

Research Article

Effect of Economic Relations between Urban Refugees and Host Community Welfare (A Case Study of Nairobi County)

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Abstract: The aim of this research was to assess the effect of economic relations between urban refugees and host communities on welfare of the communities. Most refugees are isolated in the camps less attention is given on their welfare especially modern health care for chronic disease and proper education for their children. Most research in reference to urban refugees and host communities are mainly based on economic impact and determinant of conflict between the two groups. Little focus has been given to the welfare of the town groups. Through urbanization process both urban refugee and host communities find themselves in major town especially Nairobi in search to better livelihood. The study adopted a descriptive survey research design with a target population of 122,653 urban refugees in Eastleigh area, Shauri Moyo and Dagoretti, Nairobi County. A sampling formula was used to identify a sample size of 277 respondents who were selected using stratified random sampling. A structured questionnaire was used to collect the primary data for the study. The questionnaire was first piloted using 10% of the sample size. Representation of data was prepared by using Statistical Package for Social Scientists (SPSS) to have a summary statement of statistical findings, and interpretation of findings. Descriptive statistics such as mean and percentage were used to summarize the data and presented systematically according to the research questions in frequencies and percentages by use of tables and statistic regression representing data. The findings revealed that economic relation had a significant effect on the welfare of communities of both the refugees and the host communities. It was concluded the trade relations and employment relations are essential in determining the social welfare of the communities. It is therefore recommended that there is need for the government to provide equal opportunities for the urban refugees and the host communities to trade and practice economic activities for enhanced welfare of the communities.

Keywords: Social and Economic factors, Economic relation, community welfare, Urban Refugees, Host Communities.

Introduction

Most refugees' population is concentrated in the poorest countries especially in the Sub-Saharan Africa. Generally speaking a refugee is a displaced person who has been forced to cross national boundaries and cannot return home safely (Greyling, 2016). According to UNHCR a refugee must have "a well-founded fear of persecution for reasons of race, religion, nationality, political opinion or membership in a particular social group Political opinion; and is unable or unwilling to avail him or herself of the protection of that country, or to return there, for fear of persecution."

It is difficult for developing countries to maintain welfare of the refugees without having a good relation due to the fact that the host communities are still struggling to meet their own needs. We often measure welfare as happiness and satisfaction. Welfare is about fulfilling our potential and feeling that our lives are worthwhile (Alexander, 2014). Welfare concerns individual care in a

healthy way and covers aspects such as awareness of the physical condition, stress reduction and self-responsibility in care. Wellbeing can be defined in two approaches: the hedonic tradition, which construct well-being as the happiness effect and satisfaction and the eudemonic tradition that shows well-being as the positive psychological functioning and human development.

Economic relations can general be said as the affairs either internal or external which influence economic stability and growth. The economic conditions can determine what relations to create; that is different ways in which generations look at economic conditions based on their own problems they are facing currently. According to Harper (2001), Economics can be defined as the social science that analyses the manufacture, circulation and consumption of goods and services. We can find economic relations among the urban refugees and host communities in that majority of the refugees and the host communities earn their livelihoods through employment as incentive workers, petty trade, cash remittances from relatives and friends abroad as well as engagement in small and medium scale business enterprises (traders/vendors, motorcycle riders, tailor). Employment in urban areas is only possible if jobs are available or been created and most of these employment opportunities are in the informal sector. To fit this argument we can define job creation as the provision of new opportunities for paid employment, especially for those who are unemployed. In general labor market refers to the supply and demand for the labor, in which employees provide the supplies while the employers provide the demands.

Most urban refugees, asylum seekers and urban host community members work in the informal sector as casual laborers, petty traders, small business owners and semi-skilled workers due to the lack of the required and proper documentation for formal employment such as work permits very few who are better-off are self-employed, some run small to mid-size businesses while a few are formally employed. The Kenyan Immigration Act and Refugee Act support the right for refugees to work but with persistently high unemployment rate and poverty level in Kenya, work opportunities, remain scarce. Urban refugees vie for the same limited opportunities as Kenyans and in the formal sector, jobs are even scarcer for refugees, as employers often favor Kenyan nationals.

Urban refugees come to the city in search of a better life. They move from camps as this can be argued to be the same, where by the host communities find themselves in the city as a result of rural-urban migration. The state and history of Nairobi urban refugees mirrors the African socio-economic and political situations. According to Pavanello, Elhawary and Pantuliano (2010), the Nairobi refugees are mainly citizens of Somali, Ethiopia, DR Congo, South Sudan, Rwanda, Burundi and Eritrea. Nairobi experienced refugees influx from 1970s when Ugandans fled from the violence during the reign of Idi Amin. The Ugandan refugees however successfully settled in Nairobi since most of them were professionals who took up paid jobs (Campbell, Crisp & Kiragu, 2011). Urban refugees and host communities have been brought to the city by rural urban migration. This can be said in one word as urbanization. Urbanization is central to welfare of people in the cities and towns and it is a development tool (Cohen, 2006).

Literature Review

Theoretical Review

The study was anchored on the social capital theory. This is an economic and cultural theory in which social networks are key; based on the networks' transactions which are marked by reciprocity. The term capital refers to resources for investment. Defining social capital can bring a lot of confusion as it is one of the most prominent in social sciences (Bourdieu, 1984). Social capital theory adopts that the social capital is not embedded in home based individuals but is within networks. The theory focuses on human capital, assets and social organizations within a society. Main ideas are borrowed from Coleman, Bourdieu and Putman (Lewis, 1977).

A compact model introduces host countries' accountability for these populations while acknowledging the obligation of shared responsibility with humanitarian and development actors. A

rigorous body of research demonstrates that refugees can be a net of economic contributors when they have access to adequate social services, support, and rights. The compact model lays out a plan and accountability mechanism to overcome the policy constraints to realizing these gains. Urban refugees can be a boost to any economy if they are given a chance to work and bring in their skills to Kenyan economy.

Conceptual Framework

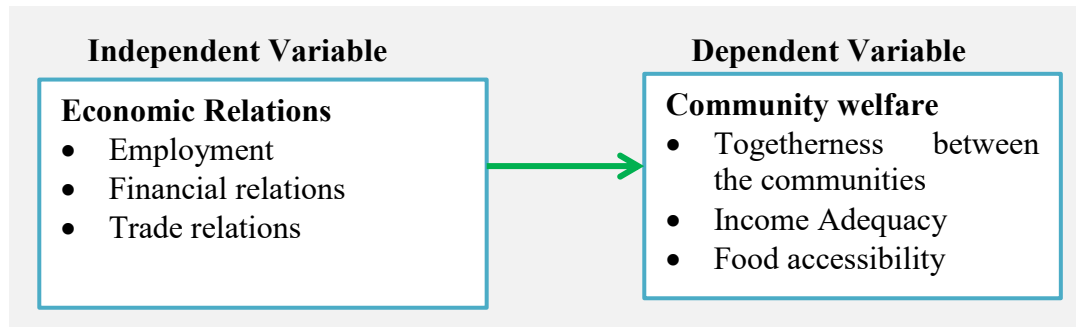


Figure 1. Conceptual Framework.

Empirical Literature Review

According to Omata (2016), geography does play a role in shaping access to employment and opportunity. Thus it can easily explain why Congolese, South Sudan and Somalis who to find themselves to country of asylum, will move to the urban areas in search of an income. They always fit in the category of unemployed person who can be defined a one who is without work, currently available for work or one who is seeking work. The refugees have limited skills but they are able to work in industries and production firms. This boosts the economy as the wages are lower than native Kenyans. In Kenya Urban refugees and host community has been brought about mostly by rural urban migration. This has increased the cost of living in the city to the demand of scarce resources. House rent has gone up, leading to the destruction of the natural environment to accommodate the growing population.

According to Miller (2018), who has observed that refugees do not give up hope when they leave their home country? Refugees settling in urban area always learn to cope and thrive in the country of asylum. They engage in income generation activities to earn a living. The research want to target urban refugees above 18 years old who have gained employment and have raised the economic growth index of Kenya. Urban cities improve access of basic education for all. We have expanded education systems in the cities than in rural areas. Cities tend to provide incentives for investment in education, there is the expectation for better paying jobs after graduation which can be a relative way to fight poverty levels among the urban refugees and host communities. Current increased enrollment of refugee children and young adult in schools those in the camps and cities in Rwanda has created spillovers in the Rwandan economy.

According to Wilson *et al.*, (2010) values can be defined as “Freely chosen, verbally constructed consequences of ongoing, dynamic, evolving patterns of activity, which establish predominant reinforcers for that activity that are intrinsic in engagement in the valued behavioral pattern itself”. Refugees are scattered among the city-slums and tend to regroup according to their country of origin, values and practices. For example Somali refugees mainly concentrate in the neighborhood of Kisenyi while the Congolese refugees gather in Katwe, Makindye and Masajja. Living conditions are often squalid. Asylum seekers also stay in the street at the Old Kampala Police Station, a congested area with security issue. 72 million inhabitants are in the urban areas in Uganda. Around 60 % of the Africa population lives in the slums. Trade in general can be defined as the buying and selling of goods and services. According to Fawaz, Al-Hage and Harb (2022), the term trade is revised to mean the price of export in terms of its import. Trade relations and avenues has also created social

cohesion among Refugees from Congo, Somalia and Southern Sudan, which brings with them cultural practices that enrich the cultural heritage of Kenya. Those refugees with common linguistics like the Somali bring about social cohesion and strong trade relations which is important for socio-economic growth and better livelihoods. This acts as a way of reducing tension and conflicts among refugees and host communities. Trade opportunities are brought about by enterprise development among the urban refugees and host communities (Wanda & August, 2019). Good trade relations between the urban refugees and host communities act as a start point for enterprise development and business venture. An Enterprise can be defined generally as a project, a willingness to make a new project, an undertaking or business venture.

Research Methodology

The study adopted descriptive survey research design to provide further insight into the research problem. Descriptive research design is a scientific method which involves observing and describing data. The main purposes of this research are to describe, explain and validate findings (Babbie, 2010). The target population for this study was the urban refugees and host communities in Nairobi County, Kenya. According to data from UNHCR (2019), there are a total of 80,898 refugees in Nairobi. UNHCR (2019) further notes that over 68% (55,011) of these urban refugees are based in Eastleigh, Shauri Moyo and Dagoretti, Nairobi County.

On the other hand, according to there are 67,552 households selected areas in Nairobi County. The study therefore focused on the 55,011 urban refugees and 67,552 households. This totaled to 122,563 respondents. The sample size for the study was therefore 277 respondents. To permit 1:1 disaggregation by type of participant, a sample of 278 was selected.

A stratified simple random sampling was used as the sampling technique for this study. The strata in this case were the households and urban refugees in Eastleigh, Shauri Moyo and Dagoretti areas, Nairobi. Questionnaire was used as the main tool for the purpose of collecting data. The questionnaire is the most appropriate instrument due to its ability to collect large amount of information in a reasonably quick span of time and in an economic manner (Kothari, 2004).

The questionnaires were hand delivered and phone calls were used to follow up on the same. Both structured and non-structured Interviews were conducted. Focused group discussions were used to get information from refugees with the same flee story. Quantitative and qualitative data analysis methods were used in this study.

Quantitative analysis is a method, which emphasizes on objective measurements and the statistical, mathematical, or numerical analysis of data collected through polls, questionnaires, and surveys, or by manipulating pre-existing statistical data using computational techniques. Quantitative analysis focuses on gathering numerical data and generalizing it across groups of people or to explain a particular phenomenon.

Findings and Discussion

Community Welfare

The welfare of communities was measured through: togetherness between the communities, income adequacy, and food accessibility. To analyse the communities welfare, respondents were asked to indicate their level of agreement or disagreement with specific statements drawn from these aspects based on a 5-point Likert's scale.

Descriptive statistics are as shown in Table 1. The results indicate that most of the respondents neither agreed nor disagreed on all the statement that associate to community welfare. The findings are in line with Greyling (2016) who argued that social participation can have an advantage to the society in that it brings about community ownership of development issues and aid in decision making.

Table 1. Descriptive Statistics on Community Welfare.

	Mean	Std. Deviation
There are minimal cases of locals engaging in wrangles with foreigners	3.30	1.11
Any disputes between the local and foreigners are solved amicably	3.39	1.16
Both the locals and foreigners in my area uphold togetherness and helping one another	3.53	1.07
Many households in my area have been able to acquire their basic needs	2.82	1.22
I have acquired valuable assets in the recent past	3.14	1.18
I have increased my living standards in the recent past	2.78	1.15
There are few cases of individuals engaging in criminal activities for income	2.85	1.21
There have been minimal cases of individuals suffering from hunger in my area	3.22	1.04
I am capable of providing basic needs for my family	3.24	1.11
There adequate food supply to the members of the community regardless of their nationalities	3.12	1.11
I am now capable of affording a decent livelihood for my household than before	2.92	1.22

Analysis of Economic Relations

Economic relations variable was assessed through employment, financial and trade relations. Respondents were asked to indicate their levels of agreement or disagreement with specific statements drawn from these measures of a five-point Likert's scale. Table 2 shows descriptive statistics. The results revealed that the respondents neither agreed nor disagreed with all the statements associated with economic relations. The findings of the study concur with the work of Zweig (1998) who argued that financial institutions are private entities motivated by profit and hence, they are less likely to discriminate the foreigners. With financial stability, both urban refugees and the host community are economically empowered to participate in trade and improve their welfare.

Table 2. Descriptive Statistics on Economic Relations.

Statements	Mean	Std. Deviation
Casual jobs are available for foreign refugees in the community	3.02	1.48
The available causal jobs are given to any qualified individual without focusing on their nationality	3.10	1.42
There is equal treatment of the casual labourers regardless of their nationality	3.29	1.39
Local employers have gained confidence with refugees thus including them as the available casual jobs	3.25	1.55
The foreigners have access to banking services in the community	3.13	1.45
There are informal credit facilities available to both residents and foreigners	3.19	1.33
The informal banking and saving cooperatives in the area accommodates both residents and foreigners	3.34	1.34
The financial institutions (e.g. MFIS, SACCO) avail their products to the foreigners in the area	3.72	1.14
Foreigners in my area practice informal trade activities just like the locals	3.12	1.26
The locals accommodate the foreigners in the available informal trading spaces	3.31	1.04
The locals in my area are willing to buy from foreign vendors	3.06	1.29

Regression Model

The study conducted a regression analysis to establish the relationship between economic relations and community welfare. The researcher conducted a regression analysis between the extracted components of community welfare and of economic relations with the aid of the Ordinary Least Square (OLS) approach. The probability of F-statistics (ANOVA test) shows that the regression equation is statistically significant given a p-value of 0.000 (less than 0.05). With regard to R-squared, it can be concluded that employment and trade relations have a 25.8%, 13.8%, and 12%

impact on togetherness between the communities, income adequacy, and food accessibility respectively.

Table 3. Regression results between Economic relations and Community welfare.

Independent	Model 1				
	B	Std. Error	Beta	T	Sig.
(Constant)	.969	.244		3.964	.000
Employment relations	.187	.043	.245	4.324	.000
Trade relations	.439	.058	.428	7.565	.000
Dependent	Togetherness between the communities				
R-squared	0.258				
Std. Error	.79381				
F-ratio (2, 235)	40.441				
Prob. > F	0.000				
Independent	Model 2				
	B	Std. Error	Beta	T	Sig.
(Constant)	1.473	.266		5.540	.000
Employment relations	.229	.047	.297	4.874	.000
Trade relations	.211	.063	.204	3.347	.001
Dependent	Income adequacy				
R-squared	0.138				
Std. Error	.86362				
F-ratio (2, 235)	18.703				
Prob. > F	0.000				
Independent	Model 3				
	B	Std. Error	Beta	T	Sig.
(Constant)	1.970	.285		6.916	.000
Employment relations	.213	.050	.260	4.222	.000
Trade relations	.234	.068	.213	3.452	.001
Dependent	Food accessibility				
R-squared	0.120				
Std. Error	.92536				
F-ratio (2, 235)	15.960				
Prob. > F	0.000				

The findings on Table 3 established that in all models there is a positive and statistically significant showing that the models are considered adequate. The study established that the two indicators of economic relation (Employment relation and trade relation) had a direct positive relationship with togetherness between the communities, Income Adequacy and Food Accessibility). This implies that all the two variables contributed to enhancing community welfare. The findings imply that employment and fair trade relations enhance community welfare through increased income which in return assists both communities to take care of the family needs, enhanced cohesion, and food accessibility. These findings are consistent with other authors, for example, Omata (2016) who found that the location does play a role in shaping access to employment and livelihood opportunity, for instance, the urban areas allows refugees gaining employment in the informal sector because they bring in cheap labor and strive to make ends meet while the host communities who have improved skills on the job get promoted. This boosts the economy and in return, there is a cohesiveness that boosts income between the communities. The fact that people are able to access employment and increase their income then they are able to provide food accessibility. The findings are in agreement with Miller (2018) augments on urban refugees who are able to find work or engage in income-generating activities without losing hope; and as a result community welfare is enhanced.

Discussion

The results revealed that respondents agreed that casual jobs were available for foreign refugees in the community and that the available casual jobs were given to any qualified individual without focusing on their nationality. The respondents agreed that there was equal treatment of the casual

labourers regardless of their nationality. Most of the respondents further indicated that the local employers had gained confidence with the refugees and included them in the casual jobs. It was further established that both foreigners and locals had access to informal credit facilities and that informal banking and saving cooperatives accommodated both the residents and the foreigners. According to Bazurli *et al.*, (2020), availing financial and banking services to urban refugees is a significant measure to ensure their welfare is upheld and that they are able to afford basic needs. Majority of the respondents agreed that the financial institutions in their areas availed their products and services to the foreigners in the area and that the foreigners in my areas practiced informal trade activities just like the locals.

Conclusions

The findings of the study revealed that economic relations influence the community welfare of the urban refugees and the host communities. It can therefore be concluded that there was a strong, positive and statistically significant relationship between economic relations and community welfare. Employment relations had a significant positive relationship with togetherness between communities, income adequacy and food accessibility among the local and foreign community members. Trade relations on the other hand had a strong and significant positive relationship with togetherness between the communities, income adequacy and food accessibility.

Recommendations

Economic relations strongly enhance the togetherness between the communities, income adequacy and food accessibility. It therefore implies that community welfare (togetherness between communities, income adequacy and food accessibility) can be attributed to employment relations and trade relations as the main aspects of economic relations. It is recommended that there is need for the local and community leaders to ensure effective economic relations between the locals and foreigners through better employment and trade relations and policies. These would ensure that both the refugees and their host communities have equal opportunities for better livelihoods.

Conflicts of interest: There is no conflict of interest of any kind.

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