

Refugee Entrepreneurship: Talent Displacement, Integration and Social-Economic Inclusion in Kenya

Joseph Dushime*, Stephen Muathe

School of Business, Kenyatta University, Kahawa Nairobi County, Kenya

*Correspondence Author: josedush@gmail.com

muathe.stephen@ku.ac.ke

ABSTRACT

Purpose: This paper sought to examine the multifaceted term refugee entrepreneurship from a global level, to a more focused view of the Kenyan context. As such, the authors of this paper examined the general understanding of refugee entrepreneurship in Kenya, assessed the effect of talent displacement with regards to refugee entrepreneurship in Kenya and analyzed the effect of integration and social economic inclusion in relation to refugee entrepreneurship in Kenya.

Design/methodology/approach: The paper utilized qualitative research where available secondary data on refugee entrepreneurship was analyzed.

Findings: The study found that there appeared to be no clear-cut understanding of refugee entrepreneurship in the Kenyan context, no systematic approach to tackle talent displacement with regards to refugee entrepreneurship in Kenya, and there continued to be barriers to full integration and social economic inclusion with regards to refugee entrepreneurship in Kenya.

Research limitations/implications: This study also noted that there is no current global solution to the issue of the ever-increasing number of internally displaced persons, asylum seekers or refugees. On the contrary, the year 2022 has seen an increase in civil strife around the world including; the Russia-Ukraine conflict, Tigray-Ethiopia war and the more than 20-year-old ongoing conflicts in Eastern Democratic Republic of Congo. Other conflicts of concern on the African continent include; South Sudan, Somalia, Mozambique and other West African nations, while Libya and other North African states have suffered similar civil strife. Despite these ongoing challenges, this study established that there are significant socio-economic contributions of refugee entrepreneurship to host communities.

Practical implications: Consequently, the study recommended a more in-depth understanding of refugee entrepreneurship in the context of Kenya, nurture refugee talents and skills while enacting and enabling policies that foster integration and social economic inclusion with regards to refugee entrepreneurship in Kenya. The Government and people of Kenya stand to reap the benefits of refugee entrepreneurship, which in turn reduced refugee talent displacement and continued government handouts that have promoted dependency, rather than self-reliance. Refugee entrepreneurship, if well cultivated, is an avenue for adding to Kenya's bread basket through taxation, employment and investment.

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I. INTRODUCTION

The globally accepted definition of a refugee is: "someone who is unable or unwilling to return to their country of origin owing to a well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group, or political opinion." (The 1951 Refugee Convention). To compound

this forced displacement, once in exile, refugees are often met with the harsh reality of discrimination and integration (Gbadamosi, 2015).

Furthermore, it is a crucial and challenging task to find sustainable solutions to the ever-growing global refugee populations (Luseno, T. & Kolade, 2022). The best answer ideally would be “ending wars, overthrowing authoritarian governments, and cutting greenhouse gas emissions” (Betts, 2021). However, Betts, (2021) adds that “the world has struggled to find solutions to these root causes, and the international community has proved deficient at replacing bad governments. Consequently, we are mostly left to address the human consequences of global insecurity; finding ways to temporarily accommodate or permanently integrate displaced people in other communities, and enabling them to live in dignity and with purpose”.

According to Betts, (2021) goes on to explain how this is easier said than done, since many host communities are disinclined to receive huge refugee numbers, while simultaneously, a growing number of politicians are taking advantage of public anxieties by emphasizing refugee threat to the economy, security or identity as a scare tactic for their own political advancement, instead of underscoring contributions refugees make to host communities

It is important to draw a line between refugees, who are forced to flee for their own (or their family's) safety and (other economic) migrants who willingly leave their home countries in order to better their lives and those of their families (Bevelander, 2020; De Coninck D, 1990; Luseno, T. & Kolade, 2022). In this context other foreigners coming to a country in the name of furthering their education, healthcare and investment opportunities cannot be classified as refugees as well.

The global number of forcibly displaced persons stands at 103 million (UNHCR (United Nations High Commissioner for Refugees), 2022). The term “forcibly displaced persons” refers collectively to internally displaced persons (IDPs), refugees, Asylum seekers & those classified as in need of international protection. Kenya hosts 561, 836 registered refugees and asylum seekers (UNHCR, 2022). 16% of these (88, 884) are classified as urban refugees under the Nairobi Country office. These are usually spread out in Kenya's key towns and cities, with Nairobi hosting the majority.

In the Kenyan context, the definition of a refugee is guided by the 1951 Refugee Convention, the 1967 Protocol relating to the Status of Refugees and the 1969 Organization of African Unity (OAU) Convention Governing the Specific Aspects of Refugee Problems in Africa of which Kenya is a signatory. This was done on 16th May 1966 (the 1951 Refugee Convention), on 13th November 1981 (the 1967 protocol) and on 23rd June 1992 (the 1969 OAU Convention). These conventions and protocols were domesticated by the Kenyan Parliament through the (Refugees Act, 2006; Refugee Consortium of Kenya RCK, 2019). This has since been succeeded by the Kenya Refugees Act, (2021) which came into effect in February 2022.

Historically, Kenya has continuously hosted refugees since the 1960s & 70s. With the exception of Tanzania, Kenya has remained relatively politically stable since independence. Other countries within the region have experienced conflict and instability at one time or another in their histories. In those early years, the refugee numbers were low and the government could adequately manage them. There was no law regulating refugees in the country (till the Refugees Act, (2006) and as a result, refugee issues and regulations were classified under the Immigration Act under the independence constitution (Refugee Consortium of Kenya RCK, 2019).

The huge influx of refugees in the 1990s from war-torn Somalia, Ethiopia, Sudan & Rwanda necessitated a different approach with the Government of Kenya (GoK) lacking the capacity to handle these huge numbers. The GoK subsequently passed on the responsibility of refugee management primarily to the UNHCR, and took a “silent partner” approach. The large refugee influx mentioned above led to the establishment of camps as a management tool for the recently arrived refugees. These are the Kakuma and Dadaab refugee camps respectively. Since then, the GoK is an advocate of this encampment policy and has over the years tried to enact laws to restrict refugee movement or refugee numbers in the country (Refugee Consortium of Kenya RCK, 2019).

In Kenya, the process of managing refugees starts with refugee status determination (RSD). On arrival, prospective refugees are classified as asylum seekers. Asylum seekers will go through an interview process to determine if they qualify as refugees. Once this is confirmed, their status officially changes to refugees with a document change status from asylum seeker to refugee mandate document (Refugee Consortium of Kenya RCK, 2019). This process in of itself is complex with the two general outcomes being, receipt of refugee status or rejection of status for applicants (Jaji, 2018). According to Jaji, (2018) further highlights pertinent issues within this process including; the bureaucracy, the credibility criteria involved, the politics (while refugee issues are supposed to be apolitical) among others. The process usually takes 6 – 12 months, though this can be expedited or delayed on a case-by-case basis depending on circumstances and institutional bureaucracy (Refugee Consortium of Kenya RCK, 2019; UNHCR, 2022).

The Refugees Act, (2006) enabled the GoK to partner with UNHCR in a more formal capacity through the Department of Refugee Affairs (DRA) that has since been renamed Refugee Affairs Secretariat (RAS). The new

Refugees (Act, 2021) has recognized and given refugees more economic rights. The act categorically states that “refugees shall have the right to engage individually or in a group, in gainful employment or enterprise or to practice a profession or trade where he/she holds qualifications recognized by competent authorities in Kenya.”

The encampment policy has also been diluted with the camps replaced with the words “designated areas”. This could allow for a far greater movement of refugees for economic activities within Kenya. In addition, refugees who are members of the East Africa Community (EAC) have an option to drop their refugee status in favor of embracing their EAC citizenship status to engage in economic activities. However, they are still required to have a work permit to engage in any economic activity. This becomes difficult as a work permit requires one to have a nationality, thus bringing about conflict within the act itself (Refugees International, 2022)

Kenya has been (and remains) a gracious refugee host country for decades. However, there remains no concrete law on integration of refugees into the host community or even a pathway towards Kenyan citizenship for refugees. Furthermore, there are many barriers to engagement in economic activities for refugees. This is also true of Kenyan citizens (Minto-Coy & McNaughton, 2016). Camp refugees are usually provided food rations and shelter; and expected to be satisfied by this arrangement.

Encouragingly, the GoK and the county governments of Turkana (which hosts Kakuma refugee camp) and Garissa (which hosts the Dadaab refugee camp) have set up the Kalobeyei Socio Economic Development programme (KISED) and Garissa Integrated Socio-Economic Programmes (GISED) respectively. These aim to enhance socio-economic benefits of refugees in collaboration with host communities and the private sector based on the empirical evidence of how refugees contribute positively to the local economic development of these counties.

Urban refugees on the other hand are mostly left to their own devices. They receive no direct support from the GoK or the UNHCR. Some UNHCR partner organizations will come in and try to offer some help where necessary, though this is not a regular form of support. This leaves them with no option but to engage in some form of economic activity, primarily as a matter of survival. Even in the face of limited or no financial access and restrictive economic policies as well as institutional barriers to engagement in economic activities, these refugees have proven resilient and managed to earn a living through refugee entrepreneurial endeavors.

A. Objectives of the study

This paper focused on three objectives:

1. To understand refugee entrepreneurship, specifically in the Kenyan context
2. To assess the effect of talent displacement with regards to refugee entrepreneurship in Kenya
3. To analyze the effect of refugee integration and social economic inclusion with regards to refugee entrepreneurship in Kenya

B. Literature Review

This section seeks to study existing pertinent literature on refugee entrepreneurship. Case studies in developed and developing economies will be analyzed and comparisons drawn with how the situation is in Kenya. As such, the authors will attempt to present a global, continental (Africa), regional (East African Community, EAC) position on this subject matter. To understand refugee entrepreneurship, one must first understand the term “refugee” and the challenges and opportunities therein.

C. The concept of Refugee Entrepreneurship

Refugee entrepreneurship remains a paradox of a term in many aspects of development. The continued growth of forcibly displaced persons across the globe calls for a more strategic overview and focus on this aspect. The current approach to refugee management heavily relies on ensuring they are encamped, and given their basic needs. This is an ongoing policy both in Kenya and other East African countries (Jansen, B. J. & de Bruijne, 2020)

This formula stunts their development, and as a result, it is necessary to review this strategy with not only the aim of harnessing talents and skills, ensuring refugee self-reliance, but also integration and socio-economic inclusion for refugees, and the benefits such a position would bring to the host community and the host country, Kenya as a whole (Alix-Garcia et al., 2018; Betts, 2021). Furthermore, (Alix-Garcia et al., 2018), highlights the growth of Kakuma area (Turkana County, Kenya) from a dusty rural marginalized semi-arid area, when the refugee camp was first established, to a working semi-urban area with a functional education, health and vibrant businesses in the area, owned by both host communities and refugees.

Refugee entrepreneurship from the onset implies resource constraints, thus giving this study an exceptional opportunity to interrogate the entrepreneurial response. The unique circumstances refugees find themselves in give an insight into their motivation for entrepreneurship, which is primarily for survival and not for profit as

other entrepreneurial endeavors (Luseno, T. & Kolade, 2022). It has also been referred to as “necessity entrepreneurship” (Betts, 2021)

Even with the goal of refugee entrepreneurship being survival and self-reliance, there are associated effects in the host community. If allowed to flourish, refugee entrepreneurship provides an avenue for refugees to contribute to and not just draw from host countries (Luseno, T. & Kolade, 2022). According to Bizri M. R, (2017) states that some sectors of the economy of refugee host countries are enriched and expanded as a result of refugee entrepreneurship.

Within the Kenyan context, access to finance through traditional banking and microfinance institutions is already difficult for entrepreneurs (Dushime J. et al., 2022). This is doubly difficult for refugees who are already disadvantaged from a documentary position (official identification documents) as well as credit worthiness with no assets to their names that can be offered as guarantee for any access to finance request.

D. Talent displacement and Refugee Entrepreneurship

According to Nori, (2017) notes that European countries have adopted a policy on using international migration in development of rural (marginalized) areas, specifically for agricultural development. This is an important consideration for Kenya, which hosts refugees in marginalized areas that are already suffering from a lot of resource constraints.

Furthermore, restriction on refugee movement and refugee entrepreneurship (& employment) leads to refugees being disincentivized from acquiring skills necessary for the businesses and host community economy, especially in marginalized areas such as Kakuma & Dadaab in Kenya (Sanghi et al., 2016). Host communities are the losers in this scenario, since skill acquisition programs usually benefit both the refugees and the hosts.

Refugee entrepreneurship, while initially driven by the need to survive, it can add valuable input to host communities in terms of the “unique, and ultimately complimentary, set of skills, culture, and attributes with which they innovate and create job opportunities and make contributions to economic growth of host countries” (Betts et al., 2019)

Where conditions call for it, the role of intermediaries in access and recruitment of refugee talents has been discussed (Kulichyova & H., 2021). This is important for Kenya which has a shortage of professionals in some sectors such as in health (Miseda et al., 2017) with regular brain drain for professionals in this sector costing Kenya USD 500,000 for each doctor as of 2017 (Brock & Blake, 2017)

This nurturing of talent, skills, knowledge and capabilities of refugees should be seen as a gain to the host country (Betts, 2021), to enhance its own human capital capabilities without the financial burden of long-term education & training of said professionals. Bizri M. R, (2017) notes the similarities between immigrant and refugee entrepreneurship in expanding and enriching select sectors within the economy of a host country. It is also worth noting that many refugees have stayed in Kenya for many years, have been educated and gained skills through Kenya’s own education system (Asati et al., 2021) and thus are qualified for gainful employment in sectors with shortages. If no direct employment opportunities are available, the gained skills should also not be wasted.

There already exists a network of refugee support organizations including the government that help refugees on arrival, and as such they provide vital information on the skills, education levels and experiences that refugees have on arrival in the host country (Kulichyova & H., 2021).

D. Integration, Social Economic Inclusion and Refugee Entrepreneurship

Allowing refugees to participate and contribute socio-economically, rather than be dependent on government or UNHCR support, is an avenue to advance a more positive image of refugees thus boosting their integration and social-inclusion among host communities. Overall, integration also acts as an avenue to reduce the financial burden of hosting refugees to a host country (Atsiz, 2021).

According to Atsiz, (2021), notes that refugees usually have very little consideration for returning to their host countries, thus will cause a strain on the host country’s social, education and health services for the long-term. Thus, the host country’s institutions should not act as a barrier to this integration.

Encamped refugees usually have UNHCR, GoK, County governments and other donor and private sector players directly providing support to them (Asati et al., 2021). In the past, this support has been a source of conflict with neighboring Kenyan communities (Alix-Garcia et al., 2018). This continued support hinders integration since host communities feel alienated by their own government that is seen to only cater for the refugees. These camps also tend to exclude and isolate refugees from the host country brethren (Jansen, B. J. & de Bruijne, 2020) which serves no economic sense in the long run. Especially since, as Jansen, B. J. & de Bruijne, (2020) explain; these refugee camps themselves act as nascent spaces for socio-economic activities. Both among refugees hosted there, and with neighboring host communities.

For the most part, concerned refugees need only economic opportunities and they’ll be able to achieve self-reliance, reduce GoK and donor financial support that in the long run stunts their economic empowerment,

while creating and maintaining good networks within host communities which will help them achieve integration. This has shown positive results in Mexico (Santamaria-Velasco et al., 2021), Uganda (Ahimbisibwe F, 2019) & Germany (Kosyakova Y. & Brenzel H, 2020). Formal institutions, rather than becoming barriers to their economic development (De la Chaux & Haugh, 2020), should help them on this journey to self-reliance. Luseno, T. & Kolade, (2022) studied the entrepreneurship outlook at Kakuma refugee camp and discovered how enterprising refugees were making do even under the toughest of circumstances.

The type of economic integration, should be seen in the effect it will have on the immediate surroundings versus an entire country. For Kenya, the host communities near the camps will be directly affected since the refugee numbers are large. However, for the entire country, this is different, considering the entire refugee population is less than 0.5% of Kenya's population (Alix-Garcia et al., 2018). Barriers from concerned institutions and access to finance, that also affect Kenyan citizens, also played a factor in the choice of economic activities refugees engaged in. Finally, the study looked to determine the value of refugee entrepreneurship with regards to the economy of specific refugee host areas and generally for Kenya, as a whole.

E. Theoretical Review

This study's focus on refugee entrepreneurship is distinct from entrepreneurship in general and is driven by:

1. The Sociological Entrepreneurship Theory

This theory focuses on the level of analysis of the society with four basic social situations that is: social networks (the social connections and linkages that encourage trust), life experiences of entrepreneurs (thus the influences for them becoming entrepreneurs), ethnic identification (with some communities being predisposed to engage in economic activities) and population ecosystem i.e. the environmental factors affecting a business such as competition, customers, staff and/or government policies (Kwabena Nkansah Simpeh, 2011; Karitu et al., 2022)

In the Kenyan refugee entrepreneurship ecosystem, several studies have pointed to the enterprising nature of Somali refugees (Omeje, K. & Mwangi, 2014; De la Chaux & Haugh, 2020; Betts, 2021). According to Betts, (2021), further highlights the influence of Islamic finance mechanisms based on mutual-trust and their importance to the economic life of Somali refugee entrepreneurs. The growth of Eastleigh, also known as "Little Mogadishu" is a testament of the economic importance of refugee Somalis alongside their brethren the Kenyan Somalis.

2. The Social Capital Theory

Refugees typically flee their countries of origin with very little in the way of resources to start a new and comfortable life in a new country, it is the social network of contacts they establish, that are a lifeline to their survival. This is initially with other refugees, and then within the host communities. Refugee entrepreneurship thrives on these social networks of people who are the primary source of entrepreneurial social capital for enterprising refugee entrepreneurs (Luseno, T. & Kolade, 2022).

The Social Capital theory reviews the resources that refugee entrepreneurs have to mobilize in order to succeed. Social capital theory is derived from the work of important theorists including (Bourdieu, 1980; Bourdieu, 1986; J. Coleman, 1998; J. C. Coleman, 1990, Putnam, 1993); Kanini et al., (2022); It generally highlights three main types of social capital. Bonding social capital refers to the social networks found in groups with a common background, in this case refugees themselves. Bridging which links social networks found in groups with a different background but sharing some common characteristics or status among some members, and linking which refers the social networks that exist across groups with no shared socio-economic status such as citizens and governments, individuals and institutions etc. (Aldrich et al., 2021).

According to Cheung & Kwong, (2017), highlight the networks that develop among displaced persons and how they contribute to entrepreneurship, initially among these displaced persons and later grow to encompass the host communities. This allows for refugee entrepreneurs to overcome challenges brought on by restrictions in economic activities while working in a resource-constrained environment. De la Chaux & Haugh, (2020), further provide evidence of thriving business networks in Kenya's Dadaab Refugee camp comprising of refugees among themselves, and even with host communities as source of materials for the refugee entrepreneurs.

3. The Innovation Theory of Entrepreneurship

This study utilized the innovation entrepreneurship theory to analyze the concept of refugee entrepreneurship. This theory by Schumpeter (1934) gives credence to the importance of innovation in all entrepreneurial efforts. Refugee entrepreneurs already have a lot of barriers stacked against them when starting their businesses, and as such have to adopt, innovate or shutter their businesses. In addition, the difficulty of registering their businesses, getting required permits and licenses for such businesses and the security question

for authorities renders most refugee entrepreneurs mobile in implementing their activities. However, refugees come with various new perspectives, from their past experiences that generate new ideas and innovations (Muathe, 2010; Betts, 2017)

According to Mehmood et al., (2019); (S. Muathe & C.W., 2020), chart the historical development of Schumpeter's entrepreneurship theories from the 19th to the 21st century pointing out Schumpeter's ideology of "Innovate or perish". Refugee entrepreneurs just like other entrepreneurs are bound by this ideology and failure to adopt especially with all constraints and barriers they face will lead to failure. They are bound by Schumpeterian innovation theory thus have to introduce "something new-a new idea, method or device" in their entrepreneurial work.

4. The Psychological Entrepreneurship Theory

The psychological theories of entrepreneurship analyze and emphasize an individual's contribution to entrepreneurial inclinations. Under these theories, the study focused on trait theory which emphasizes the personal character traits and/or competencies an entrepreneur possesses that enable the generation of new business ideas or innovation of old business ideas to fit into present business environments. Karabulut, (2016), gives several personality traits that factor in the entrepreneurial aims of individuals such as their propensity for risk taking, alertness to entrepreneurial opportunities, need for achievement and internal locus of control or self-efficacy. In addition, competencies such as the entrepreneur's education level, skills, knowledge, mental ability and experience are vital human capital qualities.

According to Luseno, T. & Kolade, (2022) point out that refugee entrepreneurs on finding themselves in new host countries with limited resources have to adjust to these realities by assessing available tangible and intangible resources such as individual acquired skills and coping strategies.

II. METHODS

This paper utilized a desktop review of prevailing secondary data. The authors studied widely available literature on refugee entrepreneurship both at a global and in the Kenyan context. The study was guided by the observations of, that secondary analysis is a systematic method with procedural and evaluative steps, which is flexible and can be utilized in several ways. Furthermore, that research consists of how the researcher collects, analyses, and interprets the data in the study (Creswell, 2009).

The sources of data used by the authors were the United Nations High Commission for Refugees (UNHCR) resource database, UNHCR partner organizations resource databases, refugee focused peer reviewed research journals and journal articles. The paper also used publicly and privately available refugee sectoral reports, authoritative online publicly available repositories/portals/databases/webpages, books on the subject matter, published and unpublished technical papers, sanctioned blogs, among additional associated data sources.

This paper utilized this research method as it is low-cost and time efficient. The authors were also able to find reliable readily accessible data. Gathering and organizing this data aided the authors to come up with a reasonable deduction. This data further helped the study identify published research work; thus, it was possible to avoid duplication. Furthermore, information from the approaches and methodologies used by the data sources aided this study to reliably generate appropriate conclusions while also coming up with expected limitations and future areas of research.

III. RESULTS AND DISCUSSION

The current refugee management methodologies as well as refugee policies in use in Kenya are suitably inadequate to adequately cater for refugee entrepreneurship. Institutional barriers remain endemic while government support and UNHCR support is often geared towards retaining refugees in camps for the foreseeable future. This methodology, akin to the ostrich burying its head in the sand, is not only archaic but also does not factor in important contributions by refugee entrepreneurs to the host economy. Uganda which shares a border with Kenya, for example, has shown that new approaches to refugee management are required to tackle 21st century issues (Ahimbisibwe F, 2019; Bohnet & Schmitz-Pranghe, 2019).

This study has found that refugee entrepreneurship has net positive impacts on host communities and should be embraced to curb refugee dependence on donor and government support, while also turning these refugees into contributors to the country's economic development. From the study, the following findings were discovered:

A. Understanding refugee entrepreneurship, in the Kenyan context

1. Benefits of Refugee self-reliance through entrepreneurship

From all empirical studies conducted on refugee entrepreneurship, similar conclusions on its the net positive impact have been listed. This study draws similar conclusions. Furthermore, the study discovered that the decades old refugee encampment policy has helped foster a dependency on refugees unable to or unwilling to work hard for their incomes. This is detrimental to their well-being, those of host communities (who often see refugees as receiving more government support than themselves) as well as to the utilization of dwindling government resources.

The ensuing difficult global economy, donor fatigue and limited government resources also makes the encampment policy unsustainable in the long run. Enabling refugees to engage in socio-economic activities will thus enable them to also contribute to the socio-economic development of their host country, while enabling them to also achieve self-reliance and be able to meet their own needs. This is also important as refugees continue to enjoy public services such as education & healthcare that are Kenyan taxpayer funded without them contributing a penny to their upkeep or growth. Refugees for the most part are ready and willing to play their part, but there is little in the way of government support and willingness to let them engage in socio-economic activities.

B. Talent displacement and Refugee Entrepreneurship

1. Harnessing talent and knowledge skills from refugees

It is worth noting that contrary to public opinion on the capacities and capabilities of refugees arriving in the country, a good number of them arrive with important skills important for the host country. These skills are increasingly important in the wake of the ongoing brain drain of qualified Kenyans to other countries.

Refugees arrive having already been trained and working teachers, doctors/nurses/health practitioners, private sector players among other professions from their host country. Furthermore, refugees mainly seek out economic opportunities for survival and will most likely make do with what is provided rather than seek equality with Kenyans or make trouble in the work place.

As noted also, refugee youths will go through the Kenyan system of education and graduate with required professional competencies but not receive an opportunity to utilize these competencies. Youths who eventually voluntarily repatriate back to their home countries end up using these competencies to uplift their countries. This is another form of brain drain from Kenya.

C. Integration and Social Economic Inclusion with regards to Refugee Entrepreneurship

1. Importance of integration and social-economic inclusion of refugees in Kenya

Refugees have more in common with Kenyan citizens than differences. They are all Africans to start with, meaning they easily assimilate, have common cultures and even languages. Refugees have intermarried with locals in the Kenyan populace as well, with many refugee children growing up to identify as more or less Kenyan than nationalities of their host countries.

The continued lack of integration mechanisms in local laws is an issue that needs to be addressed. Currently, refugees are recognized but not recognized in the same breath. They can go to school but not use the knowledge to enhance their lives. These mechanisms also bring about conflict with host communities especially during tough economic downturns when refugee support is viewed as favoring them over the citizenry.

Refugee entrepreneurs usually bring with them vast experiences from their home countries on different business ideas or ways of doing things that is different to the country. If encouraged to flourish, there is a chance of developing business entities that not only employ locals but also provide required economic growth to the host country.

Continued encampment of refugees means they continue to develop as different distinct entities from other refugees and host communities. This division is a recipe for conflicts from time to time, while it is also another way that conflicts from countries of origin find themselves transferred to these camps.

The importance of integration and socio-economic inclusion is important to aligning the core values of the country to that of refugees. To ensuring the security concerns by authorities are addressed as refugees feel part and parcel of the community they live in and will thus work to ensure any insecurity fears are addressed as they concern them as well. Betts, (2021) highlights the power of integration between Kenyan and refugee Somalis in the Eastleigh suburb of Nairobi, famous for businesses. This suburb is “estimated to contribute up to a quarter of Nairobi’s entire tax revenue” (Betts, 2021).

The example of Germany which integrated more than 1 million Syrian refugees should act as an example to follow. Not only are the Arab and European differences different, but it has been possible to ensure these refugees are integrated into the labor market, learn German and feel part and parcel of the larger German nation. This has also drastically reduced dependence on the government to support refugees, and once economically stable, these newly integrated refugees are now contributing towards the economic wellbeing of Germany.

2. Unsustainability of current refugee restrictions and encampment policies

The current encampment policy in Kenya is by and large unsustainable in the long run. With continued conflicts in the regional countries, it means there will continue to be an influx of refugees coming into the country. This impacts on the land resource for camps as is already granted by the host communities. This is a primary concern with Dadaab & Kakuma refugee camps already larger than their intended capacities at the time of creation. This overpopulation means increased conflicts within the camps and also with the neighboring host communities.

Encampment by and large is a form of imprisonment for refugees whose movement is curtailed by security and camp management authorities. This is doubly troubling for persons who have left their countries in search of a better life, from authoritarian governments and civil strife. In addition to the overpopulation this is not human dignity, Pan-African brotherliness or sustainable as a long-term solution.

In addition, the amounts required not only to support the ever-increasing number of refugees, staff and security authorities in refugee camps is not viable in the long run. This exclusionary policy has not worked in the decades it has been implemented and it will not work in the future. As mentioned above, the finances for sustaining it are dwindling and thus a new approach is necessary.

The most readily available solution is allowing refugees to engage in the formal economy so as to gradually reduce their dependence on the current system while also diverting the funds from such a system towards other important nation building endeavors.

IV. CONCLUSION

So far, the findings and discussions point to a net misunderstanding of refugee entrepreneurship within the host community and by authorities in Kenya. This study seeks to highlight how the continued focus on a refugee encampment policy as flawed. This policy, that sets refugees apart from Kenyans, as the solution to refugee issues in Kenya fails to take into consideration an ongoing global donor fatigue on funding refugee activities, thus making donor dependency a very risky solution. This study has shown that integration of refugees into the socio-economic fabric of host countries and utilization of their talents and skills has brought dividends, and thus Kenya should not be left to rely on a policy that has not borne fiscal fruits thus far.

It is important to note that refugee entrepreneurship in Kenya, refugee talent utilization and the integration of refugees into the economy of the country can provide additional revenue to the country and provide employment opportunities for both refugees and Kenyans. In cases where refugees have been willingly allowed to integrate and engage in socio-economic activities within the host country, the results so far indicate a net positive impact of their involvement. The overall impact of refugee entrepreneurship has to be evaluated by taking into consideration both the challenges and opportunities inherent for all concerned stakeholders in Kenya.

A. Policy Implications and recommendations

The continued focus on refugee encampment has led to a continued donor dependency as well as use of Kenya's social amenities by refugees without any returns factored in. In addition, the continued barriers by public and private sector institutions for refugees to fully participate in economic activities points to a general misinterpretation of the benefits vis a vis the drawbacks of having refugees participate in the economy of the refugee host areas and Kenya as a whole. The Ministry of Finance as well as county governments and financial institutions need to carefully evaluate the tangible effects of including refugees in the economy. This should be compared to the current situation to have a clear assessment of which is better for the country and for the refugees.

This study also sheds light on the need for Kenyan authorities to consider the free use of Kenya's social amenities by refugees without any fiscal returns is an added burden on Kenyan taxpayers. It is illogical that refugees are allowed to integrate and use the education system, health, sports/recreation facilities, water, electricity, transport and communication among others then lock them out of economically contributing to the utilization of these resources through taxes. As such the removal of barriers by public and private sector institutions for refugees to fully participate in economic activities is paramount. This particularly affects documentation by Kenyan authorities and access to finance by financial institutions.

Kenya's refugee policy environment as well-defined by the Refugees Act, 2021 of the laws of Kenya, is a big step up from previous laws that were archaic or ambiguous in nature on some critical issues. However, bureaucracy in government especially in the refugee affairs secretariat (RAS) means refugees are mostly unable to receive on time status determination, documentation, as well as other rights and services as envisioned by this law. It is important that the line ministry, the Ministry of Interior and coordination of national government need

to ensure this department is well funded and performs optimally for the benefit of refugees as a whole, and in particular refugee entrepreneurs.

The Refugee Act 2021, for all its progressive policies, is silent on the issue of full integration especially provision of a pathway to citizenship for recognized refugees in Kenya and other inherent political, social and economic rights of refugees under the jurisdiction of Kenya. Considering the large number of asylum seekers, refugees and other persons under the protection of the UNHCR in Kenya, this is an oversight that needs to be remedied. The ambiguity or silence of the Act on this weighty issue leaves a big space for misuse, the taking advantage of, or deliberate misrepresentation of some rights for refugees. This is also transferred to their issue in years to come. Refugees have arrived in the country, settled down, given birth and even had a third and fourth generation without all these generations having a pathway to citizenship. Refugees in developed countries usually have this opportunity, meaning they get to contribute better to their host country. The Parliament of Kenya (The National Assembly and The Senate) need to revisit this law and to specifically add clauses on pathway to permanent residence and citizenship options for refugees. It will further help in integration and access to finance for refugee entrepreneurs while also helping foster talent retention in the country. Kenyan policymakers are thus encouraged to look favorably on enacting, enshrining and actualizing policies that provide a pathway to citizenship for deserving refugees while also enabling current refugees receive fair opportunities at employment, starting their own businesses and eventually paying taxes to the country.

B. Limitation and Future Research

The authors of this study have utilized a qualitative method to review currently available secondary data sources on Refugee entrepreneurship. While it is acknowledged that “no scientific social research can be conducted purely by following only one method” (Hossain, 2001), any future research on this subject matter ought to use primary data sources and quantitative methods to corroborate the findings and conclusions of this study. Benefits of refugee entrepreneurship should thus be empirically authenticated by future researchers.

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