**UNIVERSITY OF NAIROBI**

**FACULTY OF ARTS**

**DEPARTMENT OF SOCIOLOGY AND SOCIAL WORK**

# THE ROLE OF COTTAGE INDUSTRIES IN THE SOCIO-ECONOMIC TRANSFORMATION OF RURAL AREAS: A CASE OF KAKAMEGA COUNTY, KENYA

**BY**

**PAULPETER MAKANDA MAKOKHA**

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## DECLARATION

This research project paper is my original work and has not been presented for an award of a degree or any other award in any college, university, or institution.

**NAME:** PAULPETER M. MAKOKHA

**REGISTRATION NUMBER:** C50/76791/2009

**SIGNATURE:** …….

**DATE:** ……..

This research project paper has been submitted for examination with my approval as the University Supervisor.

**NAME:** DR. EDWARD ONTITA

**DEPARTMENT:** SOCIOLOGY AND SOCIAL WORK

**SIGNATURE:** ……..

**DATE:** ……...

## DEDICATION

This research project is dedicated to the almighty God; the strong pillar around which my life is anchored.

It is also dedicated to my deceased father, Edmunds, my mother, Petronilla; the best parents and childhood teachers I would ever wish to have who always inspired me, challenged me, and overwhelmingly supported me toward academic excellence.

Finally, it is dedicated to: my wonderful siblings; to all my academic parents who added value to my academic life, all the way from nursery school to university level; and finally, to my awesome friends and well-wishers from within and without, who consistently encouraged me, prayed for me, and supported me in ways which are beyond comprehension.

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Lastly, I convey my special thanks to my family and friends, who were overwhelmingly supportive of me in ways unimaginable! I will never be able to thank them enough. My sincere apologies to any individual (s) who I may have forgotten to acknowledge.

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**ABSTRACT**

Cottage industries, also referred to as household-based industries in this research study, are production units mostly based in homesteads, which make use locally available raw materials, are driven by fuel or manual power and skills, and whose products end up in the local market.

The general objective of this research study was to examine the role of household-based industries in the socio-economic transformation of rural areas, basing its conclusions and recommendations on a case study of Kakamega County, Kenya. The specific objectives were: to document the forms of household-based industries existing in Kakamega County; to highlight the profiles of household-based industry proprietors and labourers in Kakamega County, and to assess the contribution of the household-based industries in Kakamega County in the creation of wealth. A sample size of 226 respondents was used for the study. Manda, Mukhonje and Kivaywa sub-locations were assigned 70, 82 and 74 respondents through proportionate random sampling. Systematic random sampling was applied in each of the sub-locations.

The household-based industries documented in this study were: earthenware production, unrefined sugar production, brick production, liquor generation, stone-works, woodworks, herbal medicine extraction, charcoal burning, weaving, pastry production, cycle repair, flour production and shoe production and repair. The profiles of household-based industry proprietors and labourers looked into include: the reason for location of industry, mode of ownership, duration of ownership, duration of employment, state of the industry, nature of employment, type of employment and change in the number of labourers. Household-based industries carry out a key role in the socio-economic transformation of the rural zones in Kenya.

Seventy-two percent of household-based industry proprietors invested using income generated while 28 percent did not. Therefore, these industries created wealth through investment. Most household-based industries (66 percent) employed 2-4 labourers whereas 15 percent of them employed more than four labourers. In other words, jobs were created by these industries.

# CHAPTER ONE

# INTRODUCTION

## 1.1 BACKGROUND OF THE STUDY

According to Meier and Steel (1989), African leaders still insist on industrial development as the gateway to the continent's economic transformation and economic independence. They argued that most African countries were still underdeveloped, with little industrial activity, and that most of the industrial undertakings initiated by foreigners had so far been unable to meet the basic needs of the populace.

African countries were expected to put in place necessary and sufficient conditions required for the attainment of self-reliance through intensive industrial development. It was observed that for this dream to be actualized, locally available raw materials, human resource, management and domestic and regional markets must all be put to use on a larger scale. They suggested that the people of Africa must rely mainly on their own efforts and make external assistance secondary to their development strategy. In pursuing this policy, they argued, Africa should not intend to segregate itself from the world of foreign science and technology but instead the continent should come up with its own scientific and technological innovations (Ibid).

Koyano (1979) noted that the least industrialized countries cannot grow industrially if they fully depended on the developed world. Koyano seemed to reinforce Meier's and Steel's suggestions that the developing world at large must come up with its own innovations, however simple, to be used alongside the technology acquired from the developed countries.

Haq, cited in Ghosh (1984), explained that industries help develop the skills and disciplines necessary for a modern economic society and that it is regarded as common strategy of removing traditional impediments to development. First, he observed that in almost all countries, there were household-based or handicraft industries which produced a wide variety of articles for rural and urban consumption, and also for export. Secondly, there are manufacturing industries that are closely connected to agricultural development and those industries concerned with

maintenance of the said machinery. Thirdly, there were industries linked to the processing of local materials.

Puri (1988) posited that household-based industries provided the best chance for converting every household into a firm. Hogg, cited in Ghosh (1984), stated that one of the apparent options in developing household-based industries was to concentrate on the development and diversification of the existing industries. He further asserted that the most established industry in rural areas was of the *traditional artisan type*, although some simpler manufacturing and processing activities may be developed as a complement to trading concerns.

Traditional artisan enterprises rely on simple, reliable technologies and manual skills. Hogg, cited in Ghosh (1984), noted that in most cases there was surplus production in relation to demand and the industries were commonly owned by families for subsistence use. Production seemed unorganized; however, the advantage of such firms was in their nearness to the markets, their low overhead costs, and their quick adjustment to indigenous environment.

It is worth noting that most of the industrialized countries built upon simple rural-based industries, which then brought into existence the current sophisticated industries. Tanimoto and Motoshige, cited in Hayami (1998), point out that *Iruma*, located in Japan's *Saitama Prefecture*, was a conventional area of production for the cotton textile industry. The production of cotton textiles in this area began as one of the local markets for textile products, but gradually became the centre in the region.

Morse and Staley (1965) observed that development leaders in countries which are beginning to industrialize are doomed to fail in their governance if they ignored household-based industries which before modernity set in, have been the traditional source of manufactured articles. The first was the socio-political factor. It arose from concern for the fate of families that depended for their livelihood on the proceeds from traditional household industries such as handloom weaving and pottery making. In most countries, these considerations have great political importance. The second was the development-oriented factor in that those tasked with development planning had to figure out the important role artisans and home industry could play in the emergence and growth of a modern industrialized nation.

Ndam, cited in Coughlin and Nyong'o (1991), pointed out that household-based industries in Africa encouraged entrepreneurship and also laid the foundation for greater industrial attempts. He further noted that in the United Republic of Tanzania, traditional blacksmiths made a major contribution to the present rural economy and their continued decline caused considerable disruption and unemployment in related sectors.

The *Kakamega District Development Plan* (1997-2001) identified household enterprises such as wood-curving, boat-making and bicycle repair. It was observed that these types of industries were spread across the district and contributed considerably to the growth of the administrative unit's economy. The sector offered most of the employment opportunities.

King (1996) conducted an investigation of the various household-based industries in Kenya. He executed a survey of those who owned the various *jua kali* shops, when they set them up, what they specialized in, and who they employed as workers or trainees.

Omoare (2015) examined the role of household-based industries towards poverty reduction in Nigeria. King (1996) focused on the contribution of the household-based industries to socio-economic progress. Niyibizi et al (2012) conducted a study in Kenya about the role of a number of household-based industries in wealth creation.

## 1.2 STATEMENT OF THE PROBLEM

Omoare et al (2015) conducted a study in Nigeria whose focus was on household industries such as soap-making, basketry, hair dressing, and bread-making. The findings of the study showed that household-based industries were a source of livelihood for the people of Nigeria. The *Kakamega District Development Plan* (1997-2001) identified industries such as: wood carving, soap-making and boat-making, in the district. This study highlighted old and current forms of household-based industries, namely: earthenware, unrefined sugar production, brick production, liquor generation, stone-works, wood-works, herbal medicine extraction, charcoal burning, weaving, pastry production, cycle repair, flour production, and shoe production and repair.

Most studies focus on household-based industry players in general without creating a distinction between the proprietors and labourers. Alam et al (2008) investigated the characteristics of

farmers as regards their participation in household-based industry activities in Bangladesh. It was discovered that the number of people in a household and the perceptions of the members determined their involvement in household-based industry activities. This study, while looking into the profiles of household-based industry players, focused mostly on the proprietors, but also examined a few aspects of the labourers.

A majority of studies have generalizations based on only a few household-based industries. Mohammed (2014) investigated the role of wood-related household-based industries where it was discovered that these industries led to the socio-economic improvement of livelihoods. Niyibizi et al (2012) looked into the role of household-based industries in wealth creation, and focused on pottery, stone-carving and bark-cloth making. The findings showed that household-based industries in the Lake Victoria region earned the communities in the area a source of livelihood. This study, while looking into the role of household-based industries in the socio-economic transformation of rural zones, based its generalizations on 13 different forms of industries with the objective of achieving credible results.

It is evident that despite the existence of household-based industries, most rural areas in Kenya are still underdeveloped. This research study, therefore, sought to document household-based industries situated in Kakamega County, highlight the profiles of household-based industry proprietors and labourers in Kakamega County, and examine the role of these industries in the socio-economic transformation of rural areas.

## 1.3 RESEARCH QUESTIONS

General Research Question

What is the role of household-based industries in the socio-economic transformation of rural areas?

Specific Research Questions

The specific research questions were:

1. Which are the forms of cottage (household-based) industries in Kakamega County?
2. What are the profiles of cottage industry proprietors and labourers in Kakamega County?
3. How do the cottage industries in Kakamega County contribute to wealth creation?

## 1.4 OBJECTIVES OF THE STUDY

Main Objective

The main objective of this study was to examine the role of household-based industries in the socio-economic transformation of rural areas basing on the case of Kakamega County, Kenya.

Specific Objectives

The specific objectives were:

1. To document the forms of cottage (household-based) industries in Kakamega County.
2. To highlight profiles of cottage industry proprietors and labourers in Kakamega County.
3. To assess the contribution of cottage industries in Kakamega County in wealth creation.

## 1.5 SCOPE AND LIMITATION

Case studies of Manda, Mukhonje, and Kivaywa sub-locations were used. Because of the limitations caused by insufficient time and money, the study could not be carried out in the entire districts. The relevant data touching on the areas of study were obtained from the county, district and location levels. Data collection was confined to Kakamega North, Kakamega East and Lugari districts in Kakamega County. This study left out small-, medium-, and large-scale industries, by focusing exclusively on household-based industries. It was also limited to rural zones, by excluding urban areas.

## 1.6 DEFINITION OF KEY TERMS IN THIS STUDY

Household-based Industries

Cottage industries, which will also be referred to as household-based industries in this study, are production units mostly located in homesteads, within household units, which make use of locally available raw materials, depend on manual strength and skills (at times run on fuel), and whose products mostly end up in the local market for utilization.

Jua Kali

This refers to the economic activities carried out by artisans, who are mostly situated in urban and semi-urban areas, which involve improvising household items from scrap metal or plastics.

Transformation

This refers to the complete change of something's appearance. The word *transformation* will be used to mean the improvement of lives of rural dwellers as a result of ownership of a household-based industry or employment in a household-based industry.

Investment

To invest is to give time and effort to a particular task, especially in a way that involves self-sacrifice. In this study, *investment* will be used to denote the use of income to meet any need (s) in a family, which makes the lives of respondents easier and comfortable.

Wealth Creation

The phrase *wealth creation* will be used to imply the involvement in activities which have a positive socio-economic impact, or the acquisition of assets that earn profit. The term will also be used to refer to the use of income to meet any need (s) in a family.

# CHAPTER TWO

# LITERATURE REVIEW AND THEORETICAL FRAMEWORK

## 2.1 INTRODUCTION

Ndam (1988) observed that African governments reaffirmed their decision to lay greater emphasis on industrialization by proclaiming *Industrial Development Decade for Africa* in their development plans to help meet the basic needs of the masses. But industrialization remained a far-fetched dream, and a second *Industrial Development Decade for Africa* was proclaimed since the new international economic order advocated by the United Nations General Assembly was still not realized, yet the economic situation was deteriorating further.

The continent still heavily relied on exports of primary commodities with falling prices in broadly the same markets it depended on for imported inputs with increasing prices. Many African countries got little additional aid, loans and inflows of foreign direct investment, all desperately needed for growth, despite having adopted the much touted structural adjustment programmes. In order to manage, and eventually eliminate the worsening debt crisis, Ndam (1988) advocated for the rapid industrialization of African countries.

Despite efforts by African countries and international bilateral organizations to industrialize Africa, industrialization brought forth much tougher challenges. The first *Industrial Development Decade for Africa* meeting was aimed to make African countries and organizations more aware of how industry promoted economic development, and to get political, bureaucratic, business and educational leaders to rally behind industrialization (Ibid).

*The African Academy of Sciences* (1991) noted that even though Africa did industrialize somewhat after independence, that process was reversing! The world economic crisis dealt a big blow to African industry, stalling or reversing Africa's already negligible rates of industrialization. It was observed that some countries were in fact de-industrializing! Therefore, there was need for the developing world to put more effort in the industrialization of rural zones, which comprise the largest portion of the population.

In July 2016, the United Nations General Assembly collectively adopted a resolution which declared the year 2016 to 2025 as the Third Industrial Development Decade for Africa. While pointing out that Africa was still the poorest region in the world, the Assembly stressed on the need for the continent to take quick actions to foster industrialization (United Nations General Assembly, 2016).

Hayami (1998) observed that for decades the Korean government had made efforts to promote rural industry. According to a report written in the late 1980s by the Bangladesh Ministry of Industries, more than 400,000 rural household-based industrial units employed about 1.2 million workers. Puri (1988) opined that the plan on rural economic transformation would not attain full success without proper emphasis on small-scale and household-based industries. He further observed that the economic history of India was attributable to magnificent records of affluent village industries.

Ghosh (1984) observed that in all rural communities there were some tradesmen, wood-workers or carpenters, sheet-metal workers, blacksmiths and tailors. In most countries, he noted, rural skills of a high degree existed for producing articles of artistic excellence from locally available materials, and that such articles were produced as a part-time family occupation. He concluded that for these articles, there was an ever-growing local and international market.

Fening (2015) examined the state of cottage industries in Ghana and found out that despite their profitability, they faced numerous challenges such as inadequate capital. Kristiansen et al (2005) looked into the survival and adaptation of cottage industries in Tanzania by focusing on dress-making and woodwork. They concluded that cottage industries in Tanzania had a remarkable ability to survive.

The *Kakamega District Development Plan* (1997-2001) identified household-based industries such as: wood carving, soap-making and boat-making, in the district. This research study unearthed the following household-based industries: earthenware production, unrefined sugar production, brick production, liquor generation, stone-works, wood-works, herbal medicine extraction, charcoal burning, weaving, pastry production, cycle repair, flour production, and shoe production and repair.

King (1996) conducted an investigation of the household-based industries in Kenya. He executed a survey of those who owned the various *jua kali* shops, when they were established, what they specialized in, and who they employed as labourers. Alam et al (2008) highlighted farmer's attributes associated with the involvement in household-based industry activities in Bangladesh.

Persisting economic stagnation since the 1980s had deteriorated the living standards of the people in Kenya. Under the fight against poverty, the Government of Kenya formulated strategies for wealth and employment creation (*Master Plan Study for Kenya's Industrial Development*). Niyibizi (2012) et al conducted a study on the contribution of household-based industries in the creation of wealth.

## 2.2 THE INDUSTRIAL MAKE-UP OF KENYA

Aura and Ikiara, cited in Purna and Kumar (2001), point out that like many African countries, the history of Kenya's manufacturing sector cannot be traced from indigenous craftsmanship, but a creation of the British colonialist designed to support the settlers' plantation and export economy. Most agricultural produce was exported unprocessed to markets of Tanganyika, Uganda, and Europe. Eglin, cited in Coughlin and Nyong'o (1991), noted that chemical manufacturing, the manufacturing of farm machinery and the assembly of agricultural utility vehicles was also introduced. A few American and British multinational firms commenced their operations in Kenya during this period.

They duo further observed that Asian commercial capital joined the European and American firms in the manufacturing sector after the Second World War. Asian manufacturing firms were mostly macro and medium scale enterprises located in urban centers such as Nairobi, Mombasa, Kisumu and Nakuru, with a network of workshops in rural centres in agricultural areas. After attaining independence, the government immediately focused on industrial expansion as a critical goal to quick development and as the best way of diversifying the economy by reducing dependence on agriculture (Ibid).

## 2.3 THE KENYAN ECONOMY VERSUS THE INDUSTRIAL PATTERN

The *Master Plan for Kenya's Industrial Development* (2008) stated that Kenya's industrial development had just started with its history of less than 40 years, and basic infrastructures which were indispensable for economic activity had not yet been sufficiently put in place. Additionally, after the dissolution of the former East Africa Commission in 1997, the necessity for industrialization was revived and the government was compelled to promote industrial development in the domestic economy. Policies which leaned towards exports were later introduced, which included the elimination of the import restriction.

In the 1980-1990s, the Structural Adjustment programs were introduced under the development partners' framework led by the world's leading monetary institutions. Structural adjustment policies included advocating for the lifting of government controls on many sectors of the economy and reforming state corporations. However, these programmes led the Kenyan economy into the international economy thereby causing a serious shake-up in the manufacturing sector. The cost of production increased, and the competitiveness of enterprises dropped, while many manufacturers had no option but to close down their businesses (Ibid).

## 2.4 GOVERNMENT INSTITUTIONS AND INDUSTRIALIZATION

Ikiara (1988) observed that Kenya's industrialization was a disappointment in a diversity of ways: it created very few job opportunities; the manufacturing sector continued to rely heavily on imported equipment and raw materials thus worsening the balance-of-payments. He proceeded to review and evaluate the catalytic role of the government by citing a number of institutions, which included:

### The Industrial and Commercial Development Corporation

This institution was originally established as the Industrial Development Corporation (IDC) in 1954 by the colonial government with the aim of promoting the colony's industrial development. After independence, the Industrial Development Corporation was expanded to become the Industrial and Commercial Development Corporation (ICDC) so as to play a bigger, more diversified role in the economy by also financing commercial enterprises.

### The Industrial Development Bank

The Industrial Development Bank (IDB) was established by the Government of Kenya in 1973 to facilitate industrial development in the country. Its main focus was to be on promotion, establishment, expansion, and modernization of medium- and large-scale industrial enterprises.

### The Kenya Industrial Estates

The Kenya Industrial Estates (KIE) is another important institution established after independence to provide small indigenous entrepreneurs with opportunities to enter into the manufacturing sector. It was established in 1967, and until 1977, it was a wholly owned subsidiary of ICDC operating under the Ministry of Commerce and Industry. The Industrial Estates provided necessary facilities such as machinery, equipment, and technical services to the small manufacturers who qualified for KIE assistance.

## 2.5 THE HISTORY OF COTTAGE INDUSTRIES

According to Kaplan (2009), the majority of Europeans in the 1700s were rural, but not everybody was involved in agriculture. A number of men, women and children worked at home in the cottage industry (putting-out system). The majority of household-based labourers were engaged in some aspect of the production of woolen cloth-carding, spinning, weaving and dying could take place in a series of locations. Smaller numbers of people were engaged in silk and linen production (by the time cotton cloth became big-business, textile manufacturing had become more mechanized and had shifted from private homes to mills). Many families farmed and engaged in some type of household-based industry to supplement their income.

Valenze (1995) states that minor household-based industries such as lace making, gloving and leather, though difficult to measure, expanded significantly during those years. Lynch and Fahmy (1984) pointed out that Egypt had one of the longest histories of petty commodity production in the world. They used the example of Kerdassa which, historically, was not known as an agricultural village, but rather, as a village specializing in various handcrafts.

## 2.6 THE CONTRIBUTION OF HOUSEHOLD-BASED INDUSTRIES TO KENYA'S ECONOMIC DEVELOPMENT

The *Fourth Human Development Report* (2005) observed that the rate of employment in household-based industrial units was tremendous, offering many Kenyans a source of income. Koyano (1965) household-based industries preserved traditional craft techniques. Household and small-scale industries provided a point-of-entry for many Kenyan entrepreneurs into the production sector and served as the testing ground for the development of affordable products. Ndam (1988) put it precisely by stating that household-based industries carried out the crucial task of stimulating entrepreneurship and laying the foundation for greater industrial attempts.

Morse and Staley (1965) noted that development leaders in newly industrializing countries should encourage the transformation of the traditional household-based sector and the establishment and growth of new types of these industries. Rao and Saha (1986) pointed out that household-based industries played a crucial role in bringing about balanced regional development in a country and pulling in export earnings. The *Kenya Vision 2030* noted that household-based industries form the foundation for entrepreneurial development in Kenya.

**Table 2.1: A Baseline Survey Conducted by the Kenya National Bureau of Statistics (1999)**

| STRATUM | THE %AGE OF POP'N | NUMBER | | WORKERS | | MEAN |
|---|---|---|---|---|---|---|
| | | Number | The %age | Number | The %age | |
| Nairobi & Mombasa | 9.7 | 204,280 | 15.8 | 394,838 | 16.9 | 2.0 |
| Other Major Towns | 6.2 | 157,533 | 12.2 | 279, 133 | 11.8 | 1.8 |
| Rural Towns | 2.1 | 81,320 | 6.9 | 135,349 | 5.6 | 1.6 |
| Rural Areas | 82.0 | 845,879 | 65.6 | 1,551,930 | 65.7 | 1.8 |
| TOTAL | 100 | 1,298,012 | 100 | 2,361,350 | 100 | 1.8 |

**Note:** Total, 2,361,350=Regular Workers, 2,248,588 (Proprietors, 1,679,858 + Family, 243,870 + Hired, 271,869 + Apprentice, 52,991) + Non-Regular Workers, 112,662.

From the above table, we can see that household-based industries create a significant number of jobs in Kenya.

**Source:** Baseline Survey, 1999, *Kenya National Bureau of Statistics, International Center for Economic Growth, and K-Rep Holdings Ltd.*

## 2.7 CHALLENGES FACED BY COTTAGE INDUSTRIES IN KENYA

The seasonality of some activities of household-based industries was another challenge. Coughlin (1988) singled out weaknesses associated with government policies and their implementation. He noted that household-based and small-scale industries suffered many disadvantages when competing against medium- and large-scale industries. Coughlin (1988) observed that some economic development strategies were in conflict, thereby derailing the establishment of the manufacturing sector.

## 2.8 THEORETICAL FRAMEWORK

This research work was guided by two theories: the rational choice theory and the theory of structural functionalism. These theories are explained:

### Rational Choice Theory

One of the early proponents of this theory was George Homans (1910-1989). Scott (2000) posited that all activity is essentially rational in nature and that individuals weigh the probable expenses and advantages of any step making up their mind on whether to go ahead or not.

Scott (2000) posited that the steps human beings make have both logical and illogical aspects, and that it was inconceivable for individuals to achieve all that they desired, regardless of whether the steps in question were beneficial or not. However, at a personal level, no one makes decisions without the hidden inspiration of reaping benefits. Members of the society, therefore, usually settle on a specific course of action to attain the desire end-results, and also narrow down to a possible strategy of accomplishing those cravings. Rational choice theories, thereby, assume that people must foresee the results of available alternatives and make up their mind concerning what will be best for them; rational people are expected to go for the option that has the highest potential of giving them the greatest benefits.

Therefore, the assumption in this research study is that rational people will choose to either own or work in a household-based industry because of the rewards associated with doing so. Those who own or work in a household-based industry earn a living from the same, and they are in a

better position to meet needs in their families and invest using their income so as to create wealth. The cost or punishment of not owning or working in a household-based industry is lack of the ability to meet needs in their families and invest.

**Structural Functionalism**

Schaefer (2001) pointed out that sociologist Talcott Parsons was a key proponent in the improvement of the functionalist approach of understanding human society. He observed that the structural functionalist perspective compared the society to a living creature in which every part of the living organism strived to contribute to its survival and general well-being. The functionalist approach holds that if a part of social life does not contribute to a society's survival and general welfare, then it will be got rid of, lest it reach a point of becoming harmful or a threat to the creature's existence. Therefore, functionalists appreciate the fact that at times dysfunctions will pose a threat to the normal functioning of a society. Dysfunctions can get to the extent of completely destroying the society, and as a result, leaving behind a society which will not be conducive for posterity.

Household-based industries could be compared to structures in a society which must execute certain functions for the society to maintain stability. These industries foster innovation, create jobs, and enable the household-based proprietors and labourers to meet the daily needs in their families. The assumption is that if these household-based industries collapse, people who owned or worked in them would be rendered jobless. The jobless people in the society will have no stable means of meeting their needs – let alone family needs – and that kind of situation is likely to pre-dispose them to criminal ways of survival. High levels of crime will discourage investment in the society, increase crime-related deaths, and the end result may be a collapsed society. When a society collapses, it becomes an existential threat to other societies in the region, continent and world. Therefore, household-based industries are indispensable, and contribute to the society's overall well-being.

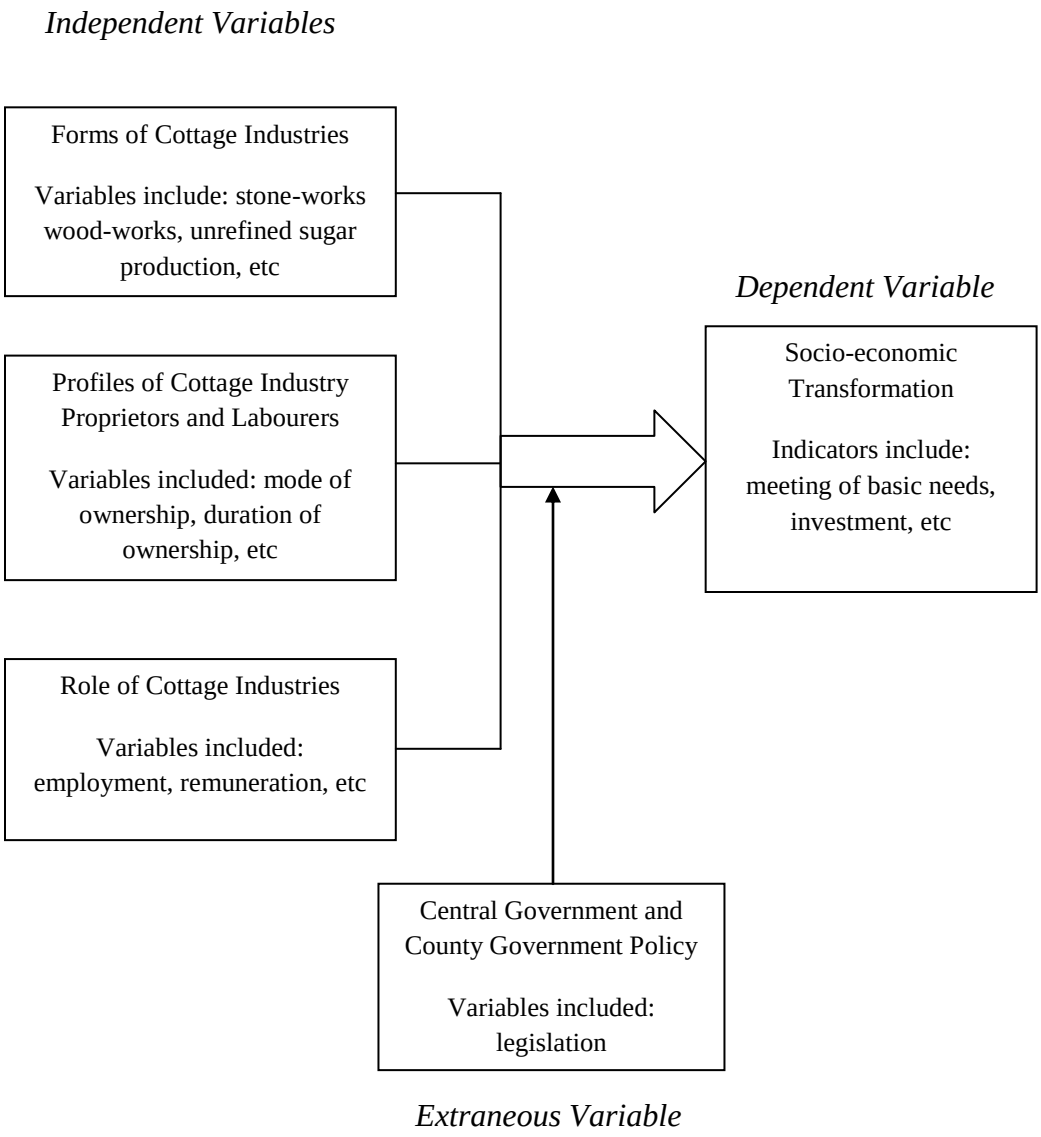
## 2.9 CONCEPTUAL FRAMEWORK

The forms of household-based industries documented in this study were: earthenware production, unrefined sugar production, brick production, liquor generation, stone-works, wood-works, herbal medicine extraction, charcoal burning, weaving, pastry, cycle repair, flour production and shoe production and repair. A good comprehension of the processes and activities involved will likely lead to the detection of weaknesses, which can be addressed, and thereby enhancing the socio-economic transformation of rural areas by these household-based industries.

An investigation into the profiles of household-based industry proprietors and labourers will similarly enable these industry stakeholders to gain useful insight into the social, political, economic and environmental factors surrounding these proprietors and labourers. This will likely enhance the socio-economic transformation of rural areas by these industries.

A look into the roles played by the household-based industries will, in the same manner, equip household-based industry players with vital information on their place in socio-economic transformation. The intervention of favourable central government and county government policies and legislations will result in good performance of these industries, and thereby transforming the socio-economic lives of the rural folks. This study sought to document the forms of household-based industries in Kakamega County, highlight the profiles of household-based industry proprietors and labourers, and assess the contribution of these industries in the creation of wealth. As a spin off from the study, the challenges these industries struggle with were also highlighted.

**Figure 2.1: A Chart Showing the Relationship between Variables**



# CHAPTER THREE

## 3.0 RESEARCH METHODOLOGY

### 3.1 INTRODUCTION

This chapter answers the questions on who shall be studied or observed, the period and procedure through which observations will be made, and data collection strategies. This research study employed a mix of the exploratory and descriptive research designs because it was both a fact-finding mission and an attempt to depict with precision the forms of household-based industries in Kakamega County, highlight the profiles of household-based industry proprietors and labourers; and finally, to examine the contribution of these industries in the creation of wealth. Challenges faced by household-based industries in Kakamega County were also looked into. The study embraced both qualitative and quantitative aspects.

### 3.2 AREAS OF STUDY

The study in Kakamega North was confined to Manda sub-location, which is situated in Sirungai location, Kabras North division. The study in Kakamega East was confined to Mukhonje sub-location, situated in Ilesi location, Shinyalu division. The study in Lugari was limited to Kivaywa sub-location which is located in Chevaywa location, Matete division (*Kenya Population and Housing Census Report, 2009*). The Luhya ethnic community resides in Kakamega. Agriculture is the dominant economic activity. Figure 3.1 is a map of the former Western Province (the present Busia, Bungoma, Kakamega and Vihiga counties) which shows Kakamega County as one of the four counties.


## 3.3 UNITS OF ANALYSIS AND UNITS OF OBSERVATION

The units of analysis were the respondents, namely: the proprietors and labourers of household-based industries located in Kakamega County, focus group discussion participants and key informants. The units of observation were the various forms of household-based industries in the areas of study.

## 3.4 TARGET POPULATION

The target population is a collection of objects or group of people the researcher looks forward to make generalizations of the study findings upon. In this study, the target population consisted all household-based industry proprietors and labourers, people with expert knowledge on household-based industries, and the various forms of these industries.

## 3.5 SAMPLING DESIGN AND PROCEDURES

Before the actual study was conducted, the researcher made reconnaissance trips to a number of locations in Kakamega County, while taking note of important details concerning household-based industry activities. The reconnaissance trips revealed that Manda, Mukhonje and Kivaywa sub-locations situated in Kakamega North, Kakamega East and Lugari sub-counties respectively

were rich in household-based industry activities. As a result, the three study regions were deliberately singled out for the research study through purposive sampling.

Local leaders revealed that Manda had 170 household-based industry proprietors and labourers, Mukhonje, 200 industry proprietors and labourers, while Kivaywa had 180 industry proprietors and labourers (a total of 550 industry proprietors and labourers). A sample size of 226 was picked out of a population size of 550 (Krejcie and Morgan, 1970). The proportionate random sampling procedure was used whereby the total number of industry proprietors and labourers in one of the 3 sub-locations was divided by the total number of industry proprietors and labourers (550) and the result multiplied by the expected sample size. Therefore, 70 household-based industry proprietors and labourers (Manda), 82 industry proprietors and labourers (Mukhonje), and 74 household-based industry proprietors and labourers (Kivaywa) were used. The systematic random sampling procedure was then applied in each of the 3 sub-locations till the intended sample size of 226 respondents was attained.

## 3.6 TYPES OF DATA

The following types of data were relied upon in this study:

### 3.6.1 Primary Data

These were first-hand data sourced from the youth, men and women who owned or were employed in various forms of household-based industries; administrative leaders in the region; focus group discussions, and key informants.

### 3.6.2 Secondary Data

These data included information from the existing literature, official documents and journals, or publications from the divisional or district level.

## 3.7 METHODS USED IN DATA COLLECTION

The following methods were used in the collection of data:

### 3.7.1 Observation

The researcher examined important details relating to the study and also took pictures of household-based industry proprietors and labourers in their natural settings. In a few instances, participant observation was employed whereby the researcher briefly took part in the on-going activities of the industries, but otherwise it was largely non-participant in nature.

### 3.7.2 Focus Group Discussions

Household-based industry proprietors and labourers ranging from 8-12 were picked through the help of a village elder in each of the 3 sub-locations. A few simple rules were crafted to enforce discipline, which included: one speaker at a time; adherence to time allocated per person, and fidelity to the subject matter. A moderator led the group to identify the household-based industries in Kakamega County, highlight the profiles of proprietors and labourers, discuss the role of household-based industries in wealth creation, and point out challenges these industries encountered. Notes were taken during the discussion.

### 3.7.3 Household Interviews

The respondents were asked questions which had an array of possible answers, with the aim of extracting data relating to the industries they either owned or were employed in.

### 3.7.4 Key Informant Interviews

Information was extracted from a wide range of people who had first-hand knowledge about the community and household-based industries therein. Key informants included local leaders, professionals and government officials.

## 3.8 TOOLS USED IN DATA COLLECTION

### 3.8.1 Observation Check-list

An observation check-list was used to guide the researcher to take note of important details during observation in the field. The list specified what was to be observed, in this case, rural infrastructure, natural resources and the types of household-based industries were included.

3.8.2 Focus Group Discussion guide

A list of discussion points and open-ended questions was used by a moderator to guide the group discussion. The details included in the guide included the name of the researcher, topic of study, names of members and discussion questions.

3.8.3 Questionnaires

A list of questions was used to extract vital information from the field. The questionnaires captured the demographic characteristics of the respondents, and data concerning their ownership of—or employment in—household-based industries.

3.8.4 Key Informant guide

An interview guide which contains the topic of interest, the respondent's and researcher's details, and a list of open-ended questions was used to obtain important information or expert knowledge on household-based industries.

## 3.9 DATA ANALYSIS

This involved the description and summarization of data for easier comprehension. It was the first stage of data analysis, and was done using summary measures such as bar charts and pie charts. In the second stage of data analysis, tables were utilized, while information from focus group discussion participants and key informants was quoted verbatim. Pictures, too, were used to portray activities of the various household-based industries.

# CHAPTER FOUR

## 4.0 DATA ANALYSIS, PRESENTATION AND INTERPRETATION

### 4.1 INTRODUCTION

This chapter focuses on the social and demographic characteristics of the respondents in the areas of study; documents the forms of household-based industries in Kakamega County; highlights the profiles of household-based industry proprietors and labourers; and, finally, examines the contribution of household-based industries in the creation of wealth. The challenges these industries contend with were also looked into.

Even though the study was mostly interested in the proprietors of household-based industries, a few aspects of labourers were looked into with the aim of providing more insight into the role of household-based industries in the socio-economic transformation of rural areas.

### 4.2 SOCIAL AND DEMOGRAPHIC CHARACTERISTICS OF THE RESPONDENTS

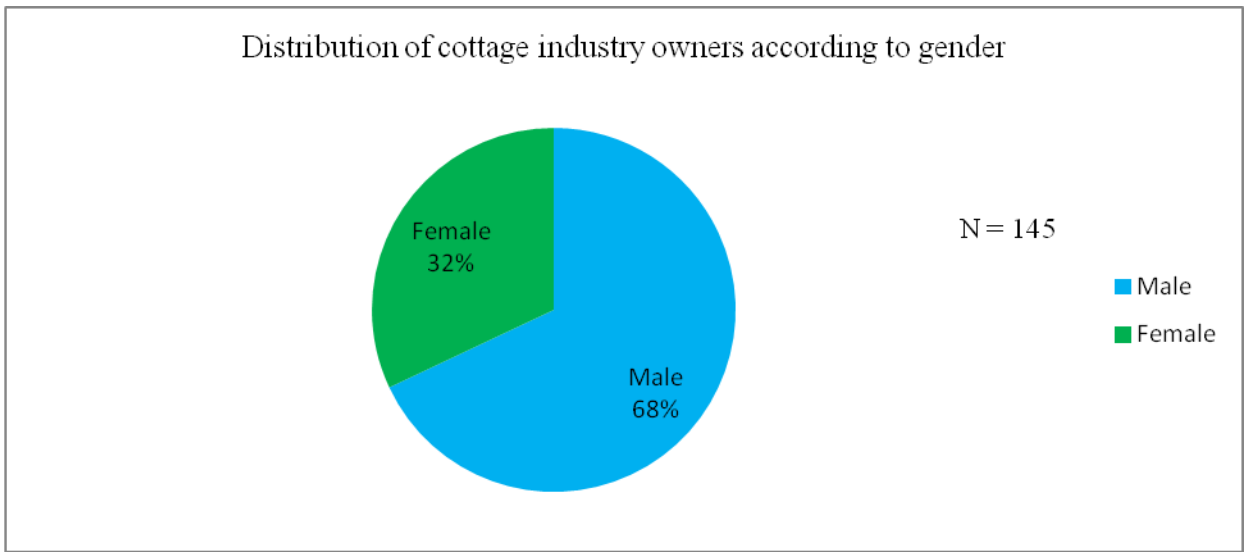
The socio-demographic characteristics of the respondents in this study are discussed:

#### 4.2.1 Gender

The distribution of proprietors according to gender is examined. Also, attempts to unearth the possible reasons behind the distribution are made. This is summarized in sub-section 4.2.1.1.

4.2.1.1 Distribution of household-based industry proprietors according to gender

Figure 4.1: A pie-chart showing the distribution of industry proprietors according to gender




The majority of the proprietors of household-based industries (68 percent) were males while the minority (32 percent), females. The Kenya Population and Housing Census Report (2009) noted that the proportion of males in Western Province (the present Busia, Bungoma, Kakamega and Vihiga counties) was 48 percent while that of females was 52 percent. This is in contrast with the picture on the ground whereby more males than females engaged in household-based industrial activities. This discrepancy in gender based on the level of participation in household-based industry activities whereby more males than females got involved in household-based industry activities could be due to the fact that most of these activities required a lot of physical endurance associated with rigorous manual labour thereby disadvantaging women who are perceived to be physically weaker than men.

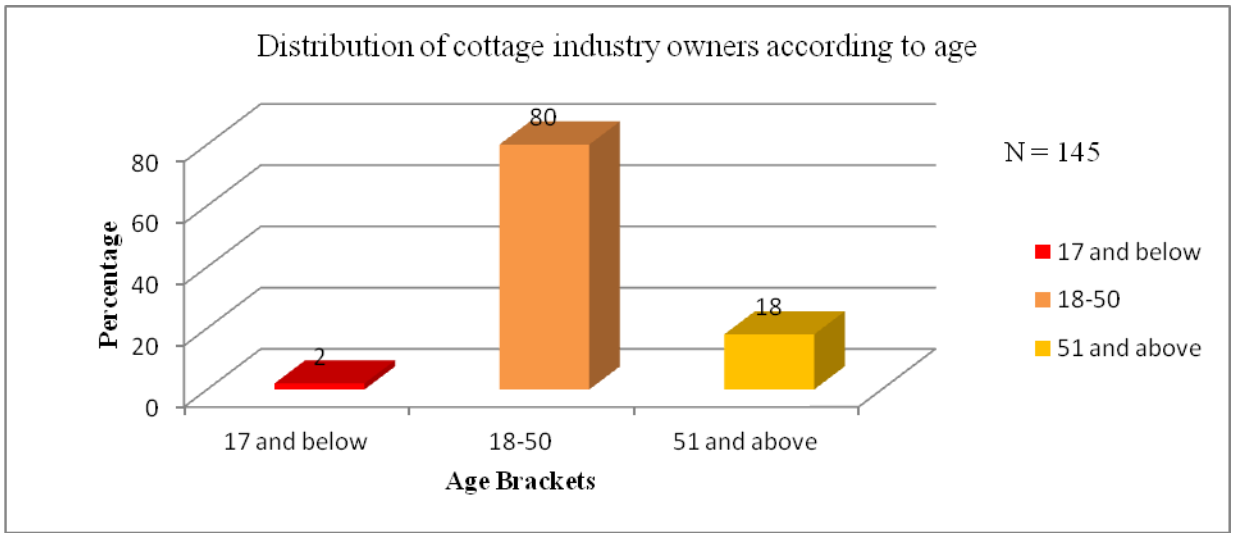
Another likely reason could be that most women in the rural areas of Kenya – and the African continent at large – spend a lot of time on family-related tasks which men notoriously abscond due to the negative patriarchal influence of our African culture, thereby forcing women to use a significant fraction of the time in these household-based industries. Blackden and Wodon (2006) fortified this by contending that since women must first complete household tasks such as breastfeeding and cooking, they are left with very little time to participate in productive work which has economic gain; after all they could only engage in such work after attending to the duties and responsibilities in the home.

### 4.2.2 Age

The distribution of household-based industry proprietors according to age is discussed. This was categorized into; 17 and below, 18-50 years, and 51 and beyond, according to Ericson's Model (Boeree, 1997). It is worth mentioning that the lowest in the *17 and below* category was aged 14 years old, and was picked because he was a functional respondent to what the researcher was looking for. In the 51 and above category, the highest was aged 78 years old, and as is the case in the 17 and below category, he was picked due to performing a role the researcher had a keen interest in. This is summarized in sub-section 4.2.2.1.

4.2.2.1 Distribution of household-based industry proprietors according to age

Figure 4.2: A chart showing distribution of industry proprietors according to age




A high proportion (80 percent) of proprietors fell in the 18-50 age range. Mosaddeque et al (2008) investigated the qualities of agriculturists related with the cooperation in household-based industries in Bangladesh and noted that the ages of most of them ranged from 18-50. It is a similar case in this study whereby a large fraction of household-based industry proprietors were in the 18-50 age range.

### 4.2.3 Level of Education

The distribution of household-based industry proprietors according to education level is highlighted. This was accomplished by examining four categories: those who had no formal education, those who had basic (primary) school education, the individuals who had secondary

level education, and the individuals who had tertiary level education. This is summarized in sub-sections 4.2.3.1.

4.2.3.1: Distribution of household-based industry proprietors according to education level

Table 4.1: The distribution of household-based industry proprietors according to education level

| **Level of Education** | Frequency | Percentage |
|---|---|---|
| No formal education | 60 | 41.0 |
| Primary level education | 64 | 44.0 |
| Secondary level education | 16 | 11.0 |
| Tertiary level education | 5 | 4.0 |
| **Total** | **145** | **100.0** |

Those with basic education were the leading with 44 percent while those with tertiary education were the least (4 percent). The Kenya Population and Housing Census Report (2009) noticed that the proportion of those in Western Province (the present Busia, Bungoma, Kakamega and Vihiga regions) who had basic school qualifications was 61 percent while those with tertiary qualifications were 3 percent. A similar situation is reflected in this study whereby most household-based proprietors accomplished basic school qualifications while there was none with tertiary qualifications.

The proportion of those with no formal training was a bit high (42 percent). A Sub-Chief in Kakamega North strengthened this by saying: "*Most participants in household-based industries in my area of jurisdiction did not go far in formal learning; thus, they have fewer alternatives as far as the kind of work to take part in is concerned*". Possession of high academic qualifications seemed to be insignificant for those who were involved in household-based industry activities.

The belief amongst most respondents was that a big proportion of individuals in the regions of study engaged in household-based industries as "economic activity of last resort" since they had accomplished low levels of formal education qualifications and, consequently, were not in a fair position to secure suitable employment opportunities which required higher scholarly requirements. This mirrors discoveries in The Human Development Report (1995) which

reported that the competition-prone job market, as a result of high scholarly expectations, forced individuals with less desirable qualifications to miss out on decent jobs.

### 4.2.4 Marital Status

This segment highlights the distribution of household-based industry proprietors according to marital status. The statuses investigated were: the single, married, separated or divorced, and the widowed. This is summarized in sub-section 4.2.4.1.

4.2.4.1 Distribution of household-based industry proprietors according to marital status

Table 4.2: The distribution of household-based industry proprietors according to marital status

| **Marital status** | Frequency | Percentage |
|---|---|---|
| Single | 19 | 13.0 |
| Married | 122 | 84.0 |
| Divorced | 3 | 02.0 |
| Widowed | 1 | 01.0 |
| **Total** | **145** | **100.0** |

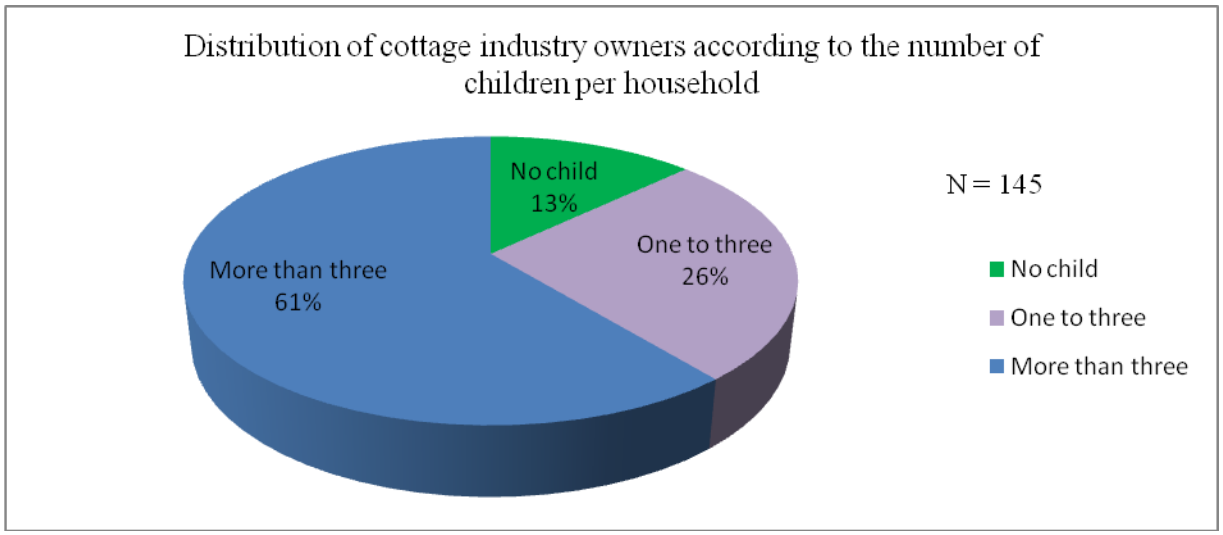
The majority (84 percent) of the household-based industry proprietors were in marital unions. The belief amongst most respondents was that individuals in marital unions took part in the activities of household-based industries more than those who were not because of the financial pressure to meet family needs. A village headman said: "*A big proportion of the locals who take part in household-based industries are in marital unions. They have both close and distant family members to provide basic needs for".* In a related study by Faridi et al (2009) in Pakistan, it was concluded that marital status influenced the decision to take part in household-based industry activities.

### 4.2.5 Number of Offspring

This segment highlights the distribution of industry proprietors according to the number of offspring per respondent. It was categorized into those: with no offspring, with between 1 and 3 offspring, and those with more than three offspring. This is presented in sub-section 4.2.5.1.

4.2.5.1 Distribution according to the number of offspring per industry proprietor

Figure 4.3: A chart showing distribution according to number of children per industry proprietor




Most (61 percent) of the respondents had more than three offspring. One of the local leaders said: "*Individuals here have numerous kids; this exerts considerable financial stress on them since they need to work harder in order to meet the various family needs*". Faridi et al (2009) pointed out that the size of the family unit undoubtedly affected the choices of families to take part in household-based industries. It was discovered that individuals with larger family sizes participated more in the activities of household-based industries.

## 4.3 THE DOCUMENTATION OF HOUSEHOLD-BASED INDUSTRIES

The first objective of this research study was to document the forms of household-based industries in Kakamega County. The Kakamega District Development Plan (1997-2001) identified household-based industries such as wood-works, boat production and soap production. The household-related industries documented in this study were: earthenware production, unrefined sugar production, brick production, liquor generation, stone-works, wood-works, herbal medicine extraction, charcoal-burning, weaving, pastry, cycle repair, flour production and shoe production and repair.

### **4.3.1** EARTHENWARE PRODUCTION

Data generated through household interviews showed that 14 percent of household-based industry proprietors engaged in earthenware production, 37 percent were employed in earthenware-related industries, while 22 percent of the total number of industry proprietors and labourers was involved in earthenware production, which was the highest (this is summarized in Figures 18 and 19). Key informants and focus group discussion participants had singled out earthenware production as one of the household-based industries in the area. It is probable that the high level of proprietorship and employment in earthenware-related activities was as a result of the plentiful availability of clay. A Sub-Chief in Kakamega East said: "*Most folks here engage in earthenware production, and this is because of the plentiful presence of clay along our river banks. Pots are the most common earthenware products made*".

Ownership of earthenware-related household industries was through sole proprietorship, ownership by the whole family, or ownership through partnership. Labourers were either remunerated or non-remunerated for labour offered. Non-remunerated labour was in cases whereby the labourer in question was a family member of the proprietor, or was simply assisting his or her companion/neighbour, and they would be helped in return whenever they engaged in a similar venture. On the use of earthenware items, a village leader said: "*Earthenware products, for instance pots, are useful in many ways, which include: production of liquor, general cooking, water cooling, and are cultural endowments in weddings. Actually, almost every household in Western Kenya, regardless of their level of lack or opulence, possess a pot or two; however, the upper class buy them for the sake of beautification*".

An earthenware producer's wheel improvised from old tire rims is used in moulding pots. The wheel could mould an average of 3 big pots or 5 medium-sized ones on a single day of the week. This meant that in one week of, of say five working days, he/she would be able to mould close to 15 big pots. The raw earthenware products are dried, roasted in a furnace, and then retrieved. At this stage, earthenware items are ready for sale. Earthenware household-based industry proprietors and labourers used proceeds from the sale of their products to meet daily family needs. Plate 1 is displayed.

*Plate 1 is a photograph captured in Kakamega East in 2012 (by the investigator) displaying a potter giving his earthenware product the smoothening touches.*

Earthenware producers confronted many difficulties. However, the most conspicuous one was to do with transportation of the raw material because of the long distance between the working site and the source (riversides). This challenge was dealt with through the consistent purchasing of clay lumps from those whose specialization was transportation and sale of the raw material (clay). The variety of earthenware items made included: cooking stoves, coin banks, and flower pots. In most cases, the earthenware producers transported their ready-for-sale items to nearby markets by themselves. In other instances, though, brokers came with transportation trucks and bought the earthenware from them for the purpose of re-sell in distant markets such as Kisumu, Eldoret and Nairobi. However, some of the products were bought by locals in the area for household use. Earthenware producers used the proceeds from the sale of clay products from their pottery-based industries to meet daily family needs. Nelson (2013) investigated a few aspects of earthenware production in Kenya. Plate 2 is displayed.

*Plate 2 is a photograph captured in Kakamega East in 2012 (by the investigator) displaying earthenware products on display along the Kakamega - Kisumu Road.*

### **4.3.2** UNREFINED SUGAR PRODUCTION

Data generated through household interviews showed that 7 percent of household-based industry proprietors engaged in unrefined sugar production, 10 percent were employed in unrefined sugar-based industries (jaggeries), while 8 percent of the total number of household-based industry proprietors and labourers engaged in unrefined sugar production. Key informants and focus group discussion participants also singled out unrefined sugar production. A few sugarcanes are put into a makeshift crusher. Two bulls which have been yoked together are made to go in circles, causing the machine to crush the canes, thereby squeezing out juice. The juice is poured into a container and heated in stages, separating molasses, and leaving behind a more pure and clearer substance which is put in small moulding cups to give them shape, after which they are ready for consumption or sale.

A village elder said: "*Unrefined sugar is used to sweeten traditional brews. It is also added to beverages such as tea for the same purpose. The need for an affordable sweetener inspired the conception of unrefined sugar production*". Ownership of sugar-based industries was through sole proprietorship, ownership by the whole family, or ownership through partnership. Labour offered was either remunerated or non-remunerated. These industries, at any given time, had at least 3 labourers due to the workload involved. One person's task was to make the bulls go in circles so as to rotate the crusher; another person feeds cane into the crusher; while the third one kept a close on the boiler. However, for larger cane crushers, more manpower (of between 5 to 10 people) was required. Frank (1965) investigated sugar production. Plate 3 is displayed.

*Plate 3 is a photograph taken in Kakamega North in 2012 (by the investigator) displaying a woman involved in unrefined sugar production.*

Averagely, on a single working day, 100 stones of unrefined sugar were produced. This translated to approximately 500 in five working days. Unrefined sugar is used in biscuit- and sweet-making. The unrefined sugar producers sold their products in the local markets. Also, brokers frequented their homes to buy and re-sell at higher profit margins. In some instances, local supermarkets chains made arrangements with them for a regular supply of unrefined sugar for value addition through packaging and stocking. The industry proprietors and labourers derived profits from unrefined sugar production with which they met family needs. Some of the jaggery proprietors bought major assets such as land, machinery, and buildings from the proceeds derived. Plate 4 is displayed.

*Plate 4 is a photograph captured in 2012 in Kakamega town (by the investigator) displaying a man selling unrefined sugar bars.*

### **4.3.3** BRICK PRODUCTION

Data generated through household interviews showed that 19 percent of industry owners engaged in brick production, 11 percent were employed in brick production industries, while 16 percent of the total number of proprietors and labourers engaged in brick production. Key informants and

focus group discussion participants had also singled out brick production. Ownership of brick production industries was through sole proprietorship, ownership by the whole family, or ownership through partnership. Some workers were remunerated while others were not.

*Plate 5 is a photograph captured in Kakamega North in 2012 displaying the investigator arranging raw bricks at a working site.*

On brick use, a Sub-Chief in Lugari said: *"The emergence of modern facilities such as learning centres and places of worship increased the need for brick production, and gradually, people began moving away from mud-walled houses"*. Top (loamy) soil is removed from the surface of the ground. The next layer of soil is mixed with water, covered with polythene and left to ferment for a week or two. With the use of a mould, raw bricks are made, dried under a shed, and roasted in a furnace for at least three days after which they are ready for sale. Regular buyers of the bricks were individuals, neighbouring learning institutions, churches, and government departments. Plate 6 is displayed.

*Plate 6 is a photograph captured in Lugari in 2012 (by the investigator) displaying a brick-walled house under construction.*

In some cases, brokers from nearby towns would look for people in need of construction materials, buy them from the brick producers, and sell them at higher profit margins. Profits derived from brick production household-based industries enabled the proprietors and labourers to meet needs in the family and also invest in other ventures. The major challenge of brick producers was unfavourable weather which led to breakages. Muchilwa (2013) conducted a study on brick production processes.

### **4.3.4** LIQUOR GENERATION

Data generated through household interviews showed that 18 percent of household-based industry proprietors engaged in the generation of liquor, 19 percent were employed in liquor generation industries, while 18 percent of the total number of household-based industry proprietors and labourers engaged in liquor generation. Key informants and focus group discussion participants singled out liquor generation as one of the household-based industries in

the area of study. The key ingredients used in the generation of liquor and brew are maize-meal flour, water and finger millet. Plate 7 is displayed.

*Plate 7 is a photograph captured in Kakamega North in 2012 (by the investigator) displaying a set-up of liquor generation.*

Ownership of liquor generation household-based industries was through sole proprietorship, ownership by the whole family, or ownership through partnership. Women carried out most of the work while men assumed passive roles such as the provision of raw materials. Most girls gave their mothers a helping hand in the kitchen during the generation of liquor, and in most cases, it was non-remunerated labour.

On liquor and brew, a village elder said: "*A cultural event in our Luhya community cannot end without brew or liquor being served. It is almost like a taboo if that happens. Since time immemorial, brew and liquor were used for soothing ancestors whereby libations were offered through deliberate spills on the ground. Elders also closely monitored the movement of the brew's top foam to try and elucidate matters such as drought and wars in the community. The major use of liquor and brew, though, was for merry-making, especially in village parties or*

*ceremonies. Liquor and brews were a reserve of the elderly people in the society, and therefore, young people were prohibited from drinking*". As regards the generation of liquor, the steaming method of cooking is used. Plate 8 is displayed.


*Plate 8 is a photograph captured in Kakamega East in 2012 (by the investigator) displaying a customer buying a drink.*

Matzopoulos et al (2011) studied the production of liquor. The researcher met a few university graduates who confided in him to having completed their studies through proceeds from the liquor generation household-based industries owned and run by their parents and siblings. A good number of them were able to buy major assets, for instance land, machinery and cattle, from the proceeds of their liquor generation industries.

### **4.3.5** STONE-WORKS

Data generated through household interviews showed that 8 percent of household-based industry proprietors engaged in stone-related industries, 6 percent were employed in stone-related

industries, while 7 percent of the total number of household-based proprietors and labourers engaged in stone-related industries. Key informants and focus group discussion participants had also singled out stone-works. Plate 9 is displayed.

*Plate 9 is a photograph captured in Kakamega East in 2012 (by the investigator) of a mason busy at work on a rocky site.*

Ownership of stone-related household-based industries was through sole proprietorship, ownership by the whole family, or ownership through partnership. Work was either remunerated or non-remunerated. Rocks and stones were readily available on people's compounds, farms, or on the roadside. Women and children also participated in this industry. However, their roles were in mainly limited to picking and lumping small stones and pieces of rock together. Birabwa (2006) looked into the ways in which stone works turned around the socio-economic lives of Ugandans. Plate 10 is displayed.

*Plate 10 is a photograph captured in 2012 in Kakamega town (by the investigator) displaying a security wall built from chiseled rocks.*

Some of the stones and ballast was bought by locals. Also, customers from surrounding localities, including churches, learning institutions and government departments came to buy the building materials from the site. Brokers, too, came from distant towns to buy the stones and ballast for re-sell at a profit. The profits obtained by stone-related household proprietors and labourers enabled them to meet their daily family needs and also invest in other ventures. The major challenge they faced was risk to injury due to lack of protective gears.

### **4.3.6** TIMBER-WORKS

Data generated through household interviews showed that 11 percent of household-based industry proprietors engaged in timber-related industries, 11 percent were employed in timber-related industries, while 11 percent of the total number of household-based industry proprietors and labourers engaged in timber-related activities. Plate 11 is displayed.


*Plate 11 is a photograph captured in Kakamega East in 2012 (by the investigator) displaying a carpenter at work.*

Key informants and focus group discussion participants had singled out timber-works as one of the household-based industries in the area. The ownership of timber-related industries was through sole proprietorship, ownership by the whole family, or owned through partnership. Labour rendered was either remunerated or non-remunerated. Plate 12 is displayed.

*Plate 12 is a photograph captured in 2012 displaying ready-for-use beds at a furniture store in Kakamega town*

Key informants and focus group discussion participants had singled out timber-works as one of the household-based industries in the area. The ownership of timber-related industries was through sole proprietorship, ownership by the whole family, or owned through partnership. Work was either remunerated or non-remunerated.

### **4.3.7** HERBAL MEDICINE EXTRACTION

Data generated through household interviews showed that 3 percent of household-based industry proprietors engaged in herbal medicine extraction, 2 percent were employed in herbal medicine-related industries, while 3 percent of the total number of household-based industry proprietors and labourers engaged in herbal medicine extraction. Herbal medicine extraction had also been singled out by key informants and focus group discussion participants. Plate 13 is displayed.

*Plate 13 is a photograph captured in Kakamega East in 2012 (by the investigator) displaying herbal medicine extraction.*

Herbal medicine extraction still has a high socio-cultural standing in the society. A village elder said: "*Herbal medicine was of great significance in our African society. The field of pharmacy had not yet been developed, and so, herbal medicine was heavily relied upon; however, even today, herbal medicine is still heavily in use*". Lambert et al (2011) highlighted the role of herbalists in Kenya's health sector. Most herbalists were visited in their homes by regular clients and potential ones as well to seek medical attention and also buy the herbs for self-administered treatment. However, a few brokers also bought these herbal medicines for sale in nearby towns at a profit. Plate 14 is displayed.

*Plate 14 is a photograph captured (by the investigator) in 2012 showing herbal medicine on display in the boot of a car in Kakamega town.*

Herbal medicine-related industry proprietors and labourers earned income from their work which put them in a good position to meet family needs. The major challenge herbalists faced was the risk posed by venomous snakes and undomesticated animals as they looked for herbs. Also, some of them were harassed by forestry officials on suspicion that they were lumberjacks.

### **4.3.8** CHARCOAL BURNING

Data generated through household interviews showed that 3 percent of charcoal-based industry proprietors engaged in charcoal production, 1 percent was employed in charcoal-related industries, while 3 percent of the total number of household-based industry proprietors and labourers engaged in charcoal burning. Key informants and focus group discussion participants had also singled out charcoal. Plate 15 is displayed.

*Plate 15 is a photograph captured in Kakamega North in 2012 (by the investigator) demonstrating a charcoal production site.*

Ownership of charcoal-related household-based industries was through sole proprietorship, ownership by the whole family, or ownership through partnership. On charcoal usage, a village elder said: *"Charcoal burning came about after the introduction of clay and metallic stoves. In the ancient days, Africans exclusively used firewood for cooking".* Charcoal-related industry proprietors and labourers generated proceeds from their activities, thereby putting them in a good position to meet family needs, acquire assets such as land or cattle, and also invest in other ventures. The biggest challenge charcoal producers faced was scarcity of indigenous trees. The other challenge was harassment or even arrests by forestry officials on suspicion of being lumberjacks in forests owned by the government. In a similar study, Ruuska (2012) studied charcoal production. Plate 15 is displayed.

*Plate 16 is a photograph captured by the investigator in 2012 displaying charcoal on sale in the outskirts of Kakamega town.*

### **4.3.9** WEAVING

Data generated through household interviews indicated that 9 percent of household-based industry proprietors engaged in weaving, 2 percent were employed in weaving-related industries, while 7 percent of the total number of household-based industry proprietors and labourers engaged in weaving. Weaving had also been singled out by key informants and focus group discussion participants. The ownership of weaving-related industries was through sole proprietorship, ownership by the whole family, or ownership through partnership. Work was either remunerated or non-remunerated. Children assisted their parents or grandparents in minor roles and were not remunerated because the proceeds from weaving-related industries benefitted all family members in terms of the household needs met. Plate 17 is displayed.

*Plate 17 is a photograph captured in Kakamega North in 2012 (by the investigator) of a man busy at work.*

On the uses of products derived from the weaving-related industries, such as baskets and ropes, a village elder said: *"Baskets are symbolic wedding gifts in the African traditional set-up; they represent abundant harvest. Other uses of baskets include: carrying harvested farm produce, storing grains, and use in the marketplace. Ropes have many uses such as tethering of animals".* Ropes and baskets are made from sisal fibres. Weaving-related industry proprietors who lacked sisal plants on their farms bought them from others who did not grow them necessarily for business purposes. Weaving-based industry proprietors and labourers earned an income from their work, which enabled them to meet family needs.

*Plate 18 is a photo captured in Kakamega North in 2012 (by the investigator) displaying a customer buying a rope.*

Some weaving-related industry proprietors sold their products such as ropes and baskets to nearby shopkeepers who later re-sold them at a profit. Other proprietors walked around with their products to get local people buy them. In other instances, however, brokers bought the products and transported them to distant markets to re-sell at a profit. The major challenge experienced by weaving-related industry proprietors was stiff competition from larger industries which made synthetic products similar to those made by household-based industries, and as a result, bringing about stiff competition.

### **4.3.10** PASTRY PRODUCTION

Data generated through household interviews showed that 2 percent of household-based industry proprietors engaged in pastry production, none (0 percent) was employed as a labourer, while 1 percent of the total number of pastry-based industry proprietors and labourers engaged in pastry production. Pastry production had been singled out by key informants and focus group discussion participants as one of the industries in the area. Wheat flour is the key raw material.

The ownership of pastry-based industries was through sole proprietorship, ownership by the whole family, or ownership through partnership. Plate 19 is displayed.

*Plate 19 is a photograph captured in Kakamega East in 2012 (by the investigator) displaying dough preparation.*

Pastry-related industry owners mostly sold their products to shopkeepers who re-sold them at a profit. The pastry-related owners who were excellent in their production and packaging were given tenders by supermarket chains in the county to supply them with pastry products on a regular basis. However, there are those who opted to sell their products by themselves. In a related study, Rono (2014) examined the processes involved in the production of pastry products in Kenya. Plate 21 is displayed.

*Plate 21 is a photograph captured in 2012 displaying cakes at a pastry shop in Kakamega town.*

Pastry-related industry owners earned profits which enabled them to meet the day-to-day needs in the family and even invest in other areas. The biggest challenge faced by bakery owners was the high cost of raw materials. Another challenge cited was stiff competition from established businesses who grabbed a large percentage of the market share, minimizing their profits.

### **4.3.11** CYCLE REPAIR

Data generated through household interviews showed that 3 percent of household-based industry proprietors engaged in motorbike and bicycle repair, none (0 percent) was a labourer, while 2 percent of the total number of industry proprietors and labourers engaged in cycle repair. Cycle repair had also been singled out by key informants and focus group discussion participants. The ownership of cycle repair industries was through sole proprietorship, ownership by the whole family, or ownership through partnership. Work was either remunerated or non-remunerated.

Bicycles were introduced in Kenya during the colonial era. A local leader said: "*Chief Nabongo Mumia of the Wanga clan of Luhya was given a bicycle for a present by the British colonialists*

*since he welcomed them instead of staging armed resistance. The cycle repair industry has created employment for many people".* Cycle repair industry was exclusively ownership and operation of males. The proprietors and the labourers of the industry usually have tools of trade which they use to repair bicycles. Most of the tools and spare parts used by the proprietors and labourers are usually improvised. Amenya (2007) looked into the contribution of cycle repair to Kenya's economy. King (1996) also studied bicycle repair. Plate 22 is displayed.

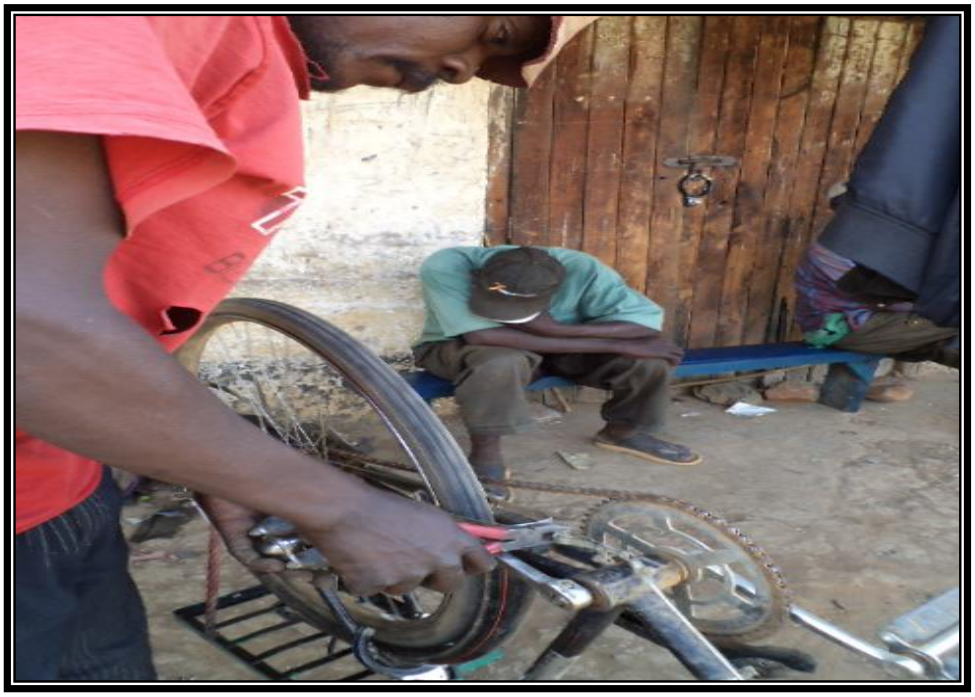


*Plate 22 is a photograph captured Kakamega North in 2012 (by the investigator) displaying a man fixing a customer's bike.*

**4.3.12** FLOUR PRODUCTION

Data generated through household interviews showed that 1 percent of household-based industry proprietors engaged in flour production, none (0 percent) was a worker, while 1 percent of the total number of industry proprietors and labourers engaged in flour production. Flour production had been singled out by key informants and focus group discussion participants as one of the household-based industries in the area. A village elder also confirmed that flour production was one of the cottage industries in the area. Ownership of flour production-based industries was

exclusively by the family. Work was, therefore, non-remunerated because it only involved close family members who benefitted jointly through family needs met. Plate 23 is displayed.

*Plate 23 is a photograph captured in Kakamega East in 2012 (by the investigator) displaying a woman processing flour.*

The key raw materials included: cassava, corn, and finger millet. Flour production entailed the use of two stones. The big stone has a smooth, curvy surface where the cereals are placed. A small stone is used to grind the cereals as the flour is pushed into a container. A number of rural folks streamed into the home of flour production-based proprietors with baskets full of cereals for grinding. They paid for the services rendered through the barter trade system by coming along with an extra kilogram or two of cereals, which was given to the proprietors for the services rendered. However, a few of them paid in cash, but barter trade arrangement was always preferred. Plate 24 is displayed.

*Plate 24 is a photograph captured in Kakamega East in 2012 (by the investigator) of maize meal and sardines ready for consumption.*

Flour-grinding ensured benefitted the family of the proprietor since they had a regular supply of cereals at any given time due to the barter trade system of payment adopted. The challenge cited by flour production household-based industry proprietors was that the actual task of grinding cereals was quite tedious. Also, there was the risk of injury caused by the stone used.

### **4.3.13** SHOE PRODUCTION AND REPAIR

Data generated through household interviews showed that 2 percent of household-based industry proprietors engaged in shoe production and repair, none (0 percent) as a worker, while 2 percent of the total number of industry proprietors and labourers engaged in shoe production and repair. Shoe production and repair had also been singled out by key informants and focus group discussion participants. The ownership of shoe production and repair industries was either through sole proprietorship or ownership by the whole family. Plate 25 is displayed.

*Plate 25 is a photograph captured in Kakamega North in 2012 (by the investigator) of shoe-producers/repairers busy at work.*

Shoe producers and repairers had improvised tools of trade. They used readily available raw materials such as old tires and hides and skins to make shoes. They also repaired torn shoes. King (1996) studied shoe production and repair. Shoe-makers and repairers earned profits from their cottage industries which enabled them to meet the day-to-day needs in the family. The main challenge they cited was stiff competition from the synthetic industry which made shoes from plastics. Another challenge was unfavourable weather since most of them were situated on the front side of shops, thereby exposing themselves to hot sun-rays and rain. Plate 26 is displayed.

*Plate 28 is a photograph captured in 2012 (by the researcher) displaying a pair of hand-made shoes at a workshop in Kakamega.*

Table 4.3: A Summary showing the distribution of industry proprietors according to the type of household-based industry owned

| **Type of industry owned** | Frequency | Percent |
|---|---|---|
| Earthenware production | 20 | 14.0 |
| Unrefined sugar production | 10 | 7.0 |
| Brick production | 28 | 19.0 |
| Liquor generation | 26 | 18.0 |
| Stone-works | 11 | 8.0 |
| Wood-works | 16 | 11.0 |
| Herbal medicine extraction | 5 | 3.0 |
| Charcoal burning | 4 | 3.0 |
| Weaving | 13 | 9.0 |
| Pastry production | 3 | 2.0 |
| Cycle repair | 4 | 3.0 |
| Flour production | 2 | 1.0 |
| Shoe production and repair | 3 | 2.0 |
| **Total** | **145** | **100.0** |

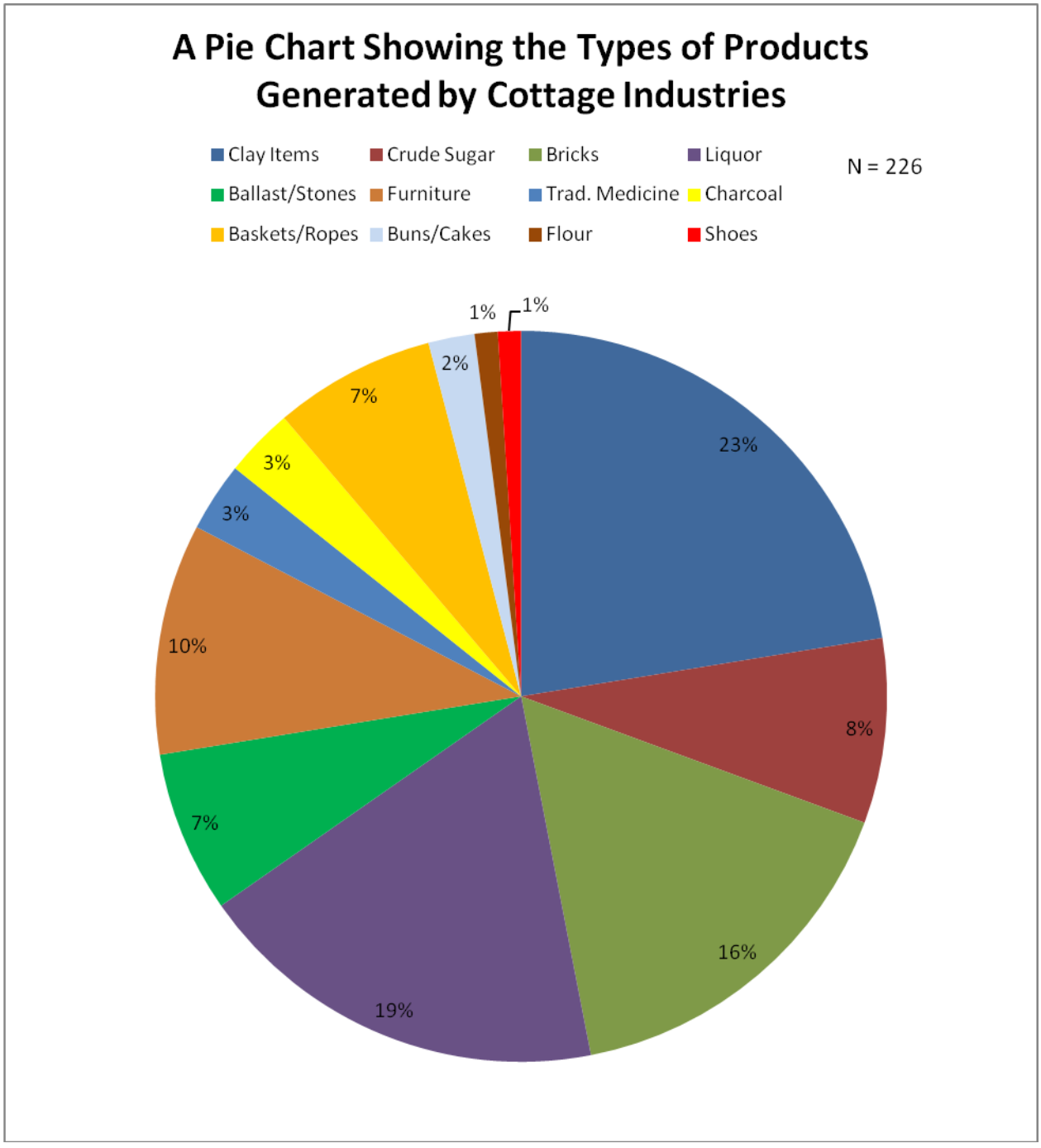
The details on the household-based industries owned in Table 4.4 are a summary of what has been discussed in Section 4.3.

Table 4.4: A summary showing the distribution of industry labourers according to the type of household-based industry employed in

| **Type of industry employed in** | Frequency | Percent |
|---|---|---|
| Earthenware production | 30 | 37.0 |
| Unrefined sugar production | 8 | 10.0 |
| Brick production | 9 | 11.0 |
| Liquor generation | 15 | 19.0 |
| Stone-works | 5 | 6.0 |
| Wood-works | 9 | 11.0 |
| Herbal medicine extraction | 2 | 2.0 |
| Charcoal burning | 1 | 1.0 |
| Weaving | 2 | 2.0 |
| Pastry production | NIL | - |
| Cycle repair | NIL | - |
| Flour production | NIL | - |
| Shoe production and repair | NIL | - |
| **Total** | **81** | **93.0** |

The details on the household-based industries employed in shown in Table 4.4 are a summary of what has already been discussed in Section 4.3.

Figure 4.4: A Chart Showing the Types of Products Generated by Household-based Industries



## 4.4 PROFILES OF HOUSEHOLD-BASED INDUSTRY OWNERS AND WORKERS

The second objective of this study was to highlight the profiles of household-based industry proprietors and labourers. We shall begin by reviewing the social and demographic characteristics of these industry proprietors and labourers (Please refer to Section 4.3).

### 4.4.1 Distribution of respondents according to the reason for location of the industry

The distribution of respondents according to the reason for location of the industry was looked into. They were categorized into: proximity to raw materials, safety and security, cost-reduction measure, and other reasons. This question was responded to by the proprietors of household-based industries. This is presented in Table 4.5.

Table 4.5: The distribution of respondents according to reason for location of the industry

| **Reason for location of industry** | Frequency | Percent |
|---|---|---|
| Proximity to raw materials | 97 | 67.0 |
| Cost-reduction measure | 32 | 22.0 |
| Safety and security | 13 | 9.0 |
| Other reasons | 3 | 2.0 |
| **Total** | **145** | **100.0** |

Majority (67 percent) of these industries were stationed close to the sources of raw materials. Huayou (1967) noted that firms in identical industries seemed to co-station in specific areas. Sivaraman et al (1981), in a study in India, concluded that where household-based industries stationed their operations was basically guided by the proximity to the utilization of the required raw materials available in the countryside, and also the provision of primary needs for the people living in that region.

### 4.4.2 Distribution of respondents according to the mode of ownership of the industry

The three categories in the distribution of proprietors according to the mode of ownership of household-based industries in the areas of study were: ownership through sole-proprietorship, ownership by the whole family, and ownership through partnership. This question was answered by the owners of cottage industries and the responses were summarized in Table 4.6.

Table 4.6: The distribution of respondents according to mode of ownership of the industries

| **Mode of ownership** | Frequency | Percent |
|---|---|---|
| Sole Proprietorship | 59 | 41.0 |
| Ownership by family | 82 | 56.0 |
| Partnership | 4 | 3.0 |
| **Total** | **145** | **100.0** |

Out of the 226 respondents, 145 were proprietors of household-based industries. Of the 145 proprietors of these industries, 56 percent had industries whose ownership was by the whole family and comprised members of a family sharing tasks. Those who ownership was through sole proprietorship, and who operated their own household-based industries, were 41 percent. Those whose ownership was through partnership were 3 percent.

Puri (1998) noted that household-based industries had the potential of turning every home into a firm. This is the concept behind household-based industries; members of the family in a home got involved and benefitted from their involvement. Johansson et al (2013) categorized mode of ownership into owner and family-owned. In a similar study in India, Ziolkowski (1966) studied the mode of ownership of household-based industries.

### 4.4.3 Distribution of respondents according to duration of ownership of the industry

The distribution of the proprietors according to the duration of ownership of a household-based industry was classified into three; period less than a year, period between one and three years, and period more than three years. This question was responded to by the proprietors of household-based industries. This is presented in Table 4.7.

Table 4.7: The distribution of respondents according to duration of ownership of the industry

| **Duration of ownership** | Frequency | Percent |
|---|---|---|
| One year and below | 12 | 8.0 |
| One to three years | 68 | 47.0 |
| Beyond three years | 65 | 45.0 |
| **Total** | **145** | **100.0** |

Those whose ownership of a household-based industry for a period of less than a year were 8 percent while those who owned one for a period of more than three years were 45 percent. It is worth pointing out that those whose ownership of a household-based industry was beyond a period of three years were almost half of the proprietors. Alam et al (2011) observed that those enterprises whose ownership and operation spanned through a longer duration were more successful as compared to those in operation for a shorter duration.

**4.4.4 Distribution of respondents according to the duration of employment in an industry**

The distribution of labourers according to the duration of employment was classified into three: period less than a year, period between one and three years, and period more than three years. This is summarized in Table 4.8.

Table 4.8: The distribution of respondents according to duration of employment in an industry

| **Duration of employment** | Frequency | Percent |
|---|---|---|
| Less than a year | 9 | 11.0 |
| One to three years | 37 | 46.0 |
| Beyond three years | 35 | 43.0 |
| **Total** | **81** | **100.0** |

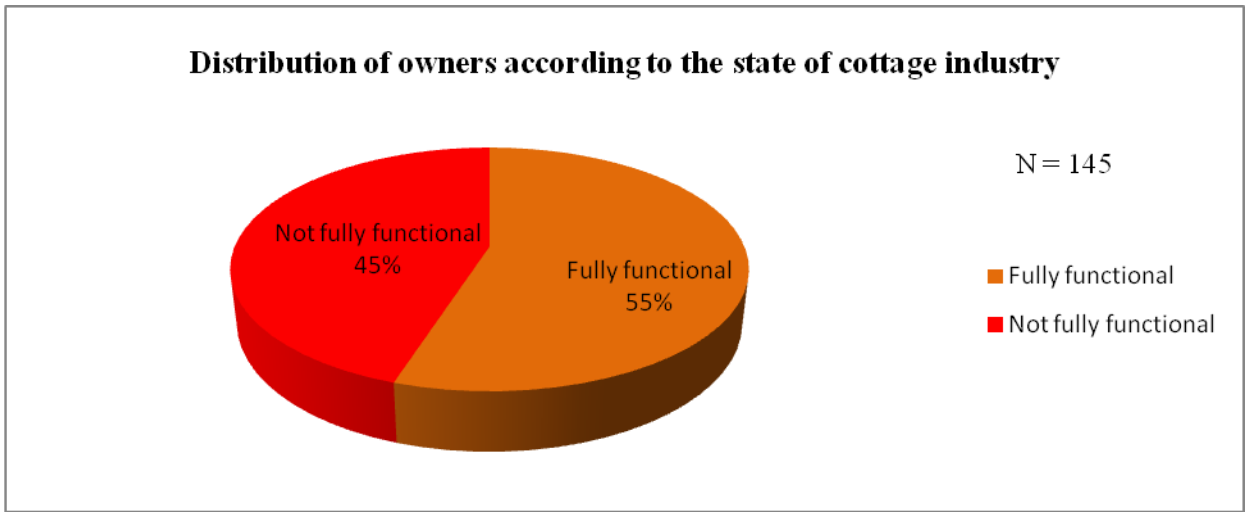
Those whose employment in a household-based industry was for less than a year were 11 percent while those whose employment went beyond three years were 43 percent. It is worth noting that those whose employment in a household-based industry lasted for more than three years were almost half of the total number of workers. Alam et al (2011) noted that the duration of

employment may be linked to an instruction-absorption curve; old labourers in the household-based industries most probably had absorbed a lot of on-job training experience than new ones.

### 4.4.5 Distribution of respondents according to the state of the industry

This segment highlights the present state of the household-based industry; whether it was fully functional or not fully functional. This question was directed to both proprietors and labourers in household-based industries. This is summarized in Figure 4.5.

Figure 4.5: A chart showing the distribution of respondents according to state of industry owned




Fifty-five percent of household-based industry proprietors posited that despite the numerous challenges their household-based industries faced, they were nonetheless fully functional. Forty-five percent of the proprietors reported that their industries were not fully functional. A Chief in Lugari reinforced these sentiments by saying this: *"Most of the household-based industries in my area of jurisdiction are fully functional, and one of the factors contributing to this could be the abundance of locally-available raw materials and cheap labour in the area".*

### 4.4.6 Distribution of respondents according to the nature of employment

The distribution of respondents by terms of the nature of employment was categorized into two: year-round employment and seasonal employment. This is presented in Table 4.9.

Table 4.9: The distribution of respondents according to nature of employment in an industry

| **Nature of Employment** | Frequency | Percent |
|---|---|---|
| Year-round | 36 | 44.0 |
| Seasonal | 45 | 56.0 |
| **Total** | **81** | **100.0** |

The aim of this question was to establish whether employment opportunities created by household-based industries were seasonal or permanent. Forty-five percent were in employment throughout the year while 55 percent were in industries which offered season-prone jobs. It is noteworthy that slightly more than half of the household-based industries were dependent on raw materials whose availability was pegged on harvesting seasons. Also, household-based industry involvement plummeted during the planting season as proprietors and labourers alike concentrated more on their farms. Morse and Staley (1965) noted that many proprietors engaged in supplementary employment mainly as farmers or agricultural workers. Rao and Saha (1986) reinforced this by observing that the establishment of household-based industries offered seasonal employment to the people engaged in farming, and permanent jobs to craftsmen.

### 4.4.7 Distribution of respondents according to the type of employment in an industry

This part highlights employment types offered by household-based industries, that is, whether it is permanent, casual, or contract-based. This is summarized in Table 4.10.

Table 4.10: The distribution of respondents according to the type of employment in an industry

| **Type of Employment** | Frequency | Percent |
|---|---|---|
| Permanent | 42 | 52.0 |
| Contract | 3 | 4.0 |
| Casual | 36 | 44.0 |
| **Total** | **81** | **100.0** |

This question was posed with the intention of establishing the type of work agreement, whether written or unwritten, through which the labourers in household-based industries had entered into with the proprietors of these industries.

Fifty-two percent of the labourers were working in the household-based industries on a permanent basis whereby the proprietors of the industry did not easily substitute them. Those on casual employment were 44 percent; they would hardly work for the same person beyond a week. Those who offered their labour on contract basis were only 4 percent; they had entered into a contract which determined the amount of wages they would get for the specific period of time they were employment in the given industry. A legal officer said: *"Most people are comfortable with traditional trust-based agreements as opposed to legal-backed agreements".*

### 4.4.8 Distribution of respondents according to the change in the number of workers

The distribution of respondents according to the change in the number of workers was classified into three: where there was a decrease in the number of labourers, where the number of labourers was constant, and where there was an increase. This is presented in Table 4.11.

Table 4.11: Distribution of respondents according to change in number of workers in industry

| **Change in the Number of Labourers** | Frequency | Percent |
|---|---|---|
| Decrease | 3 | 2.0 |
| Constant | 80 | 55.0 |
| Increase | 62 | 43.0 |
| **Total** | **145** | **100.0** |

This question was posed with the motive of finding out whether or not the household-based industries registered growth in terms of increase in the number of labourers. Increase in the number of a firm's labourers is one of the key indicators of industrial growth. Of the 145 labourers of the household-based industries, only three of them (2 percent) recorded a decrease in the number of labourers. It is noteworthy that slightly more than half (55 percent) of the proprietors of household-based industries had their number of labourers remain constant while 43 percent of them registered an increase in the number of labourers. In the Economic Weekly (1959), it is pointed out that the increase or decrease of the current number of labourers in a firm is directly mirrored in a corresponding change in the total output.

## 4.5 THE CONTRIBUTION OF HOUSEHOLD-BASED INDUSTRIES IN THE CREATION OF WEALTH

### 4.5.1 Introduction

The third objective of this research study was to assess the contribution of household-based industries in the creation of wealth for proprietors and labourers in Kakamega County. Emphasis was, however, laid on the case of industry proprietors as stated earlier.

**4.5.2** WEALTH CREATION FOR HOUSEHOLD-BASED INDUSTRY OWNERS

#### 4.5.2.1 Distribution of respondents according to investment using income generated

The investment using income generated section was categorized into those who invested and those who failed to invest. This is summarized in Table 4.12.

Table 4.12: The distribution of respondents according to those who invested or failed to invest using income generated

| **Proprietors of household-based industries** | Invested | Failed to invest |
|---|---|---|
| Percentage | 72 | 28 |

The study found out that majority (72 percent) of the proprietors of household-based industries invested using the profits they derived from their industries. The forms of investment are highlighted in section 4.5.2.2. Therefore, 72 percent of the proprietors of household-based industries created wealth through investing while 28 percent failed to do so. In a similar study carried out in India (Ziolkowski, 1966), it was discovered that majority of the proprietors owned various kinds of assets which they acquired from their ownership and involvement in household-based industries; it is the same case in this study, whereby more than 67 percent of proprietors invested using income generated.

#### 4.5.2.2: The distribution of respondents according to the form of investment

The form of investment the proprietors of household-based industries delved into was categorized into: those who invested in agriculture, bought property, opened a new business, re-injected their profits back into their industry, paid school/college/university fees, made savings, and those who did not give a response. This is presented in Table 4.13.

Table 4.13: The distribution of industry proprietors according to the form of investment

| **Type of Investment** | Frequency | Percent |
|---|---|---|
| Agriculture | 49 | 34.0 |
| Property acquisition | 12 | 8.0 |
| New business | 1 | 1.0 |
| Profit re-investment | 3 | 2.0 |
| School/college/university fees | 36 | 25.0 |
| Savings | 4 | 3.0 |
| No response | 40 | 27.0 |
| **Total** | **145** | **100.0** |

The major ways in which the household-based industry owners created wealth were through:

*a). Agriculture*

Kenya's economy heavily relies on agriculture, and therefore, most people engage in food-crop and cash-crop farming. According to the Kenya Agricultural Research Institute's Food Security Report (2012), 45 percent of government revenue is generated by the agricultural sector, which contributes 51 percent of the Gross Domestic Product to the economy both directly and indirectly. The household-based industry proprietors who invested in agriculture were 34 percent. Through crop farming, the proprietors stored a section of the produce for food, while the surplus was sold to earn them money which increased their purchasing power and also put them in a better financial position to invest in other areas. Those who bought oxen from the proceeds of their industries used them for ploughing their farms, and therefore, did not incur the cost of hiring a tractor. The money they would otherwise have been spent on hiring a tractor enabled them buy seeds, fertilizer and pay for labour.

*b). Asset acquisition*

The household-based industry proprietors who used a fraction of their proceeds to acquire assets were 8 percent. Some of the assets identified included: land, cattle, and equipment. A good number of proprietors cited land – a key factor of production whose economic value keeps appreciating – as the key asset acquired thereby putting them in a stronger position to create wealth through ways such as farming. Ziolkowski (1966) notes that a closer look into the nature of asset invested in by the proprietors and labourers of household-based industries revealed that in most cases it was land, buildings and cattle.

*c). New business*

The household-based industry proprietors who used a section of their proceeds to open a new business were the least, at one percent. The opening of a new business venture, alongside their existing household-based industries, ensured that they did not rely on only one source of income, and as a result, putting them in a better position to create wealth through profits earned via their involvement in household-based industry activities.

*d). Profit re-investment*

The household-based industry proprietors who invested some of their proceeds back into their household-based industries were 2 percent. Re-injection of profits served the purpose of reinforcing the existing industries and cushioning them against possible collapse, and therefore, lengthening their economic life spans, and by extension, boosting future profit margins.

*e). School, college or university fees*

The household-based industry proprietors who utilized a fraction of their proceeds to pay school, college or university fees were 25 percent. This was investment in the education of their sons and daughters. The skills acquired in the course of learning put them in a better position to secure better-paying jobs, and as a result, put them in a stronger financial position to help their families out of poverty. As explained earlier, the Human Development Report (1995) observed that the

competitive-prone job market, as a result of high scholarly expectations, forced individuals with less desirable qualifications to miss out on decent jobs.

*f). Savings*

The household-based industry proprietors who saved a part of their proceeds were 3 percent. Savings acted as contingency funds which catered for unforeseen circumstances such as sudden illness in the family, cost of machine breakdowns, or for use on future investment.

**4.5.2.3 The distribution of respondents according to number of workers in the industry**

The number of workers in an industry was categorized into three: the sole proprietor, two to four labourers, and beyond four labourers. This is summarized in Table 4.14.

Table 4.14: The distribution of industry owners according to the number of labourers employed

| **Number of workers in industry** | Frequency | Percent |
|---|---|---|
| Sole proprietor | 28 | 19.0 |
| Two to four | 96 | 66.0 |
| Beyond four | 21 | 15.0 |
| **Total** | **145** | **100.0** |

The household-based industries which had sole proprietors, who also doubled up as a labourer, were 19 percent. Those which had between two and four labourers were 66 percent. Those with labourers exceeding four were 15 percent. It is evident that these household-based industries provided opportunities for self-employment and employment, and in turn, the ability to create wealth due to income earned and income invested. According to Kenya Ministry of Industrialization's *Strategic Plan* implemented between the year 2008 and 2012, household-based industrial units generated jobs for more than 6 million people.

As noted earlier, one of the indicators of industrial performance is the number of labourers. Alam et al (2011) pointed out that the number of labourers influenced the size of an industry. Ziolkowski (1966) added that the highest numbers of labourers per industrial unit was found in those which engaged in the production of goods within a fairly big market. Pandey (2013)

reinforced this by observing that the number of labourers employed in a household-based industry indicated the general strength and capacity of the industry.

**4.5.2.4: The distribution of proprietors according to the number of family members in the industry's labour-force**

The number of family members in an industry was categorized into: none, one to three, more than three, and those who did not respond to the question. This is summarized in Table 4.15.

Table 4.15: The distribution of industry proprietors according to the number of family members in the labour-force

| **Number of family members** | Frequency | Percent |
|---|---|---|
| None | 37 | 26.0 |
| One to three | 93 | 64.0 |
| More than three | 9 | 6.0 |
| No response | 6 | 4.0 |
| **Total** | **145** | **100.0** |

In 26 percent of the household-based industries, there were no members of the family in the labour-force. In most cases, these were those industries which did not require more than one person to operate; a good example was the weaving-related industries. Sixty-four percent of the household-based industries had between one and three family members as labourers. Six percent of the industries had more than three family members in the labour-force. Those industries which had a high rate of the division of labour and role specialization had a high number of family members in the labour-force. A village elder said: *"Proprietors of household-based industries who had many members of the family preferred enlisting them as non-remunerated labourers instead of hiring outsiders who charged them relatively higher wage rates per hour"*. The use of family members ensured that overhead costs were at a minimum level; therefore, money that would have otherwise been spent on paying labourers was used to meet family needs.

Thanga and Melba (2013) observed that all members of the family participated in household-based industry activities for the overall socio-economic well-being of the family. However, in a good number of household-based industries, there was dependence on both family- and non-

family members. Ziolkowski (1966) pointed out that the high proportion of family members involved in household-based industries as labourers meant that all the managerial functions of the industries were retained within a closely-knit group.

#### 4.5.2.5: The distribution of industry proprietors according to remuneration or non-remuneration of family members in the industry

The distribution of household-based industry proprietors according to the remuneration or non-remuneration of family members was categorized into those who were paid and those who were not paid. This is summarized in Table 4.16.

Table 4.16: The distribution of industry proprietors according to remuneration or non-remuneration of family members

| **The remuneration or non-remuneration of family members** | Frequency | Percent |
|---|---|---|
| Remunerated | 8 | 5.0 |
| Not remunerated | 94 | 65.0 |
| No response | 43 | 30.0 |
| **Total** | **145** | **100.0** |

Only 5 percent, of the 145 proprietors, remunerated the family members who were labourers in their household-based industries, while those industries with family members who were remunerated were 65 percent. This implied that close to two-thirds of the cottage industries failed to remunerate family members. However, it is worth pointing out that those family members who were not remunerated for their labour benefitted non-monetarily. A village elder reinforced this by saying: *"Family members who in most instances were not remunerated for their labour still benefitted from their involvement, especially in terms of collective acquisition of basic needs, namely: shelter, food, and clothing. In the event that a different member of the family also needed labour in his or her household-based industry, they all trooped into his or her home to offer a free labour".* Ziolkowski (1966) reinforces this by observing that industry proprietors and labourers spent on basic needs more than half of what they generated.

#### 4.5.2.6 The distribution of industry proprietors according to profit or loss

This segment focuses on profit- or loss-making status of household-based industries. This was classified into those who got profits and those who got losses. This is summarized in Table 4.17.

Table 4.17: The distribution of industry owners according to profit- or loss-making status

| **Profit or loss** | Frequency | Percent |
|---|---|---|
| Profit | 135 | 93.0 |
| Loss | 6 | 4.0 |
| No response | 4 | 3.0 |
| **Total** | **145** | **100.0** |

Ninety-three percent (majority) of the household-based industry proprietors posited that they were making profits, and not losses, due to low costs of production. A banker said: *"Most of the household-based industries depend on readily available raw materials provided by nature, and as a result, only those which incurred high costs of buying raw materials were likely to generate losses. In pottery, for instance, clay was readily availed by nature along the river banks".* The few (4 percent) proprietors who recorded losses in the long-run period were mostly those who were forced to buy raw materials at exorbitant prices. However, Chand and Junejo (2008) observed that lack of current information, obsolete technology, and bad management had an adverse effect on the profit or loss position of most household-based industries. In a related study in India, Ziolkowski (1966) noted that profits of the industries examined were found to be on an average scale; only two of the seventy-eight industries incurred losses, and it was because they were new.

### **4.5.3** WEALTH CREATION FOR HOUSEHOLD-HOLD INDUSTRY LABOURERS

As earlier stated, even though this study was mostly interested in aspects to do with household-based industry proprietors, a few elements which concerning the labourers were looked into. On wealth creation for industry labourers, remuneration was examined.

#### 4.5.3.1 The distribution of respondents according to remuneration

The wage brackets of labourers in the household-based industries were categorized into those who were remunerated and those who were not remunerated. This is presented in Table 4.18.

Table 4.18: The distribution of household-based industry labourers according to daily wages

| **Daily wage brackets of workers** | Remunerated | Not remunerated |
|---|---|---|
| Percentage | 67 | 33 |

The labourers who were non-remunerated were 33 percent. A village elder said: *"Most of those who were non-remunerated were, in most cases, members of the family simply helping out their parents, relatives or friends, who later returned the favour". They collectively benefitted from the profits accrued".*

The majority (67 percent) of the labourers were remunerated. The money they were paid for their labour in the household-based industries put them in a better position to create wealth through: the acquisition of property, payment of school/college/university fees for their sons and daughters, agriculture, and opening of a new business.

Sivaraman et al (1981) pointed that it was challenging to raise the remuneration level of the labourer past a certain point. They further noted that some roles in household-based industries were prone to boredom and the wage rate per was meagre, and that in most instances, the raw material was not prepared to a standard which would make the final product attractive enough for the buyer, thereby, fetching a better price for the time spent. Despite the poor remuneration, household-based industry labourers were still able to sustain themselves. Keane and Velde (2008) noted that economists suggest that firms can only raise the remuneration of their labourers depending on the level of additional output arising from additional time spent in production.

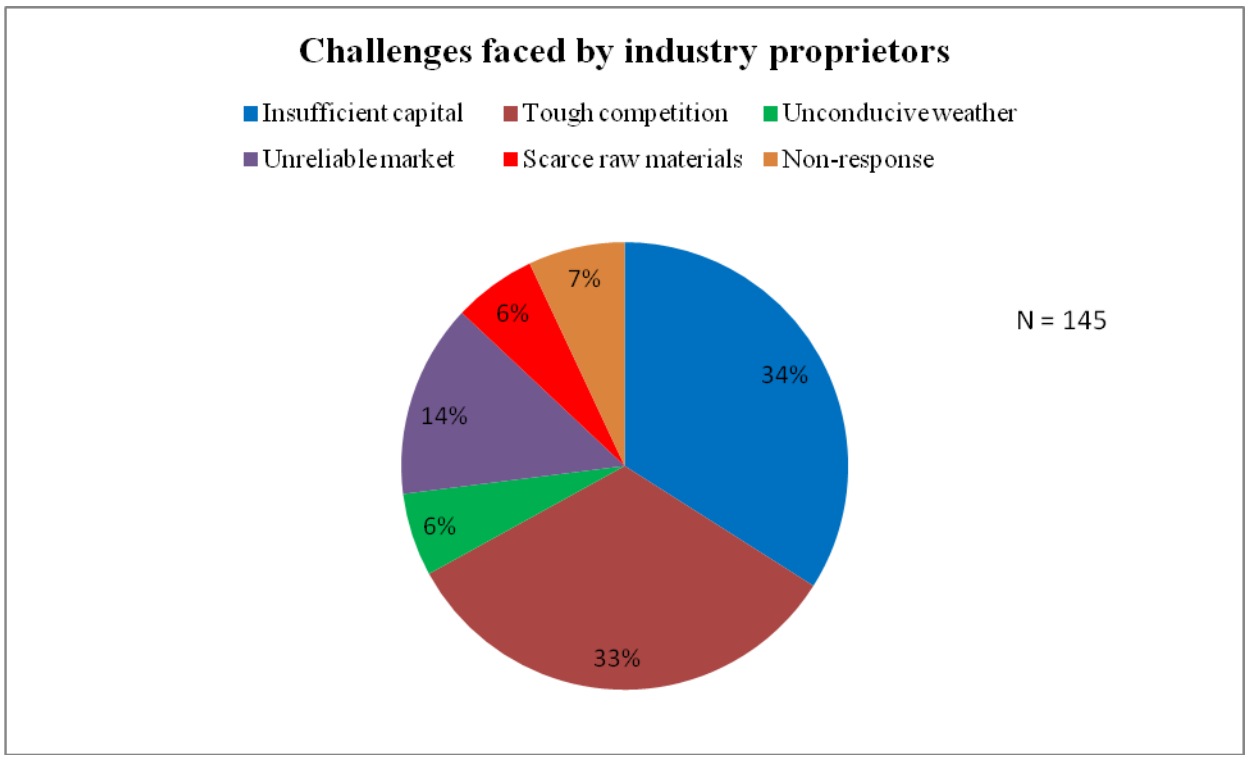
## 4.6 THE CHALLENGES FACED BY HOUSEHOLD-BASED INDUSTRIES IN KAKAMEGA COUNTY

### 4.6.1 Introduction

In the course of the research study, challenges faced by household-based industry proprietors and labourers in Kakamega County were highlighted. These were: insufficient capital, tough competition, un-conducive weather, unreliable market, and scarce raw material.

The Ministry of Industrialization's *Strategic Plan* (implemented between the year 2008 and 2012) highlighted Kenya's development challenges, which included: insecurity, lack of democracy, and political instability, which had an adverse impact on the operations of household-based industries. Coughlin (1988) observed that household-based and small-scale industries had to contend with many challenges when competing against medium-scale and large-scale industries. The proprietors of the household-based industries in the areas of study faced a myriad of challenges, the major ones of which were: insufficient capital, tough competition, un-conducive weather, unreliable market, and scarce raw materials. This is summarized in Figure 4.5.

Figure 4.6: The distribution of industry proprietors according to the challenges faced




### 4.6.1 Insufficient Capital

Thirty-four percent of household-based industry proprietors posited that insufficient capital was the biggest problem faced by their industry. Ikiara (1988) noted that one sensitive factor decelerating industrialization in Kenya after 1980 has been the inadequate investment funds.

However, a banker said: "*Most household-based proprietors are unsuccessful in their loan applications because they do not bank the sales, but only bank the profits, making the bank unable to precisely determine their cash flows. Also, a majority of these proprietors do not have bank accounts, yet banks require evidence of banking to process loans*". Therefore, most proprietors of household-based industries need adequate financial information.

### 4.6.2: Tough competition

Thirty-three percent of household-based industry proprietors singled out tough competition as a challenge. Tough competition existed due to the household-based industries in the same location producing identical products. For instance, in Mukhonje, almost every home the researcher walked into was making clay items. Coughlin (1988) was of the view that some government policies were in conflict, thereby creating unnecessary competition in some industries; he gave the example of Kenya making plastic baskets for the market even though hundreds of women wove sisal baskets for their living.

### 4.6.3 Unreliable market

Fourteen percent of household-based industry proprietors posited that unreliable markets for their products posed a threat to their industries. The products made by the proprietors and labourers would at times be stored for a long period of time before getting a willing buyer (s). In other instances, a poor road network of the feeder roads made the markets inaccessible. Most of the rural roads were impassable. This hampered the timely transportation of the finished products to the market. Morse and Staley (1965) noted that goods made by larger industries phased out those made by traditional craftsmen out of the market as a result of stiff competition.

### 4.6.4 Scarce raw materials

Six percent of household-based industry proprietors singled out scarce raw materials as a threat to the existence of their industries. However, in some industries, their challenge was associated with the high cost of the raw material, and not necessarily its availability, while for others it was challenges related to transportation of the raw materials. Coughlin (1988) observed that most industrial ventures were affected by shortages of raw materials.

### 4.6.5 Un-conducive Weather

Six percent of household-based industry proprietors singled out un-conducive weather as a major challenge. Brick production was one of the industries which were adversely affected by un-conducive weather. Excess rain hindered raw bricks from drying in good time whereas excess sunshine caused breakages. Also, too much rain worsened the state of rural-based feeder roads. The *Fourth Human Development Report* (2005) identified poor infrastructure as a major impediment in the growth of household-based and small-scale industries.

### 4.6.6 Other Challenges

4.6.6.1 Weak inter-industry linkages

Industrial linkages in household-based industries were highlighted. This was categorized into those with linkages, those without linkages, and the unsure. This is summarized in Table 4.19.

Table 4.19: The distribution of household-based industry proprietors according to industries with linkages and those without

| **Existence of inter-industry linkages** | Frequency | Percent |
|---|---|---|
| With linkages | 19 | 13.0 |
| Without linkages | 115 | 79.0 |
| Unsure | 11 | 8.0 |
| **Total** | **145** | **100.0** |

Seventy-nine of household-based industries were of the view that their industries were not linked with other industries, whether cottage, small-, medium-, or large-scale industries. Only 13 percent thought industrial linkages with other industries existed, while 11 percent were unsure. Ikiara (1988) reinforced this by noting that the manufacturing sector had not developed a wide network of linkages with the other sectors.

4.6.6.2 Poor record-keeping

The challenge associated with record-keeping was examined. This was categorized into: those who kept records, those failed to keep them, and non-responses. This is presented in Table 4.20.

Table 4.20: The distribution of proprietors according to the keeping or non-keeping of records

| **Record-keeping** | Frequency | Percent |
|---|---|---|
| Kept records | 15 | 10.0 |
| Failed to keep records | 129 | 89.0 |
| Non-response | 1 | 1.0 |
| **Total** | **145** | **100.0** |

Eighty-nine percent of the household-based industry owners failed to keep records while only 10 percent did. A teacher said: *"Most folks in this area don't know how to read or write; they prefer trusting their memories by attempting to retain important details off-head".*

The challenges singled out by focus group discussion participants were almost identical to those unearthed through questionnaires, namely: insufficient capital, low sales, tough competition, scarce raw materials, un-conducive weather, and distant markets.

**4.7 Conclusion**

In conclusion, the household-based industries documented in Kakamega County were: earthenware production, unrefined sugar production, brick production, liquor generation, stone-works, wood-works, herbal medicine extraction, charcoal-burning, weaving, pastry production, cycle repair, flour production and shoe production and repair. The profiles of household-based industry proprietors and labourers were highlighted and the role of these industries in wealth creation assessed. The challenges encountered by both household-based industry proprietors and labourers were also identified.

# CHAPTER FIVE

## 5.0 SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

### 5.1 INTRODUCTION

This chapter presents a summary of findings, conclusions drawn and recommendations based on the conclusions made. The key objective of this research study was to assess the role of household-based industries in the socio-economic transformation of rural areas. The case of Kakamega County was used to reach conclusions.

### 5.2 A SUMMARY OF FINDINGS

The three objectives of the study were: to document the forms of cottage (household-based) industries existing in Kakamega County; highlight the profiles of household-based industry proprietors and labourers; and to examine the contribution of household-based industries in the creation of wealth.

The forms of household-based industries which were documented in Chapter Four were: earthenware production, unrefined sugar production, brick production, liquor generation, stone-works, wood-works, herbal medicine extraction, charcoal-burning, weaving, pastry, cycle repair, flour production, and shoe production and repair. The brick-related industry was owned by 18 percent of proprietors of household-based industries while earthenware production employed 37 percent of all the labourers in household-based industries. Of the 226 respondents, 22 percent engaged in earthenware production either as proprietors or labourers. Flour production employed one percent of the labourers while the pastry production, cycle repair, flour production, and shoe production and repair had none as labourers.

The profiles of household-based industry proprietors and labourers were highlighted. The distribution of industry proprietors according to gender indicated that male were 68 percent while female were 32 percent. Household-based industry labourers who were male were 63 percent while female were 37 percent female. Age brackets of household-based industry

proprietors were classified into: 17 and below (2 percent), 18-50 (80 percent) and 50 and above (18 percent). Age brackets of household-based industry workers were classified into: 17 and below (37 percent), 18-50 (59 percent) and 50 and above (4 percent). Household-based industries whose ownership was through were sole proprietorship were 41 percent, those whose ownership was by the whole family were 56 percent, while those whose ownership was through partnership were 3 percent. Of those employed in household-based industries, 44 percent were employed throughout the year while 56 percent seasonally. Duration of household-based industry ownership was categorized into: less than a year (8 percent), 1-3 years (47 percent), and more than 3 years (45 percent). Duration of employment was categorized into: less than a year (11 percent), 1-3 years (46 percent), and more than 3 years (43 percent).

The contribution of household-based industries in the creation of wealth was assessed. The distribution of household-based industry proprietors according to those who invested using income generated were 72 percent while those who failed invest were 28 percent. The categories of investment by household-based industry proprietors were: agriculture (34 percent), property acquisition (8 percent), new business (1 percent), re-investment of profits into the existing industry (2 percent), school, college and university fees (25 percent), and savings (3 percent). Remuneration of household-based industry workers was in two categories: those who were not remunerated (33 percent), and those who were remunerated (67 percent).

Even though this study did not seek to highlight the challenges household-based industries in Kakamega faced, they were nonetheless a by-product of the study. The household-based industries in Kakamega County faced the following challenges: insufficient capital, tough competition, unreliable market, scarce raw materials and un-conducive weather.

## 5.3 CONCLUSIONS

The household-based industries in Kakamega County were documented. Most of the respondents (22 percent) engaged in earthenware production. Eighteen percent of proprietors engaged in brick production while 37 percent of labourers were involved in earthenware production. The industry which had the fewest owners was flour-grinding (1 percent) while pastry production, cycle repair, flour production, and shoe production and repair had none as workers.

The profiles of household-based industry proprietors and labourers were highlighted. The distribution of household-based industry proprietors according to gender showed that the majority were male (68 percent) while minority (32 percent), female. The same case was with household-based industry labourers whereby most of them (63 percent) were male while 37 percent were female. Most of the industry proprietors (80 percent) were in the 18-50 age range while 59 percent were in the 18-50 age range. Fifty-six percent of the industries were owned through sole proprietorship. Fifty-six percent of the labourers were on seasonal employment. Most of the industry proprietors and labourers had either owned or worked in a household-based industry for more than a year.

The role of household-based industries in the creation of wealth was assessed. The distribution of household-based industry proprietors according to investment using income generated indicated that most of them (72 percent) invested, thereby creating wealth within their respective household units. Thirty-four percent of those who invested did so in agriculture-related activities. Most household-based industries (66 percent) employed 2-4 labourers whereas 15 percent of them employed more than four labourers. In other words, jobs were created by these industries. This means that majority of the labourers (67 percent) were remunerated, and as a result, putting them in a far much better position to invest and create wealth.

As regards challenges, insufficient capital was cited by household-based industry proprietors as the greatest impediment, while scarce raw materials, the least.

## 5.4 RECOMMENDATIONS

The government, through the Ministry of Industrialization, needs to ensure that all the household-based industries in the country are documented. This will help shed even more light on their contribution to the economy, the impediments they grapple with and how best to enhance them.

The government, county governments and relevant small-, medium- and large-scale industries should renew their focus on cottage or household-based industries by ensuring the necessary and sufficient conditions prevail so as to favour their rapid growth and expansion. This can be done

through the formulation of legislations and policies which are friendly to these household-based industries.

Most household-based industry proprietors singled out one major challenge; insufficient capital. The problem which goes hand-in-hand with this is the lack of adequate access to relevant financial information. The government, in collaboration with the banking sector, should put in place effective ways to ensure that financial information easily trickles down to household-based industry proprietors who live in rural zones. As a result, they will be in position to easily access loans, and where possible, grants.

## 5.5 POSSIBLE AREAS FOR FURTHER RESEARCH

1. A study into the likely connection between culture and household-based industries.
2. A research study to find out other reasons as to why most proprietors and labourers of household-based industries do not keep accounting records.
3. An inquiry of the role of household-based industries in transforming urban zones in Kenya. This is because this study was strictly confined to rural zones.

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**APPENDIX I**

OBSERVATION CHECKLIST

**Use (+) to indicate whatever has been observed in the field.**

1. State of Roads – Bad ( ) Good ( )
2. Social Amenities – Far ( ) Near ( )
3. Population Distribution Dense ( ) Sparse ( )
4. Type of Houses – Permanent ( ) Temporary ( )
5. Existence of Cottage Industries - Yes ( ) No ( )
6. Economic Activities – Few ( ) Many ( )
7. Crops Grown – Subsistence ( ) Cash crops ( )
8. Presence of Natural Resources Yes ( ) No ( )

**Any Other Observations**

……
……
……

## APPENDIX II

### A QUESTIONNAIRE DESIGNED FOR HOUSEHOLD-BASED INDUSTRY PROPRIETORS IN KAKAMEGA COUNTY, KENYA.

**A Letter of Introduction**

Dear Respondent,

I am a student at the University of Nairobi pursuing a Master of Arts degree in Rural Sociology and Community Development. As a requirement for the partial fulfillment of this course, I am conducting a research study on *THE ROLE OF HOUSEHOLD-BASED INDUSTRIES IN THE SOCIO-ECONOMIC TRANSFORMATION OF RURAL AREAS; THE CASE OF KAKAMEGA COUNTY, KENYA.* Any information you give will be used strictly for academic purposes. You can contribute to the accuracy of my research work by volunteering truthful information upon which generalizations will be made. Your co-operation will be highly appreciated. Much regards!

Yours faithfully,

**PAULPETER M. MAKOKHA**

**NAIROBI, KENYA.**

**A QUESTIONNAIRE DESIGNED FOR HOUSEHOLD-BASED INDUSTRY PROPRIETORS IN KAKAMEGA COUNTY, KENYA.**

SECTION A

**Please TICK where appropriate.**

1. Gender

   Male **[ ]** Female **[ ]**

2. Age Bracket [classification according to Ericson's Model]

   Below 18 **[ ]** 18-50 **[ ]** 50 and beyond **[ ]**

3. Education Level

   No Formal Schooling **[ ]** Secondary Schooling [ ]

   Primary Schooling **[ ]** Post-secondary Schooling [ ]

4. Marital Status

   i) Single **[ ]** Married **[ ]** Divorced **[ ]** Widowed **[ ]**

   ii). If married, how many children do you have?

   No Child **[ ]** One to Four **[ ]** More than Four **[ ]**

SECTION B

5. Which type of cottage industry do you deal in, and which products do you produce?
6. Mode of ownership (Please TICK where appropriate).

   Owned by Self **[ ]** Family-owned **[ ]** Partnership **[ ]**

7. How long have you been operated your household-based industry?

8. a). How can you describe the state of your household-based industry?

   Fully functional **[ ]**

   Just operating though not fully functional **[ ]**

   b) Explain at length the factors contributing to the state of your household-based industry as described above.

   c). Please tell me about the level of production in your household-based industry.

9. What is the relationship between daily production and daily sales?

   i) How many people are employed in your household-based industry today?

   ii). Is the number of employees in your industry decreasing, constant, or increasing?

   iii). How many of your family members are working for pay?

10. Use the table below to indicate your weekly income and expenditure

| **TOTAL INCOME PER WEEK (KSHs)** | **TICK WHERE APPROPRIATE AND DESCRIBE** | **EXPENDITURE PER WEEK (KSHs)** | **TICK WHERE APPROPRIATE AND DESCRIBE** |
|---|---|---|---|
| 0-1000 | | 0-1000 | |
| 1001-2000 | | 1001-2000 | |
| 2001-3000 | | 2001-3000 | |
| 3001-4000 | | 3001-4000 | |
| 4001-5000 | | 4001-5000 | |
| Above 5000 | | Above 5000 | |

a) In general, do you think your industry is making profit or loss?

b) i. Have you been able to invest using income from your household-based industry?

YES [ ] NO [ ]

ii. If Yes, kindly explain to me which investments you have ventured into so far.

c) In your opinion, are there any industrial or commercial linkages between your household-based industry and other industries in the neighborhood?

YES [ ] NO [ ]

d) Do you keep records of production, profit, loss, or expenditures?

YES [ ] NO [ ]

If Yes, kindly let me have a quick look at the records.

11. a) What are some of the challenges household-based industries in this area face?

b) Kindly explain the challenges your household-based industry struggles with in regard to:

i). management: .....

ii). input: .....

iii). sales: .....

iv). maintenance: .....

v). competition: .....

**APPENDIX III**

**A QUESTIONNAIRE DESIGNED FOR HOUSEHOLD-BASED INDUSTRY LABOURERS IN KAKAMEGA COUNTY, KENYA**

**A Letter of Introduction**

Dear Respondent,

I am a student at the University of Nairobi pursuing a Master of Arts degree in Rural Sociology and Community Development. As a requirement for the partial fulfillment of this course, I am conducting a research study on *THE ROLE OF HOUSEHOLD-BASED INDUSTRIES IN THE SOCIO-ECONOMIC TRANSFORMATION OF RURAL AREAS; THE CASE OF KAKAMEGA COUNTY*. Any information you give will be used strictly for academic purposes. You can contribute to the accuracy of my research work by volunteering truthful information upon which generalizations will be made. Your co-operation will be highly appreciated. Much regards!

Yours faithfully,

**PAULPETER M. MAKOKHA**

**NAIROBI, KENYA.**

**A QUESTIONNAIRE DESIGNED FOR HOUSEHOLD-BASED INDUSTRY LABOURERS IN KAKAMEGA COUNTY, KENYA.**

SECTION A

**Please TICK where appropriate.**

1. Gender

   Male **[ ]** Female **[ ]**

2. Age Bracket (classification according to Ericson's Model)

   Below 18 **[ ]** 18-50 **[ ]** 50 and beyond **[ ]**

3. Education Level

   No Formal Education **[ ]**

   Primary Education **[ ]**

   Secondary Education **[ ]**

   Tertiary **[ ]**

4. Marital Status

   i). a. Single **[ ]** Married **[ ]** Divorced **[ ]** Widowed **[ ]**

   ii). If married, how many children do you have?

   No Child **[ ]** One to Four **[ ]** More than Four **[ ]**

SECTION B

5. For how long have you worked in this household-based industry?

6. Kindly give a brief description of the role you play in the daily operations of this industry

7. How can you describe the state of this industry?

   i). Fully functional **[ ]**

   ii). Just operating though not fully functional **[ ]**

8. What's the nature of your employment?

   Permanent **[ ]** Contract **[ ]** Casual **[ ]**

9. Do you work here throughout the year, from January to December, or is your work seasonal?

   All-year round **[ ]** Seasonal **[ ]**

10. How much are you paid for your involvement in the daily operations of this household-based industry?

11. What would you say are the major challenges faced by household-based industries in this area?

**~END~**

## APPENDIX IV

## Focus Group Discussion Guide

Researcher: PaulPeter M. Makokha

Topic of Study: The Role of Household-based Industries in the Socio-economic Transformation of Rural Areas: The Case of Kakamega County

Area of Study: ……..

Number of Members (8-12): …….

Names of Members: ……

**Discussion Questions**

1. What are some of the cottages industries that are the most common in this area?
2. Do you think these cottage industries have transformed the socio-economic lives of those who own or operate them? Substantiate your answer.
3. What are the major challenges the household-based industries in this area face? Please rank them from the most severe to the least severe.
4. Suggest possible solutions to the challenges (problems) cited above.

**~END~**

## APPENDIX V

## Interview Guide for Key Informants

**Topic of Study:** The Role of Household-based Industries in the Socio-economic Transformation of Rural Areas: The Case of Kakamega County

**Researcher's Details**

**Name:** PaulPeter M. Makokha **Institution:** University of Nairobi

**Respondent's Details**

**Location:** **Sector (Ministry):** **Position:**

**Section A (**for respondents from all sectors**):**

1. What are some of the cottage industries (home-based traditional forms of industry that mostly use man-power & animal-power) you know that operate in this area?
2. Do you think the socio-economic lives of the proprietors and labourers of these household-based industries are transformed in any way?
3. What could be some of the challenges faced by household-based industries in this area?

**Section B (**only for respondents from financial institutions**)**

4. Do the owners of cottage industries (for example, potters, crude sugar manufacturers, brick makers, et cetera) come to apply for loans?
   i. If Yes, please name some of the types of household-based industries whose proprietors are regular in doing so.
   ii. Do they succeed in securing the loans? If No, what mostly disqualifies them?
   iii. In your opinion, do you think they are able to register industrial growth after getting the loans?
5. What could be the possible solutions to the challenges cottage industries in this area face?

END