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**Diasporas and development:  
the case of Kenya**

**Dharam Ghai**

Advisor  
International Labour Office

[ghai@bluewin.ch](mailto:ghai@bluewin.ch)

Global Commission on International Migration  
1, Rue Richard Wagner  
CH-1202 Geneva  
Switzerland

Phone: +41-22-748-48-50  
E-mail: [info@gcim.org](mailto:info@gcim.org)  
Web: <http://www.gcim.org>

## **Global Commission on International Migration**

In his report on the ‘Strengthening of the United Nations: an agenda for further change’, UN Secretary-General Kofi Annan identified migration as a priority issue for the international community.

Wishing to provide the framework for the formulation of a coherent, comprehensive and global response to migration issues, and acting on the encouragement of the UN Secretary-General, Sweden and Switzerland, together with the governments of Brazil, Morocco, and the Philippines, decided to establish a Global Commission on International Migration (GCIM). Many additional countries subsequently supported this initiative and an open-ended Core Group of Governments established itself to support and follow the work of the Commission.

The Global Commission on International Migration was launched by the United Nations Secretary-General and a number of governments on December 9, 2003 in Geneva. It is comprised of 19 Commissioners.

The mandate of the Commission is to place the issue of international migration on the global policy agenda, to analyze gaps in current approaches to migration, to examine the inter-linkages between migration and other global issues, and to present appropriate recommendations to the Secretary-General and other stakeholders. .

The research paper series 'Global Migration Perspectives' is published by the GCIM Secretariat, and is intended to contribute to the current discourse on issues related to international migration. The opinions expressed in these papers are strictly those of the authors and do not represent the views of the Commission or its Secretariat. The series is edited by Dr Jeff Crisp and Dr Khalid Koser and managed by Rebekah Thomas.

Potential contributors to this series of research papers are invited to contact the GCIM Secretariat. Guidelines for authors can be found on the GCIM website.

## **Introduction**

The purpose of this paper is to propose some ideas to enhance the contribution of the Kenyan community abroad to national development.<sup>1</sup> Unlike many other countries, especially in Asia, Middle East and Latin America, Kenya is not yet a major emigration country, but the emigration of Kenyan professionals and technicians is increasing in importance.

Kenyans and those with links to Kenya living abroad are a potentially important resource for national development. It is thus useful to examine the various ways in which this potential can be more effectively realized. The paper first discusses the patterns and impact of emigration before exploring the different ways in which the contribution of Kenyans abroad can be enhanced. It then puts forward proposals for priority action to implement proposed ideas.

## **Kenyan emigration abroad**

There is hardly any quantitative data on the numbers, trends and characteristics of Kenyans abroad. There is even less information on economic links between Kenya and the Kenyan community abroad such as flows of investment and remittances and support of charitable work and voluntary humanitarian and development agencies. The following observations on the causes, trends, composition and impact of emigration are therefore largely based on subjective judgements.

### *Causes and trends in migration*

Emigration of Kenyans abroad in large numbers is a relatively recent phenomenon. It has assumed significant proportions only over the past two decades or so. In the first two decades after independence, while tens of thousands non-citizen European and Asian residents left the country, Kenyans of all ethnic groups shunned opportunities for emigration.

The most important reason for this shift in migration patterns is the deterioration in Kenyan economic performance. While the first two decades witnessed high economic and employment growth with new opportunities opening up for Kenyans in all sectors, the situation has been reversed over the past 25 years, especially in the 1990s with negative per capita income growth and worsening income distribution. Millions of Kenyans have suffered declining living standards. Even those with higher education and

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<sup>1</sup> This paper was originally presented to a conference on The Role of Kenyan Professionals and Kenyans in the Diaspora in Kenya's Economic Revival organized by the Institute of Policy Analysis and Research, Nairobi, September 2004.

technical skills are finding it difficult to get remunerative employment opportunities. It is therefore understandable that increasing numbers of Kenyans have been seeking employment opportunities abroad.

The rapid pace and intensity of globalization and a growing gap in living standards between Kenya and the developed countries have further accelerated the emigration trends. Political repression, spread of corruption and increase in personal insecurity no doubt accentuated these trends, but I believe that their role was relatively minor as compared with the deterioration in the economic situation.

#### *Migration patterns: direction and skill profiles*

While quantitative data are not available, the main patterns of Kenyan migration are clear enough. Many Kenyans have migrated to other African countries, especially in Southern Africa, and to the Middle East. But the bulk have sought opportunities in rich countries, especially in UK, USA, Canada and other European countries. While we do not have accurate data on their skill and occupational profiles, it seems that the great majority of Kenyan migrants, except possibly to the Middle East, have comprised persons with professional, technical and business skills. These have included doctors, nurses, engineers, accountants, researchers, teachers, managers and business owners.

While many are direct migrants from Kenya, a growing proportion consist of Kenyan students who have gone abroad for studies but decided to seek work after the completion of their studies. It is clear that even if there is a significant improvement in economic growth in Kenya, there will continue to be emigration of talented and educated Kenyans in search of better professional and economic opportunities for the foreseeable future. It is therefore important to develop policies to enable the country to benefit from the contributions of Kenyans abroad. So far this has remained a largely unexplored and unexploited resource for national development.

#### *Consequences for migrants and the country*

Migration has diverse and complex consequences for the migrants, their families and for the country of origin. As for migrants and their families, it is clear that migration to other countries opens up better opportunities for income and work and access to superior health and educational facilities. But not all migrants are better off in terms of quality of work, some have to struggle in their search for jobs and have to put up with work that is below their qualifications.

For the country of origin, emigration of educated and skilled persons represents a loss of talented persons and of investment it has made in their education and training. However, if there is abundance of trained people who find it difficult to get jobs suitable to their qualifications, their emigration may improve job prospects for others. But it will

accentuate income inequalities between the professional and technical persons and those doing less skilled jobs.

There are, however, some indirect effects of migration that may modify the first round effects. Migrants may send back remittances, invest in projects back home and contribute to development through money, skills and philanthropic work. They may even return home after a period abroad and make valuable contributions to national development as a result of the skills and experience acquired while working abroad. There may also be more intangible effects.

Expatriate Kenyans may be able to help boost flows of investment, trade, aid and tourism between Kenya and the home country. More generally, they can promote policies favourable to Kenya and create a good image in the host countries. In short, they can be Kenya's ambassadors in promoting national interests and reputation.

The scope of the potential contribution of Kenyans abroad should be seen in this wider perspective. In order to minimize the costs of emigration and to maximize its benefits to Kenya, it is necessary to evolve an appropriate policy framework. The following sections attempt to sketch out some elements of such a framework and suggest a programme for priority action.

### **A policy framework**

This paper is concerned primarily with Kenyans abroad, but the country can also derive benefits from the contributions of others with links to Kenya. The latter include former long and short-term residents of Kenya and those with "blood connections" through their mother or father or other relatives. In any case, these distinctions are not hard and fast.

Many Kenyans have acquired nationalities of their host countries and some may have lost all contacts with their country of origin. On the other hand, quite a few former residents, even though they never acquired Kenyan nationality, cherish deep sympathies and sentiments for the country and would wish to contribute to national development and the well-being of Kenyans. Some of them now hold prestigious and influential positions in their countries and have achieved outstanding success in the world of business, professions and academia. The term Kenyans or the Kenyan community abroad will be used here flexibly as appropriate to include all persons with links to Kenya.

#### *The fundamentals of economic reform, political stability and good governance*

It is necessary to begin with an obvious but nevertheless an important point. The contribution of Kenyans abroad will depend in considerable measure on economic reform, political stability and good governance in Kenya. This calls for sound macro and micro-economic policies, absence of civil strife, rule of law, independence of judiciary, respect for human rights and competence and integrity in public administration. Kenyans

fully recognize the importance of these pre-requisites for well-being and prosperity. Experience over the past two decades and the prolonged process of constitutional reform have underlined the critical importance of these fundamentals. Significant progress has been made in these domains in recent years but it is necessary to build upon and persist with these reforms.

Continued progress on these fundamentals is any case essential for mobilizing national resources and attracting foreign investment and development assistance. Reforms in the areas mentioned above can initiate a cumulative process: improvements in economic policies, political stability and governance can set in motion a process of higher growth, more employment and reduction in destitution. These in turn can stimulate inflows of resources from foreigners and Kenyans abroad to further underpin and deepen the process of reform and growth and prosperity.

There are many areas where contributions from Kenyans and friends abroad should be welcomed and cultivated. For ease of exposition, these may be divided into the following categories: direct investment, remittances, professional and technical skills, trade and tourism, humanitarian and charitable work, civil society and host country policies. The possible contributions in these areas are elaborated below. No doubt Kenyans abroad are already making contributions in some or all of these areas, but their scope and volume can be greatly enlarged through a coherent approach and appropriate initiatives.

#### *Direct investment*

This is perhaps the area of highest immediate priority. There is an urgent need for additional investment in all sectors of the economy—infrastructure, construction, manufacturing, mining and agriculture and services such as health, education, tourism and information technology. This investment is essential to provide jobs, generate income and tax revenues and increase production of goods and services for domestic consumption and exports. The investment can take the form of renovation and conversion of dilapidated firms, infusion of capital in existing businesses and creation of new enterprises.

Apart from Kenyan emigrants who have gone into business, many of the former European and Asian residents have established successful businesses in a wide range of economic activities in their countries of settlement. A few of them have become multimillionaires in sterling and dollars! In addition to their former economic, social and cultural ties with the country, they have the advantage over other foreign investors of possessing knowledge of the economy and the country.

In order to reach this group, we need more information on business people with Kenyan connections. This information is available to many private individuals but it needs to be consolidated and extended and properly classified for use in campaigns to solicit their participation in the Kenyan economy. It may also be necessary to review current policies and practices to remove constraints and provide an enabling environment.

Their contribution should be welcomed in any sector of the economy where investment can generate profits and create employment and incomes for Kenyans. In this respect, information and advice from the Kenya Government and the business community could provide useful guidance to potential investors. For many Kenyan investors abroad, it may be natural to invest in businesses that they are already doing in the host countries. Some of the obvious candidates for investment include horticulture, food and natural resource processing, information technology and telecommunications, and labour-intensive and resource-based manufactures.

For some products and services, the domestic market may prove too limited to justify new investment. The investors should thus be provided facilities and incentives to produce for the regional and global markets. The existence of regional trade and cooperation agreements and of preferential treatment for exports to the European Union countries and to USA should be fully exploited to spearhead growth based on export-led industrialization and a diversified agricultural sector.

There is scope for a variety of modes of business investment. Some businessmen may wish to invest on their own, as an extension of their businesses in the host country. Others may look for Kenyan partners in their business ventures. Some may prefer to buy existing firms and expand and diversify their product range, while injecting new technology and improved management methods, thereby raising productivity, quality and profitability.

Another mode might be participation in state enterprises. Some Kenyan businessmen abroad might welcome an opportunity to team up with multinationals, offering their special expertise, knowledge of the country and contacts with other local businesses. Some may even wish to return to the country for extended periods or after retirement to start new ventures. Whatever the mode of investment, it is important that it should lead to increased production and employment opportunities.

### *Remittances*

Remittances by emigrants are the most obvious way through which migration helps families and relatives who remain behind and the country of origin. In recent years, there has been a great deal of interest in remittances as an instrument for reducing poverty and promoting growth.

Some estimates put the figure of remittances from emigrants to developing countries at around \$90 billion per annum. Some have even suggested that the true value of all remittances may be twice as high. For some countries such as Mexico, Guatemala, Nicaragua, Haiti, Jamaica, Lesotho, Egypt, Jordan, Lebanon, Pakistan, India, Bangladesh, Sri Lanka and Philippines, remittances constitute a significant proportion of foreign exchange earnings and of national income.

Unlike other forms of transfer such as development assistance, remittances go directly to family members without any intermediaries and they are available to the recipients to use them according to their own priorities. Remittances are used to finance basic consumption, education, health, improvement of dwellings, purchase of real estate and investment in business. They may be especially important in supporting micro-enterprises. Thus they play a significant role in relief of destitution and stimulation of economic activities at local and regional levels. For the country, remittances from migrants are a vital source of foreign exchange to finance the import of goods and services.

We do not have much information about the amount, origin and use of remittances in Kenya. But it seems highly likely that it has expanded considerably in recent years. If emigration continues to increase, the role of remittances in supplementing the incomes of relatives may assume greater importance.

Certainly, the data on urban-rural remittances in Kenya point to considerable money flows suggesting strong family ties and community solidarity. In order to get a better picture of the impact of the social and economic impact of emigration and formulate appropriate policies, it is important to collect reliable information on the amount, sources, destination and use of remittances in Kenya.

### **Professional and technical skills**

The majority of Kenyan emigrants in recent years have comprised professional and technical people. Soon after independence, there was a desperate shortage of all kinds of professional and technical skills. But the massive investment made in higher education since independence has resulted in a relatively abundant supply of educated and trained Kenyans in most fields. It may therefore be argued that the loss of professional and technical skills does not constitute a major setback to national development. On the contrary, emigration may serve to reduce unemployment among the trained and educated Kenyans.

There is some merit in this argument but it is subject to various qualifications. In the first place, Kenyan development continues to suffer from skill shortages of specific kinds such as engineering, business management and information technology. Second, it is often the best qualified who join the ranks of emigrants and settle in host countries after the completion of their studies. Thus a reduction in the outflow of skilled people should result in an overall improvement in the quality of human capital available for growth and development.

Finally, increased supply of professional and technical people in the country should result in higher quality and quantity of services at more competitive prices to the people of Kenya in fields as diverse as health, education, law, accountancy, insurance, architecture and computing. The abundance of professional and technical people should also add vibrancy to civil society and strengthen the democratic process in the country.



There are many ways skilled and educated Kenyan emigrants can contribute to development. They can volunteer part of their time to helping the country in their areas of specialization. For instance, doctors can work in hospitals and clinics, academics can lecture in universities and colleges and agricultural specialists and veterinarians can assist in improving extension services.

Researchers can make a vital contribution by concentrating their research on problems of Kenyan and African development, especially in such areas as medicine, education, engineering, information technology and economic development. They can run advanced training courses for professionals in Kenya and provide opportunities for collaborative work to Kenyan graduate and post-doctoral students in their research programmes in universities and corporations. They can also help strengthen or create new research networks in Kenya. They can further participate in venture capital to establish new or expand and diversify existing businesses.

### *Trade and tourism*

Emigrants can provide a boost to Kenyan trade and tourism in the host country. They are likely to import goods such as foodstuffs and artifacts and other specialties of social and cultural significance. Kenyan paintings, wooden carvings and fibre bags are among the articles that have found niche markets in some countries, largely through tourism and the influence of Kenyan emigrants.

Kenyan tourism also benefits from trips back home by emigrants, their families and colleagues and friends. There is scope for further promoting trade and tourism through more concerted efforts by Kenyan emigrants and institutions in Kenya.

### *Philanthropic and charitable work*

There are enormous opportunities for philanthropic and charitable work in Kenya. The country is fortunate in possessing a wide network of institutions that cater to the poor and to vulnerable groups such as orphans and abandoned children, the handicapped and the disabled, refugees and poor widows and old persons without any support. Floods and droughts are a frequent occurrence in Kenya as in many other developing countries. Many relatively affluent Kenyans abroad are already helping their relatives and friends through remittances as discussed earlier. But their generosity can extend further to non-relatives in the categories mentioned above.

It is often practical difficulties that hold up expansion of charitable work. As in other domains, information is not easily available abroad on the agencies that are active in these areas, or on their efficacy and integrity. There are also difficulties in transferring small amounts of money. There is certainly scope here for institutional innovation for devising arrangements for collection of donations and channeling them to high priority causes served by agencies of proven probity and competence. There are also possibilities

of Kenyan emigrants and friends in host countries coming together to pool their resources to support specific activities and to create foundations and trusts for worthy causes.

#### *Civil society and voluntary agencies*

This is closely related to the discussion on philanthropic work. There is an impressive network of agencies that are active in the work on human rights, income earning opportunities for women, micro-enterprises and in assisting poor farmers, nomadic communities and wildlife, forest and nature conservation. The strengthening of such civil society agencies especially lends itself to contributions by emigrant Kenyans. These can take the form of provision of expertise and funds and of establishment of contacts with similar organizations and funding agencies in the host countries.

This kind of work is particularly suitable for those with time on their hands, including those retired from active or full-time work. Such agencies are an ideal vehicle for the energy, generosity and idealism of older returning migrants. Many would wish to set up their own voluntary agencies reflecting their experience and preferred areas of concern.

As in other fields, the main obstacle to expansion of such work lies in lack of easily available information on the range and quality of work of voluntary agencies and their efficacy and integrity. This information needs to be collected, processed and made available in convenient forms, including on the cyberspace. It should serve not only the needs of Kenyan communities abroad wishing to strengthen civil society agencies but also of the wider international community desirous of making such contributions.

#### *Lobbying and external relations work in host countries*

Kenyans abroad can promote national interests in various ways through influencing the policies of host countries. In a rapidly integrating world, Kenyan development prospects are increasingly affected by the trade, investment, finance, technology, migration, development assistance and tourism policies pursued by rich countries. It is in Kenya's interest that policies in these areas should be favourable to its growth and development.

The Kenyan community and friends abroad can use a variety of means to influence these policies to promote national interests. These include dissemination of information, use of media such as the newspapers and television, collaboration with academic centres and voluntary development agencies, cultural and economic exchanges and direct lobbying of legislators and government authorities. These activities could contribute not only to a more favourable global environment for Kenyan development efforts but also to an improvement in its image and reputation.

## **A programme for action**

The preceding section has put forward a variety of ideas for Kenyan communities and friends abroad to promote national social and economic development. It is clearly not feasible or desirable to move forward simultaneously on all these fronts. It is necessary to begin with priority areas. Some of the actions proposed above are already underway, though in a somewhat sporadic way, depending upon individual initiatives and specific circumstances.

What is needed is a coherent, well-thought out action programme to move ahead vigorously with a few priority initiatives. The ones that perhaps offer the greatest scope for benefiting the people of Kenya appear to be stimulation of investment in business enterprises, purposeful use of expertise of Kenyan professionals and technicians, promotion of remittances and strengthening of civil society and voluntary development agencies.

If the potential gains in these and other areas are to be realized, it is essential to develop a close and collaborative relationship between the Kenyan communities at home and abroad. Kenyans abroad must not be seen as disloyal mercenaries solely interested in accumulating wealth in rich countries but as an integral part of the Kenyan community and as valuable partners in national development. The Kenyans abroad, especially those who have attained professional, financial and business success, must in turn cherish patriotic sentiments to their country of origin and be mindful of their obligations to less fortunate compatriots back home.

What can be done to promote action in the areas identified above? In order to develop coherent policies and programmes, the first step should be to establish an independent body comprising representatives of relevant ministries, private sector, professional organizations, voluntary agencies and Kenyan emigrants. The main task of the organization will be to maximize the contribution of Kenyans abroad to national development. It will be charged with responsibility to propose an overall approach and specific policies to achieve this objective. It will obviously need to work with various partners at home and abroad to implement its proposals.

Apart from formulating overall policies, the organization should identify and seek solutions to practical, legal and administrative problems that impede the full realization of the contributions that could be made by Kenyans abroad. In formulating priorities and implementing activities, it can learn from the experiences of other countries, especially in Asia and Latin America, that have acquired considerable expertise in developing policy frameworks and numerous concrete schemes to tap the contribution of their expatriate communities.

From what has been said, one of the important tasks of the new body should be to promote the collection, collation and dissemination of information and data on Kenyan emigrants and friends abroad as well as on the contribution they are already making to national development. As indicated above, this would involve information on the

numbers, destination, skill profiles and current occupations of the Kenyan community abroad defined broadly. Information should also be collected on the amount and type of investments by Kenyan emigrants and on remittances and other types of contribution such as volunteering professional and technical services, contributions to charitable work and participation in voluntary development agencies.

Information should also be put together on associations of Kenyans abroad and their objectives and activities. All this information could provide vital data for formulating further action programmes. It should not be difficult to secure financial and technical assistance for this project from international agencies such as the United Nations Development Programme, International Labour Office and the International Migration for Organization.

Ideally, the organization should be funded from voluntary contributions from different sources such as the private sector, international agencies, bilateral donors and individual donations, particularly from Kenyans abroad. Its Governing Council and the Executive Board, consisting of eminent representatives of the constituencies mentioned earlier, should provide overall guidance and oversight. With a small but high quality staff, it should carry out its work through collaboration and partnership with specialist bodies and consultants.

## **Conclusion**

Kenyan communities and friends of Kenya abroad can make a significant contribution to social and economic development in Kenya. This contribution can take many forms such as investment in businesses, remittances, provision of professional and technical services, promotion of trade and tourism, charitable and philanthropic work, strengthening of voluntary development agencies and influencing policies in host countries and improving Kenya's image abroad.

In order to exploit this potential resource for national development, it is necessary to create a high-level body with representatives from government, private sector, professional organizations, voluntary agencies and emigrant Kenyans. This body should be charged with developing a coherent policy framework and specific policy initiatives. Working with a small staff, it should carry out its work through collaboration with interested parties at home and abroad. It should seek independent financing from a diversity of domestic and foreign sources.

One of the major obstacles to developing priority policy initiatives is the lack of information and data on such vital areas as the numbers, trends and characteristics of Kenyan emigrants and their current contributions in terms of investment, remittances, provision of professional services, support of charitable work and of voluntary and grass-roots organizations. The collection, collation and dissemination of such information should be one of the priority tasks of the new body. This should stimulate the

contribution to national development both by Kenyan emigrants and the wider international community.