



Living with Coronavirus

Kenyan citizens' opinions and experiences of the economic effects of COVID-19

1. Introduction

The economic effects of the Coronavirus pandemic across the world are major. Asking people to keep their distance from others means large parts of economies such as Kenya's cannot function as normal, and the consequences both for household livelihoods and the national economy are stark.

This brief presents data on citizens' opinions and experiences on matters relating to households' livelihoods and food security and national economics during the Covid-19 pandemic, and following widespread locust invasions in late 2019 – early 2020. Findings are presented under four broad headings, namely (i) vulnerability and resilience, (ii) livelihoods under COVID-19, (iii) food security, and (iv) the national economy.

What sources of income do households depend upon? Which household members bring this in? How many households have had

their work, business activities and income affected by the Coronavirus, and how have they adapted in response? How has this affected households' food security – are they experiencing food stress? How do citizens perceive the state of the national economy and their own economic circumstances?

Data for the brief come from a special round of Twaweza's *Sauti za Wananchi* mobile-phone panel survey. This was created through random sampling from a database of contacts from previous surveys to establish a new representative panel of Kenya's population. Statistical weightings have been applied to the panel to ensure it is fully representative at national level, for rural and urban areas, as well as for Nairobi and Mombasa. For this brief, data were collected from 3,000 respondents in the second round of the special *Sauti za Wananchi* panel, conducted between 17 August and 29 August, 2020.

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Sauti za Wananchi



Key findings include:

On vulnerability and resilience:

- Most households depend primarily on either growing crops or casual work
- Most households depend on a single household member for their income
- In 2 out of 3 households, the husband/father of the households is the main breadwinner
- 3 out of 10 households have experienced school drop-outs for financial reasons

On livelihoods under COVID-19:

- Most citizens have continued to do some work during the COVID-19 pandemic
- Among those citizens who did no work in the previous seven days, half have no work to return to
- Half of the households own a business that is currently operating
- In 1 out of 4 households, the main breadwinner has lost his/her source of income in the past year
- The main reason given for lost income is the Coronavirus
- Fewer households now report that their income is sufficient to meet daily needs than in 2017 and 2018
- 4 out of 10 citizens would spend unexpected income on essential needs

On food security under COVID-19:

- 3 out of 4 citizens report that food prices have increased this year
- 2 out of 3 households have food stocks at home that would last one week or less
- Half of households say their recent food intake has been worse than before
- Signs of food stress in 2020 are at similar levels to years of poor harvests

On the national economy:

- 8 out of 10 citizens think the country is heading in the wrong direction, up from 7 out of 10 in 2018
- Most citizens feel that the national economy is in bad condition, worse than 12 months ago
- Most citizens say their own economic situation is bad, worse than twelve months ago
- Citizens are more positive about the future prospects for the national economy

2. Kenyan citizens' opinions and experiences on the economic effects of COVID-19

2.1 Pre-COVID household vulnerability and resilience

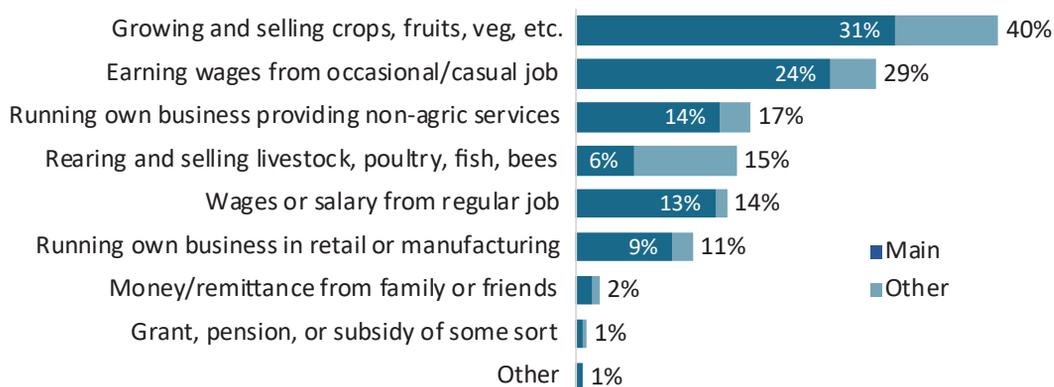
Insight 1: Most households depend primarily on either growing crops or casual work

Four out of ten households (40%) list growing and selling crops, etc. as a source of household income, including three out of ten (31%) where this is the main source. This is followed by wages from casual work: three out of ten households (29%) list this as a source of income.

Four other sources also account for significant numbers of households, including running a business providing non-agricultural services (17%), rearing and selling livestock, etc. (15%), salary from a regular job (14%) and running a retail or manufacturing business (11%).

When it comes to rearing and selling livestock, fewer households count this as their main source of income (6%) than as a secondary source of income (9%).

**Figure 1: What are the various sources of income for this household?
Of these, which is the main source?¹**



Source: *Sauti za Wananchi* special panel round 2 (17 Aug - 29 Aug, 2020);

Base: all respondents (n=3,000)

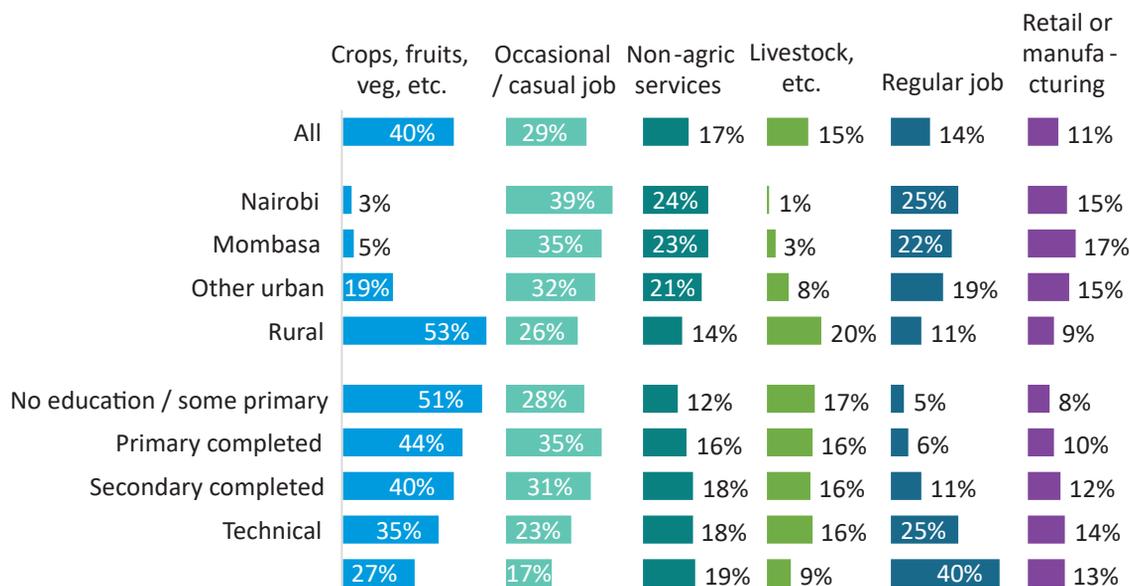
Households' income sources vary by location and educational attainment². Agriculture (both crops and livestock) is most common in rural households and rare in both Nairobi and Mombasa, though a significant source of income in other urban areas.

1 Percentages in charts may not add up to 100% due to rounding

2 Educational attainment is used here as a proxy for socio-economic status.

There are also strong links with educational attainment: households with higher levels of education are less likely to depend on growing and selling crops, and much more likely to have a regular job.

Figure 2: What are the various sources of income for this household?



Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);

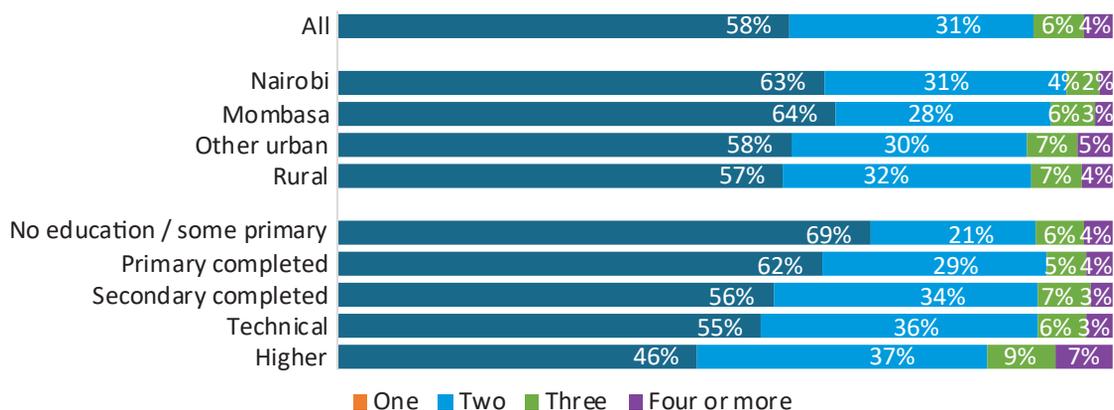
Base: all respondents (n=3,000)

Insight 2: Most households depend on a single household member for their income

Six out of ten households (58%) depend on a single household member to bring in income. A further three out of ten (31%) have a second household member bringing in income.

It is less common for households in Nairobi and Mombasa to have two or more members with a source of income for the family, and it is far less common in less-well-educated households than in those with secondary, technical or higher levels of education. Indeed, among households with higher education, a majority (54%) have two or more household members bringing in income for the household.

Figure 3: How many people in this household have a source of income that helps to provide for the family?



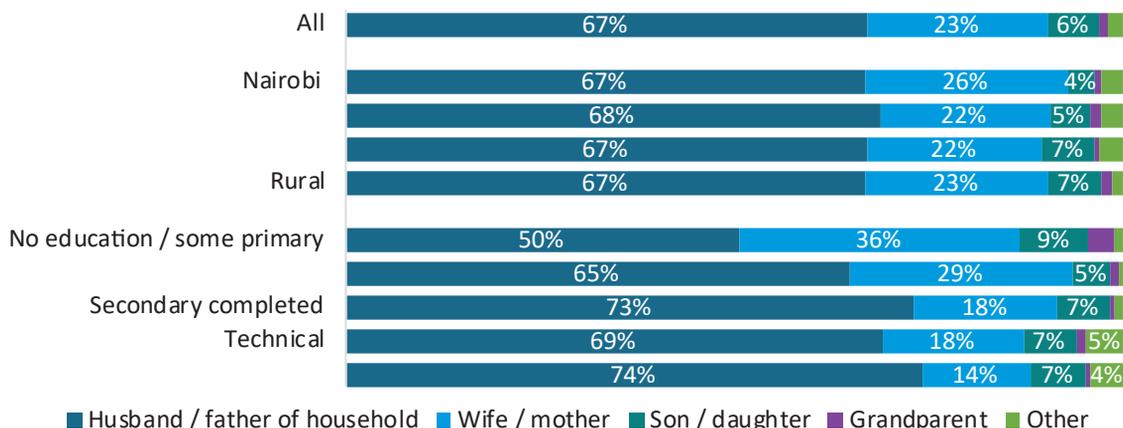
Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);
Base: all respondents (n=3,000)

Insight 3: In 2 out of 3 households, the husband/father of the households is the main breadwinner

For the majority of households (67%), the main breadwinner is the husband/father of the household. For a significant number (23%), the wife/mother takes this role.

These figures are very consistent across different city/urban/rural settings, but households with lower levels of education are more likely to depend on the wife/mother of the household.

Figure 4: Who is the main breadwinner/provider of the household?

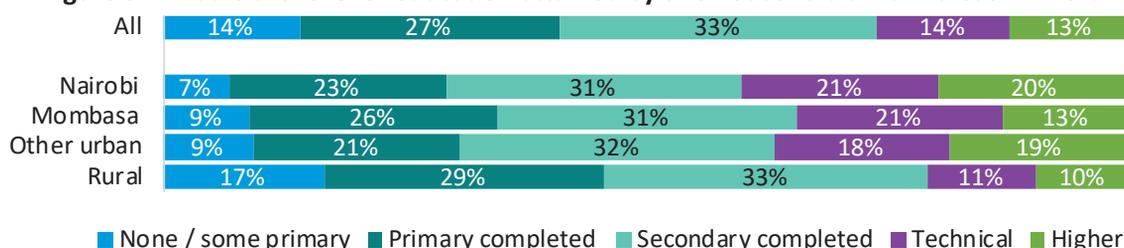


Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);
Base: all respondents (n=3,000)

Four out of ten households (41%) depend on a main breadwinner who has no more than Primary level education, falling to three out of ten (30%) in Nairobi and rising to almost half (46%) in rural areas.

Three out of ten households have a primary breadwinner with post-secondary education – either technical (14%) or higher education (13%). This figure is substantially higher in Nairobi (41%), Mombasa (34%) and other urban areas (37%) than in rural areas (21%).

Figure 5: What is the level of education attained by this household’s main breadwinner?



■ None / some primary ■ Primary completed ■ Secondary completed ■ Technical ■ Higher

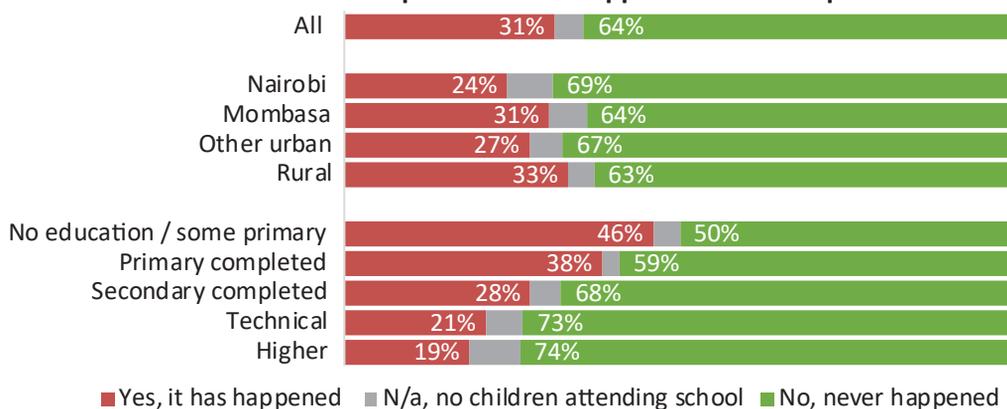
Source: *Sauti za Wananchi* special panel round 2 (17 Aug - 29 Aug, 2020);

Base: all respondents (n=3,000)

Insight 4: 3 out of 10 households have experienced school drop-outs for financial reasons

Three out of ten households (31%) have had a household member forced to drop out of school or stop attending because school fees could not be paid or school supplies could not be provided³. The figure is substantially higher (46%) in households with lower levels of educational attainment among the adult household members.

Figure 6: Has a household member attending school ever had to drop out or stop going because school fees couldn’t be paid or school supplies couldn’t be provided?



■ Yes, it has happened ■ N/a, no children attending school ■ No, never happened

Source: *Sauti za Wananchi* special panel round 2 (17 Aug - 29 Aug, 2020);

Base: all respondents (n=3,000)

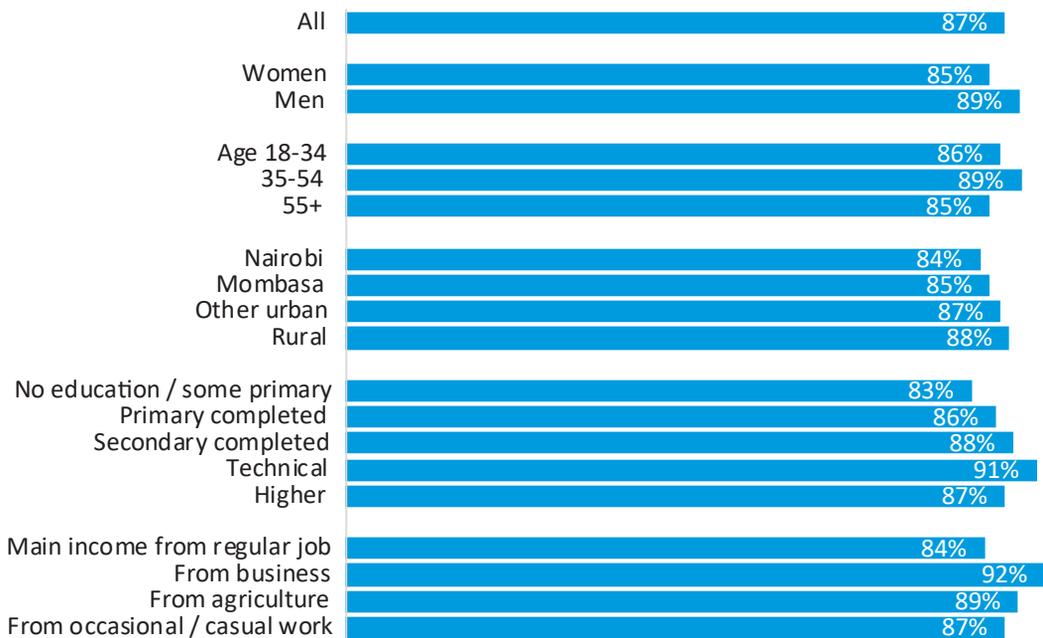
3 Note that this question does not refer to recent school closures during COVID-19, but rather asks households whether a child has ever had to drop out of school for financial reasons.

2.2 Household livelihoods under COVID-19

Insight 5: Most citizens have continued to do some work during the COVID-19 pandemic

Nine out of ten citizens (87%) did some work (paid or unpaid), even if only for an hour, in the previous seven days. This figure is broadly consistent across different demographic groups, though a little lower among those in households where the main source of income is a regular salary (84%) and higher where the main source is a business venture (92%).

Figure 7: Citizens who did any work (paid or unpaid), even if for only one hour, in the past seven days:



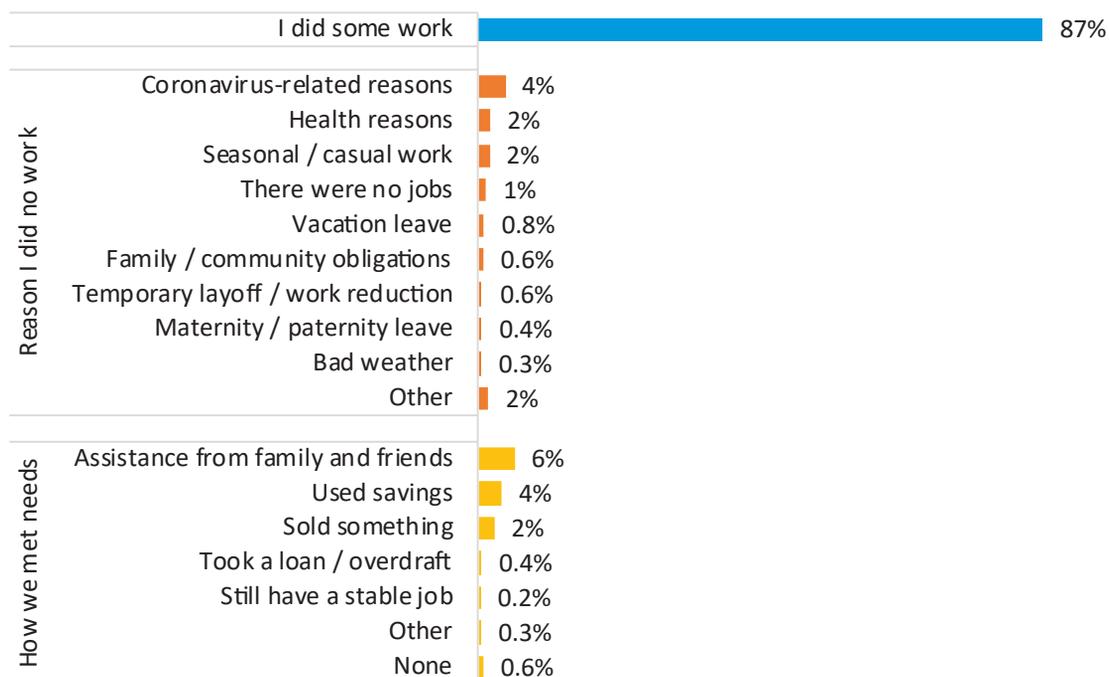
Source: *Sauti za Wananchi* special panel round 2 (17 Aug - 29 Aug, 2020);

Base: all respondents (n=3,000)

The most common reason given for doing no work during the previous seven days is the Coronavirus. This accounts for one out of twenty citizens (4%), roughly one third of those who did no work during this time. Others pointed to health reasons (2%) or a lack of seasonal or casual work (2%).

Citizens doing no work during the previous seven days drew on three main coping strategies: assistance from family and friends (6%), savings (4%), and selling something (2%).

**Figure 8: If you did no work in the past seven days, why was this?
And how did you meet your needs during this time?**



Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);
Base: all respondents (n=3,000)

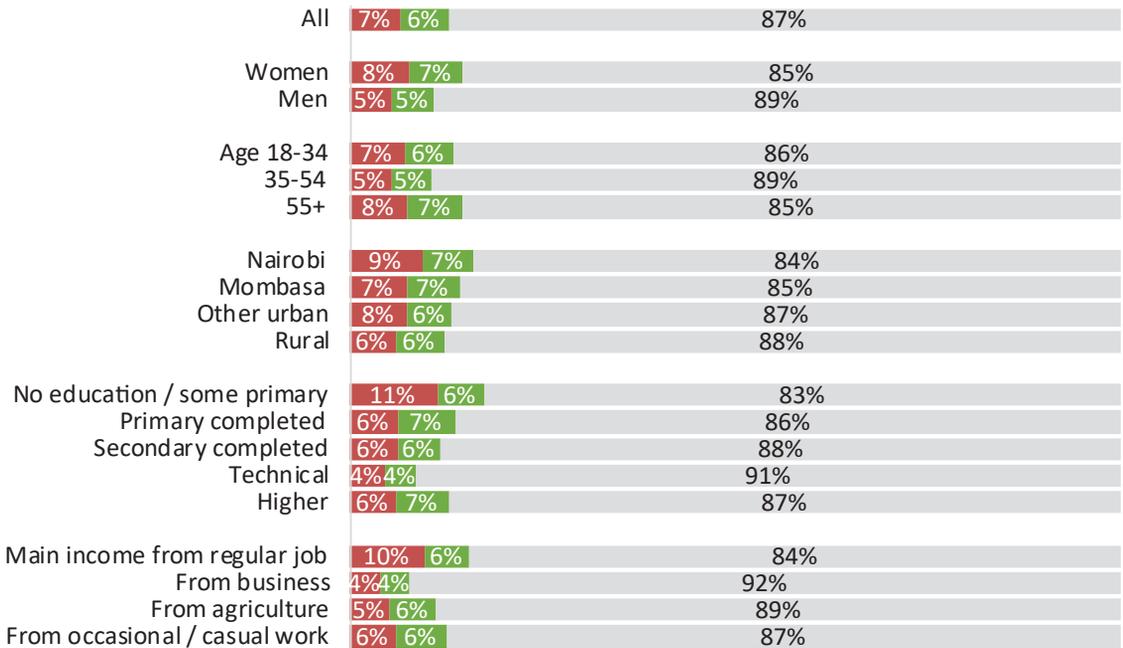
Insight 6: Among citizens who did no work in the previous seven days, half have no work to return to

Around half of those who did no work in the previous seven days have no guaranteed source of income to return to.

This is equivalent to 7% of citizens, rising to 9% in Nairobi, 11% of those with low levels of education, and 10% of those in households that (in normal times) depended on a regular job/ salary as their main source of income.

Those with technical education and those depending on a business as their main source of household income are both more likely to have done some work in the previous seven days, and less likely to have no work available to return to.

Figure 9: If you did no work in the past seven days, do you have some income generating activity that you will definitely return to?



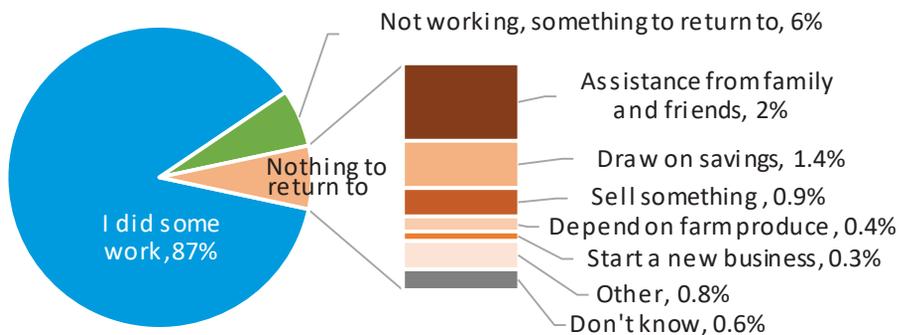
■ Did no work, nothing to return to ■ Did no work, have activities to return to ■ I did some work

Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);

Base: all respondents (n=3,000)

Among those not working and with nothing to return to, a variety of coping strategies are envisaged, including assistance from family and friends, drawing on savings and selling something.

Figure 10: How will you meet your household needs if you have no income generating activities to go back to?



Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);

Base: all respondents (n=3,000)

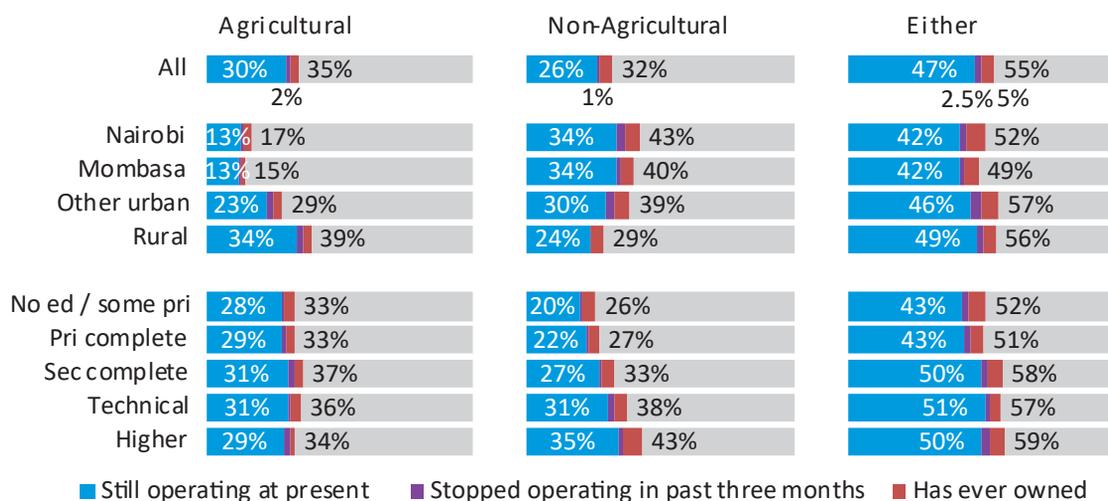
Insight 7: Half of households own a business that is currently operating

Half of households (47%) own a business that is currently operating, including three out of ten (30%) whose business is agricultural in nature and almost as many (26%) where it is non-agricultural. One out of ten households (9%) has both an agricultural and non-agricultural business currently operating.

Agriculture-based businesses are more common in rural areas, while non-agricultural businesses are more common in Nairobi, Mombasa and other urban areas, and among better-educated households.

A small but significant number of households (2.5%) have a business that has stopped operating in the previous three months. This is equivalent to as many as 300,000 small enterprises across the country having closed in just the previous three months⁴.

Figure 11: Do you/your household currently own or has ever owned a business enterprise? If so, has it been operating in the past 3 months. Is it operating at present?



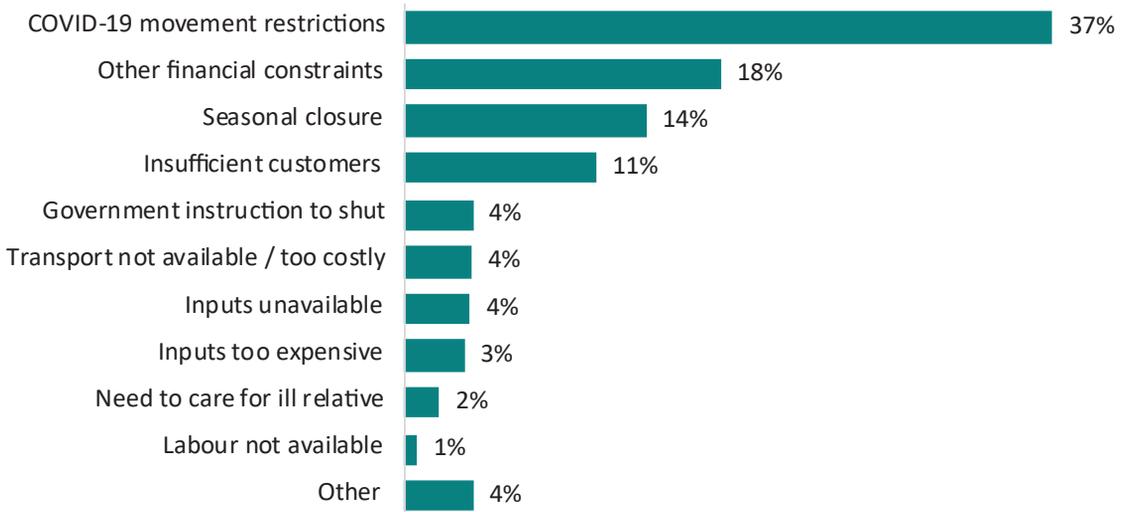
Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);

Base: all respondents (n=3,000)

Among those who had a business that has closed down, the main reason given is the movement restrictions introduced in response to COVID-19 (37%), followed by other financial constraints (18%), seasonal closure (14%) and insufficient numbers of customers (11%).

⁴ Based on a national population of 47 million and an average household size of 3.9 people (see 2019 Population and Housing Census, KNBS), there are 12 million households nationwide. 2.5% x 12m = 300,000.

Figure 12: For those enterprises that are no longer operating, what is the main reason?



Source: *Sauti za Wananchi* special panel round 2 (17 Aug - 29 Aug, 2020);

Base: all respondents with a business that has closed (n=302)

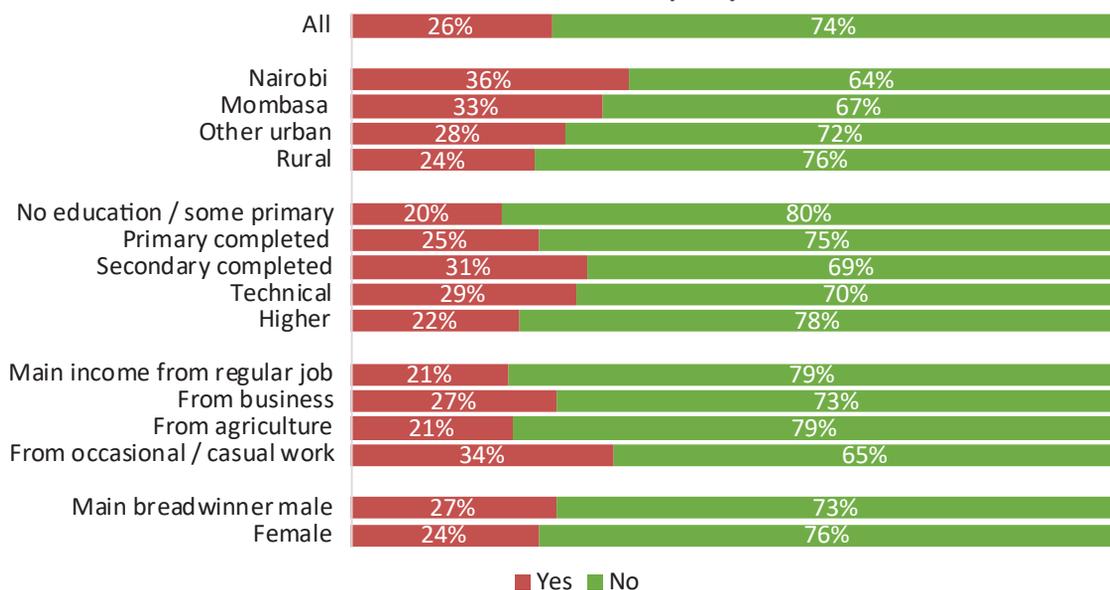
Insight 8: In 1 out of 4 households, the main breadwinner has lost his/her source of income in the past year

In one out of four households (26%) the main breadwinner has lost his/her source of income in the past year, rising to 36% in Nairobi and 33% in Mombasa.

Those with regular jobs (21%) and those working in agriculture (21%) are less likely to have lost the income of the main household breadwinner, while those engaged in casual work (34%) are most likely to have done so.

Households with higher levels of education appear to be relatively well-protected against loss of income (perhaps as their work is more secure and/or can be conducted remotely), as do those with lower levels of educations (perhaps as they work largely in agriculture). This leaves a middle group – those with secondary or technical education, probably engaged in casual work – who are most likely to have experienced loss of income of the main breadwinner.

Figure 13: Has the main breadwinner of the household lost his/her source of income in the past year?

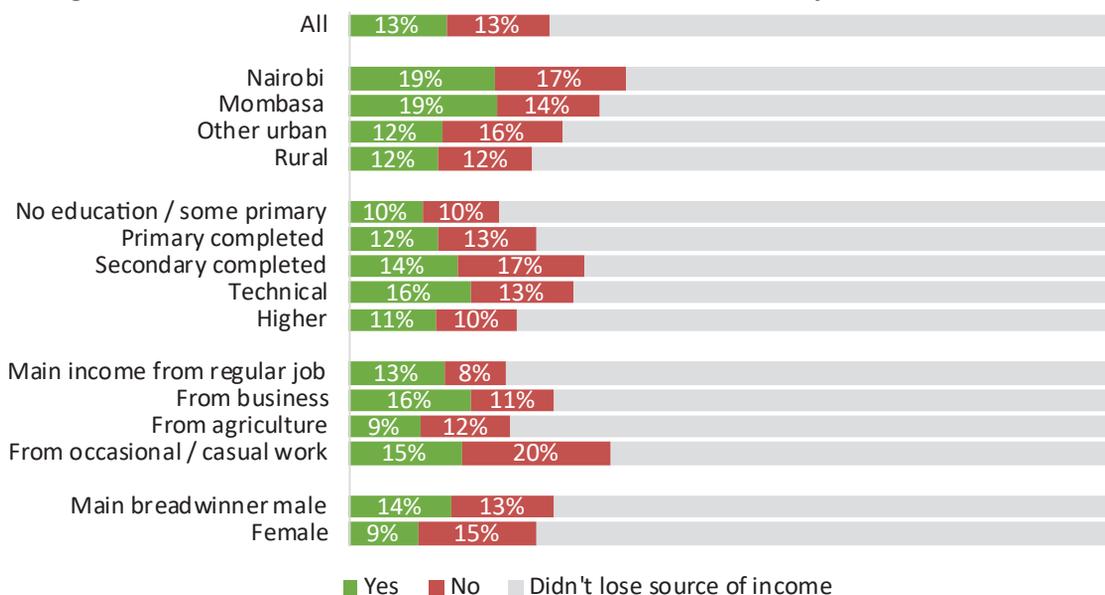


Source: *Sauti za Wananchi* special panel round 2 (17 Aug - 29 Aug, 2020);

Base: all respondents (n=3,000)

In half of such cases, the main breadwinner has found another source of income.

Figure 14: Has the main breadwinner been able to find another job/source of income?



Source: *Sauti za Wananchi* special panel round 2 (17 Aug - 29 Aug, 2020);

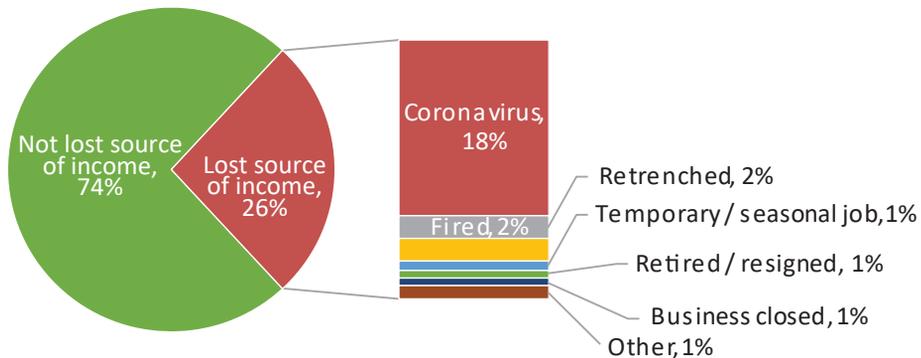
Base: all respondents (n=3,000)

Insight 9: The main reasons for losing the main household breadwinner's source of income is the Coronavirus

One out of five households (18%) report that the main household breadwinner lost their source of income in the previous year directly as a result of the Coronavirus pandemic and the measures taken in response. This reason is twice as common as all other reasons combined (8%) for household breadwinners losing their source of income and represents about 70% of households in which the main source of income is lost.

Applied nationwide, 18% of households losing their main breadwinners' source of income in the past year due directly to the Coronavirus pandemic is equivalent to 2.4m households and 9.5 million people.

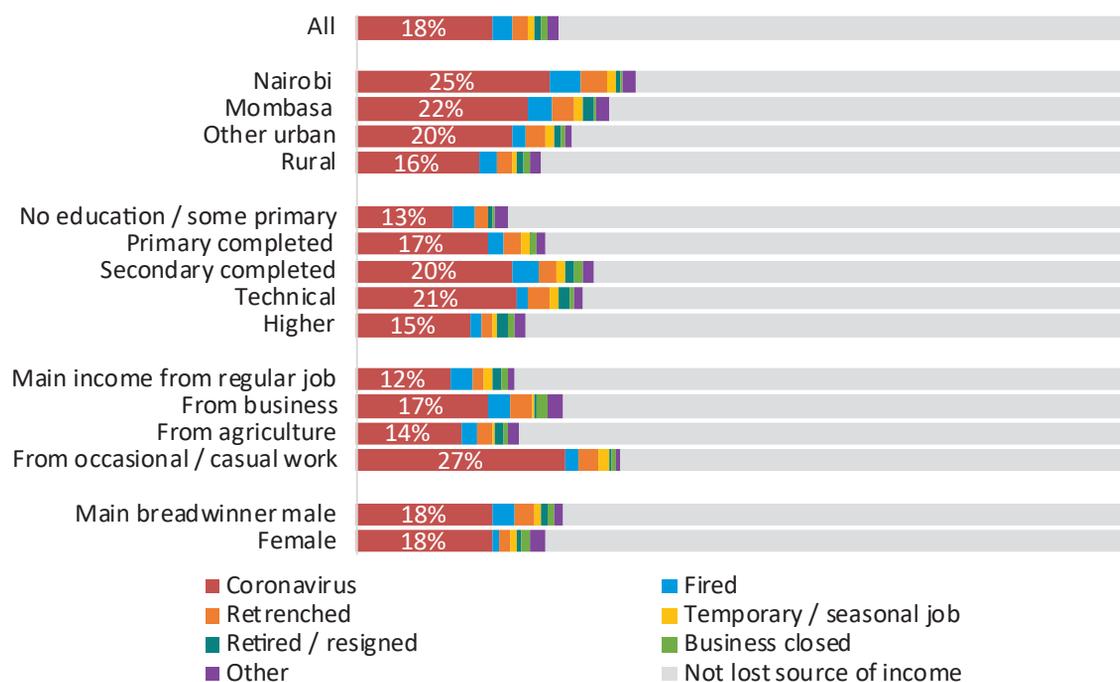
Figure 15: If the main household breadwinner lost his/her source of income in the past year, what was the main reason for this?



Source: *Sauti za Wananchi* special panel round 2 (17 Aug - 29 Aug, 2020);
Base: all respondents (n=3,000)

As before, it appears that households which could be classified as in the centre of the socio-economic spectrum have been most heavily affected in this way. In households where the main source of income is casual work, 27% have lost their main breadwinners' source of income, while those depending on agriculture or a regular job are less affected. Similarly, and probably as a result of this, households with higher and lower levels of education are again less likely to have been hit than those with secondary or technical education. Those in Nairobi and Mombasa have been more affected than those in other urban areas or in rural areas of the country.

Figure 16: If the main household breadwinner lost his/her source of income in the past year, what was the main reason for this?

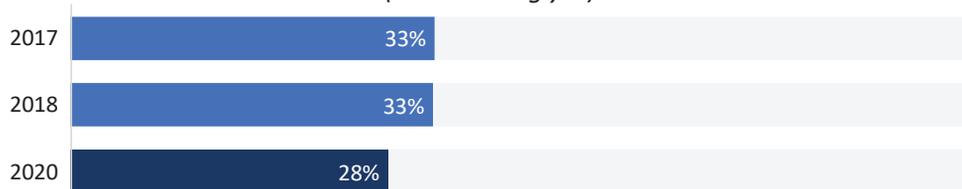


Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);
Base: all respondents (n=3,000)

Insight 10: Fewer households now report that their income is sufficient to meet daily needs than in 2017 and 2018

The number of households who report that their income is sufficient to meet their daily needs has declined a little from 2017-2018. At that point, one out of three households (33%) said their income was sufficient, compared to one out of four (28%) now.

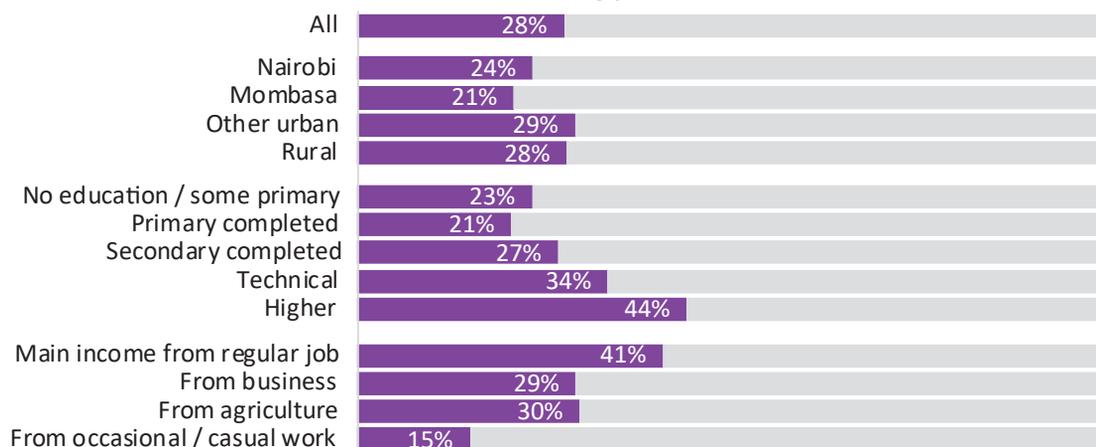
Figure 17: Is the income obtained by the household enough to cater for the household needs on daily basis?
 (% answering yes)



Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);
Base: all respondents (n=3,000)

Those with higher levels of education (44%) and with income from a regular job (41%) are most likely to describe their income as sufficient. Those with lower levels of education (21-23%) and those depending on casual work (15%) are least likely to describe their household income as sufficient.

Figure 18: Is the income obtained by the household enough to cater for the household needs on daily basis?
(% answering yes)

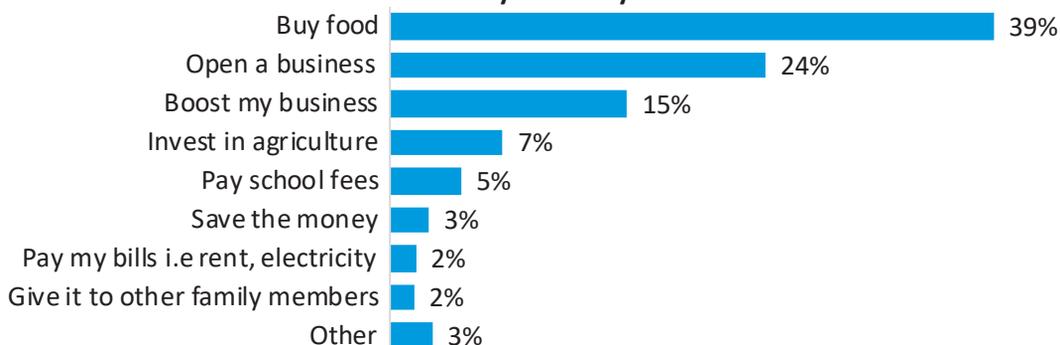


Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);
Base: all respondents (n=3,000)

Insight 11: 4 out of 10 citizens would spend unexpected income on essentials

In the hypothetical situation of being given KES 10,000 from the government, four out of ten households (39%) say they would mainly spend this on buying food. A similar number (39%) would use the money either to start (24%) or boost (15%) a business.

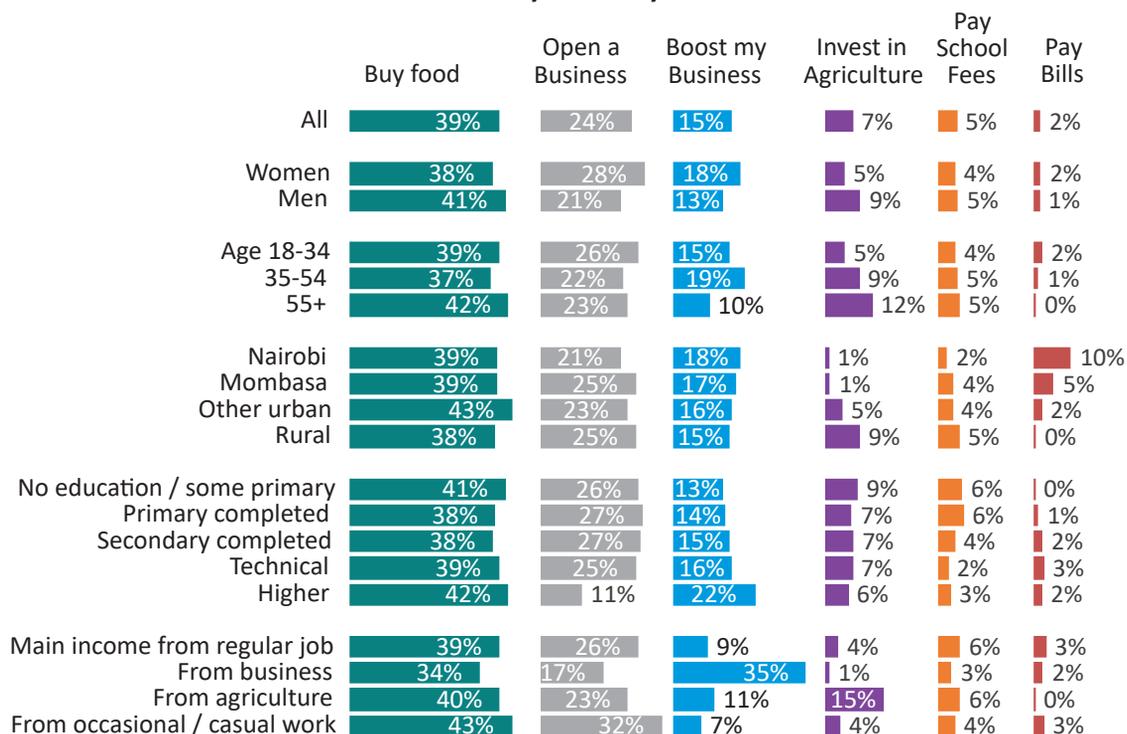
Figure 19: If you were to receive KES 10,000 from the government, how would you mainly use it?



Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);
Base: all respondents (n=3,000)

Using the money on food is a common response across all demographic groups, though other uses vary significantly in some ways. Among those with an existing business, 35% say they would boost their business, and among those depending on agriculture, 15% would invest in their farming activities. In Nairobi, a significant number (10%) would use the money to pay bills, suggesting they have accumulated some debt.

Figure 20: If you were to receive 10,000 Kshs from the government, how would you mainly use it?



Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);

Base: all respondents (n=3,000)

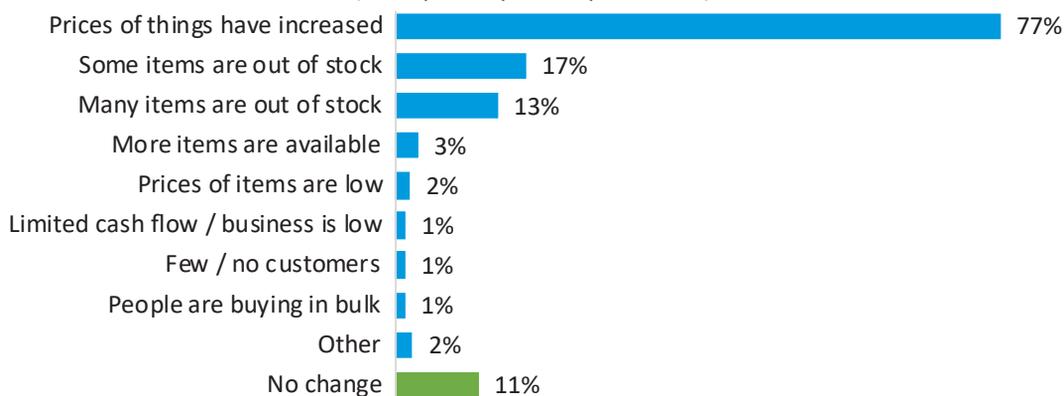
2.3 Food security under COVID-19

Insight 12: 3 out of 4 citizens report food price increases this year

Three out of four citizens (77%) report that prices for food and other necessities have increased compared to January 2020. Further, three out of ten report that either some (17%) or many (13%) items are out of stock. One out of ten citizens (11%) reports seeing no change.

These figures are very consistent across Nairobi, Mombasa, other urban areas and rural areas (not shown in charts).

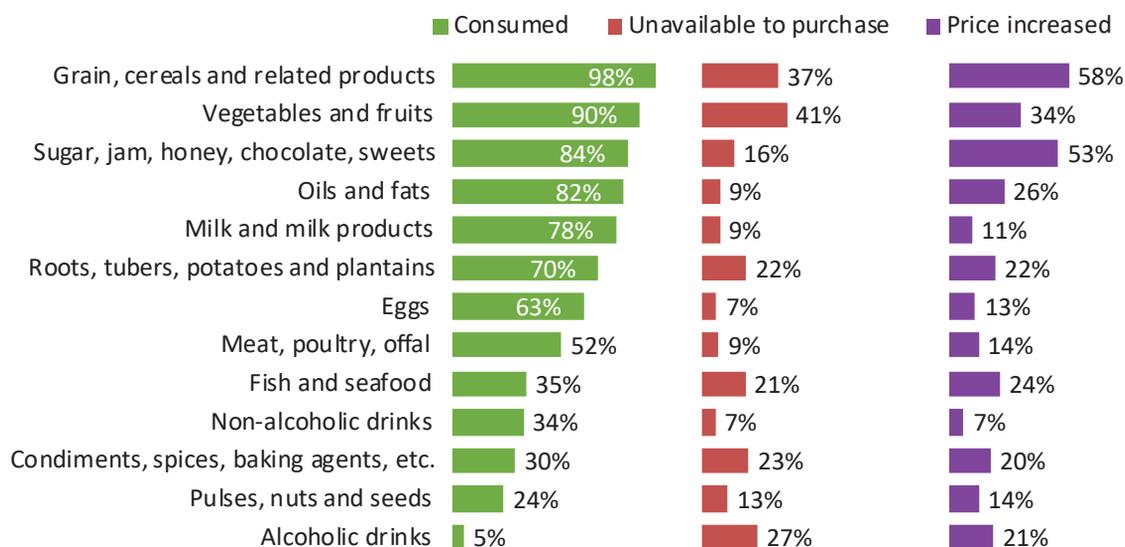
Figure 21: Compared to January 2020, what (if any) changes have you seen at stores/markets in your area for food and other necessities?
(multiple responses permitted)



Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);
Base: all respondents (n=3,000)

The most common items for which citizens report seeing price increases, are grains and cereals (58%) and sugar and related products (53%). Around four out of ten citizens also report that fruits and vegetables (41%) or grains and cereals (37%) have been unavailable to purchase in their area. Produce that has seen less change includes dairy, eggs, meat and non-alcoholic drinks.

Figure 22: In the last 7 days which of these did your household consume? Which were unavailable for purchase? And which saw price rises?



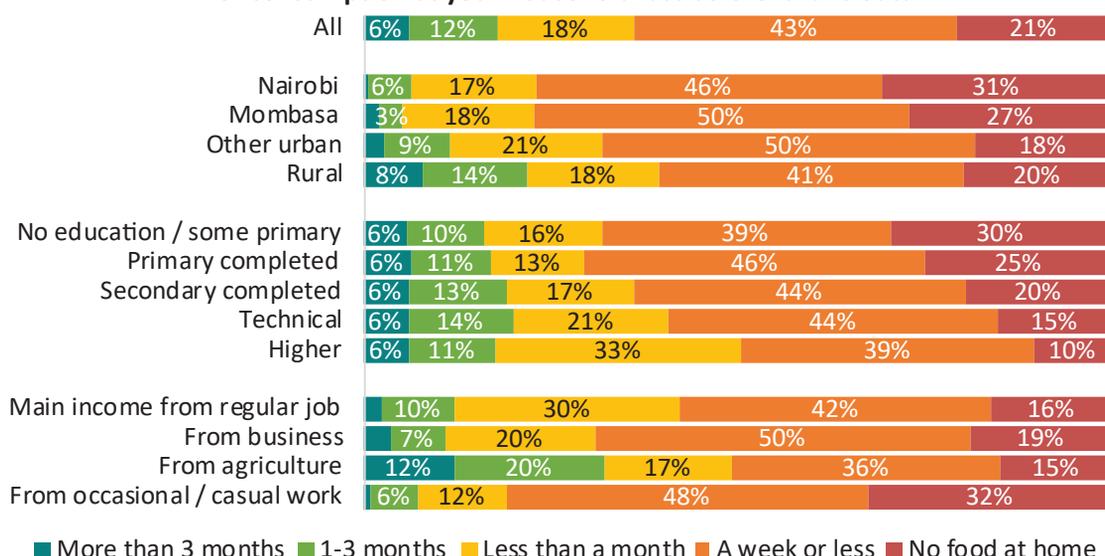
Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);
Base: all respondents (n=3,000)

Insight 13: 2 out of 3 households have food stocks at home that would last a week or less

Most households (64%) have food stocks at home that would last a week or less, including two out of ten (21%) where there is no food stored at home. Two out of ten households (18%) have more than one month's worth of food available.

Households in Nairobi and Mombasa are less likely to have good stocks of food stored at home, while those in rural areas are more likely to do so. Relatedly, those depending on agriculture are more likely to have good stores available, while those dependent on casual work are least likely to do so.

Figure 23: How long could the food currently available for consumption at your household last before it runs out?



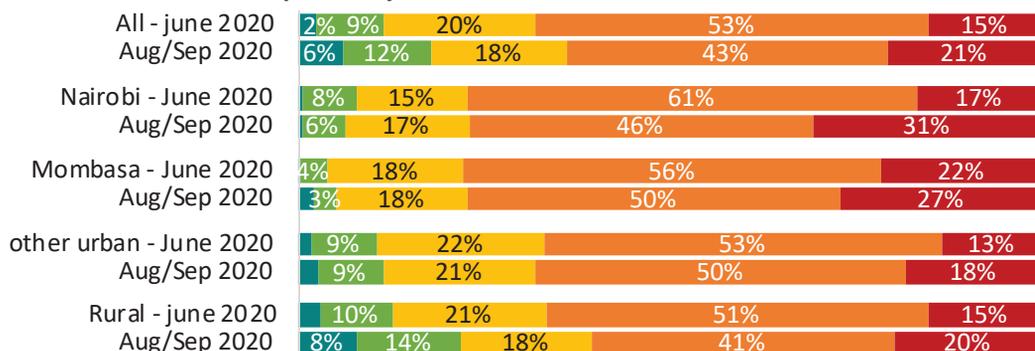
Source: *Sauti za Wananchi* special panel round 2 (17 Aug - 29 Aug, 2020);
Base: all respondents (n=3,000)

Compared to earlier in the pandemic (June 2020), in August-September some areas have more food available, while others have less.

In Nairobi in particular, but also in other areas, households are now more likely to have no food stores available at home than was the case in June.

In rural areas, however, the proportion of households with a month or more worth of food available has increased over this time – probably as a result of recent harvests.

Figure 24: How long could the food currently available for consumption at your household last before it runs out?



■ More than 3 months ■ 1-3 months ■ Less than a month ■ A week or less ■ No food at home

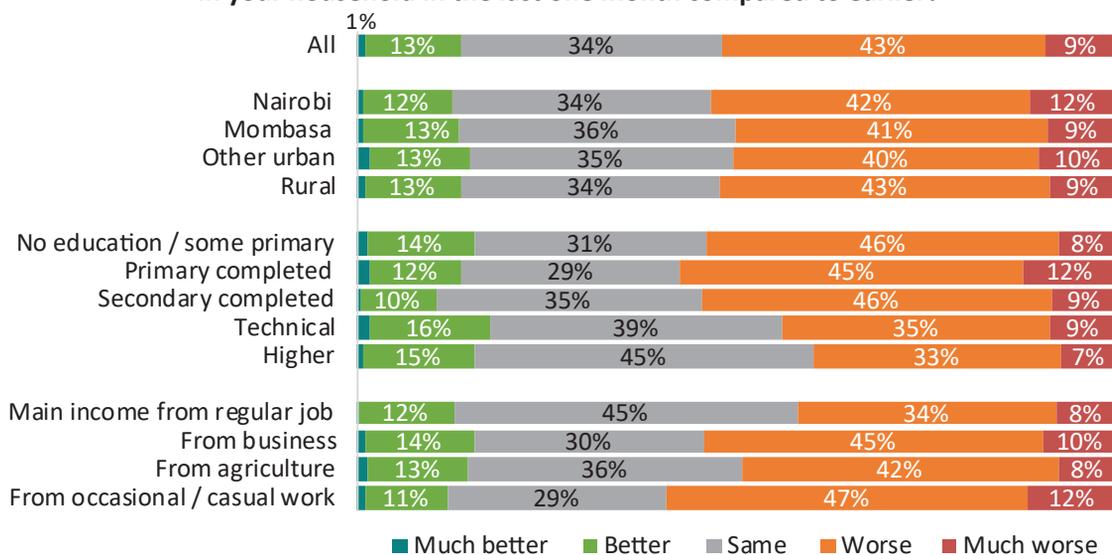
Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);

Base: all respondents (n=3,000)

Insight 14: Half of households say their recent food intake has been worse than before

Half of households (52%) say their daily food intake situation has been either worse (43%) or much worse (9%) in the previous month than before. In contrast, fewer than two out of ten (14%) say their food intake has improved in this time.

Figure 25: What do you think of the basic daily food intake situation in your household in the last one month compared to earlier?



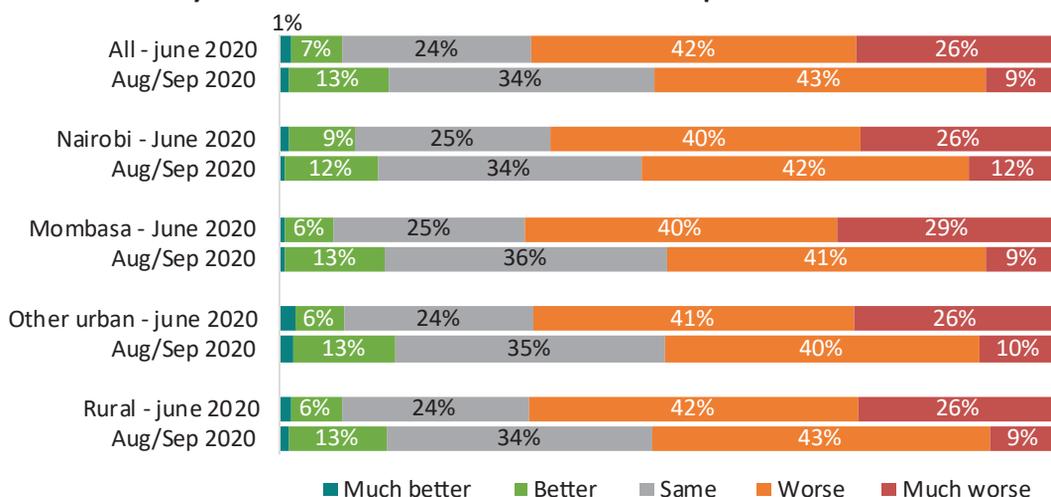
■ Much better ■ Better ■ Same ■ Worse ■ Much worse

Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);

Base: all respondents (n=3,000)

In June, the proportion saying their food intake situation had recently been worse was even higher (68%, compared to 52% in August-September) – consistent across different city/urban/ rural settings. This suggest households’ food intake continues to get worse, though not as quickly as earlier in the pandemic.

Figure 26: What do you think of the basic daily food intake situation in your household in the last one month compared to earlier?



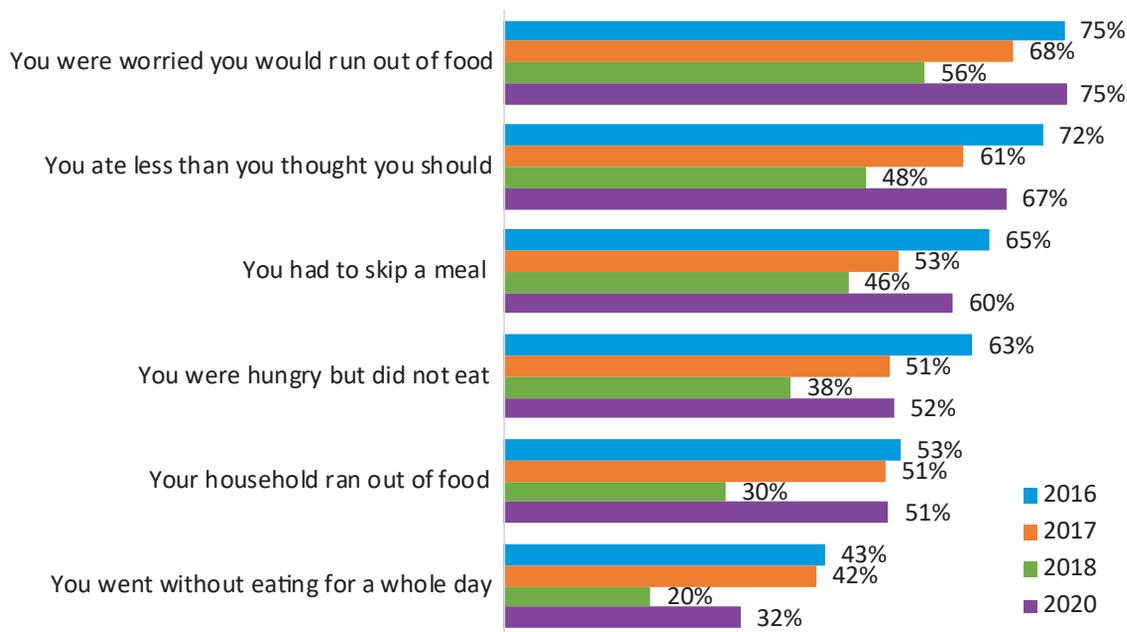
Source: *Sauti za Wananchi* special panel round 2 (17 Aug - 29 Aug, 2020);
Base: all respondents (n=3,000)

Insight 15: Signs of food stress in 2020 are at similar levels to years of poor harvests

Across a range of measures, signs of food stress in 2020 are at levels similar to those experienced in 2016 and 2017, both of which were years of food stress caused by poor weather conditions and bad harvests. In 2018 – a relatively good year, and one with weather conditions similar to this year – signs of food stress were lower.

This pattern applies across the number of households having to take various measures in response to a shortage of money and other resources, including households showing relatively minor concerns such as worrying about running out of food (75%) or eating smaller quantities (67%) as well as more serious signs such as having to skip a meal (60%), going hungry but not eating (52%), running out of food (51%) and going without eating for a whole day (32%).

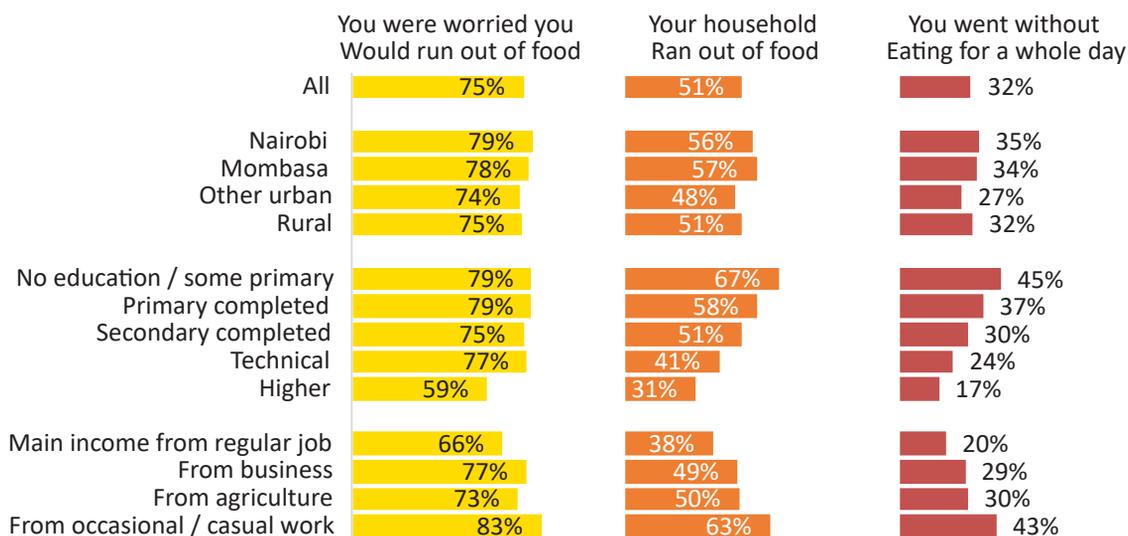
Figure 27: Percentage of households that, due to a lack of money or other resources, did the following during the previous three months?



Source: *Sauti za Wananchi* special panel round 2 (17 Aug - 29 Aug, 2020);
Base: all respondents (n=3,000)

Demographically, these measures are broadly consistent across city/urban/rural areas. However, they are linked to households' levels of education and sources of income. Households with lower levels of education and those depending on casual work are more likely to show these signs of food stress, particularly on more serious measures.

Figure 28: Percentage of households that, due to a lack of money or other resources, did the following during the previous three months?



Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);

Base: all respondents (n=3,000)

2.4 The national economy

Insight 16: 8 out of 10 citizens think the country his heading in the wrong direction, up from 7 out of 10 in 2018

Eight out of ten citizens (78%) currently hold the view that the country is heading in the wrong direction, up a little from seven out of ten (71%) in 2018. The proportion saying the country is heading in the right direction has declined a little over this time, from 17% to 13%.

Figure 29: What do you think of the overall current direction of the country?

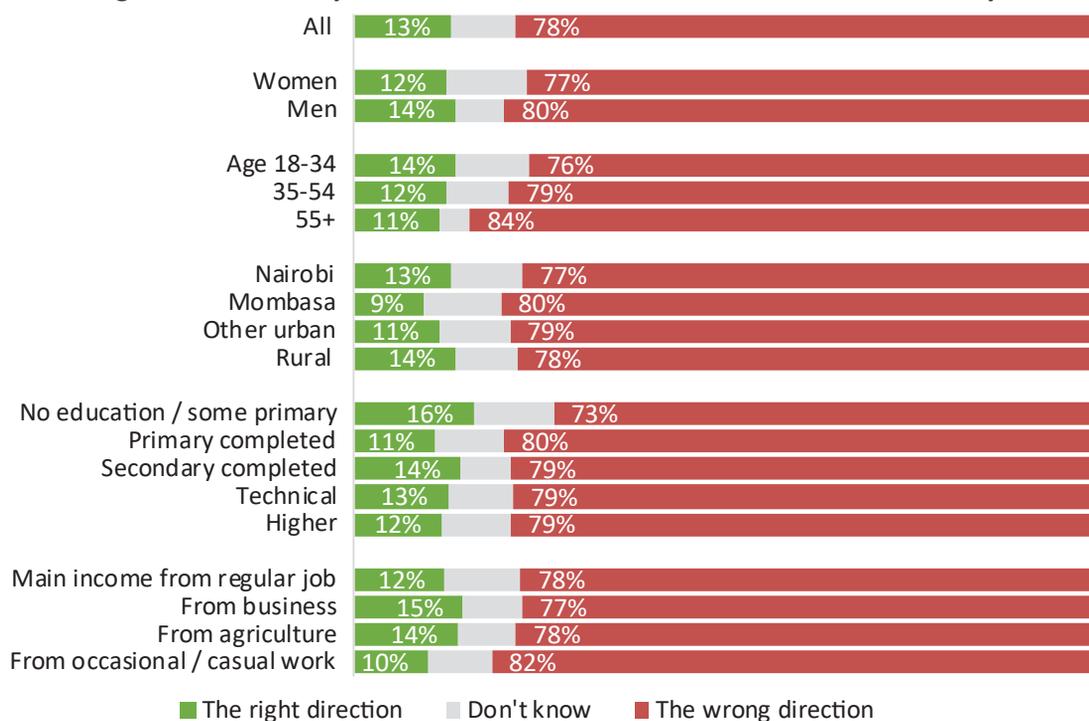


Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);

Base: all respondents (n=3,000)

This view is held consistently across all demographic groups, though older citizens and those in casual work are even less positive about the country's direction

Figure 30: What do you think of the overall current direction of the country?

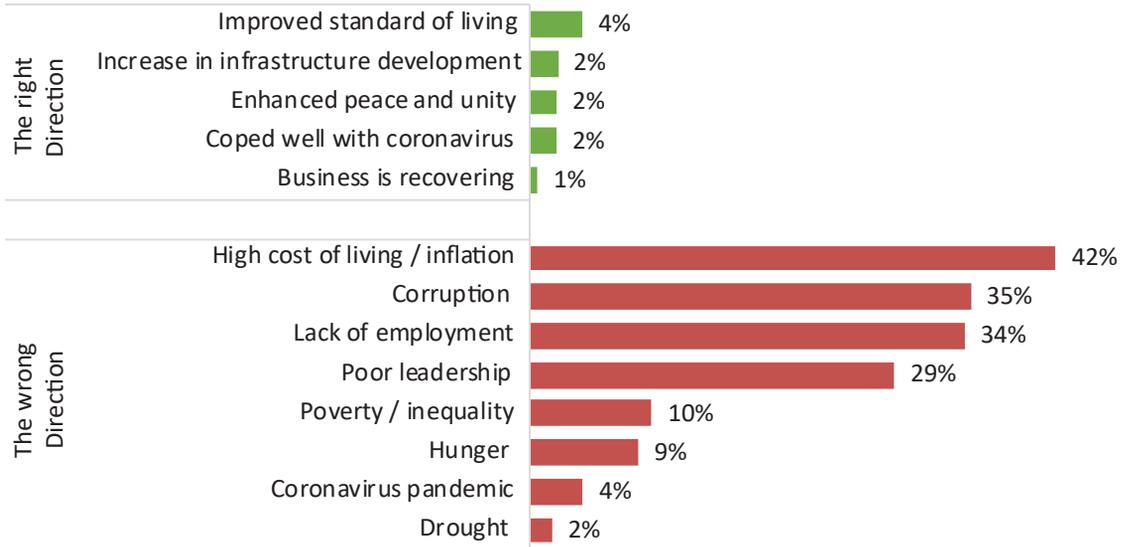


Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);
Base: all respondents (n=3,000)

The main reasons given for this view are the high cost of living (42%), corruption (35%), lack of employment (34%) and poor leadership (29%).

The Coronavirus is cited by a relatively small number (4%), though it may be that the pandemic and its wider impacts have fed citizens' concerns on inflation, corruption, unemployment and leadership.

Figure 31: Why do you say the country is going in the right / wrong direction?
(multiple responses permitted)



Source: *Sauti za Wananchi* special panel round 2 (17 Aug - 29 Aug, 2020);
Base: all respondents (n=3,000)

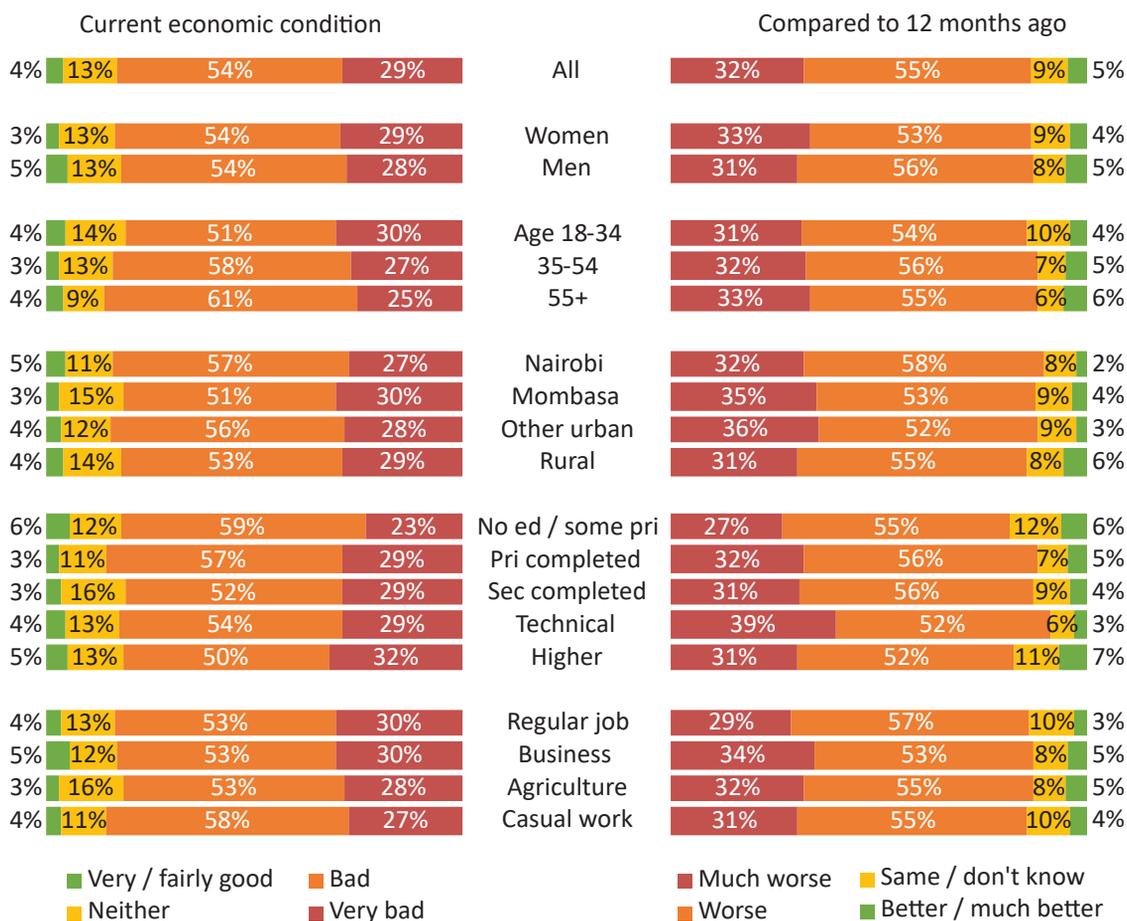
Insight 17: Most citizens feel that the national economy is in bad condition, worse than 12 months ago

A clear majority of citizens (83%) hold the view that Kenya’s economy is currently in a bad situation, including 29% who say the economy is in a very bad state. In contrast, one out of twenty citizens (4%) feel the economy is in either a good or very good state.

Similarly, a clear majority (87%) say the state of the economy is now worse than twelve months ago, including 32% who say it is much worse. One out of twenty (5%) say the economy is either better or much better than twelve months ago.

These figures are consistent across different demographic groups. The one exception is those with technical education, who are more likely than others to say the state of the national economy is now worse than twelve months ago.

**Figure 32: How would you describe the present economic condition of this country?
And compared to 12 months ago?**

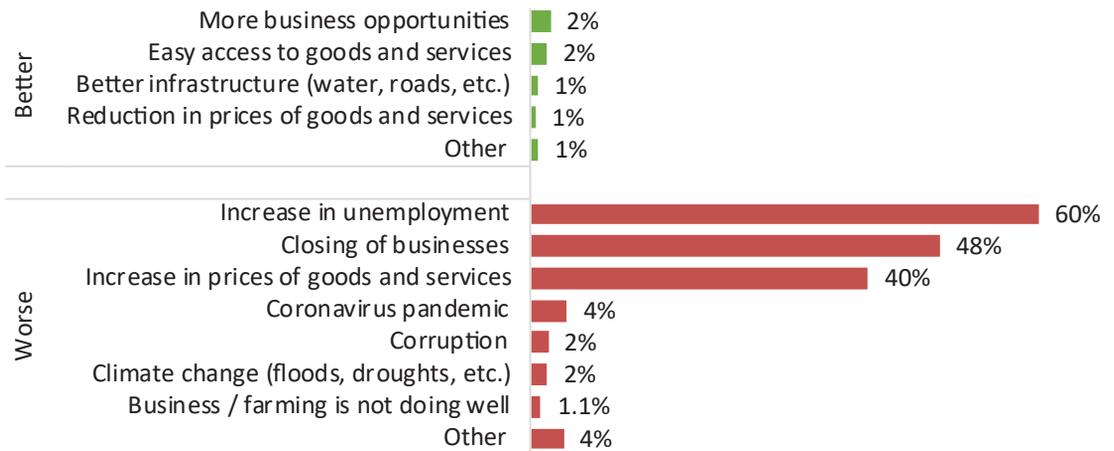


Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);

Base: all respondents (n=3,000)

The main reasons given for seeing a worsening economy are increasing unemployment (60%), closure of businesses (48%) and increased prices (40%). Again, Coronavirus is cited less often, but may well be that its impacts may be seen in the reasons given here.

Figure 33: Why do you say the country's economic conditions have got better / worse?
(multiple responses permitted)



Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);
Base: all respondents (n=3,000)

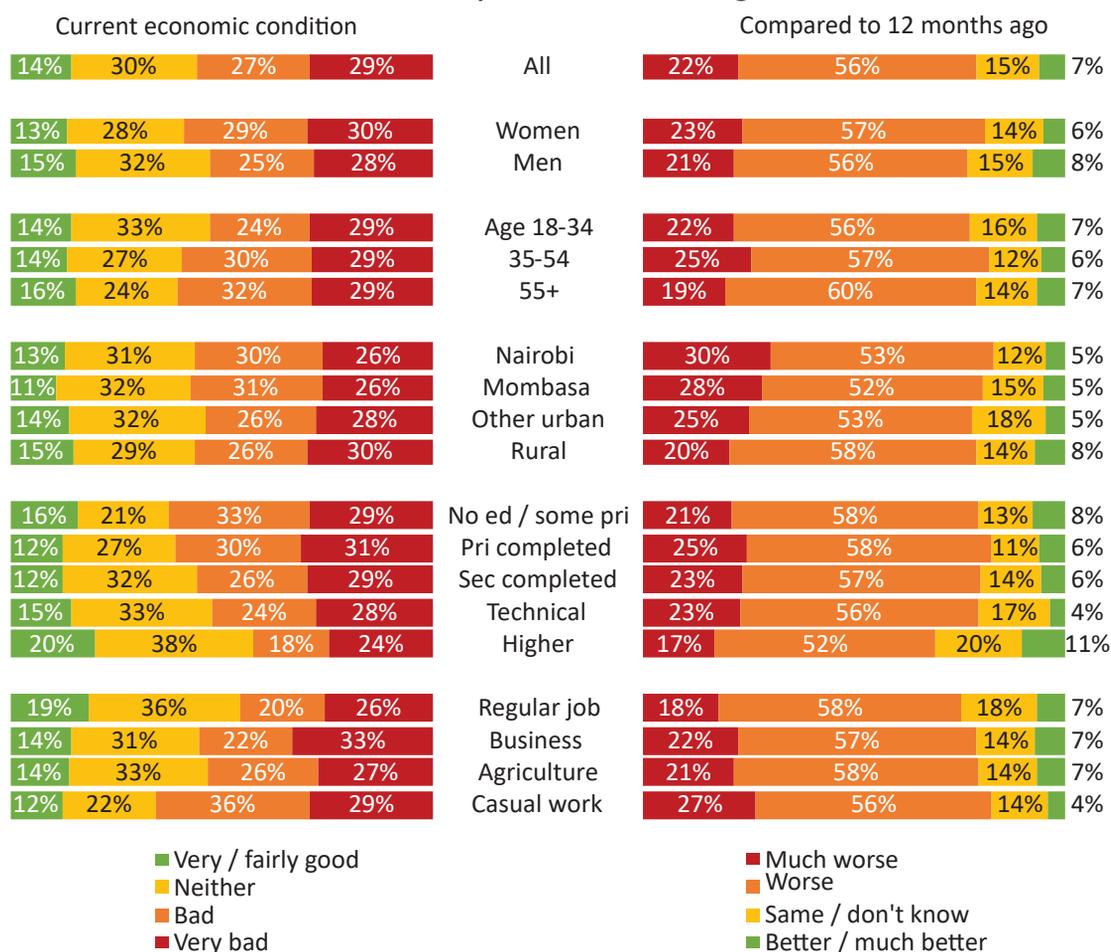
Insight 18: Most citizens say their own economic situation is bad, and worse than twelve months ago

A majority of citizens (56%) say their personal living conditions are either fairly bad (27%) or very bad (29%) at present, compared to 14% who say their situation is very or fairly good.

A large majority (78%) also say their living conditions are worse (56%) or much worse (22%) than twelve months ago.

These figures are again broadly consistent across demographic groups, though with a few exceptions. Those with higher levels of education and those with a regular job are a little more positive about their living conditions, while those in Nairobi and Mombasa are more likely to say their conditions are now much worse than twelve months ago.

**Figure 34: How would you describe your own personal living conditions at present?
And compared to 12 months ago?**

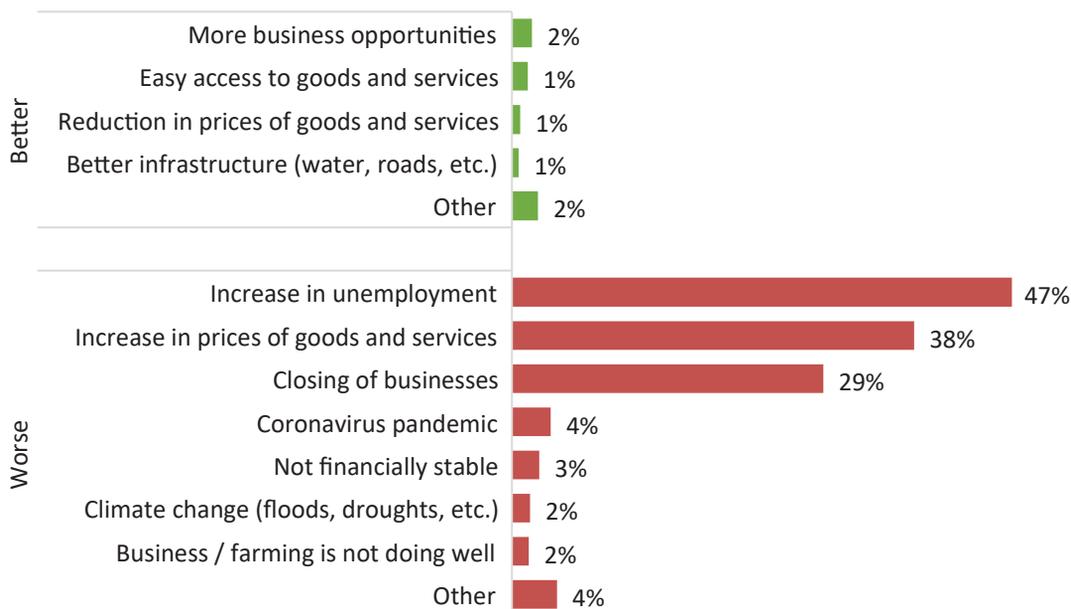


Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);
Base: all respondents (n=3,000)

The main reasons given for declining living conditions are unemployment (47%), price increases (38%) and business closures (29%).

As before, Coronavirus ranks lower, but may well have impacted on these other factors.

Figure 35: Why do you say your personal economic conditions have got better / worse?
(multiple responses permitted)



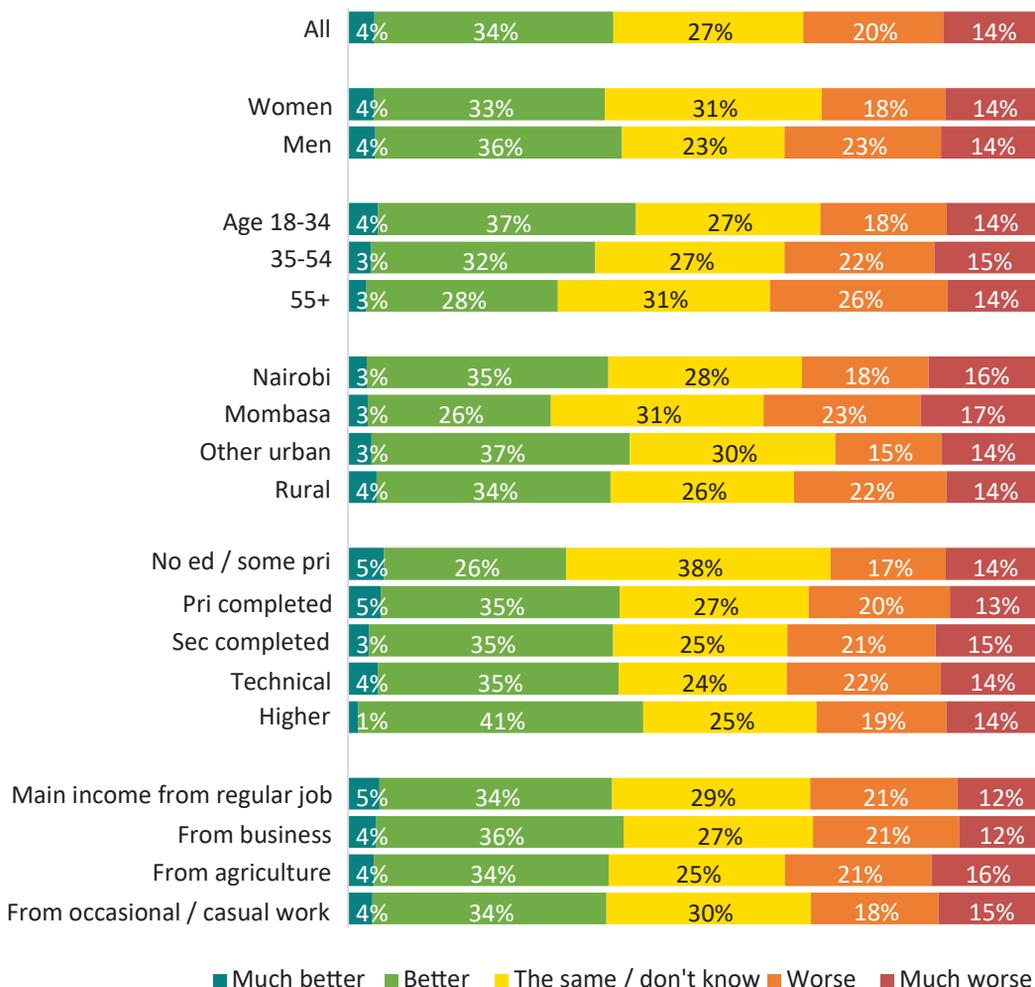
Source: *Sauti za Wananchi* special panel round 2 (17 Aug - 29 Aug, 2020);
Base: all respondents (n=3,000)

Insight 19: Citizens are more positive about the future prospects for national economic conditions

Looking ahead, slightly more citizens say they expect economic conditions in Kenya to be better than now in twelve months' time (38%) than say they expect conditions to be worse (34%). A significant number (27%) expect no change, or don't know what change will come.

These figures are broadly consistent, though younger citizens are a little more optimistic about the future than older citizens, while those in Mombasa and those who did not complete primary education are less optimistic.

Figure 36: Looking ahead, do you expect economic conditions in this country to be better or worse in 12 months' time?

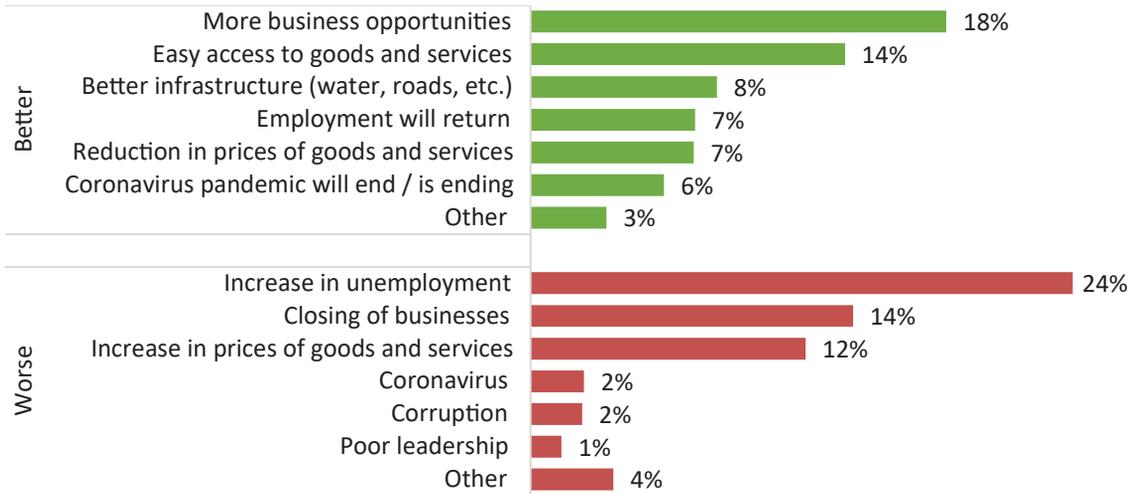


Source: Sauti za Wananchi special panel round 2 (17 Aug - 29 Aug, 2020);
Base: all respondents (n=3,000)

The main reasons given for optimism about the future economy are that business opportunities will grow (18%), easy access to goods and services (14%), better infrastructure (8%), a return in employment (7%) and a fall in prices (7%). The anticipated end of the Coronavirus pandemic (6%) is also mentioned and may well be linked to the other reasons given here.

The main reasons given for pessimism are the potential for rising unemployment, (24%), business closures (14%) and price increases (12%).

Figure 37: Why do you think the country's economic conditions will get better / worse?
(multiple responses permitted)



Source: *Sauti za Wananchi* special panel round 2 (17 Aug - 29 Aug, 2020);
Base: all respondents (n=3,000)

3. Conclusions

This report presents a wealth of insight on Kenyan livelihoods. Four conclusions stand out.

First, it is clear that the pandemic has seriously affected households across the country. Most citizens have continued to do some work, and most households that own a business have continued to operate that business in some way. However, in one out of four households the main breadwinner has lost their main source of income in the past twelve months. Fewer households now report that their income is sufficient to meet their daily needs than in 2017 and 2018. And a significant proportion of households say they would spend a (hypothetical) unexpected gift of KES 10,000 either on essentials such as food or to pay off debts.

Second, the impact of COVID-19 on food security can be considered equivalent to a year of bad harvest. Signs of food stress this year are very similar to 2016 and 2017, when harvests were poor, and well above levels in 2018 when harvests were generally good. This is despite signs that the 2020 harvest season has been a good one. Related to this, most citizens report increasing prices of food and other necessities in local stores and markets, and food stocks held by households are lower than a few months ago (except in rural areas).

Third, these broad conclusions should not turn our attention away from the differing impacts of the pandemic on different households' livelihoods. In particular, there is one group that has been disproportionately affected: urban households that usually depend on casual work as their main source of income. This includes those with secondary education or technical education. In contrast, two other groups have escaped the worse impacts. Those with higher levels of education and those who usually depend on regular employment show fewer signs of lost income and food stress – presumably as their work can be more easily carried out remotely and/or their employers (such as the government) have continued paying salaries. And those with lower levels of education (no formal education or no more than primary education) show fewer signs of lost income – presumably because most are in rural areas and depend on agriculture.

Finally, taking a step back to look at citizens' views on the state of the national economy, the current picture is bleak. Many more citizens say both the national economy and their personal circumstances are bad than those who say that these are good. And more say these are getting worse than better. In most cases, though the Coronavirus pandemic is not directly cited as the reason for this pessimism, the reasons given are factors such as high prices, unemployment and poor business conditions that have been caused or exacerbated by the pandemic. Even corruption, which also comes up repeatedly, may have links with the Coronavirus, in that the public may be suspicious about how funds allocated to the national response have been used. However, there is one sign of optimism: citizens are far more positive about the prospects for the national economy over the next twelve months than they are about the current state of the economy. This may or may not prove accurate, but it is surely significant that many citizens see the present difficulties as temporary and expect the economy to recover in the near future.

