

# Saving Programs and Poverty Reduction amongst Vulnerable Families Living with HIV/AIDS in Kayonza District Rwanda

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**Abstract:** *The purpose of the study was to establish the extent to which saving programs contributes to poverty reduction of vulnerable families living with HIV/AIDS in Kayonza District. This has had a lot of impact in the household level by improving their livelihoods, education access etc. However, many households are still facing with various sustainability challenges, which if not addressed could affect the life of the family members in the long-term. Descriptive research design was used to collect quantitative data from a target population of 110 members of VSLAs from SOS in Rwanda. A sample size of 87 respondents, and 2 TOTs within SOS village in Kayonza. Data collection was done using questionnaires which were administered to the respondents who are members of the village saving and Loan Associations. Content validity was used to establish the appropriateness of the instruments while half-split method was used to establish reliability. Quantitative data from the field was processed using SPSS (Statistical Package for Social Sciences) Version 21. The analyzed data was presented in the form of frequency TABLES. Majority 37 (46.3%) indicated that there were group members going out with multiple sexual partners for economic gain. 11 (13.8%) indicated no knowledge, while 80 (31.4) said they were not sure. This implied that majority of the respondents engaged multiple sexual partners as a way of earning extra income. Majority of the respondents preferred saving through merrygo-round 66 (52.5%) followed by table banking 62 (77.5%) while only 44 (55%) prefer saving through commercial banks. Majority 43 (53.8%) said that they got their income through regular employment, 28 (35%) said that they got their income through income generating activity while nine (11.3%) said that they got their income through Donations from friends and well-wishers. The study concludes that through the saving programs households' income increased and there was an increase in saving levels. The study recommends that policy makers, private identities and NGOs should initiate and encourage the establishment of community savings programs through which communities can save and mobilize resources towards economic development and poverty reduction in Rwanda.*

**Keywords:** Saving programs, Poverty reduction, vulnerable families, HIV/AIDS and Kayonza District

## 1. Background Information

Sub-Saharan Africa remains the region most heavily affected and heterosexual exposure is the primary mode of transmission in sub-Saharan Africa. The region burdens 67 percent of HIV infections worldwide, 68 percent of new HIV infections among adults and 91 percent of new HIV infections among children. The region also accounted for 72 percent of the world's AIDS-related deaths in 2008 (UKAID, 2009).

HIV AIDS remains the leading cause of death among women of reproductive age. Right from the first decade of HIV AIDS pandemic, the WHO (World Health Organization) estimated that there were about 500,000 cases of AIDS in women and children. By the end of 2006, more than a half of the 60 million adults estimated to be living with HIV were women. 98 percent of who were women from developing countries (CARE, 2014). At the end of 2009 it was estimated that out of the 33.3 million adults worldwide living with HIV and AIDS, more than half are women (UNAIDS, 2009). It is suggested that 98 percent of these women live in developing countries.

In areas such as Western and Central Europe and Oceania, women account for relatively low percentage of HIV infected people. For example, In USA around 30 percent of people living with HIV AIDS are women, while 39.3 percent in India and 26 percent in Germany and United Kingdom. However, in regions such as sub-Saharan African

and especially in Botswana and South African percentages are significantly higher than other regions (Allen, 2012).

The women and Girls in the Sub-Saharan Africa are especially vulnerable to HIV infections due to social, economic and political inequalities between women and men, which result in sexual violence and unequal access to prevention, education and training, and care. Girls and young women are less likely than boys and young men to understand key issues around HIV transmission and how to protect themselves. Violence against women is both a cause and a consequence of being infected with HIV. Women's lack of empowerment coupled with the social norms that accept violence against women and coercive sexual relations contribute to a more rapid spread of HIV (Opiyo, Yamano and Jayne 2009).). Biologically women are twice more likely to become infected with HIV through unprotected heterosexual intercourse than men (WHO, 2009). Additionally, millions of women have been indirectly affected by the HIV and AIDS epidemic. Women's childbearing role means that they have to contend with issues such as mother-to-child transmission of HIV. The responsibility of caring for AIDS patients and orphans is also an issue that has a greater effect on women (Nyangweso, 2010). The AIDS pandemic has had adverse effects on social and economic development of women. In areas with few palliative care facilities, when a person becomes ill from AIDS the care is usually a woman's responsibility. For example, in Africa, two thirds of all caregivers for persons living with HIV and AIDS are women. This is in addition to many other tasks that women

perform within the household, such as cooking, cleaning, and caring for the children and the elderly (Sidibe, 2009). Families affected by AIDS suffer from increasing poverty. Many families tap into their savings if available and taking on more debt are usually the first options chosen by households struggling to pay for medical treatment or funerals. Then as debts mount, precious assets such as bicycles, livestock and even land are sold. Once these households have been stripped of their productive assets, the chances of them recovering and rebuilding their livelihoods becomes slimmer. In many cases, the responses to a death in poorer households is removing the children especially girls from school (Sidibe, 2009).

Nyangweso, (2010) Indicates that poverty has been found to be both a cause and effect of HIV AIDS pandemic among women. Women from poor backgrounds stand increased risk of contracting HIV mainly through channels of increasing high risk behaviors. In Zambia frequent droughts and limited wage job opportunities after the post-economic liberalization closure of companies were identified as the push factors for women increasingly resorting to transactional sex (Williams & Wilkins, 2009). In South Africa, girls between the aged 14-22 years, first sexual debut is earlier in poor households. In Botswana and Swaziland, food insufficiency among women is significantly associated with inconsistent condom use with a non-primary partner, exchange of sex for resources, intergenerational sexual relationships and lack of control in sexual relationships. For men, food insufficiency was associated (Williams & Wilkins, 2009). In response to reducing the burden of the HIV AIDS pandemic and causes of HIV AIDS among women multi-sectorial strategies and programmes that addresses poverty, gender inequalities and social marginalization must be supported as key components of a comprehensive AIDS strategy (USAID, 2009). The USAID report, (2009) indicates that research suggests that addressing women's basic economic needs through programs such as microfinance, youth livelihoods and life skills training, and initiatives to protect women's food security and property and inheritance rights not only targets women's economic vulnerability directly but can also offer a strategic opportunity for attracting sustained group-based participation in HIV prevention activities among the poor.

The Rwandan economy is based on the largely rain fed agricultural production of small, semi subsistence and increasingly fragmented farms with large involvement of women, the micro-credit projects spearheaded the Rwandan government is focused on the improvement of communities' livelihoods. This is to be achieved by contributing to effective poverty reduction and complimentary economic development activities for sustainable financial empowerment especially through small and medium businesses. Hence the overall objective is to provide a venue for income-generating activities, small and medium businesses through a rotating microfinance scheme which is aimed at creating and engaging rural community in income generating activities to foster their financial stability (MINICOM, 2010). It is upon the above background, that is why the researcher would like to examine the extent to which Village Saving and Loan Associations can have contributed to the improvement of living conditions of their members.

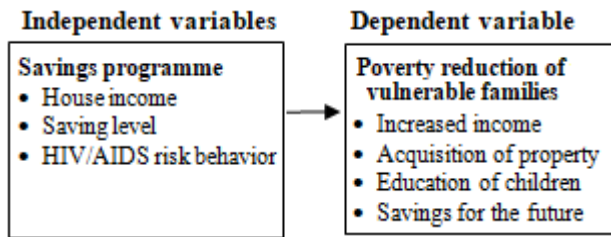
## 2. Statement of the problem

According to (Nyanweso, 2011), economic empowerment has the potential to reduce the negative impact of AIDS on household economies through programs that foster savings and stimulate the development of Income-Generating Activities (IGAs). This study called for strong and informative evaluations. In the past, evaluations of economic empowerments programs have tended to focus on measuring conventional financial indicators such as poverty targets or financial sustainability measures (USAID, 2008). However, impacts of saving group partnerships, access to credit and business trainings influence on the economic growth and reduction of poverty amongst HIV AIDS vulnerable groups have not been explored thoroughly. Indeed, USAID, (2008) report indicates that less has been done to establish the link of economic empowerment with HIV prevention goal. By providing a detailed exploration of how vehicles such as SOS children villages or livelihoods initiatives might impact on a range of HIV-related outcomes among families in Rwanda.

## 3. Theoretical Framework (Social capital theory)

Social capital is comprised of formal and informal systems of norms, institutions and organizations that promote trust and cooperation in communities and in wider society. It is "capital" because it is a resource that helps to accelerate the accumulation of well-being, and "social" because it is not the exclusive property of individuals but is possessed by social groups and can be a characteristic of entire social systems (Odhiambo, 2012). Although the theory of social capital draws heavily on the unconstitutional economics of North, Coase and others, and on the sociological formulations of Bourdieu and Coleman, its best-known exponent today is Robert Putnam, who has also elaborated most completely the theoretical structure and the empirical evidence for social capital (2016). Most of these writers agree on five features of social capital: in economic exchange, the existence of trust based on shared norms and familiarity, together with stable relationships based on reciprocity, reduce "transaction costs" that arise when dealing with strangers in unregulated economic environments. Similar according to Bhimaniet. al. (2008) benefits accrue from social capital (norms, institutions and organizations) in the civic sphere: trust and shared identity facilitate both the constitution of social actors and the emergence of honest, effective government ("strong society, strong government"). Finally, social capital is strengthened each time it is activated. Virtuous circles are activated as positive experiences of trust in economic matters and success in common cause lead to greater trust and greater civic commitment (Clarke, 2014).

## Conceptual Framework



## 4. Empirical Review

### 4.1 Savings program on poverty reduction

Research has shown that women who join savings programs tend to be more educated and socially independent than those who do not. This is in agreement with the findings of (Siddique, 2013) in analyzing the impact of women participation in savings and credit groups organized by Save the Children USA on women's empowerment, contraceptive use, and fertility in a rural area of Bangladesh. Siddique, (2010) when conducting a case study on slum improvement project in Dhaka, India, found that the micro-credit programme especially saving and access to credit have been found to be particularly successful and most attractive. Many poor households increased their incomes using this facility. Through this programmes, there was increase in the levels of health awareness among slum dwellers, resulting in significant reductions in the incidence of numerous diseases. Seibel & Almeyda, (2016) when doing a paper review on the economic empowerment programmes in Uganda found that Savings collection strengthens self-reliance, particularly among women: the large numbers of farm and non-farm activities of both men and women were largely funded through saving schemes. From his findings, savings was the core of self-help and self-reliance especially among women who were less risk-prone and more savings-oriented than men. The savings programmes were enabled through the available easy and convenient deposit facilities and collection services in the vicinity.

## 5. Methodology

The study targeted a population of 110 individuals. This comprised 100 family members from Kayonza District, one Project manager, two project officers, two field officer and 5 CBTs. The 20 groups were trained by five community-based trainers in four locations. Each group has five officials; chairperson, secretary, treasurer and two money counters. This is the population from which the sample was drawn. A target population should have observable characteristics from which the researcher intends to generalize the findings of the study (Gray, 2014). The sample size was 87 individuals in the Village savings and loan associations in Rwanda where census approach was used. The study utilized two sets of research instruments to obtain the required information; a questionnaire which was used to source quantitative data from Village savings and loan association members and an in-depth interview guide which was used to source qualitative data from project manager, project officer and field officer. Both instruments were used to achieve the four objectives of the study.

## 6. Results and findings

### 6.1 Saving Programs and poverty reduction

The study sought to establish the influence of Saving Programmes on poverty reduction in Kayonza District. The specific parameters for analysis were; whether they were involved in saving programme, has the level of savings increased, sources of savings, sources of income, and level of income. To measure the HIV/AIDS risk, the respondents were asked whether there were respondents within the group whom were having multiple sexual partners for economic gain

From the findings, majority 37 (46.3%) indicated that there were group members going out with multiple sexual partners for economic gain. 11 (13.8%) indicated no knowledge, while 80(31.4) said they were not sure. This implied that majority of the respondents engaged multiple sexual partners as a way of earning extra income. This increased the vulnerability of the respondents to HIV because this furthers their dependence on men and constrains their ability to negotiate for safe sex. These findings are in line with those Kima (2015) who did a study in Botswana and found that women earn 30- 40% less than men for the same work, and most of those who are working are employed outside the formal sector in jobs characterized by income insecurity and poor working conditions. She urged that this economic vulnerability increases their vulnerability to HIV by furthering their dependence on men and constraining their ability to refuse sex, negotiate the use of a condom, discuss fidelity with their partners, or leave risky relationships.

**Table 1: Multiple partners for Economic gain**

		Frequency	Percent
Valid	Yes	37	46.3
	No	11	13.8
	Not Sure	32	40
	<b>Total</b>	80	100

#### 6.1.1. Influence of engaging in a saving program on the risk of contracting HIV/AIDS among members in Kayonza District

Saving programs encourage self-sufficiency, financial management and asset accumulation. Saving programs are strategies of economic empowerment. Therefore, the study sought to find out how many of the respondents were involved in the saving programs.

From the Table 2 the study found out that majority of the respondents 66 (82.5%) were involved in saving programs while 14 (17.5%) of the respondents did not engage in any saving program. This implies that most respondents engage in a saving program in order to empower themselves economically.

**Table 2: Involvement in Saving Programs**

		Frequency	Percent
Valid	Yes	66	82.5
	No	14	17.5
	<b>Total</b>	80	100



### 6.1.2 Respondents Preferred Scheme

Village banking and self-help micro-finance group has been major methodologies used by numerous VSLA in fostering micro-finance among respondents. The study also sought to establish this factor. Table 3 showed that majority of the respondents preferred saving through merry-go-round 66 (52.5%) followed by table banking 62 (77.5%) while only 44 (55%) prefer saving through commercial banks. The study therefore concluded majority of the poor respondents in micro-economic empowerment program only access

group savings schemes like the merry-go-round and table banking. These findings were supported by those of Mayoux (2018) argues that group-based programs are assumed to build or reproduce social capital through developing economic and social networks of marginalized people. This is then assumed to further empower the marginalized through enhancing their ability to increase incomes, negotiate change in the household and participate in collective social and political activities.

**Table 3: Preferred saving scheme**

Response	Bank		Merry-g-round		Table banking	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
Yes	44	55	66	82.5	62	77.5
No	36	45	14	17.5	18	22.5
Total	80	100	80	100	80	100

### 6.1.3 Sources and level of income

After establishing the preferred saving scheme, the study also sought to establish the sources and level of savings. Available literature indicates lacks of financial stability increases respondents' risk of contracting HIV/AIDS. The findings were tabulated in Table 5 below. When the respondents were asked to establish the sources and level of savings, majority 43 (53.8%) said that they got their income through regular employment, 28 (35%) said that they got their income through income generating activity while 9 (11.3%) said that they got their income through Donations from friends and well-wishers. The study therefore concluded that despite the availability of savings scheme, these respondents' level of income was low while the level of their expenditures was high causing their saving levels to be very minimal. This implied that majority of these respondents were still economically vulnerable. These findings concurred with those of Pronyk, (2018) who argued that material poverty increased the risk of contracting HIV mainly through the channel of increasing high-risk behaviors' particularly for women.

respondents who lived on Rwf 30000 and below. These findings were in line with those of Julia Kim, (2015) who indicated that by improving access to credit and savings services, microfinance initiatives seek to provide business skills and income generating opportunities for poor women who are excluded from formal financial services and markets and this may reduce their chances of engaging in HIV/AIDS risky behaviors for commercial gain.

**Table 5: Preferred amount saved by the respondent**

Amount Saved	Frequency	Percent
<10000	30	37.5
10000 - 20000	19	23.8
20001 - 30000	12	15
30001 - 40000	19	23.8
40001 - 50000	0	0
>50000	0	0
<b>Total</b>	80	100

**Table 4: Respondents Sources and level of income**

		Frequency	Percent
Valid	Regular employment	43	53.8
	Income generating activity	28	35.0
	Donations from friends and well-wishers	9	11.3
	Total	80	100.0

### 6.1.4 Respondents Level of Income

Families' income improves the livelihood of the family and enables the family to buy the required basic necessities like foods, clothing and shelter among others. However, some families do not get enough income to be able to cater for its family mores of the respondents, HIV affected and infected families who need additional support. Therefore, the study sought to determine the levels of families' income. The findings are tabulated in the Table 6.

### 6.1.5 Model Summary

Regression analysis was done to determine the relationship between SOS children's villages HIV/AIDS project and poverty reduction of vulnerable families living with HIV/AIDS. Case study of SOS children's village Kayonza. According to Table 6,  $R = 0.934$ , this indicates that there is a strong relationship between SOS children's villages HIV/AIDS project and poverty reduction of vulnerable families living with HIV/AIDS. While  $R^2 = 0.889$ , this indicates that 88.9% variation in poverty reduction is explained by all the SOS children's villages HIV/AIDS project (Saving programs, Business training, Group partnership and Access to credit) while the remaining 11.1% is explained by other factors.

**Table 6: Model summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.934 <sup>a</sup>	.889	.881	.727
Predictors: (Constant), Saving programs,				

Table 6 showed that majority of respondents 30 (37.5%) had income levels less than Rwf 10000 followed by 19 (23.8%) who indicated income levels of Rwf 10000 -20000. However very few 12 (15.0%) had income levels between Rwf 20001 -30000. The study could therefore conclude that most of respondents in economic empowerment were poor

### 6.1.6 ANOVA

To determine the level of significant ANOVA test was done on SOS children's villages HIV/AIDS project and poverty reduction of vulnerable families living with HIV/AIDS. The ANOVA test in Table 7 indicates that the significance of the

P value 0.000 is less than 0.05, VSLA activities are significant on poverty reduction of vulnerable families living with HIV/AIDS. It is concluded that there is a significant effect of all the four-village SOS children's villages HIV/AIDS project on poverty reduction of vulnerable families living with HIV/AIDS.

**Table 7:** ANOVA results showing the combined effect ANOVA<sup>b</sup>

	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	5.548	4	5.548	19.999	.000 <sup>a</sup>
	Residual	9.709	35	.277		
	Total	15.257	39			
b. Dependent Variable: Poverty reduction						
c. Predictors: (Constant), Saving programs.						

## 7. Discussions

The findings also established that majority of the respondents had been economically empowered as most of the respondents indicated that their interests had increased. The study findings concur with Siddique, (2010) and Seibel & Almeyda, (2016) who posited that economic empowerment programmes through Savings collection strengthens self-reliance, particularly among women and this goes along way in reducing poverty levels amongst the HIV and AIDS vulnerable groups.

## 8. Conclusions and recommendations

From the study data on influence of saving programme on poverty reduction of vulnerable families living with HIV/AIDS, the extend of the influence was not established as majority of the respondents indicated that there aware of group members who were still having multiple partners for economic gain. However, from the findings, majority saved through the micro-finance-initiated schemes like Merry-go-round and Table banking. The findings also established that majority of the respondents had been economically empowered as most of the respondents indicated that their interests had increased. The study also indicated that majority of the respondents acquired their income through the IGAs. In addition, a cross tabulation of income versus HIV/AIDS risk, majority within low income brackets were indicated to be more at risk of contracting HIV/AIDS. The study recommends that policy makers, private identities and NGOs should initiate and encourage the establishment of community savings programs through which communities can save and mobilize resources towards economic development and poverty reduction in Rwanda.

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