion on one hand, and pursuit of economic gain on the other hand. It was considered a maxim, that people devoted to religion as a rule tended to reject mundane affairs; while those engrossed in economic pursuit tended to be indifferent to religion, Bendix, (1962).

Weber noticed a paradox in the practice of the Calvinist religious order. In the Calvinist teaching, economic well being was a prerequisite for one to be considered pious. That is, the Calvinism, like certain protestant denominations of the time, provided incentives to the adherents to pursue economic gain. Weber described this economic gain as the *spirit of capitalism*. That is, the individual's pursuit of capitalistic ends rather than the Catholic church's pure devotion to spiritual matter.

Weber's perspective therefore was of great sociological interest in that he saw the behaviour of social groupings as being influenced by a value dictated by the group norm. The Protestants, in gaining their identity, as prescribed by Calvinism, exhibited the common behaviour of pursuit of economic gain.

Weber's perspective, inspires *this* particular study for the reason that this study centres around a particular group of people whose socio-economic achievements has surpassed that of their counterparts.

but unlike Weber's variable, which is based on religion as the determining factor, this study is based on the ethnic values, variable, as the explanatory factor.

This paper picked up from the gap perceived in Weber's study. That is, the *spirit of capitalism* should have been extrapolated to wider socio-cultural realms, such as the influence of cultural values and norms on a given people's socio-economic well being.

2.4 Hypothesis

This study will attempt to prove or disqualify the hypothesis;

H(1) The ethnic values of a social group influences its degree of socio-economic achievement.

H(2) The degree of adoption of capitalistic values by a social group determines its socio-economic achievements.

3.0 METHODOLOGY

3.1 Operational Definitions of Concepts.

Operationalisation of Study Variables

The study variables are hereby operationalised based on the independent and dependent variables as follows: -

H₍₁₎ The ethnic values of a social group influences its degree of socio-economic achievement.

The Independent variable for hypothesis(1) is the concept ethnic values . This is defined as the belief and practice of the traditional values of one s ethnic group as opposed to the belief and practice of modern values. These beliefs and practices, a continuum running the gamut from ethnic values to capitalistic values were measured using several indicators as follows -

1. Type of family - the scaled questionnaire administered asked the individual respondents to categorise their families on a three point scale between (nuclear and extended). In-between the scale was the category neutral , which represented the respondent s perception that both the nuclear and extended families were equally pre-dominant among their community.
2. Type of authority over land issues - the scaled questionnaire asked the individual respondents to categorise the authority most consulted by their community members on a three point scale between the clan and the law .
3. Recognised land owning entity — the scaled questionnaire administered asked the respondents to categorise the most dominant land owning entity on a three point scale between the Individual and the Community .

4. System for according social status — the respondents were asked to place their community's most dominant system of according social status on a scaled response between the categories ascribed and achieved .
5. Use of expendable income — this indicator was measured through the scaled response questionnaire whereby the respondents categorised their ethnic community's use of their expendable income between savings and sharing .
6. Spiritualism — this indicator was measured through a scaled response questionnaire in which the respondents categorised their communities between the sub categories; Religious and Secular .
7. World view — this indicator was measured through a scaled response questionnaire, in which the individual respondents were required to place their communities world view between the values of Rationality and Subsistence Orientation .

▪ The Dependent Variable of Hypothesis (1) was conceptualised as — socio-economic achievement . This is defined as the given community's living standard and level of well being. Though these concepts are usually measured through a look at the life opportunities of the given group as well as the income and expenditure, this study limited itself to the latter. The following indicators were used: -

1. Average monthly income of the study unit. In this case, the sampled 60 individuals and 10 groups. This was categorised as high (above Kshs 10,000 per month), medium (between Kshs. 10,000 and 5,000) and low (below Kshs. 5,000 per month).

H(2) The degree of adoption of capitalistic values by a social group determines its socio-economic achievements

The Independent Variable for H(2) is capitalistic values this concept is defined as the level of practice and belief by a given community in modernism. The study measured this variable through several indicators, the inverse of those indicators used to measure the concept of ethnicity .

This was operationalised through the administration of a three point scaled response questionnaire that had categories signifying ethnicity on one hand and capitalistic values on the other hand. That is, the value orientation of the respondents to whom the questionnaire was administered was measured using the same scaled response questionnaire for both the level of ethnicity as well as the level of capitalistic orientation.

Specifically, the following were the indicators used: -

1. Type of family
2. Type of authority over land issues
3. Recognised land owning entity
4. System for according social status
5. use of expendable income
6. spiritualism
7. world view

3.2 The Study Unit

This study focused on both the purposively selected *individuals* and *groups* in Korogocho Slum area drawn from the original groups that were set up in 1990 by the Action Aid.

3.3 Population and Sample

The Action Aid pulled out of Korogocho slum area in Nairobi in 2001. The Action Aid left an umbrella Community Based Organisation (CBO) called KUHANIA, made up of about

38 self — help groups. The study sampled ten(10) groups from a population including the existing thirty eight(38) groups and also the groups that may have been disbanded or that are not members of KUHANIA . Of these, five(5) groups will be composed of members of the *Kikuyu* ethnicity, while the other five(5) groups will be composed of members of the *Luo* ethnicity. Out of each of these groups will be selected 6 respondents to bring the total sample to 60 people. Each group being made up of approximately twenty(20) members, amounts to a population of 270 people.

Two(2) key informants from KUHANIA, one(1) former AAK staff and ten(10) group leaders were targeted to guide the selection of these groups and at the same time give key and in-depth information on the study s concepts.

3.4 Data Collection Procedures

The data was collected using the following procedures: -

3.4.1 Secondary data collection

A review of secondary data was carried out first, to provide the theoretical context for the field study and second as a source of qualitative and quantitative information about the study groups in Korogocho under the Action-Aid-Kenya programme.

3.4.2 Primary data collection

This was carried out through: -

Observation - and taking of field notes.

Group records —group level data was collected through the studying of individual group records

Questionnaires — a structured questionnaire was administered to the sampled 60 individual members of the targeted 10 groups, while a separate questionnaire was administered to the 10 group leaders.

in-depth interviews — These were carried out with two (2) key informants from KUHANIA, and one (1) former AAK staff member.

3.5 Research design

A brief pre-test was carried out from which the study's data collection tools were further improved. The fieldwork was subsequently carried out with the researcher carrying out several visits to Korogocho to meet the respondents and administer the survey questionnaire.

3.6 Data Analysis

The quantitative data obtained was coded and a statistical analysis carried out. The findings were then summarised through descriptive statistics and the variables tested for association. Considering that the sample was not randomly selected, the study has confined its conclusions to the relationship between the study variables. No inferential statistical analysis was carried out.

CHAPTER FOUR

4.0 RESEARCH FINDINGS, PRESENTATION AND ANALYSIS

4.1 Introduction

In the period between 1990 and 1994 Action Aid Kenya (AAK) set up an initiative aimed at up-lifting the living standards of the poor population living in the semi-formal settlement area known as Korogocho slums. AAK, a community based organisation, intended to give strategic physical support to empower the community and help them start initiatives aimed at lifting themselves out of poverty. Among the initiatives set up in the slum was the savings and loan project, whereby the community through the guidance of its own resource persons would identify the persons interested in joining the project.

Under this initiative AAK set up approximately 60 self help groups, each made up of approximately 23 people, mostly friends, with an average of 85% membership to the same ethnic group. One criterion for qualifying for this loan was to own a business enterprise, since this is where one would invest the capital given and therefore expand their business. Most of the group members therefore operated small business enterprises such as groceries, stalls at the market, charcoal, tailoring and food kiosks, to name a few.

AAK gave out loans of Khs 5,000 to individual group members in the first year. The individuals belonging to each group were supposed to invest the amount given and repay it back to their group with interest. In the second year, the groups that repaid back the loan were given a second disbursement of Ksh.10,000 per group member. This was supposed to be repaid with interest. The interest was to be retained by the group while the principle was to be repaid back to AAK.

The group was important in acting as the guarantor for its individual members. The Loan was disbursed to the group leaders but the group was further subdivided into smaller units made up of 5 people each - called primary groups. These primary groups

were formed in order to act as the guarantor for the members such that if one member defaulted, the other four would be held responsible for repaying the loan.

The findings generated from this study's comparative research are presented in two parts. First are the descriptive findings for the independent and dependent variables and the second section presents the analytical findings.

4.2 Descriptive Findings

The following section analyses the data collected through descriptive statistics in the form of frequency tables and percentages.

4.2.1 Distribution of the Respondents according to the Dependent Variables

a) socio-economic achievement

The dependent variable socio-economic achievement or the measurement of the two groups in terms of equitability of well being was achieved through a comparison between the two study groups at the individual and group levels. At the group level the two were compared in terms of value of business owned, while at the individual level they were compared in terms of the monthly income. The findings are displayed in Table 9 and 10 below.

Table 1: Value of Group Business owned in 1994 and 2004

Value of Business of the Kikuyu groups in K.Shs			
	Group Name	Assets in 1994	Assets in 2004
Kikuyu Groups	Ngosheni	400,000	1,000,000
	Heri Mimi	450,000	2,500,000
	Kugeria	469,000	1,800,000
	Mwangaza Highridge	375,000	750,000
	Mwiruteria	300,000	850,000
	mean	398,800	1,380,000
Luo Groups	Lukiba	265,000	150,000
	Ngunyumu Riverside	357,000	16,000

	Highridge Usaidishi	195,000	154,000
	Mkono Artisans	520,000	500,000
	Wiyonere	400,000	12,000
	mean	347,400	166,400

A comparison between the Luo and the Kikuyu groups revealed that the Kikuyu ran more successful business ventures growing at an average rate of 23% per annum - both as a group and as individuals. Among the Luo groups, most of the business ventures were found to be either fledgling or running at a loss, with an average decline rate of 5% per annum.

b) Income made by the individual group members

The measure of monthly income made by the sampled individuals showed that the Kikuyu individuals earned higher incomes than their Luo counterparts. 60% of the Kikuyu individuals earned more than Kshs 5,000 per month whereas 56% of their Luo counterparts earned less than Kshs 1,000 per month.

Table 10: Comparative Individual monthly income

Monthly income	Kikuyu		Luo	
	Frequency	Percent	Frequency	Percent
LOW (below 1,000)	-		17	
MEDIUM (between 1,000-5,000)	12		11	
HIGH (above 5,000)	18		2	
Total	30		30	

c) Criteria Used to Select the Businesses to Invest In

Each of the two sets of groups studied adopted more or less similar criteria in choosing the businesses to invest in. Both groups used their past experiences as the primary basis for selecting where to invest.

Table 11: Comparative Methods for Selecting Investments

Criteria for selecting investments	Kikuyu		Luo	
	Frequency	Percent	Frequency	Percent
Unanimity /consensus	2		5	
Personal experiences	13		9	
Influential person prevailing on the rest	8		7	
Continuation of what the group already did	7		9	
Total	30		30	

4.2.2 Distribution of Respondents according to the Independent Variables

The independent variable, ethnic values, was operationalised through a three-point scaled response questionnaire measuring seven indicators with the categories ethnic values on one hand and capitalistic values on the other hand. The responses recorded are represented below through frequency tables (Table 2-8). Table 9 presents a summary of an analysis of all the tables preceding it; that is (Tables 2-8). The variables were Family, Law, Land ownership, Social status, income, Religion and Beliefs.

Family

From the data collected, it emerged that more Kikuyu families described themselves as oriented towards the nuclear more than the extended family. The majority of the Luo respondents on the other hand characterised their families as being extended.

Table 2: Nuclear versus extended family orientation

Type of family	Kikuyu		Luo	
	Frequency	Percent	Frequency	Percent
Nuclear	18	60	3	10
Neutral	7	23.3	-	-
Extended	5	16.7	27	90
Total	30	100	30	100

Law

The majority of the Kikuyu respondents characterised the law as being the overriding authority over their land than did the Luo respondents. The latter chose the clan as the predominant authority over land issues.

Table 3: Authority recognised to preside over land issues

Type of authority	Kikuyu		Luo	
	Frequency	Percent	Frequency	Percent
Law	18	60	6	20
Neutral	6	20	-	-
Clan	6	20	24	80
Total	30	100	30	100

Land Ownership

While 50% of Kikuyu respondents said they recognised the individual as the most important land owning entity, 70% of their Luo counterparts saw the clan as being the more important land holding unit. This view corroborates the previous observation, whereby the Kikuyu respondents held that the Law was the most important authority over land while the Luo recognised the clan as the chief land adjudicator.

Table 4: Comparative system of land ownership

Recognised land owning entity	Kikuyu		Luo	
	Frequency	Percent	Frequency	Percent
Individual	15	50	7	23.3
Neutral	14	46.7	2	6.7
Clan	1	3.3	21	70
Total	30	100	30	100

Social Status

It was shown that 70% of the Kikuyu respondents saw achievement as a more important criterion for according social status than ascribed status. 60% of the Luo on

the other hand said that ascription was the more preferred method of according social status.

Table 5: Comparative system of according social status

System for according social status	Kikuyu		Luo	
	Frequency	Percent	Frequency	Percent
Achievement	21	70	10	33.3
Neutral	5	16.7	2	6.7
Ascribed	4	13.3	18	60
Total	30	100	30	100

Income

The findings from the Kikuyu and Luo respondents over their use of expendable income revealed that 90% of the Kikuyu respondents saved it while 70% of the Luo shared it through such activities like paying contributions to welfare associations, funding social activities or undertaking an obligation with the extended family.

Table 6: Comparative use of Expendable Income

Use of expendable income	Kikuyu		Luo	
	Frequency	Percent	Frequency	Percent
Savings	27	90	9	30
Neutral	-	-	-	-
Sharing	3	10	21	70
Total	30	100	30	100

Religion

The respondents were asked to categorise members of their communities in terms of the value placed on religion. That is whether religion was treated as a way of life or just a segment of life. 70% of the Luo respondents said religion was a way of life while most Kikuyu respondents said religion was just a segment of life. The latter response was translated to mean that the Kikuyu were more secular in their outlook.

Table 7: Comparative spirituality

Spiritualism	Kikuyu		Luo	
	Frequency	Percent	Frequency	Percent
Secular	13	43.3	7	23.3
Neutral	15	50	2	6.7
Religious	2	6.7	21	70
Total	30	100	30	100

Beliefs

The respondents were asked to categorise the typical response of their community members to an unusual occurrence, for example if they were to witness a river flowing upstream. 50% of the Luo respondents said that this occurrence would be explained in supernatural or religious terms. 70% of the Kikuyu on the other hand felt that the event could largely be explained by rational reasons or science. For example that the river is flowing like that as a result of geological forces interfering with gravity.

Table 8: Comparative World View

World view	Kikuyu		Luo	
	Frequency	Percent	Frequency	Percent
Rationality	21	70	14	46.7
Neutral	2	6.7	1	3.3
Subsistence Orientation	7	23.3	15	50
Total	30	100	30	100

Ethnic Values versus Traditional Values

The following (Table 9) is the summary of all the amalgamated responses received from the three-scale-response questionnaire (see Tables 2-8 above) administered to the individual Kikuyu and the Luo groups. From the responses, it can be demonstrated that 63.3 of the Kikuyu display predominantly modern values (capitalistic) while 70% of the Luo respondents displayed a predominance of traditional / ethnic values.

Table 9: Comparative Summary of Capitalistic versus Ethnic Orientation

	Kikuyu	Luo

Value orientation	Kikuyu		Luo	
	Frequency	Percentage	Frequency	Percentage
Capitalistic	7	23.3	1	3.3
Neutral	4	13.3	21	70
Ethnic	30	100	30	100

4.4 Relationship between Ethnic, Capitalistic values and Socio-economic Achievement

The independent and dependent variables under H(1) were summarised and analysed using the cross tabulation of the two variables; that is ethnic value orientation on one hand and socio-economic achievement on the other hand.

Table 21, below, summarises the results of the cross-tabulation of the two study variables. From the table it can be shown that there is a weak relationship between capitalistic orientation and the level of socio-economic achievement. That is, an increase in the level of socio-economic achievement is not necessarily determined by the level to which one is capitalistically oriented. This means that there are other explanations outside the scope of this study which can explain the reason for disparity in socio-economic achievement among the study's population.

At the same time it has been demonstrated that there is a strong relationship between ethnic orientation and socio-economic achievement. That is, the more one is oriented towards ethnicity, the higher the chances that they will score low on the socio-economic achievement scale. This means that there is a high probability that the low socio-economic achievement recorded amongst the Luo group studied is to a large extent explainable based on their strong ethnic values.

Table 21: Value Orientation Cross-tabulated with Socio-economic Achievement

VALUE ORIENTATION	SOCIO-ECONOMIC ACHIEVEMENT			
	(Monthly income)			
	Low Below 1000	Medium Between 1000 - 5000	High Above 5000	Row Total (%)
Capitalistic	9	7	11	45
Neutral	4	5	5	23.3
Ethnic	9	7	3	31.7
Column Total (%)	36.6	31.7	31.7	100.0

The above findings uphold $H(1)$, that is; The ethnic values of a social group influences its degree of socio-economic achievement.

While the same findings disqualify $H(2)$ which states that:

H_2 : The degree of adoption of capitalistic values by a social group determines its socio-economic achievements.

Conclusion

The study concludes that there is a relationship between the independent variable ethnic value and the socio-economic achievements of a group of people.

That is, the socio-economic achievement of a social group is influenced by the extent to which the said group believes and practices their ethnic values. In other words the more a group tends towards ethnic values (traditional, communal oriented values) the less socio-economic achievements (accumulation of wealth) they are likely to attain.

5.3 Recommendations

The findings of this study form the basis for making recommendations as follows.

First, though the Action Aid-Kenya set up several self-help groups in Korogocho slums in the 1990, only a few of these survived to see the end of the programme in 2001. The majority of those that survived were predominantly run by the members of the Kikuyu ethnic group. One hypothesis put forward to explain this disparity is that postulated by some members of the Luo groups who felt that they did not start off on the same footing as the Kikuyu groups. This is because even before the initial support, in form of seed money of Kshs 5,000 was given to the groups, the majority of the members of the Kikuyu groups already had well established and profitable businesses running, a fact that was corroborated by members of the Kikuyu groups.

This study therefore recommends that the level of development of either the group or individuals engaged in a self-help project must be taken in account as an important variable before deciding what level of capital or working capital is loaned to such a project.

Second, while the government of Kenya, continues to pledge its commitment to poverty eradication in view of its 2003 policy paper entitled The Economic Recovery Strategy Paper for Wealth and Employment Creation (ERS); the levels of disparity in socio-economic well being among communities in Kenya continue to prevail.

Though this study has been useful in postulating that ethnicity is one of the factors that should explain the disparity in socio-economic well being; there is need to for further research in the following areas:

- The connection between socio-economic achievement and geographical factors such as proximity to the capital city, soil fertility etc. For example, did the geographical proximity of Central Province to Nairobi act as a factor in providing

a quick and ready market to their farm produce, and as such providing them a geographical advantage not shared with the rest of Kenya's communities?

- The connection between socio-economic achievement and historical factors such as the fight for Kenya's independence and the connected struggle over land ownership. For example did the colonial settlers displacement of the Kikuyu from their agriculturally fertile ancestral land, serve as a contributing factor to the community becoming more aggressive in land and property acquisition as compared to the rest of the communities in Kenya?
- The connection between socio-economic achievement and political connection of a group. For example, did the fact that Kenya's first president was from the Kikuyu community play any role in the bettering socio-economic well being of the community?

The findings generated from the above studies should hopefully highlight the priority areas that should form the strategy for concerted efforts by the government, civil society and the business community to bring about the necessary reform that will ensure that development is equitably distributed to all the communities in Kenya. It is only when the benefits of economic growth have been equitably distributed can true development be said to have taken place, Ngethe (1981).

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Appendix I : Questionnaire for Project Paper

A. *Socio-economic achievement at the group level*

This question guide is targeted at selected members of those groups that were supported by Action Aid Kenya between 1990 —2002. The questions are part of a study that seeks to find out the difference in achievement level between the Luo and Kikuyu groups. The study is especially interested in comparing the performance of the Kikuyu groups and the Luo groups.

ask all

(These questions will be administered to the leaders of the sampled groups)

1. Name of your group?

2. Name of your chair person/respondent?

3. What year was your group set up?

4. What proportion of the founder members were of the *Kikuyu* ethnicity?

i) Less than 50%

ii) More than 50%

iii) Other, specify _____

5. What proportion of the founder members were of the *Luo* ethnicity?

i) Less than 50%

ii) More than 50%

iii) Other, specify _____

6. How many members did your group have at inception?

i) Less than 10

ii) More than 10

iii) Other, specify _____

7. What year(s) were your group given loans by Action Aid Kenya?

8. How much loan was your group given by Action Aid Kenya in each year?

Year _____ Amount _____

Year _____ Amount _____

Year _____ Amount _____

Year _____ Amount _____

Year _____ Amount _____

9. How much assets has the group got now?

- Below 50,000
- Between 50,000-100,000
- Between 100,000 — 200,000
- Between 200,000 — 500,000
- Between 500,000 — 1 million
- Over 1 million

10. What activities did the group take part in at inception?

- Business
- Welfare (non business activity such as arranging for funerals, saving for school fees)
- Other, specify _____

11. What activities does the group take part in at present?

- Business
- Welfare (non business activity such as arranging for funerals, saving for school fees)
- Other, specify _____

12. What criterion was used at inception to select the members?

- Friends
- Neighbours
- Relatives
- People who owned businesses
- Other, specify _____

13. Do you think that there are groups among those set up by Action Aid Kenya that have accumulated more assets than your group?

- i) Yes
- ii) No

14. If 13. is Yes, what would you say is the reason why this other group accumulated more assets

- i) great group cohesion
- ii) Members defaulting on repayments
- iii) Corruption by group officials
- iv) Officials were wise investors
- v) Prudent investment decisions
- vi) The loan system favours the well off

B. Socio-economic Achievement at Individual Level

(This interview schedule will be administered to the sampled group members)

ask all

- What is your name? _____

- What is the name of your group? _____

- How much income do you make in a month?
 - i) below Ksh. 1000
 - ii) between Ksh. 1000-5000
 - iii) above Ksh. 5000

- How many dependants do you have in your household?
 - i) Below 5
 - ii) Between 5-10
 - iii) Above 10

- What proportion of your income do you spend on food in a year?
 - i) below 30%
 - ii) Between 30 -60%
 - iii) Above 60%

- How would you explain the difference in asset accumulated by your group between the group's inception and now?
 - i) Great group cohesion
 - ii) Members defaulting on repayments
 - iii) Corruption by group officials
 - iv) Officials were wise investors
 - v) Prudent investment decisions
 - vi) The loan system favours the well off

- What criteria did your group members use in selecting the business to invest in?
 - i) unanimity/consensus
 - ii) personal experience
 - iii) influential person prevailing on the rest
 - iv) continuation of what the group already did

C. Ethnic Vs. Capitalistic values questionnaire

The sampled individual (group members) respondents are to rank order responses to the following questions on a scale of 1 to 3. (where 1 represents the value closest to the Capitalistic position, 2 is in-between, while 3 is closest to the Ethnic position)

ask all

1. Which of the following describes the family in your community?

Nuclear / _____ / _____ / _____ / Extended

2. Which of the following authorities preside over land issues in your community?

Law / _____ / _____ / _____ / Clan

3. which of the following best describes how is land owned in your community?

Individually / _____ / _____ / _____ / Communally

4. Which of the following is considered more important to members of your community?

what I have achieved / _____ / _____ / _____ / who I am, tracing my genealogy (family and clan)

5. Which of the following factors is more important to members of your community?

Competition / _____ / _____ / _____ / Cooperation

6. Which of the following terms would your community members use to explain an unusual occurrence such as a river flowing uphill?

Scientifically / _____ / _____ / _____ / Spirituality

7. Which would you say is more important to your community members

Savings / _____ / _____ / _____ / Sharing

8. How would you describe religion

Segment of life / _____ / _____ / _____ / Way of life

9. Which of the following describe happiness, according to your community members?

Wealth accumulation / _____ / _____ / _____ / Spiritual harmony

10. Which of the following is expected of your community members?

to maintain eye contact with those you talk to / _____ / _____ / _____ / to avoid eye contact with those
you talk to