THE ECONOMIC IMPACT OF IMMIGRANTS IN KENYA
THE CASE OF EASTLEIGH ESTATE IN NAIROBI, KENYA (1991-2010)

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DECLARATION

This project is my original work and has not been presented for a degree in any other University.

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This project has been submitted for review with my approval as University supervisor.

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DEDICATION

This project is dedicated to my lovely wife Hafsa M. Jamaa who stood by me throughout the academic journey; you were able to understand why I stay up late into the night writing and rewriting chapters, the proof reading you did when and where necessary. Were it not for your support this research wouldn’t have been possible, thank you.

I also dedicate this project to my late father, his support and the confidence he had in me inspired my academic journey during my early days in school, he gave me a new appreciation for the meaning and importance education. He lived his life well, acting upon as counselor and ambassador of goodwill by assisting both friends and strangers in need, you will always be missed and I cherish the memories we had.
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ABSTRACT

Migration is an action that impacts on the welfare of households, the host community, and the whole economy in various ways. Some of the economic benefits of hosting refugees are increased income from remittances, increased consumption of goods and services as well as tapping of the knowledge and resources provided by the international community to the immigrants. This study sought to investigate the economic contribution of immigrants in Eastleigh estate of Nairobi Kenya. The issues that were examined were; the livelihood strategies adopted by immigrants, how the economic activities adopted by the immigrants has affected revenue collection in the estate and ways in which the presence of the immigrants has impacted on the economic status of the Kenyan communities in the estate. The study was carried out in Eastleigh estate of Nairobi County. A sample size of 100 respondents was drawn from the target population using purposive sampling technique. The data was collected using questionnaires and interview schedules and analyzed both quantitatively and qualitatively using simple descriptive statistics and presented in form of tables, charts and interpreted in prose form. The study found that immigrants were forced to move to Kenta due to economic hardship in their home countries. It also found that of them own many businesses in the estate while others work as casuals for their daily survival. The study found out that revenue collection has increased since more revenue is collected from immigrant’s businesses.

The study further found that most of the immigrants in Eastleigh estate entered the country through different borders; therefore it recommends that the government put in place proper measures to safeguard its borders from security risks in the future.

The study also recommends that the government should embark on vetting process of all immigrants outside of the refugee camps so that all illegal immigrants if any are either deported to their home country or returned to the refugee camps
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>DRC</td>
<td>Democratic Republic of Congo</td>
</tr>
<tr>
<td>CLARION</td>
<td>Centre for Law and Research International</td>
</tr>
<tr>
<td>EA</td>
<td>East Africa</td>
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<td>EU</td>
<td>European Union</td>
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<td>GDP</td>
<td>Growth Domestic Product</td>
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<td>ID</td>
<td>Identity Card</td>
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<td>KRA</td>
<td>Kenya Revenue Authority</td>
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<td>NGO</td>
<td>Non-Governmental Organizations</td>
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<tr>
<td>OAU</td>
<td>Organization of the African Unity</td>
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<td>RCK</td>
<td>Refugee Consortium of Kenya</td>
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<td>UN</td>
<td>United Nations</td>
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<td>UNHCR</td>
<td>United Nations High Commissioner for Refugees</td>
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<td>USA</td>
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OPERATIONAL DEFINITION OF TERMS

Immigrant is defined as a person who leaves one’s country to settle permanently in another.

Refugee is any person, owing to well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular group or political opinion, is outside the country of his/her nationality.

Refugee influx is sudden and uncontrolled movement/entry of refugees from other countries into host country.

Economic opportunities are business and employment opportunities that are available and contribute towards economic growth and human empowerment in any country.

Livelihood strategies are the survival tactics employed by a group of people to sustain their day today living.

Revenue is the income of a government from taxation, excise duties, customs or other sources appropriated to other payments of the public expenses.

Economic impact is the effect that an event will have on economic factors such as interest rates, consumer confidence and stock market activity or employment.
CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Prolonged conflicts in Africa have generated thousands of refugees and internally displaced persons. Some have migrated to western countries while others have remained on the continent, seeking refuge in neighboring countries which they deem stable (UNHCR, 2010). The East African region has hosted thousands of refugees for long periods of time exceeding 20 years (UNHCR, 2002). Kenya presently hosts over 250,000 refugees mainly from Burundi, Eritrea, Ethiopia, Rwanda, Somalia, Sudan, and Uganda (UNHCR, 2010).

Civil war, disease, resource conflicts, genocide and coup d’états among African countries have resulted to displacement and migration of people from their countries in search of peace, economic and political stability, safety and better livelihoods.

Although the African states to which they migrate are relatively stable, most of them are developing countries with struggling economies and hence lack adequate resources to cater for their population, let alone additional burden of the immigrants. Kenya is one such country, relatively stable politically and economically, but inhabited by refugees from the greater Horn of Africa as well as the Great Lakes region. The largest numbers of those in the country come from Somalia its neighbor to the northeast (UNHCR, 2010).

Grappling with economic and political challenges, which include rising poverty levels, increase in rural-urban migration and growing unemployment and restlessness among its
youthful population (Macharia, 2003), Kenya presents a context where immigrants needs are often not met adequately. To cope with the refugee influx the Government of Kenya enacted an encampment policy in the early 1990s (UNHCR, 2010). However, to date, a significant number of the refugees resist confinement to the camps by moving to urban areas where they settle in various suburbs and other pre-urban areas, especially in the Eastleigh Estate in the capital city of Nairobi.

Following the civil war in Somalia in the late 1980s and early 1990s, and the eventual fall of the Siad Barre regime in 1991, many Somali fled to Kenya to escape the violence. Some went to refugee camps located near the border with Somalia while others opted to seek refuge in Eastleigh because of the Kenyan Somali community that had already established itself in the suburb. The kinship ties between the arriving Somali and the Kenyan Somali aided this movement to Eastleigh (Lindley, 2007). The early 1990s saw Eastleigh's rapid economic development, shaped by its growing population of rural Kenyans, Sudanese, Eritreans, Ethiopians, but above all, in the largest numbers were Somali (Lindley, 2007). As a result, Eastleigh has since become a major economic hub in Kenya; this is because of the presence of immigrants and high demand of goods and services in the area.

Refugees as well as established businessmen have largely invested in import and export businesses, retail outlets (from small-scale hawking and street stalls to large shopping malls), chemists outlets, rental and real estate development, hotels, lodges, miraa (khat) outlets, cafés and restaurants, long-distance transport companies, taxis, phone and
internet bureau and international money transfer and exchange services (Lindley, 2007). Eastleigh has thus became host to a horde of clients from Nairobi as well as other parts of the country and even from other East African countries such as Uganda, Tanzania, Rwanda and Burundi. Nevertheless, Eastleigh has become an integral part of the service economy of Nairobi and its three-million-plus residents (Lindley, 2007).

Empirical evidence on economic impact of immigrants in any given country mainly captures a wide scope of consequences of immigrants on the resources in the host countries. Gijs and Frans, (2009) on the impact of the global economic crisis on international migration covered international immigration theory and the impact of past financial crises on international migration. They concluded that this impact varies by reason for migration and by migrant’s employment status whereas remittances are affected less than predicted, However, labor migration is affected most; in particular migration of low-skilled persons while political, environmental and refugees for family reunion are not affected much (Gijs and Frans, 2009).

According to Sari and William (2008), the assimilation of immigrant workers into host-country’s labor market and concomitant effects on natives and the immigrations impact on the public finances of host countries. It was found that immigration levels and flows for some North European countries have a relative strength at par with traditional destination countries like the US. These significant economic magnitudes, combined with Europe’s ageing population, make immigration a first-order policy question and research concern. As immigrants are more often outside of the labor force or unemployed, it has
been assumed that they spend more time on welfare and other forms of social assistance compared to locals, (Sari and William, 2008).

Hyndman (2008) outlined how refugee camps themselves are geopolitical formations and in no way immune or irrelevant to geopolitics in East Africa, whether regional or international. She drew on how Somali refugees in the Dadaab camps of Kenya are managed in place, with little concern for the ongoing suspension of livelihoods and human development and elucidated the hypocrisy of the long term camp situation in a context where international aid to refugee-hosting countries is conditional upon democratic reform, ‘good governance, and other liberal norms that the civil society value. The liberal democratic norms and human rights might appear to ensure the provision of protection and education to refugees, but the actual aid, policies and strategies of these liberal democratic governments do not always correspond to these legal obligations and democratic norms. Instead refugees’ are managed in situ, stuck in legal limbo without most of the basic human rights to mobility, work, and residence while protection from forced return to a dangerous country of origin, remains intact. Refugees in Kenyan camps live with long term uncertainty, with their mobility, employment prospects, and legal status restricted (Hyndman, 2008).

Refugee Consortium of Kenya (2005) indicates that refugees are usually a nuisance and a liability to host countries. Urban refugees in Nairobi try to sustain a livelihood through business, petty trade, wage employment or simply subsisting on transfer earnings from various sources including remittances from relatives at home or in rare instances, being
supported by charitable, civil society and faith-based organizations. In fact, the majority of them are economically self-sufficient with different levels of income, (Refugee Consortium of Kenya, 2005).

Chebichi (2009) on the legality of illegal Somali migrants in Eastleigh estate in Nairobi analyzed the livelihood strategies of the Somali migrants, in terms of the acquisition, management and sustenance, the roles played by the Somali social networks (the Kenyan Somali as well as networks in the Diaspora) in the acquisition of these livelihoods, role played by the law enforcement practices and whether legal status is imperative considering that the Somali are surviving and managing their livelihoods in the absence of legal status, the findings showed that the Somali immigrants largely depend and draw their social networks from Kenyans of Somali origin in acquiring and sustaining their livelihoods as well as other sources like the Kenyans of other tribes and organizations in Nairobi when it comes to sustaining their livelihoods. The law enforcement agencies in Kenya played a major role in the acquisition and sustenance of their livelihoods and having being illegal in Eastleigh, they have to buy their legality (they bribe the Kenya police in the event of arrest) in order to continue living in Eastleigh, (Chebichi, 2009).

Background of Eastleigh Estate

Eastleigh is an estate of Nairobi County in Kenya which is located east of the central business district. It is predominantly inhabited by Somali immigrants and has been described as country within a country with its own economy. Others call it little Mogadishu (a reference to Somalia’s capital) a name that captures the fact that it’s mainly
occupied by Somalis, whether immigrants or Kenyan citizens who are the dominant traders, investors and entrepreneurs running Eastleigh's economy. As the name denotes, Eastleigh is mainly occupied by Somali immigrants and Kenyans of Somali origin. Eastleigh is divided into two namely Eastleigh North and Eastleigh South. Both sections are part of Nairobi's Pumwani division. Eastleigh is further partitioned into three areas: Section I - from Juja Road; Section II - the commercial center; and Section III - situated towards Jogo Road.

**Figure 1.1: The Map Eastleigh Estate**

Source: Google Maps
1.2 Statement of the Problem

Africa has experienced the highest urban growth rates averaging almost 5 percent in the last decade. Kenya has been a host of refugees from Eastern, Central and West African states: these include Somalia, Ethiopia, Southern Sudan, Eritrea, Angola, DRC Congo, Rwanda and Burundi, particularly Eastleigh Estate of Nairobi has over the years been the home of refugees from different countries in particular Somalia and Ethiopia. These immigrants are believed to have run away from civil war, economic hardship and lack of opportunities in their home countries. Despite efforts by the government and humanitarian bodies to restrict immigrants stay in the designated camps they manage to sneak out and integrate with the hosting society as a coping mechanism for their stay. On the other hand immigrants play an important role in Kenya’s economy as they try to sustain a livelihood through business, petty trade, wage employment or simply subsisting on earnings from various sources including remittance from families and friends abroad.

So far no study relating to the economic impact of immigrants in Kenya particularly Eastleigh estate of Nairobi County has been carried out. It is for this reason that this study sought to investigate the economic impact of these immigrants, their contribution to the national revenue collection and how their presence affected on the lives of the Kenya people in the estate. The study attempted to fill the gap of knowledge that existed between the findings of similar studies that were done and the reality in the estate.
1.3 Research Questions

1. What are the economic activities adopted by immigrants in Eastleigh estate?
2. How have the economic activities adopted by immigrants affected revenue collection in Eastleigh Estate?
3. How has the presence of the immigrants impacted the economic status of the Kenyan communities in Eastleigh Estate?

1.4 Objectives of the Study

a) To establish the economic activities adopted by immigrants in Eastleigh estate.
b) To determine how the economic activities adopted by the immigrants have affected revenue collection in Eastleigh Estate.
c) To examine the ways in which the presence of the immigrants has impacted the economic status of the Kenyan communities in the Estate.

1.5 Research Assumptions

The study was guided by the following assumptions;
a) All the respondents responded to all the questions as requested.
b) The presence of immigrants in Eastleigh estate has improved its economic status.
c) The level of revenue collection in Eastleigh has increased since the arrival of the immigrants.
d) The presence of immigrants in Eastleigh has positively impacted the life of Kenyans.
1.6 Justification and Significance of the study

The findings of the study is important to the Kenyan government since it can be used to formulate effective policies regulating cross border movements of both Kenyans and non-Kenyan citizens. Ministry of planning and finance can get the necessary information on the total number of people in the estate so that they can allocate adequate resources to cater for the socio-economic needs of the population in Eastleigh estate.

For the scholars and researchers who would like to debate or carry out more studies on the economic impact of immigrants in Kenya, this study forms a basis upon which further researches on immigrants can be conducted.

1.7 Scope and Limitations

The study was carried out in Eastleigh estate of Nairobi County in Kenya, the study focused on these immigrants and Kenyans living/working in the estate and government agencies from various departments. It specifically focused on the economic activities by the immigrants in relation to economic development of the country.

The targeted respondents were very busy and therefore required a lot of time in order to fill in the questionnaires therefore the researcher ensured the questionnaires were given to the respondent on time. Financial resources were likely to affect the results and delay the exercise but early preparation and support from well-wishers made the study a reality. Getting accurate information from the respondents was also a big challenge since the immigrants feared the information may be used against them by the government; this was addressed by clearly explaining the objective of the study to the respondents.
Some of the respondents were notable to speak in either English or Kiswahili and the process of translation was likely to undermine the accuracy of the information as some distortion could have occurred. However, a careful interpretation of statements and the advantage of being able to speak in the local dialect by the researcher helped to overcome this particular challenge.
CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter reviews existing literature on economic impact of immigrants in any given set up. The literature has been reviewed on the concept of immigrants, factors of immigration, the general impact of immigrants on a society, empirical studies on economic impact of immigrants and the conceptual framework.

2.2 The Concept of Immigrants

Immigrants are people who have moved from one country into another country or region to which they are not native in order to settle there. Immigration is a result of famine, over population, economic hardship, political instability, family re-unification, natural disaster or the wish to change one's surroundings voluntarily. In the case of economic migration (usually labor migration), differentials in wage rates are usual, (Freeman, 2009). If the value of wages in the new country surpasses the value of wages in one's native country, he or she may choose to migrate as long as the costs are not too high. Immigration is a constant phenomenon in most developed countries; however, due to various factors, international migration and immigration are gaining importance in the globalized world. Almost all Member States of the European Union are currently target countries for international migration (Freeman, 2009).
Particularly in the 19th century, economic expansion of the U.S. increased immigrant flow and in effect nearly 20% of the population was foreign born versus today's values of 10%, making up a significant amount of the labor force. Poor individuals from less developed countries can have far higher standards of living in developed countries than in their originating countries, (Facchini and Steinhardt, 2011). This is also the case with the Czech Republic whereas at 31 December 2004 a total of 254 294 immigrants lived which accounts for some 2.4 % of the country’s total population. Within the European Union, the issue of migration became to be focused more systematically since the early 90's of the last century (Facchini and Steinhardt, 2011).

This development may be exemplified inter alia, also by the fact that the Treaty of Amsterdam which took effect in 1999 transferred from the third pillar to the first pillar the issues pertaining to the asylum and immigration policy and thereby in some areas the European Union acquired mandate to adopt community legislation (UNHCR and RCK, 2005).

Together with the issue of migration and immigration, the issue of immigrant integration becomes the focal point of attention of the host countries and other international organizations (Facchini and Steinhardt, 2011). The issue of integration has been included in migration policies due to the revelation that labor migration that was deemed to be a temporary feature only within the Member States of the European Union has changed to the constant one. There is always the fear that poorly integrated immigrants may become a serious problem for the majority population. Therefore immigrant integration is of key
importance for maintaining social cohesion of host societies and for economic
development generation (UNHCR and RCK, 2005).

Migration is a decision that impacts on the welfare of the household, the home
community, and in the end the whole economy in various ways. The welfare implications
of migration on the country of origin are most often though not always sizable and
positive. The main channels through which migration alleviates poverty are increased
incomes from remittances, ability to smooth consumption, access to finance for starting a
new business as well as tapping on to the knowledge and resources provided by the
international community of the migrant Diaspora (Brenner, 2004).

Yet, not all impacts are positive: exploitation of migrant’s by unscrupulous recruiters or
employers is reportedly widespread; separation from family can be stressful for migrants;
and large scale immigration can pose serious challenges to a nation’s identity and
sovereignty (Brenner, 2004). For a sending country migration and the resulting
remittances lead to increased incomes and poverty reduction, improved health and
educational outcomes, and promote economic development. Since many developing
countries are also large recipients of international migrants, they face challenges of
integration of immigrants, job competition between migrant and native workers, and
fiscal costs associated with provision of social services to the migrants (Bailey & Sarah.
2004).
2.2.1 The Politics of Immigration

The issue of immigration and its effects on the political situation is of great concern in many nations. Immigration has often been singled out as one of the most important reasons for the rise of the radical right parties in the Western Europe. (Givens, 2000) notes that each of the radical right parties relates unemployment and problems with law and order to immigration. The presence of foreigners and the necessity of fighting them off or at the very least avoiding any future influx is a major raison deter for the National Front. In France, a cornerstone for its agenda “France for the French” slogan and policies associated with ending further immigration and making it increasingly harder for the foreigners already in France to get their citizenship. At various points in time, the leader of the National Front, Jean Marie Le Pen had said, “I pledge an immediate end to all immigration and to send three million foreigners home” and “The foreigners will not be forced to leave. But once they can’t get jobs or benefits, there will be little incentive for them to stay” (Ponte, 2002).

Foreigners may be more likely to live in liberal areas where the native population is less hostile to them; there might be a self-selecting dynamic going on where the foreigners would be choosing to dwell in the more pro-diversity, anti-National Front communities. Those who live among foreigners may see them in a more neighborly fashion and less as a threat (Givens, 2000).

In Africa, immigration has become a major concern for policy makers. According to Leighton (2010), immigration in Africa is considered as an integral part of the labor market and an adaptation strategy for environmentally vulnerable communities as well as
an income diversification strategy for low income households. In Kenya, migration dynamics are mainly dominated by a long history of rural-urban, circular and cross-border migration within the eastern Africa sub-region, mainly for the search of economic opportunities and education as well as trade (Omondi and Ayiemba, 2009). Furthermore, many Kenyans have left their country to seek better labor opportunities in other African countries and out of the continent thus becoming immigrants in those countries. Kenya has finally become an important destination country for migrants coming from Central and Eastern Africa as well as other continents.

2.2.2 Forced Migration

According to Speare, in the strictest sense migration can be considered to be involuntary only when a person is physically transported from a country and has no opportunity to escape from those transporting him. A specific form of forced migration is population transfer, which is a coherent policy to move unwanted persons, perhaps as an attempt at "ethnic cleansing". Someone who has experienced forced migration is a "forced migrant" or "displaced person". Less formally, such a person may be referred to as a refugee, although that term has a specific narrower legal definition (Terminski, 2012). The United Nations High Commissioner for Refugees (UNHCR) reports that more people in 2012 became refugees or internally displaced people than at any time since 1994. The main cause for this displacement is war, with more than 55 percent of all refugees coming from five war-affected countries: Afghanistan, Somalia, Iraq, Syria and
Sudan. UNHCR says Afghanistan is the world's "top producer" of refugees, a position it has held for 32 years. Forty-six percent of refugees are children under the age of 18.

A record 21,300 asylum applications were submitted in 2012 from children who were unaccompanied or separated from their parents (International Convention, 2010).

Kenya hosts the largest refugee population of Somalis as well as a high number of Ethiopians who have been forced out of their countries of origin. 2011 witnessed a dramatic rise of refugees from Somalia as the drought combined with civil conflict forced a mass exodus into Kenya and Ethiopia. The U.S. Trafficking in Persons Report 2012 states that Kenya is a source, transit and destination country for men, women and children for the purposes of forced labour and sex trafficking. This is corroborated by other reports and studies such as ‘Termites at Work’ by the International Peace Institute. Kenya is also a country of internal forced migration with thousands of IDPs (Internally displaced People) still displaced today following the 2007-8 post-election violence and other prior inter-ethnic clashes. In addition Kenya’s capital Nairobi attracts migrants from rural areas seeking to find menial jobs for survival.

Forced migration in Kenya has been characterized by the influx of Somalis, Ethiopians and South-Sudanese since the early 1990s, when all three regions were either in state of conflict and/or suffering from drought/famine. Most who came then were bona fide refugees being accepted on a prima facie basis; the rising number of Somalis refugees remains the key characteristic. The recent trends include a high number of economic migrants, reflecting a growing aspiration of many in the region to find a better life outside
their country but it also reflects the extent to which public officials may be colluding with and facilitating smugglers, traffickers and individuals seeking to bend or break national laws.

At the beginning of 2012, Kenya had a total national population of 41.6 million according to UNDP statistics. A significantly better poverty ranking than most of its neighbours makes it an attractive destination and transit country for those in mixed migration. According to UNDP the poverty level index was assessed to have a Multidimensional Index % of 0.229 and a Human Development Index of 0.519, ranking Kenya number 145 out of 187 countries (UNHCR and RCK, 2005).

2.3 Empirical Literature and Research Gaps

Gijs and Frans, 2009 studied The Global Economic Crisis and International Migration, terming as an uncertain outlook. They used migration theory to assess the likely consequences of the economic downturn in two perspectives. The first was an individual and household perspective that views migration as an option in the course of life. The second was that of a social network and the social capital it generates. The other perspective was a macro-perspective that views migration as an adjustment mechanism in the labor market to show how the micro- and macro-level perspectives are intertwined. This perception argues that people have preferences but the presence of social networks, economic, political and other conditions may facilitate or inhibit behavior.
The study looked at economic recessions in the past and their effects on international migration, reviewed the scholarly literature on the impact of the recession on migration and used published expert opinions (due to the absence of empirical evidence). The findings show that during economic downturns migrant workers are often the first to lose their jobs because of the sectors of the economy in which they are employed. As many migrants cannot easily shift to other jobs on the spot, they may return home or find a job at other destinations especially migrants on temporary contracts. In times of recession various forms of international migration may work as 'communicating vessels if one cannot enter as labor migrant one may try to enter as asylum seeker.

Whereas this is true for the researchers, they have not shown how the presence of the immigrants affects the economic opportunities of the host countries. Further the study is very wide and conclusions are generalized across the global perspective without considering that host countries have specific environmental conditions that are unique to them and the immigrants may end up benefiting more during recession especially when they possess certain specific skills which may not be readily available from the local communities.

Sari and William (2011) surveyed empirical studies on economic impacts of immigration. They examined the magnitude of immigration as an economic phenomenon in various host countries assessed the assimilation of immigrant to workers into host-country's labor markets and the social clubs used by immigrants. The survey presented recent findings on
the economic impacts of immigration on Northern European countries, Scandinavian and the traditional destination countries like the US from an empirical review of existing data.

They found that evaluations of immigrants’ success in host-country labor markets are often based on comparisons of immigrant wages and employment to natives at the time of entry and over the duration of the stay. While the US literature has concentrated on wages, more European studies analyze employment assimilation. Typically, immigrants are found to experience lower employment and wages than natives at entry. Even though these differences are likely to diminish over the duration of a migrants’ stay, recent cohorts are expected to experience permanently weaker labor market success. This is particularly clear in European countries where the immigrants spend more time on welfare and other forms of social activities compared to natives, (Sari and William, 2011).

The current study intends to get first-hand information from the immigrants in Eastleigh Estate of Nairobi Kenya by the use of questionnaires and interview schedules. The study will also adopt a different perspective by evaluating how the presence of immigrants in Eastleigh Estate promotes economic well-being of the communities living there and the immigrants themselves.

Hyndman (2008) on Refugee Camp Conundrum: Geopolitics, Liberal Democracy, and Protracted Refugee Situations in East Africa outlined how refugee camps are geopolitical formations and are in no way immune or irrelevant to geopolitics, whether regional or
international. She intended to show how Somali refugees in the Dadaab camps of Kenya are managed in place with little concern for the ongoing suspension of livelihoods and human development and elucidate the hypocrisy of the long term camp situation in a context where international aid to refugee-hosting countries is conditional upon democratic reform, good governance and other liberal norms that value civil society that are completely ignored in the context of the camps. The contradictions between liberal democratic norms and the prevailing geopolitical sentiments that favor refugees in camps were explored in the context of existing literature. The results show that democracy and law meet intense geopolitical pressures in the refugee camps.

The current research looks at the economic impact of hosting refugees that are not confined within refugee camps but are mixing with Kenyan communities in real life situations without being restricted to government/donor aid. The study keenly examines the economic adopted by the refugees in the absence of government/donor aid and its long term effect on the Kenyan economy. Instead of making conclusions on geopolitical conundrums facing refugees in East Africa (EA) and just citing Daadab camps as an example, the current study will be more precise and describe the refugee situation in the capital city of Nairobi Kenya.

A close look at coping strategies for Self Settled Refugees in Nairobi by (RCK, 2005) assessed the refugees and asylum seekers living in Nairobi. The study focused largely on the refugee’s conditions and their impact on the economy of the host country in the context of non-existing domestic policy and legal regimes governing the management of
refugees. It was examined in the view of household economies (sources and levels of income), patterns of investment and expenditure as well as their relationship with the government authorities including household dynamics such as family size, safety and access to other basic services and their impact on the host country, Kenya. The study was prompted, among other factors, by the notion that refugees are usually a nuisance and a liability to host countries.

Both survey questionnaires and focus group discussion techniques were used to elicit primary data while pertinent secondary data were also reviewed and used to provide analytical perspectives. The major findings of the study were that most urban refugees in Kenya are self-settled and have lived in the country for a minimum of five years, residing in various parts of Nairobi city. They try to sustain a livelihood through business, petty trade, wage employment or simply subsisting on transfer earnings from various sources including remittances from relatives at home or in rare instances, being supported by charitable, civil society and faith-based organizations.

The refugees living in Nairobi exist largely without legal protection or material support from the Government of Kenya and the United Nations High Commissioner for Refugees (UNHCR) as they lack the proper documentation and therefore suffer harassment from the police concerning their status. Conditions relating to the Government’s style of addressing refugee affairs make it impossible for them to register their business or even acquire properties to improve their economic status. Women, generally falling within the lower income bracket, are particularly hardworking and creative in their efforts to earn a
living. Many are engaged in selling their traditional food from their living quarters, sewing and selling their traditional clothes and other artifacts.

Whereas the above study was informed by the assumption that refugees are a nuisance and liability to the Kenyan government, the current study is being informed by the argument that refugees are a source of economic growth due to the presence of the sprawling business opportunities in the estate as well as a burden to the Kenyan Government. The presence of refugees in Eastleigh estate can also be seen as a savior to the low income earners from the neighboring estate such as Mathare, Huruma, Kariobangi, by providing cheap goods that would otherwise be too expensive in normal circumstances in Kenya and Nairobi in particular but posing a big burden to the government’s expenditure in providing security, economic environments, social services and integration process.

Chebichi (2009) explored the Legality of illegal Somali migrants in Eastleigh estate in Nairobi, Kenya. The study intended to find out how the illegal Somali migrants circumvent state control in order to acquire, manage and sustain their livelihoods, their role, if any and how the law enforcement agencies in Kenya aid in the acquisition, management and sustenance of these livelihoods, how the Somali in Eastleigh draw on social networks as a livelihood strategy and whether affinity with the co-ethnic group (Kenyan Somali) help in the acquisition of livelihoods by the Somali migrants. The study used both qualitative and quantitative data. The study was done for a period of three years ranging from 2003 to 2006 and used descriptive data of the Nairobi survey (descriptive
statistics) that was conducted among 755 respondents living in seven neighborhoods estates of Nairobi i.e. Eastleigh, Githurai, Kawangware, Kayole, Komarock, Umoja and Zimmerman.

The findings of the study showed that the refugees largely depended on their social networks from the Kenyan Somali and members of other non-Somali groups in the country as well as organizations in Nairobi in acquiring and sustaining their livelihoods. The findings also showed that, the law enforcement agencies in Kenya played a major role in the acquisition and sustenance of their livelihoods since they are illegal in the estate they buy their legality by bribing the Kenya police in the event of arrest in order to continue living in Eastleigh. In order to examine the social impact of the immigrants in Eastleigh Estate, the current researcher will not consider their legality in the country but instead will look at how their presence has impacted on the national economy. It will adopt similar sampling methods used in the case above but will be carried out in Eastleigh Estate and instead of using focus groups, it will use interview schedules.

2.4 Conceptual Framework

Figure 2.1: Conceptualization of variables
The above diagram shows that the presence of immigrants in Eastleigh Estate is the independent variable while economic activities, amount of revenue and impact on the economy are the dependent variables.

The presence of immigrants and their livelihood strategies introduces opportunities and the anxiety of the immigrants to do business to sustain them in a foreign nation opens opportunities not only for them but for the citizens also. Through the opportunities, revenue collection increases thus improving the economy of the nation thus economic growth in the estate. Business interactions with the foreigners also paves way for employment opportunities in the estate and also immigrants provide personnel in various industries.
CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction
This chapter outlines the research methodology that was used in the study. It describes the research design, study population, sampling design, data collection methods, and research instruments and data analysis techniques. It also discusses the ethical aspects employed while conducting the research.

3.2 Research Design
The researcher used descriptive research design to determine the economic impact of immigrants in Eastleigh Estate in Nairobi Kenya. This design involved both qualitative and quantitative methods of data collection. Qualitative approach was used by the researcher since it gives an in-depth analysis of respondent’s views with regard to social economic impact of immigrants in Kenya, while quantitative approach was used in constructing closed ended questions in the questionnaires in order to give the respondents an opportunity to choose from the options given in ensuring the responses were limited to the scope of the study and also save on time.

3.3 Site of the Study
Eastleigh is almost entirely inhabited by Somali, except for a few indigenous residents. The estate’s commercial sector is likewise dominated by Somalis with most businesses owned by the Somali community.
Eastleigh estate was built at the behest of British businessmen at the beginning of the 20th century (between 1910 and 1914) when Kenya was a British colony (Lindley, 2007). Following the civil war in Somalia in the late-1980s and early 1990s, many Somali fled to Kenya to escape the violence. Some went to refugee camps located near the border with Somalia while others opted to seek refuge in Eastleigh because of its business nature. In the early years of 1950s and 60s before Kenya’s independence the estate was largely dominated by settlers of Asian origin who operated small scale businesses such as wholesale and retail shops. Later, after independence in 1963, many indigenous Kenyans took over as the dominant business in Eastleigh (Campbell, 2005).

3.4 Study Population

The study targeted immigrants who own business, work in the estate or live in the area of the study. According to the 2009 national census, there are approximately 600,000 immigrants in the Kenya. It also says that Eastleigh has about 200,000 immigrants and therefore the study population is 200,000 immigrants who lived, worked or operated businesses in the estate.

3.5 Sampling Techniques and Sample Size

Purposive sampling technique used in selecting the business persons operating in the estate, locals (non- Somalis) and government authorities, Since there is no available data on the exact number of immigrants in Eastleigh, the researcher chose 60 immigrants, 25
locals, 5 city council officials, 5 KRA officials and 5 politicians to form the study sample of 100 respondents by employing simple random technique.

The immigrants gave information on their survival tactics in the estate, their reasons of coming to Kenya and their other sources of income, the locals provided information on how the presence of immigrants has impacted on their economic status and the County council/KRA officials responded queries on revenue collection in Eastleigh estate while the politicians were requested to give general information on the relationship between the immigrants and the local people in the estate.

3.6 Validity and Reliability

To measure the validity, a pilot study was conducted in the estate using 10 people as respondents who were excluded from the main data collection process. The results from the pilot study helped to check whether respondents understood the questions asked and deal with difficulty experienced before starting the main data collection. Secondly it assisted in checking for any ambiguity in the questions and ensured that the items in the research instruments addressed the research objectives.

Reliability of the instruments was examined using test and re-test method where the research instruments were administered first to the respondents of the pilot study and then the same instruments administered to the same group after two weeks to check on the validity. The results of the first data was analyzed and then correlated with the second one to determine the internal consistency of the two set of scores. The argument is that
the closer the correlation co-efficient value to +1.00, the stronger the correlation. Therefore this means if the correlation coefficient is closer to 1 or above 0.7 then the instruments will be deemed reliable.

3.7 Data Collection

The study relied mostly on primary data which was collected using semi-structured questionnaires and interview guides. The questionnaires were used to collect data from the immigrants and members of local communities while interview guides were used on city council officials and the local politicians.

The questionnaires contained both open and closed ended questions. Open ended questions were used for capturing details that might have been omitted and any other relevant information. Questionnaires were used for this group because they are very effective in getting data from a large number of respondent’s within a short time and gave the respondents time to respond to the questions adequately.

The face-to-face interview options were chosen for in-depth capturing of information which the researcher may not have anticipated; one such information revealed in this study is the aspect of entrepreneurs in evading tax. Face to face interview are effective in collecting data from the above mentioned categories of respondents because it was intended to achieve a comprehensive analysis on immigrants, their activities and how they relate to the locals.
3.8 Data Analysis

The data collected was classified into various categories according to the study objectives and answers given by the respondents. The data was analyzed both quantitatively and qualitatively using simple descriptive statistics. Quantitative data was coded into statistical software known as SPSS (Statistical Package for Social Sciences), analyzed and presented in form of tables, charts and interpreted in prose form.

The qualitative data was analyzed using content analysis, and then the researcher employed inductive analysis where the patterns, themes and categories of analysis were drawn from the data. This helped in reducing the large amounts of data from the interviews.

The researcher analyzed data using descriptive statistics method to draw a conclusion on the problem under investigation, in-depth analysis and measurement of the respondents’ arguments, opinions, and ideas with regard to the problem under investigation.

3.9 Data Management and Ethical Considerations

All information given by the respondents were treated with a very high level of confidentiality. The information was collected from respondents without discrimination and language was used during data collection to avoid biasness during and after data analysis. The objective of the study was clearly spelt out to the respondents before data collection for the purpose of transparency.
Lastly official permission to carry out the study was sought from different stakeholders which includes; department of Migration, Local leaders like the police, chiefs, area politicians and the immigrant themselves.
CHAPTER FOUR: DATA ANALYSIS AND INTERPRETATION

4.1 Introduction

This chapter presents the analysis and interpretations of the data collected. The research was conducted on a sample of 100 respondents selected from the immigrants, locals, and City council/KRA officials to which questionnaires and interview guides were administered. However, out of the 100 issued questionnaires, 80 were returned duly filled making the response rate 80%, which was sufficient for statistical reporting.

4.2 Demographic Profile of the Respondents.

The study sought to ascertain the information on the respondents involved concerning the gender, age, marital status, highest level of education, duration of stay, professional qualifications, how they come to Eastleigh, reasons for coming, children and if they go to school. The bio data points at the respondents’ suitability in answering the questions.

According to Standard 20 April 2014, Cyrus Ombati reported that some 281 immigrants have so far been deported to their home country. This was in line with Government directive- usalama watch to have all illegal immigrants deported to their home country while at the same time returning genuine immigrants to the designated camps (Standard 20 April 2014)

The deportation process is due to the presence of a large number of illegal immigrants in the country and this led to the arrest and detention of over one thousand of immigrants and asylum seekers who were rounded up during counter-terrorism operations launched
by Kenyan security forces in Nairobi since 4 April 2014 targeting undocumented (illegal) foreigners (UNHCR, 2014).

Though none of the research objectives was to address the legality of the immigrants, with this new debate of deportation and illegal immigrants, some of the respondents might have been illegal immigrants.

Figure 4.1: Gender of the respondents

From the findings, 54% of the respondents were male and 46% were female. This implied that there are more male immigrants in Eastleigh than female and consequently, most of the responses emanated from the males. The ratios also correspond with those of RCK’s legal clinic which show that in the last 4 years women have made up less than 50% of those visiting the clinic. The high number of male immigrants compared to women can be as a result of some cultural practice among the Somalia community, where by men are exclusively the bread winners of the family while the women are left at home
to take care of their children, therefore the men either left their wives and children in their home country or at the refugee camp in pursuit of better jobs and send them money for sustenance at the end of the month.

4.2.2 Distribution of Respondents by Age

In order to understand the respondent’s age distribution, they were asked to indicate the age category in which they fell. Table 4.1 indicates an analysis of immigrants’ age distribution.

<table>
<thead>
<tr>
<th>Age of the respondent</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>21-30</td>
<td>44</td>
<td>55</td>
</tr>
<tr>
<td>31-40</td>
<td>22</td>
<td>27.5</td>
</tr>
<tr>
<td>41-50</td>
<td>11</td>
<td>13.7</td>
</tr>
<tr>
<td>&gt; 51 years</td>
<td>3</td>
<td>3.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

From the findings, majority of the respondents (55%) were between ages of 21–30, 27.5% between ages of 31 - 40 and 13.7% between 41-50 years while 3.8% were more than 51 years of age. The findings indicate that majority of the immigrants in Eastleigh are between the age of 21 – 30 years, this shows that a combined (82.5%) of the immigrants are between the ages 21-40 and it is believed that this youthful group is the
most productive members in any society and this can easily explain the reason why Eastleigh estate has became economically active in the last few years. This comprises of the active age brackets who would like to acquire jobs, education and other livelihood means on their own. In addition these are the strong members of the society who can easily withstand the tedious and long distance travel involved in the process of coming into the host country to fend for themselves and their dependents.

4.2.3 Marital Status

In order to understand the marital status of the respondents, they were requested to indicate their marital status. Figure 4.2 presents the findings.

<table>
<thead>
<tr>
<th>Table 4.2: Respondents' Marital Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
</tr>
<tr>
<td>Married</td>
</tr>
<tr>
<td>Single</td>
</tr>
<tr>
<td>Widowed</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

From the findings, majority of the respondents (48%) indicated that they were single, 38% were married while 14% were widowed. The results implies that majority of the immigrants in Eastleigh are single. This is because a combined 52% of the respondents are either married or widowed and therefore this means that majority of the respondents have at any one time got married and since a big number of these fall in the age bracket
of 21-40, this can be attributed to two factors; first, there is no proper education system in their home country and therefore a good number of the youth got married at early stage of their life.

Somalia’s education system was severely under-funded even before the civil war broke out in 1991. Education then became one of the major casualties of war. The decline of the economy due to the cost of war left little money for social programs and schools.

Many schools were completely destroyed during the civil war, and even today Somalia’s education system remains largely in ruins. Somalia has one of the lowest school enrollment rates in Africa—only one out of every five children has access to school.

Without a national Department of Education, it has become the responsibility of parents and community members to provide education for their families. Education is primarily provided by Koranic and community-managed schools. Many schools don’t have buildings and classes are often held outdoors or in temporary shelters (Concern wide wide 2010)

Secondly according to the Somali culture girls are married off at a young age, at times not even giving them the opportunity to school, up to tertiary level.

The education infrastructure of Somalia has been weakened by decades of colonial neglect, followed by the outbreak of a civil war in 1990 that has led to widespread population displacement and paralysis of social services. Cultural norms and practices contribute to disproportionately low access to schooling. Even in the autonomous Republic of Somaliland in the north, where a relatively strong government presence has
expanded social services and infrastructure that surpasses other regions, illiteracy is widespread, particularly amongst women. The country had only a 22 percent primary school enrolment in 2004, nine percent of which were girls. That figure dropped to six percent for secondary school amongst women (UNICEF 2009).

With regard to family size, it is evident that family size was large, something that made the immigrants settle in Eastleigh to look for employment and support their families back at home. Information emerging from the FGDs indicated that majority of those raising children were women whose husbands either died or captured in the prolonged conflict at home. The composition of the family among the immigrants, according to survey data, consists of adults, male children and female children. The lifespan of refugees is long since majority of respondents are between the age of 21 – 30 years and this age is occupied by most single individuals in the society. This observation would imply that a sizeable proportion of the refugees are accompanied by their families contributing significantly to their households’ economic burden. Indeed, majority of married women are bringing up their children single handedly (RCK, 2010).
4.2.4 Respondents’ Level of Education

The respondents were requested to indicate their academic level and table 4.3 illustrates the findings.

Table 4.3: Respondents’ Highest Level of Education

<table>
<thead>
<tr>
<th>Academic Level</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Never Attended School</td>
<td>24</td>
<td>30</td>
</tr>
<tr>
<td>Primary level</td>
<td>28</td>
<td>35</td>
</tr>
<tr>
<td>O-Level</td>
<td>10</td>
<td>12.5</td>
</tr>
<tr>
<td>Diploma</td>
<td>15</td>
<td>18.8</td>
</tr>
<tr>
<td>Degree</td>
<td>3</td>
<td>3.8</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100</td>
</tr>
</tbody>
</table>

From the findings above, majority of respondents (35%) had reached primary level, 30% never attended school, 12.5% indicated their highest level of education as O-level, 18.8% indicated they had diploma while 3.8% had degree. This shows that majority of immigrants in Eastleigh have reached primary level but still a good proportion have never attended school. The high percentage of the respondents (30%) who never attended school is probably because of the fact that their country of origin has been over the years characterized by conflicts and civil war affecting the education sector. The economic viability of the immigrants is wanting since they lack professional skills and academic education that can be used to move the economy forward. However, refugees who have settled in Eastleigh are good in business and this gives them an upper hand in creating
employment opportunities that also generates income for the Government in form of tax which ultimately improves the economy of the estate (*Freeman, 2009*).

A substantial number of the immigrants (18.8%) said they have diploma certificates; this is because there are a lot of commercial colleges mushrooming in the estate offering diploma courses such as business administration, logistics and human resources management which they think will help the immigrants run their businesses affectively. These colleges don’t strictly follow the Kenyan curriculum and the criteria of joining are simple that they only require potential candidate to be able to read and write English without necessarily having secondary certificate.

In a survey done by Refugee Consortium of Kenya (*RCK*) (2010) show that majority of the colleges are owned by Somali’s who are legally in Kenya and the curriculum uses Somali language to teach some of the immigrants who doesn’t know how to write or read the formal languages. The colleges employ Immigrants who can speak their language and have clear understanding of immigrants’ culture and even by Kenya teachers of Somali origin.

In a study done by Muier (2003) about the economic Survival Strategies of Toronto, immigrant communities found that almost all Bangladeshi respondents had at least some higher education, and the vast majority had graduate education. Eighty-eight percent (88%) obtained their highest level of education outside Canada. A substantial number (45.7%) did their studies in the English language. The Chinese population showed a more
varied background, reflecting their younger demography, the Somali population was the most likely to have been educated in Canada.

4.2.5 Respondents’ Duration of stay in Eastleigh.

In relation to this study, the duration of stay of immigrants is important because it shows their economic contribution over the years; for instance, those who own businesses in the estate, the longer they have stayed shows the more they have provided employment to the locals and the longer they have paid tax to the government hence affecting the economy of the estate and the entire country. The locals are mostly employed by immigrants in their shops as security people, loaders, cleaners and some work in the houses of immigrants as house helps. The Government receives both personal and corporate taxes from Eastleigh. Most of the businesses in the estate are retail businesses owned by individuals and hence more personal taxes are collected from the estate. Few companies available in the estate provide corporate tax and provide VAT since they act as KRA agents. Respondents were therefore asked to indicate the duration they have being in Eastleigh and the findings are presented in the figure below.
From the findings, majority of the respondents (37.55) indicated that they have stayed in Eastleigh for a period of 1 – 5 years, 26.3% for a period of 5 – 10 years, 21.3% below 1 year and 15% indicated that they were born there. The findings indicate that the majority of the respondents have stayed in Eastleigh for more than one year.

This reflect that the highest number of immigrants stayed in the country for a period of between one to five years, this could be explained as a result of the Islamic militia groups like Al-shabaab coming to power in recent years. It is also believed that majority of the immigrants from Somalia came from the Jubaland state of Somalia in the last three years this is because of the fight between Kenya Defense Forces (KDF) and the Islamist groups who controlled the region earlier on.

The entry of the Kenya Defense Forces (KDF) into Somali was as necessitated by various attacks mastermind by Al-Shabab in the country. The Al-Shabaab started their attacks by crossing border into Kenya and kidnapping tourists and humanitarian aid workers.
According to the Star, of Oct 2 2013, President Kenyatta said “we went as a nation to Somalia to fight the war against terror unleashed on Kenyan people, Somali people and people around the world”, “This is not a Kenyan war, it is an international war and withdrawing forces from Somalia is out of question. “We will not be intimidated or blackmailed by this desperate act of terrorism because we did go to Somalia for reason and that was to protect our territorial integrity which was under threat; we already had a lot of terrorist attacks before our troops went to Somalia.”Our presence in Somalia has helped to stabilize that country, we have weakened Al-Shabab substantially in Somalia and normalcy has returned to a very substantial portion of the Somalia territory” Kenyatta said during his address to the nation hours after the Westgate attack (Star October 2 2014)

The KDF operation started in Kismayo which has been the base of Al-Shabab for years. The Battle of Kismayo was a combined military offensive led by Somali National Army forces, Kenya Defense forces and Raskamboni allies against the Al-Shabaab insurgent (Chonghaile, 2012).

According to the military spokesman, there seems to be a general impression that Al-Shabaab is currently weakened and can thus be easily defeated. The recent spate of attacks attributed to the group in Kenya and Uganda, however, seem to point to the contrary. Additionally, Al-Shabaab has proved extraordinarily resilient in the past. The whole mission rests on the assumption that the objectives can and will be achieved relatively quickly. However, the lessons of history suggest otherwise. Additionally, the Kenyan army has as yet failed to articulate a clear exit strategy. It is also important to
note that the repeated abductions which prompted the invasion may not have been the work of Al Shabaab (who have categorically denied involvement), but rather that of smaller pirate groups or independent militias. In this case, then Kenya’s enemy in Southern Somalia is not *Al Shabaab* but general lawlessness in region, a much more formidable foe (*Daily Nation* October 20 2013)

4.2.6 Professional Qualifications of the Respondents.

In order to understand the kind of business immigrants do in Eastleigh, they were requested to indicate their professional qualifications. This was an open ended question and the findings were analyzed and presented in Table 4.4.

**Table 4.4: Professional Qualifications of the Respondents**

<table>
<thead>
<tr>
<th>Profession</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Businessmen</td>
<td>6</td>
<td>7.6</td>
</tr>
<tr>
<td>Businesswomen</td>
<td>3</td>
<td>3.8</td>
</tr>
<tr>
<td>Credit Officers</td>
<td>3</td>
<td>3.8</td>
</tr>
<tr>
<td>Drivers</td>
<td>2</td>
<td>2.5</td>
</tr>
<tr>
<td>Hawkers</td>
<td>12</td>
<td>15</td>
</tr>
<tr>
<td>House helps</td>
<td>7</td>
<td>8.8</td>
</tr>
<tr>
<td>None</td>
<td>28</td>
<td>35</td>
</tr>
<tr>
<td>Shop Keepers</td>
<td>16</td>
<td>20.1</td>
</tr>
<tr>
<td>Clerks</td>
<td>3</td>
<td>3.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
From the findings, most of the respondents (35%) indicated that they don’t have any professional qualifications, 20.1% indicated that they are shop keepers, while 15% indicated that they are hawkers. Others indicated they are; credit officers; businessmen and women; house helps; clerks and drivers. For those who work as credit officers and clerks they had certificates mainly from middle level colleges that show their qualifications.

This shows that the majority of the people in Eastleigh estate are in one way or the other engaged in some sort of survival tactics and this explains why the estate is one of the highest growing commercial centers in Nairobi County. A part from the listed ones there are other informal activities undertaken by the people of Eastleigh and these include; local forex bureaus’ (money exchange services), local money transfer centers popularly known as (Xawilaad) among others. Most of these money these money exchange and money transfer centers are owned, operated and used by the Somalis who are both in the country and abroad. It is these Xawilaad centers that are used by the Somalis in abroad to send money to their relatives back at home. According to the respondents the Xawilaad services are affordable, efficient and easily accessible since it doesn’t require a lot of legal papers to transact.
According to the *Standard* of 28 April, Kenya hosts over half a million Somali refugees and at an estimated $165 in remittances for every citizen, Somalis living in Kenya bring in around Sh40 billion in remittances each year. No doubt, Eastleigh attracts a lot of Somali diaspora tourists who visit refugee family members and stay for months at a time. They also use Nairobi as a transit place before and after travelling to Somalia and elsewhere in the region. Travel agents and local hotels do good business arranging onward travel to different parts of Somalia. Unlike Kenyan and South Sudanese Diasporas’, for example, the Somali Diasporas’ prefer accommodation in Eastleigh to the plush hotels of downtown Nairobi. Eastleigh, as such, plays a pivotal role in the country’s economy, creating employment opportunities for thousands, while attracting foreign investment and finance (*Standard* of 28 April, 2014).

In a study by Muier (2003), among the immigrants in Canada only four respondents were working in their profession. Those, who were working, were working outside the occupational areas for which they are trained in and had experience. Among the various occupation groups, former professionals were the most likely to report now being unemployed with a rate of 32%. Former professionals were also most likely to have longer periods of unemployment in their job search. Of those former professionals now working in other jobs, 15% work in customer service, 7% work as a daily worker (temp), 7% are self-employed, 3% work in factories, and 2% are either taxi drivers, hospitality (hotels, waiters), or cooks (Muier, 2003). This has an impact in the economy of the country since the income generated from the services offered by the immigrants’ benefits the locals and the Government through taxes.
4.2.7 How immigrants came to Eastleigh

The study sought information on the way in which immigrants came to Kenya and Eastleigh in particular; this was seen as crucial since the respondents could give the entry points for refugees from the neighboring countries and the means of transport they use during their migration. Open ended question were used and majority of the respondents' indicated that they came by public service vehicles through Garissa, Moyale, Mandera, Liboya and Daadab borders. The respondents stated that their entry into the country is largely facilitated by their ethnic kins both in the border towns and even in the city, a times they compromise the security agencies in order for them to cross the border into the country.

Chebichi (2009) did a study about what motivates immigrants to stay in Eastleigh and he found that social networks and the attainment of livelihoods enable immigrants to settle in Eastleigh. The Nairobi survey statistics show that 92.10 percent of the 63 Somalis interviewed had contacts with relatives in Nairobi before leaving Somalia and 94.80 percent of 58 interviewed affirmed being encouraged or being helped by relatives and or friends in coming to Eastleigh, affirming the already mentioned role of social networks.

Abdullah (29 years) commented that “I came here because my uncle was here, and he could give me accommodation, I also liked the place because I could still eat food that I am used to, have access to mosques and I have some friends who I knew before I came and we sometimes meet, sit and chew ‘miraa’ which is just like what I used to do in Mogadishu”. Other immigrants came as a result of instability.
From the findings of the study, a smaller group views Eastleigh as a gateway to western countries. This was seen by 20 percent of the respondents who indicated that they have hopes of going to Europe or the United States of America. Supported by the FMSP Nairobi survey, 46.20 percent of the 143 Somalis interviewed had considered other cities while out of these 46.20 percent, 80.00 percent considered America to be the ideal place and 41.50 percent considered the United Kingdom. They therefore came to stay in Eastleigh in the hope of getting legal documents which they can use to go either Europe or America.

In a study done by Abdu (2004) about immigrants in Eastleigh, he stated that Somalis largely depended on social networks from the Kenyan Somalis in acquiring and sustaining their livelihoods. However, the findings also showed that they got help from other sources like the Kenyans of other tribes as well as organizations in Nairobi, when it comes to sustaining their livelihoods. The findings also showed that, the law enforcement practices in Kenya played a major role in the acquisition and sustenance of their livelihoods. Being unable to get the necessary legal documents, the Somali Somalis have to buy their legality, in that they bribe the Kenya police in the event of arrest in order to continue living in Eastleigh. Since their major livelihood strategy is engaging in businesses, they bribe the Kenya Revenue Authority officials in order to register their businesses. It is evident that the government agents like the police and KRA officials, use their authority, not so much to serve the government but to serve their means and ends (Das, 2004).
According to Sequeira and Rasheed (2006), ethnic social network is an important factor for the survival of the business of immigrants. In his study, the term ethnic social network refers to the formal and informal ethnic connections of immigrants. Once immigrants perceive the social environment of their host country as a hostile one, they tend to rely more on their neighboring countries and develop strong social ties within that country.

Ram (1994) found in his research that the reliance on the ethnic network by the Asian employers that he interviewed in the West Midlands was shaped by racial discrimination in the wider environment. Portes (1998) noted that a hostile environment in the host country contributes to greater cohesion in the ethnic community; the importance of ethnic labor for the business of the immigrant entrepreneur has been recognized in previous studies (Evans, 1989; Waldinger, 1990; Zou, 1992; Bates, 1994; Basu and Goswani, 1999; Altinay and Altinay, 2006).

Similar to the finding of the studies above social networks contributes to the arrival and maintenance of immigrants in Eastleigh, this is because friends and relatives facilitate their entry and even help them stay in the country.

Following the civil war in Somalia in the late 1980s and early 1990s, and the eventual fall of the Siad Barre regime in 1991, many Somali fled to Kenya to escape the violence. Some went to refugee camps located near the border with Somalia while others opted to seek refuge in Eastleigh because of the Kenyan Somali community that had already established itself in the suburb. The kinship ties between the arriving Somali and the Kenyan Somali aided this movement to Eastleigh (Lindley, 2007).
4.2.8 Reasons for Coming to Kenya

It was assumed that the large presence of immigrants in Eastleigh was necessitated by some life-affecting factors back in their countries of origin and therefore the study requested the respondents to choose from a list; the reasons why they run away from their home countries and came to Kenya and the findings are presented in table 4.5 below.

Table 4.5: Reasons for Coming to Kenya

<table>
<thead>
<tr>
<th>Reasons for Coming to Kenya</th>
<th>Frequency</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic hardship</td>
<td>34</td>
<td>42.5</td>
</tr>
<tr>
<td>Political instability</td>
<td>22</td>
<td>27.5</td>
</tr>
<tr>
<td>Natural disaster</td>
<td>10</td>
<td>12.5</td>
</tr>
<tr>
<td>Family re-unification</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>Extreme temperature</td>
<td>6</td>
<td>7.5</td>
</tr>
</tbody>
</table>

From the findings, majority of the respondents (42.5%) indicated that they came because of economic hardship, 27.5% because of Political instability, 12.5% natural disaster like drought and famine, 10% due to family re-unification and 7.5% indicated that they come because of extreme temperature. The findings indicate that most of the immigrants come to Kenya because of economic hardship.

According to a Study by Sassen (2009) that was in the United States, widespread violations of provincial employment standards including minimum wage, vacation or
vacation pay, statutory deductions for employment insurance and other mandatory rights are among the reasons as to why immigrants migrate from their home country to the United States. Of those who reported a violation of employment standards in their workplace, 45% reported annual personal incomes below $30,000 and 27% below $10,000. In a city where the average income is $40,376, the median individual income is $24,544 and the low income cut-off is $20,778 for one person before tax (City of Toronto, 2011), these are very low income workers.

4.2.9 Respondents' Children.

The study requested the respondents to indicate if they have children and the findings are presented in figure 4.3.

Figure 4.3: Respondents' Children

In order to understand the extent in which immigrants integrate with the local communities, respondents were asked about their children, their social life and whether
they keep their kids at home or they go to school. This was to get a clear picture of whether the immigrants came to Kenya to work temporarily or to permanently live in the country by coming with their children.

Majority of the respondents (56%) indicated that they have children while 44% indicated that they don’t have children. The study further requested those who have children to state whether they go to school and 41.3% indicated that yes they go to school while 58.7 indicated that they don’t go to school. For those who indicated that their children don’t go to school stated that it’s because they either; can’t afford the school fees, the children are at Daadab refugee camp or the children are too young to go to school. For those who go to school, their children go to Kenyan local schools which teach the Kenyan 8 – 4 – 4 syllabus. In the private Schools Immigrants pay for their children’s school fees and for those who can’t afford, they are assisted by their relatives who live in the diaspora through remittance. The private schools offer integrated programs where pupils are taught using both the Kenyan curriculum and the madarasa (Quranic schools) system. Alongside these private schools, there are public primary and secondary schools in the estate where children of the immigrants school freely.

According to this data it’s understood that the children of the immigrants freely school with the kids of the locals and even those whose children don’t go to school, it is not because they fear for their kids to mingle with the local’s children but its due other reasons like lack of fees, this level of integration between the locals and the immigrants
shows that the foreigners are socially and economically accepted by the locals in the estate.

In a study by Campbell, 2006; he found out that the Somali have integrated in to the Kenyan community to a great extent, economically and socially. According to him immigrants are economically integrated because they are self-reliant, have established livelihoods and are not reliant on aid and enjoy a standard of living that is equivalent to or even higher than that of the locals. Immigrants have integrated easily in Eastleigh because of networks with fellow Somali who arrived earlier in Eastleigh and also got support from Kenyan Somali, the dominant community in Eastleigh both in terms of commercial struggle and demography.

Somali interact with Kenyans and immigrants of other nationalities, as they go about their livelihoods Lindley’s (2007). In his Study Lindley argued that Immigrants in Nairobi showed that hostility from the host community is rare as she asserts that Kenyans in Eastleigh generally appear to have come to terms with the obvious fact that immigrants are their neighbors.

4.3 Economic Impact of Immigrants

In this section, I sought to determine the economic impact of immigrants in the country. The section sought information on the causes of migration into the country, survival strategies that have emerged as a result of immigrants staying in the country. The findings are presented in tables with means and standard deviations.
4.3.1 Causes of Migration

The study requested the respondents to state the extent to which they agree with the causes of migration. They were given a five point scale from which they were to rate their level of agreement. Table 4.6 presents the findings.

Table 4.6: Causes of Migration

<table>
<thead>
<tr>
<th>Causes of Migration</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>There are pressing issues in my country that me forced to migrate</td>
<td>1.84</td>
<td>1.148</td>
</tr>
<tr>
<td>I migrated because I secured job in Kenya</td>
<td>1.91</td>
<td>0.605</td>
</tr>
<tr>
<td>Because I think migrants are treated fairly in Kenya</td>
<td>2.29</td>
<td>0.941</td>
</tr>
<tr>
<td>I know Kenya is more stable and peaceful country</td>
<td>2.38</td>
<td>0.951</td>
</tr>
<tr>
<td>Because I think there are better job opportunities in Kenya</td>
<td>2.36</td>
<td>0.797</td>
</tr>
</tbody>
</table>

From the findings, majority of the respondents were in agreement that they migrated because they know Kenya is more stable and peaceful compared to their country of origin and they scored a mean of 2.38. Those who migrated because they think Kenya had a better job opportunities had a mean score of 2.36, those who migrated because they think immigrants in Kenya are treated fairly scored a mean of 2.29, those who migrated because they got employment in the country had a mean score of 1.91 and finally those who migrated because there were pressing issues in their country scored a mean score of 1.84. The findings indicate that most of the immigrants migrated into the country because they knew Kenya is more stable and relatively peaceful compared to their home country;
there are better job opportunities in Kenya and immigrants in Kenya are treated fairly and with respect.

Studies done on why immigrants leave their country showed that poor living conditions generate the urge to migrate; population grows while economic development stagnates; violence and the abuse of power force people to flee and the rich industrialized states are becoming more accessible. According to Okkerse (2008), many immigrants leave their countries because there are not enough fertile pastures and land, food, water, work or other fundamental requirements. The consequences of environmental catastrophes, such as drought or floods can also force thousands to leave their countries. The growing gap between rich and poor is the most significant driving force for global migration (Okkerse, 2008). These conditions are similar to the ones experienced by the immigrants in Eastleigh because I found out that a sizeable number of the immigrants run away very harsh environment back at home including draught and famine.

Meijer (1993) on the other hand explains that the enormous rate of population growth and the poor perspectives for economic development in some regions give rise to a tremendous migratory pressure. Third World and former Soviet Union countries lack capital and know-how. In some countries, debts absorb a major part of the economic power. Falling raw material prices as well as the customs barriers and import restrictions imposed by the industrialized countries prevent the development of viable export industries. Unstable economic policy, a lack of legal stability and widespread corruption
discourage investors and concerns from locating their long-term industrial projects in such countries.

Okkerse (2008), refer to the term immigrants as people who are persecuted on account of their race, religion, ethnic group or political conviction. Persons whose freedom or lives are threatened in this sense have a right to protection by foreign countries on the basis of international conventions. Displaced persons’ are not fleeing from individual persecution but from escalating violence threatening large parts of the population in a certain region or country. Those affected by such conflicts mostly flee in large numbers to safe regions in their native land or in a neighboring country. In order to prevent unrest, hunger, disease and other problems, they are frequently accommodated in refugee camps. The reception and care of large influxes of refugees severely undermine the resources of the states concerned. Refugee camps with tens of thousands of strangers often arouse feelings of insecurity in the host country’s population. This can lead to political instability in the country concerned, provoking new conflicts.

Similar to the findings by Okkerse (2008), I found out that the highest percentage of immigrants in Eastleigh estate came to the country because of political instability, conflict and civil war in their home country. For instance immigrants from Somalia said that factor that necessitated their migration is the quarter century old civil war in their country.
Tourism, television and the Internet all enhance the attractiveness of migration. They make the poorest aware of the wealth of the rich. The growth of air travel facilitates journeys to far-away industrialized countries. So far only a fraction of those willing to consider migration have actually been able to travel to their preferred destination on other continents. But this could soon change since successful emigrants transfer a considerable share of their income to their relatives at home. As a result, more and more people can afford to travel to distant countries (Okkerse, 2008).

4.3.2 Sources of Livelihood

The study requested the respondents to state their sources of livelihood in the country and various means of survival were provided from which respondents were to choose from. Findings are presented in table 4.7.

Table 4.7: Sources of Livelihood

<table>
<thead>
<tr>
<th>Source of Livelihood</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working as casual or on contracts basis in the estate</td>
<td>18</td>
<td>22.5</td>
</tr>
<tr>
<td>Working as house helps, drivers, conductors and cart pullers</td>
<td>16</td>
<td>20</td>
</tr>
<tr>
<td>Employed in government/private institution</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>Long distance driver/turn boy</td>
<td>6</td>
<td>7.5</td>
</tr>
<tr>
<td>Own small scale business, petty trade or own house for renting in the estate</td>
<td>12</td>
<td>15</td>
</tr>
<tr>
<td>Engaged in providing welfare and social services to the people</td>
<td>7</td>
<td>8.8</td>
</tr>
<tr>
<td>Activity</td>
<td>Count</td>
<td>Percentage</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>-------</td>
<td>------------</td>
</tr>
<tr>
<td>Hawking/selling tea in the street/calling for people to buy cloths</td>
<td>3</td>
<td>3.8</td>
</tr>
<tr>
<td>Own business mall in the estate or other parts of Nairobi</td>
<td>3</td>
<td>3.8</td>
</tr>
<tr>
<td>Rely on charity from NGOs/CBOs, remittance from relatives and friends</td>
<td>2</td>
<td>2.5</td>
</tr>
<tr>
<td>Formation of social networks such as women groups where we are running empowerment programs for our members</td>
<td>2</td>
<td>2.5</td>
</tr>
<tr>
<td>Did not indicate any</td>
<td>3</td>
<td>3.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

From the findings, majority of the respondents (22.5%) indicated that they are working as casuals or on contracts in the estate, 20% work as house helps, drivers, conductors and cart pullers, 15% have small scale business in the estate, do petty trade and own rental houses, 10% are employed in government/private institutions, 8.8% are engaged in providing welfare and social services to the people living in Eastleigh, 7.5% work as long distance drivers/turn boys, 3.8% do hawking, /selling tea in the streets/calling for people to buy cloths, 3.8% own business malls in Eastleigh or other parts of Nairobi, 2.5% rely on charity from NGOs, remittance from relatives and friends and 2.5% have formed social networks, these are mostly women groups who came together and run programs like small Sacco's meant for economically empowering their members. However, 3.8% of the respondents did not respond to this question.
A study by Turton (2005) found that some of the immigrants in Eastleigh use the remittances as capital to start these businesses or others work informally to acquire the financial capital. The rest come with capital ready to start business in Eastleigh. It is thus the major livelihood strategy for the illegal immigrants. Despite their illegality, these immigrants have somehow managed to acquire and sustain businesses which are largely considered informal because they are unregistered coupled with the illegal status of the refugee owners. However, some businesses already gradually began to move into the formal economy, by registering with the relevant authorities and paying taxes. He also notes that other sources of livelihoods employed by the immigrants in Eastleigh that encompass financial capital obtained through the social networks, include the provision of accommodation by well-to-do immigrant families or seeking assistance from the mosque and other charitable organizations.

A study done by Musyemi (2004) found that urban refugees run businesses, live off of remittances, or earn enough money through casual labor in order to survive.

While discussing sovereignty as a practice in African cities, Landau and Monson (2008) argue that, in order for immigrants to survive and thrive, they do not only move ostensibly through the state regulated space, but also transform it through strategies of accumulation, coupled with tactics that aid them to elude danger and regulation (Landau and Monson, 2008).

Evans (1989) found that immigrants survive on market niches. He stated that there are two types of market niche: the ethnic market niche and the non-ethnic market niche. The
ethnic niche market refers to the co-ethnic consumers of the immigrant entrepreneurs. In general this market is targeted with an ethnic product such as ethnic food, ethnic newspapers and ethnic clothes. He found that ethnic market is a critical factor in the survival of the necessity immigrant entrepreneur because of its competitive advantages. Immigrant entrepreneur has critical skills that the local entrepreneur does not have and cannot imitate.

This study further requested the respondents to relate their livelihood strategies with the economic activities of the estate, this was an open ended question and the results as stated by the respondents were; that majority of them are engaged in business activities both proprietors and those owned by groups of people and mainly depend on their business as a source of income; establishment of banks in the estate have also contributed to the flourishing businesses by giving the entrepreneurs an easy access to facilities in which they can save their returns and also capital to start off business, while others are able to access property finance and many locals get employed in the banks. However others are engaged causal jobs like watchmen, loaders and cleaners as a result of these businesses. Different people own different business in the estate and this is a major sources of income to both the immigrants and the locals alike.

According to the *Standard* of 28 April 2014, Shopping malls in Eastleigh offer a wide range of goods at bargain prices have sprung up all over Eastleigh, which have also attracted hordes of shoppers who support the many box-and-rack businesses and hawkers
operating in their shadow. The small, mostly Somali-run shops in these malls sell all
types of products, and sometimes even offer credit to customers. Indeed, Eastleigh is so
active that it is virtually a 24-hour economy. For one to understand the source of
Eastleigh's wealth, one has to study and understand the intricacies of how Somalis do
business and relate with each other. The Somalis run ethnic co-operatives in their own
informal socialism set up. Members of these co-operatives live not only in Eastleigh but
in almost every corner of the world. Most business ventures are funded by a consortium
of distant relatives; a middle-class of relatives and even friends. The Somalis have
perfected the philosophy of pooling resources for a greater venture. The average mall in
Eastleigh, for example, is owned by not less than 4,000 "unit trust" holders. It is also a
business model based on mutual trust. Despite being a critical contributor to the country's
economic growth, the recent security operation which has paralyzed business operations
in Eastleigh is likely to negatively impact on trade (Standard 28 April 2014)

Landau & Monson (2008) in their studies explain how some of the Somali immigrants in
Eastleigh acquire their livelihoods. The most common way is through remittances, which
serve as their financial capital. The remittances usually come from family, relatives and
friends who are abroad, using a money transfer system known as Xawilaad.

Jacobsen (2005) in his study reiterates this by stating that social networks help refugees
find employment, housing and sources of credit. Friends and relatives in the Diaspora
send them cash.
Lindley (2007) says in his study that on a global scale, remittances are a significant source of income for developing countries: officially recorded flows totaled $160 billion in 2004, compared with $166 billion Foreign Direct Investment and $79 billion Official development Assistance. Remittances have played a major role in the life of immigrants in Eastleigh because they can be invested in informal businesses like clothing shops, telephone operations, hawking of vegetables and second hand clothes, among other wares, on the streets, which help in ascertaining the immigrant's self-sufficiency. Remittances are also used to meet other urgent needs like paying rent, food, medical care and basically for every day needs. Moreover, the immigrants in Eastleigh remit to their relatives in the camps as well as those who are still in their home land.

According to Jacobsen (2005), there is outgoing remittance traffic whereby a minority of immigrants in Eastleigh also sends money to Somalia and to the refugee camps. While smaller than international flows, regional remittances are important, particularly for the turbulent southern Somali region, which still has a substantial regional refugee Diaspora. Some people remit out of their wages or business income. Other people receive money from relatives overseas or from other household members and send it on to relatives in the camps or in Somalia.

According to Bates, 1997, the importance of financial factors in the estate as livelihood strategies of small and medium size entrepreneurs (SMEs) owned by immigrants is important. Small and medium size scale entrepreneurs generally face the same financial challenges that large companies face but unfortunately unlike the large companies they do not always have easy access to the financial resources they need to remain in
operation. For immigrant entrepreneurs in particular, it is very difficult to have access to financial resources from the formal financial system, namely financial institutions. Such a situation can even be worse for the immigrant entrepreneur because their businesses in general do not involve any innovative product or activity that can impress financial institutions. Adequate start-up capital is a critical factor in protecting the immigrant survival as an entrepreneur.

Bates (1994) found out that there is a link between the size of the start-up capital and the survival and the profitability of the business of the immigrant entrepreneur. He noticed that Vietnamese immigrant entrepreneurs in general rely heavily on loans from family and friends to start their businesses. Hence their businesses are small because of their limited amount of start-up capital and have a high rate of failure (Bates, 1997).

Findings from literature show that immigrant entrepreneurs should mainly finance their Start-up capital with loans from formal financial institutions in order to survive. However, such a conclusion is not necessarily relevant for the necessity of immigrant entrepreneurs. It is known in literature that in general immigrant entrepreneurs do not rely on the financial resources of the formal institutions of mainstream society. In fact, the profile of the immigrant entrepreneur does not fit with the type of entrepreneur who can have easy access to loans from the formal institutions of mainstream society.
4.3.3 Economic Opportunities

The study in this part sought information on the economic opportunities that have emerged in the area. Respondents were given a list of economic opportunities from which they were to choose from and the findings are presented in table 4.8.

Table 4.8: Economic Opportunities

<table>
<thead>
<tr>
<th>Economic Opportunities</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access to finance for starting a new business by NGOs/CBOs</td>
<td>3</td>
<td>3.8</td>
</tr>
<tr>
<td>Increased remittances from families and friends abroad</td>
<td>12</td>
<td>15</td>
</tr>
<tr>
<td>Increased consumption of local produce from farms</td>
<td>12</td>
<td>15</td>
</tr>
<tr>
<td>Increase transport services from the estate and its environs</td>
<td>10</td>
<td>12.5</td>
</tr>
<tr>
<td>Increase economic resources from the international communities</td>
<td>2</td>
<td>2.5</td>
</tr>
<tr>
<td>Increased business opportunities</td>
<td>13</td>
<td>16.3</td>
</tr>
<tr>
<td>Increased employment opportunities</td>
<td>19</td>
<td>23.8</td>
</tr>
<tr>
<td>Increase in land rates as the immigrants are buying land to put up business premises</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Increased income from the existing business</td>
<td>2</td>
<td>2.5</td>
</tr>
<tr>
<td>Did not indicate</td>
<td>3</td>
<td>3.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
The findings show that most of the respondents (23%) indicated that there is increased employment opportunities in the estate, 16.3% agreed that there is increased business opportunities as a result of the presence of immigrants, 15% agreed that there is increased remittances from families and friends abroad, 15% agreed that there is increased consumption of local produce from farms. Other opportunities as stated by the respondents were increased transport services from the estate and its environs, increased price of land as the immigrants are buying land to put up business premises, access to finance for starting a new business by various NGOs/CBOs, increase in economic resources from the international communities, increased income from existing businesses all having 12.5%, 5%, 3.8%, 2.5% and 2.5% respectively. The findings indicate that the economic opportunities that have emerged in Eastleigh are increased employment opportunities, increased business opportunities, increased remittances and increased consumption of local produce from farms.

According to Chiswick (1982), immigration will lead to declining wages of workers with whom the immigrants compete, or, in the case of inflexible labor markets, to rising likelihood of unemployment. Most studies in this field of research focus on the United States, but still a substantial number address western European countries. Longhi, Nijkamp and Poot (2005) made an inventory of the few dozens of studies on the impact of immigration on employment opportunities until 2003, and analyzed their research findings in a meta-study. A few years later, Okkerse (2008) followed with a review on the findings of studies on the substitution thesis until 2005. She stated that the approaches and results (of her study) complement the ones discussed in the meta-analysis carried out
by Longhi, Nijkamp and Poot (2005) on employment effects of migration. This is because her study was more comprehensive, since it took a broader definition of labor market effect as it also questioned the effects of immigration on labor participation and on the likelihood of being employed or unemployed (Okkerse 2008). As such, her review included almost all empirical studies on the substitution thesis until 2005.

Despite their different approaches and scope, both studies came to the same conclusions. Firstly, immigration negatively affects employment of less-skilled laborers and earlier immigrants (Okkerse, 2008), especially the wages of the latter since immigrants are more in competition with other immigrants (Longhi, Nijkamp & Poot, 2005). It needs to be stressed however that these effects are very small, as emphasized by these authors themselves. Secondly, the probability that immigrants increase unemployment is low in the short run and zero in the long run (Okkerse 2008). In short, it might be concluded that the substitution thesis holds in general immigration depresses wages of lower skilled immigrants, especially of the latter. The overall effects are weak however, and the employment effects wither in time.

This study further requested the respondents to state the business opportunities that have emerged as a result of the presence of the immigrants in the estate and they stated the following: chemists/Hospitals, hawking, construction business, groceries, transport services, restaurants/lodges, shopping malls; schools, money exchange, clothing business, banking services, fruit vendors, tailors, local money transfers, saloons, barber shop, petrol stations among other things.
The study went further and requested the respondents to state the effects of these opportunities on the economic wellbeing of the people within and outside Eastleigh estate. The impacts of these businesses believed to be a positive change by the respondents includes; businesses opportunities which help people improve their lives through an upward adjustments of households income, there are increased job opportunities due to the businesses in the estate and there is much more income as a result of the interrelated business activities in the estate. Some of the negative impacts stated by the respondents include unhealthy business competition and largely unregulated market, expensive housing, poor infrastructure due to the large population.

4.3.4 Eastleigh Economic Situation

From the interviews that were conducted, respondents were asked to comment on the economic situation in Eastleigh estate. From the findings, respondents indicated that the economy of the estate is doing fine and immigrants are doing business just like the locals. In the last few years however, respondents have witnessed a lot of businesses coming up which improved the economy of the estate but in turn this led to a lot of congestion and dilapidated road network/sewage system, the economy in the Eastleigh is accommodating both the rich who own big businesses and poor people who do manual jobs to earn a living in the estate.

The study went further and requested the respondents to state whether the presence of immigrant has affected revenue collection in Eastleigh estate. From the findings, majority
of the county revenue/KRA officials indicated that yes it has positively affected revenue collection. They stated that this is because majority of the immigrants who own businesses in the estate pay tax and this increased the amount of revenue collected by the government compared to the previous years. Majority of shops in Eastleigh are retail shops which mainly deal with retail goods. The shops do not have ETR machines since they are not incorporated as companies, however there are others who evade tax and in the future the government should put in place measures to ensure everyone in the estate pays tax. Nevertheless when the same question was posed to the other respondents despite the fact that they were in agreement with the officials that revenue collection has probably increased since the coming of the immigrants, there are some KRA officials who collude with the traders and help them evade tax and in return get bribes.

The county revenue collectors were further asked whether the locals are benefitting in any way from the presence of immigrants and they stated that many locals work in the shops owned by the immigrants but still others relocated because rent became expensive for them hence operate from the neighboring estates like Huruma, Keriobangi, Kikomba and Umoja.

Landlords in the estate were also interviewed on whether the arrival of the immigrants in Eastleigh has affected the economy and in particular the housing sector and all of them agreed and stated that they have created jobs for the locals and they are the tenants in most of the houses in the estate, they further said that with the coming of the immigrants rent has increased. They also said that rental houses in the estate are scarce and expensive
to the extent that a two bedroom house that used to cost 15,000 a month some years back now goes for 30,000, this translates to a hundred per cent increment, and this inflation is attributed to the large population in the estate.

The landlords further explained that just like housing other essential elements like water and electricity are over utilized and is no longer enough to the growing population of Eastleigh estate. Two members of county assembly from the estate, the area MP and a former councilor were requested to comment on the presence of immigrants in Eastleigh estate. They all agreed that the increased population is as a result of the presence of the immigrants which in turn led to the many businesses activities that take place in the estate.

The study further asked the politicians to comment on the relationship between the immigrants and the local community and they explained that so far there is relative peace among the immigrants and the local communities in the Eastleigh. They said that occasionally there are suspicions and insecurity in the estate and which they blamed for foreign militias such al-Shabaab who disguise as innocent immigrants and in turn causing problems in the country. The politicians appealed to the people of Eastleigh estate to co-exist peacefully and alert the relevant authorities in case they come across suspicious characters in their midst, they also called for the government’s security agencies to beef up security in the borders and make sure those who aid illegal immigrants to enter into the country are punished according to the law.
CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction
This chapter presents the summary of the findings, and it provides the conclusions and recommendations of the study based on the objectives of the study. The objectives of this study were: to establish the economic activities adopted by immigrants in Eastleigh estate, to determine how the economic activities adopted by the immigrants have affected revenue collection in Eastleigh Estate and to examine how the presence of the immigrants has impacted on the economic status of the Kenyan communities in the Estate.

5.2 Summary of the Findings
This study set out to examine the economic impact of immigrants in Kenya, with specific reference to those living in Eastleigh estate. Much of the emphasis was placed on the various modes of immigrants' livelihood in Kenya, causes of immigration, immigrants' economic opportunities and the economic situation in Eastleigh. Among other issues, the study examined immigrants' demographic profile which included age, marital status, level of education, immigrants' duration of stay, professional qualifications, how respondents come to Kenya, reasons for coming to Kenya and their family size.

From the findings, most of the immigrants migrated into the country due to economic hardship in their home countries. They come through Garissa, Mandera, Daadab and Liboya border sand co-exist with Kenyans, as they try to sustain their livelihood through petty business, employment in government/private institutions, working as house helps,
drivers and conductors, owning rental houses, hawking, working as casuals and shop attendants in the shopping malls in the estate. Immigrants in the estate are advantaged compared to members of local community in securing employment in the business owned by their fellow immigrants and also in receiving remittances from their families and friend abroad to start up business. They migrated into the country because they knew that Kenya is stable and relatively peaceful compared to their home countries, employers treat them with respect and because they think there are better job opportunities in Kenya.

Immigrants lack the proper documentation, leading to harassment from the police over their status. Yet, recognition and regularization of their status enabled them to engage in wage-earning activities or invest in viable business that can contribute positively to Kenya's economy as the host country. But although most immigrants lack the support to help them invest in viable business, a significant number of them were able to set up gainful businesses in Nairobi.

Revenue collection has positively been affected through businesses that are operated by the immigrants. The KRA officials collect more than what they used to collect previously and many businesses are contributing tax now than before but still there are many who evade tax. Thorough tax evasion, the Government of Kenya loses revenue from these businesses because immigrants can sometime bribe officials hence not pay tax. Income to the Government in terms of Value Added Tax and other taxes are lost. One of the gains of immigrant businesses is the creation of employment opportunities for Kenyans and
immigrants, increased business opportunities, increased remittances from families and friends abroad and increased consumption of local produce from farms.

A lot of businesses came up in the last few years and this has improved the economy of Eastleigh estate impacting on the economic status of both the locals and the immigrants themselves. On the sidelines the study found out that there is a lot of congestion and poor road network/sewage system which is affecting the economic progress of the estate. There has been increased businesses opportunities/employment which helped improve the lives of immigrants and the locals as well.

As a result of the large population and the high rate of money circulation in the estate, competition is very stiff making rent expensive for both residential houses and business premises alike hence affecting the small scale entrepreneurs negatively.

5.3 Conclusions of the Study

The immigrants' positive and significant participation in the economy of Eastleigh is dependent upon legalization of immigrants status, registration of their businesses and the requisite micro-finance support that could enable them invest in viable scale economic ventures. The relationship between immigrants and the host communities appear to be fine but their relationship with the Government authorities appears to be strained. This is evident by the harassing manner in which identification and regulation of immigrants' stay in Eastleigh is carried out. Most immigrants have to kept playing cat-and-mouse games with Government authorities in order to survive and avoid repatriation, deportation or other unpleasant experiences.
The economic activities that have been adopted by immigrants in Eastleigh have improved their lives in the country and in turn contributed to the economy. They are employed in government/private institutions, work as house helps, drivers, conductors and others owning businesses in the estate. It concludes that the economic activities have also increased employment opportunities, business opportunities and the consumption of local produce from farms.

Revenue collection by the Government from Eastleigh has increased in the past few years due to the business owned by the immigrants; this is because revenue collectors collect more than what they used to collect previously and many businesses are contributing tax now than before. However, there are many business owners who evade tax thus reducing the revenue collected. There has been businesses opportunities that have emerged in the estate that benefit both locals and immigrants as well, increased job opportunities, and that there is much more income in the estate than other parts of the country. The large population as a result of the immigrants has contributed to the poor road network, sewage system and also high cost of living including expensive rental houses.

5.4 Recommendations of the Study

The study found that most of the immigrants in Eastleigh estate entered the country through different borders; therefore the study recommends that the government should put in place proper measures to safeguard its borders from security risks in the future, all
immigrants crossing the borders into country should be screened to ensure that members of dangerous elements don’t come into the country posing as innocent immigrants.

The study also recommends that the government should embark on vetting process of all immigrants outside of the refugee camps so that all illegal immigrants if any are either deported to their home country or returned to the refugee camps.

Immigrants’ economic contributions have the potential to increase over time as they gain experience and earn higher wages; such increases translate into revenue collection and consumer spending. However, in order to realize these benefits, the study recommends that employers and state officials should ensure that immigrant have the necessary skills and training in order to advance and effectively run their businesses in the estate.

The study found out that a good number of business people in the estate evade tax by either colluding with the government officials or at their own, therefore this study further recommends that the government put in place measures to ensure all the entrepreneurs pay tax and all corruption avenues are blocked.
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APPENDICES

APPENDIX I:

QUESTIONNAIRE FOR THE IMMIGRANTS

Section A: Demographic Profile of Respondents

Please give the required data by filling in the blanks where space is provided or by ticking \[\] against the most appropriate choice based on your response on the questions in this questionnaire.

1. How old are you? a) Below 20 years [ ] b) 21-30 years [ ] c) 31-40 years [ ] d) 41-50 years [ ] e) 51 and above years [ ]

2. Gender, a) Male [ ] b) Female [ ]

3. Marital Status, a) Married [ ] b) Single [ ] c) Widowed [ ] d) Divorced/separated [ ]

4. Academic level, a) Never attended school [ ] b) Primary level [ ] c) O-Level [ ] d) A-Level [ ] e) Diploma [ ] f) Degree [ ] g) Postgraduate [ ]

5. How long have you been staying in Eastleigh? a) Was born here [ ] b) below 1 year [ ] c) 1-5 years [ ] d) 5-10 years [ ] e) 11-15 years [ ] f) 16-20 years [ ] g) Over 20 years [ ]

6. Professional qualification (if any) ..............................................................
7. How did you come here (if your choice for no. 5 is not a)?


8. Reasons for coming to Kenya and Eastleigh in particular.

a) Extreme temperature { }

b) Economic hardship { }

c) Political instability and conflicts { }

d) Family re-unification { }

e) Natural disaster { }

f) The wish to change one's surrounding { }

g) Specify if there any other reason apart from those stated above...

9. Do have children? Yes ( ) No ( )

10. If yes do they go school? Yes ( ) No ( )

11. No, why?


### Section B: Economic Impact of Immigrants

12. From the three causes of migration into the country, kindly state the extent to which you agree with the following causes of migration into the country.

<table>
<thead>
<tr>
<th></th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>There are pressing issues in my country that pressed me to migrate to Kenya.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I migrated because I got an employment in the country.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Because I think migrants in Kenya are treated fairly.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I know people who migrated to the country before and are living peacefully</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employers in Kenya treat migrants with care</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

13. Below is a list of some of the means of survival common to people living in this estate, kindly tick against the ones that you have been involved in as a survival tactic in this area?
<table>
<thead>
<tr>
<th>Means of survival</th>
<th>Tick</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working as casuals or on contracts in the estate, Nairobi’s CBD, industrial area and other parts like park lands, Westland’s e.t.c.</td>
<td></td>
</tr>
<tr>
<td>Working as house helps, farms boys, drivers and conductors, cart pullers</td>
<td></td>
</tr>
<tr>
<td>Employed in government/private institution as an expert</td>
<td></td>
</tr>
<tr>
<td>Long distance driver/conductor</td>
<td></td>
</tr>
<tr>
<td>Put up business in the estate, petty trade, I own houses for renting</td>
<td></td>
</tr>
<tr>
<td>Engaged in providing welfare and social services to the people living here</td>
<td></td>
</tr>
<tr>
<td>Am a hawker</td>
<td></td>
</tr>
<tr>
<td>Own business mall/s here or/and other parts of Nairobi</td>
<td></td>
</tr>
<tr>
<td>I rely on charity from relatives, friends and NGOs around</td>
<td></td>
</tr>
<tr>
<td>Formation of social networks where we are running empowerment programmes for our members</td>
<td></td>
</tr>
<tr>
<td>Any other,</td>
<td></td>
</tr>
</tbody>
</table>

14. How would you relate the livelihood strategies you have adopted with the economic status of this estate?
15. Tick against the economic activities that have emerged in this area since you started staying/coming here.

<table>
<thead>
<tr>
<th>Economic Opportunities</th>
<th>Tick</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access to finance for starting a new business by various NGOs</td>
<td></td>
</tr>
<tr>
<td>Increased incomes from remittances</td>
<td></td>
</tr>
<tr>
<td>Increased consumption of local produce from farms</td>
<td></td>
</tr>
<tr>
<td>Increase transport services from the estate and other surrounding estate</td>
<td></td>
</tr>
<tr>
<td>Increase in economic resources from the international communities</td>
<td></td>
</tr>
<tr>
<td>Increased business opportunities</td>
<td></td>
</tr>
<tr>
<td>Increased employment opportunities</td>
<td></td>
</tr>
<tr>
<td>Increase in land rates as the immigrants are buying land to put up business premises</td>
<td></td>
</tr>
<tr>
<td>Increased income</td>
<td></td>
</tr>
</tbody>
</table>

16. If increased business opportunities, state which ones.

- ........................................................................................................
- ........................................................................................................
- ........................................................................................................

Increased employment opportunities state which ones

- ........................................................................................................
- ........................................................................................................
Comment on the effect of these opportunities on your economic wellbeing and the people living in and outside the estate.

End

Thank you for cooperation
APPENDIX II:

INTERVIEW SCHEDULES

Interview schedules for county councils, landlords, NGOs and local politicians.

County revenue collectors ( )
Station

Ward rep ( )
Name of the ward

Landlord ( )
Section

NGO Rep ( )
Name of NGO

If NGO, service offered in the estate

How could you comment on the economic situation in this estate?

Has the presence of immigrants affected the economy in this estate?
For County council officials

Has the business owned by immigrants affected the revenue collected in Eastleigh Estate?

Have the locals benefited in any way from the presence of the immigrants

Are the business people in Eastleigh estate tax compliant?

(For landlords)

Has the arrival of immigrants in Eastleigh affected business in the estate?

How could you comment of the housing system in this estate?

For local politicians,

How could you comment of the presence of immigrants in Nairobi particularly estate?
How is the relationship of with immigrants with the local communities in Eastleigh estate of Nairobi County?

End

Thank you for time