

Diaspora Nationals and Their Role in Promoting International Business: A Case of Kenyans in Dispora

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Abstract

Nationals in diaspora from any country are a national resource that needs to be harnessed. Tremendous contributions to the national economies have been made by diaspora Nigerians, Tanzanians, Indians, Kenyans, Rwandans, Southern Sudanese and Somalis. How can the home governments tap into this rich national resource, and can there be a conscious ethical obligation on both sides of diaspora nationals and home governments? This study was conducted between 2005 and 2013 with two objectives: one, to determine whether nationals in diaspora understand their ethical obligation towards home governments; and two, to demine whether the home governments have any obligation or even understand their ethical obligation towards their nationals in diaspora. A sample of Kenyans in diaspora residing in five geographical regions were selected: USA, UK, EU, South Africa, and Rwanda. Results indicated that few nationals in diaspora understand very little their moral and ethical obligation to their homeland, and some government officials do not see the need of supporting nationals in diaspora. The conclusion was that there was need to raise awareness of ethical responsibility for both diaspora nationals and home governments for the sake of national development.

Key Words: Diaspora nationals; ethical obligations; home governments; diaspora contributions to home economy, diaspora remittances; moral agents.

1. Introduction

There are 4.8 million Kenyans living and residing abroad, and as citizens, are an important asset to Kenya (Kenya Bureau of Statistics, Economic Survey, 2013).The government of Kenya therefore ought to be interested on the moral and ethical wellbeing of Kenyans in diaspora. One of the primary duties of any government is to take care of its citizens, at home or abroad. It therefore follows that the government has a moral and ethical obligation to take care of its citizens wherever they may be in the world. It also follows that the citizens of Kenya themselves must also understand that they have moral and ethical obligation towards their homeland and the government at home. Both sides of this relationship are moral agents to promote what is good for Kenya as a country.

2. Literature review

International business has close relations with migration of labor from one country to another because it benefits in one way or another from the cheap labor. International businesses, as an economic activity, encompasses production, distribution and consumption of goods and services worldwide, and have the primary aim of improving the shareholder value (Cherulinum, 2007). This can be achieved through the reducing operational costs, including cheap labor, which has been one of the attractive incentives for international firms to transfer operation from home country to other countries (De Hass, 2010). Sometimes labor moves from exodus countries to receiving countries where there is existence of employment opportunities and good prospects for other economic activities. Migrant labor is considered cheap because they lack bargaining power through organized labor movement. But international firms have moral and ethical obligation for treating migrant labor fairly and with dignity. Some of this labor have moved to host countries legally and therefore have legitimacy in residing in those countries and make a living. Employing firms must accord them respect and treat them fairly.

There are many reasons why nationals of a particular country leave their homeland and go abroad to live there (Oyelere, 2007). These national from any country are those who have dispersed, scattered, or spread to other countries, and have been termed diaspora nationals. Diaspora is a Greek word meaning dispersed, spread or scattered, and when applied to nationals of a country it denotes the widespread distribution of nationals to other

countries outside the homeland (Mahroum, 2006). Diaspora nationals include people born and bred in one country as well as citizens that have chosen for whatever reason to go and live in other countries.

The leading countries in the world having the largest number of diaspora nationals abroad are China with 48 million, India with 35 million, Mexico with 16 million, Indonesia 10 million, Nigerians 7 million (World Bank Report, 2012). Some of these emigrants may move to one country, hoping to settle there, but if not satisfied may move to a third or even a fourth country. This movement has been facilitated by growing globalization, advancements in transportation technology, and personal improvement in education that increases awareness and consciousness of available opportunities worldwide. Most of the emigrants are driven by hardships at home countries and they moved out to other countries where they hope for better standard of living and quality of life. Majority of these emigrants have technical and professional skills and can secure employment or establish their own business. In some countries diaspora nationals hold key positions as engineers, nurses, doctors and even university professors, and they contribute a lot to the economic development of those host countries.

3. Research Problem

Nationals of any country can be an alternate source of investment into a country through their remittances. Remittances come in form of private money transfer to either personal accounts or to relatives at home for purposes of investing. Real estate in Kenya and in other countries have benefited a lot from funds remitted by nationals in diaspora. Kapur (2003) stated that most developing countries have factored in their budgets expected remittances from nationals abroad. Indians and Nigerians in diaspora are known to have been contributing immensely to their home countries GDP. Cherunilum (2007) analyzed contributions from nationals in diaspora to the development of international business. He classified remittances from nationals abroad with the invisible trade that includes earnings from abroad by qualified nationals of a country. From 2005 up to 2013, this item of remittances from nationals abroad has been increasing and there should be more cry from developing countries of brain drain, but they should recognize the reverse technology that now serves the developed countries in form of qualified engineers, doctors, university professors, and nurses.

Many researchers have written about Kenyans in diaspora (Adepoju, 2011; Ayiamba 2007; and Braziel, 2008) and specifically about remittances to Kenya (Ghai, 20011; Kiiru, 2012; and Ngugi, 2011). It has been recognized even by government officials that diaspora Kenyans can play a very important role in national development. Efforts have been made by governments to woo Kenyans in diaspora to invest in Kenya their huge earnings abroad. In 2012 and 2013 conferences, seminars and symposia were organized jointly by Kenyan embassies and diaspora Kenyans in London, Atlanta, and in Berlin to discuss on the investment opportunities in Kenya. Interest was expressed by Kenyans in diaspora and requested the government of Kenya to create a more conducive atmosphere attractive for investment. Possibilities were identifies in stock exchanges, reals estate, building and construction, even long term investment in government securities. Kenyans residing in UK, USA and in EU countries centered at Berlin, Germany, have organized themselves into registered groups with fictional offices for contact.

Very few researchers have written about the role of Kenyans in diaspora and their ethical moral responsibilities to their homeland in all of their activities. These responsibilities are diverse from personal decorum as an ambassador and representative of one's own country to playing a nationalist role in matters that touch Kenya in different fora where the individual is the only Kenyan. The government of Kenya and Kenyan officials have an obligation to support activities and to assist Kenyan facing different challenges abroad.

There is a wide range of different types of support that the government can extend to diaspora Kenyans. These can include facilitation of their comeback, financial assistance for relocation, logistical support by embassies and consulates abroad, and other personal needs to be considered on individual basis. Sometimes there is a negative notion at home that Kenyans abroad are better placed than those citizens at home, and resources should not be spent in helping them abroad. If they managed to go abroad on their own, then they are a better lot and they can fend on their own. The correct view is that responsibility of a government to her cozens goes beyond that national boundaries, and if there is any Kenyan abroad facing difficulties, it is the responsibility of the home government to protect t hem. Moreover, rich Kenyans in diaspora can assist the government to mobilize investment funds abroad to be invested in Kenya. How can Kenyan nationals abroad participate in actualizing their patriotic and ethical responsibilities to effectively represent Kenya abroad, and how can government of Kenya and government officials increase their assistance in supporting Kenyans in diaspora? These questions forms the basis of the research objectives.

4. Methodology

The research design adopted was a survey to cover five geographical locations where many Kenyans reside. These were USA, United Kingdom, Germany and other EU states, South Africa, and Rwanda. Kenyans in USA, UK and Germany have organized themselves into groups and have operating offices for contact of all Kenyans in those regions. The interviews of respondents were split into two: to interview Kenyans in diaspora and get their views on their ethical responsibility towards their motherland; and to interview selected government officials both at home and in missions abroad on their ethical responsibility towards Kenyan citizens abroad.

Kenyans in USA, UK, Germany, South Africa, Rwanda and Southern Sudan were selected and interviewed. The questions posed to the respondent Kenyans in diaspora were geared towards recording their awareness of ethical responsibility towards their motherland. Government representatives at home and at missions abroad were also asked if they were aware and recognize their obligation to assisting Kenyans abroad. Contact was made with these offices and was informed of this study. Contact was also made with other Kenyan in other countries like in India, China, Australia, Eastern European countries and in other African countries. Information from Kenyans in South Africa, Rwanda and Southern Sudan was collected from returning Kenyans. Valuable information was obtained from Kenyan Embassies and consulates abroad as well as from World Bank Report on diaspora remittances to African Countries. The information was collected through interviews of respondents either in regional offices in USA, UK, Germany, Rwanda and South Africa. Returning Kenyans were also interviewed from Southern Sudan, Uganda, and UAE and from India and China. The data obtained was mainly qualitative in nature, and therefore content analysis was used.

5. Result of Research

Collected information from interviews were tabulated and collated. Content analysis was used and the following were the results.

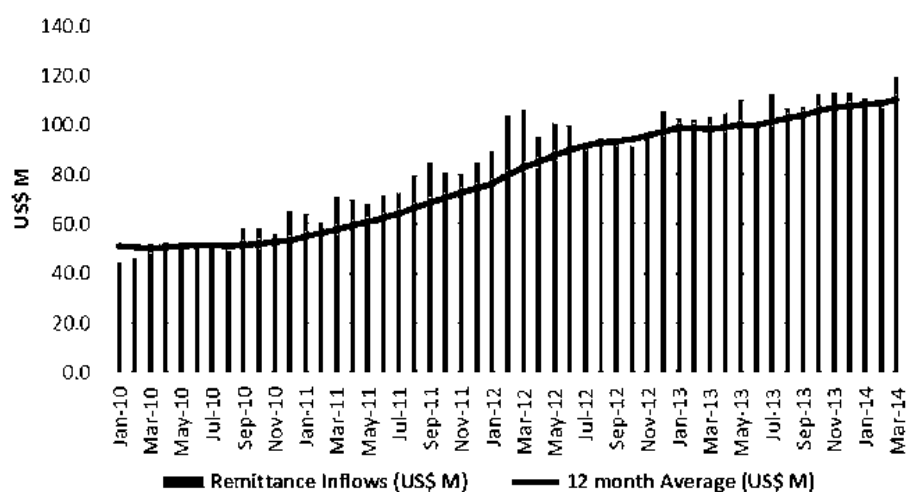
Table 1. Remittance inflows in January, February and March 2014.

	Remittance inflows (USD million)			Total
	North America	Europe	Rest of World	
Jan 14	56.04	28.94	25.99	110.97
Feb 14	54.59	29.94	25.89	110.42
Mar 14	61.42	29.95	28.22	119.58
	Percentage share			
Jan 14	50.5	26.1	23.4	100
Feb 14	49.4	27.1	23.5	100
Mar 14	51.4	25.0	23.6	100

Source: Central Bank of Kenya website: statistics. May 2014

Remittances in February 2014 from North America fell down from US\$ 56.04 million to US\$ 54.59 while in March went up to US\$ 61.42 million. European sources maintained a steady growth from 28.94 million in February to US\$29.95 almost US\$ 30 million. In percentage terms, North America in February accounted for 50.5%, while in March it accounted for 51.4%. Combined together North America and European remittances to Kenya accounted for an average of 63.9%. This means that Kenyans residing in these two location participate in economic development in Kenya, and the government should concentrate efforts in facilitating these Kenyans in diaspora to contribute to economic development of their motherland. It can also be said that this is a reflection of the level of recognition of these Kenyans of their responsibilities towards their home country. This table indicates that Kenyans in diaspora play an important role in remitting funds to Kenya and the government should facilitate them.

Figure 1. Average growth of remittances between January 2010 and March 2014.



Source: Central Bank of Kenya website

Figure 1 indicates that the average trend of these remittances from January 2010 to March 2014 have been steadily rising from US\$ 50 million to US\$ 110 million. This means that if we extrapolate these and project for the next two years, there will be more remittances to Kenya. It is a good source of extra funds for investment.

Kenyan in North America have organized themselves into groups in various states and towns both in Canada and the USA. They have established forums where they can discuss matters affecting their wellbeing as Kenyans. This is one way of recognizing their moral and ethical responsibility to themselves and to other Kenyans. At times many Kenyans who are in need assistance in North America have run to these offices for help. The Kenyan embassy and consulates should support such initiatives because in that way both sides of this relationship will be practicing as agents of ethical and moral responsibilities.

There were Kenyans who had different views on the investment conferences organized jointly by Kenya government and the diaspora Kenyans in USA and in the UK. Because there are costs associated to organizing such investment conferences, those who attended conferences were asked to pay a token fee to meet some of the organizing expenses. Some Kenyans felt that since it was a government affair trying to woo Kenyans to invest at home, the Kenya government should meet all the costs. Some argued that when wooing western investor's government of Kenya meet the costs, and likewise when convincing Kenyans to invest back at home, the government of Kenya should also meet the costs.

In the case of the two sides of moral agents in Southern Sudan, Kenyans in Southern Sudan and the Kenya government cooperated very well and the evacuation of Kenya citizens was well coordinated. This is where the government of Kenya demonstrated its principal responsibility of taking care of its citizens. But some Kenyans did not cooperate with Kenyan officials, falling in their moral and ethical responsibility to help others and to cooperate with Kenya government.

There are so many Kenyans in South Africa that include businessmen, medical doctors, restaurant owners, nurses, and university professors. Between 2009 and 2011, there was an established anti-foreigners negative feeling that took xenophobic proportions. Qualified and capable South Africans felt that they were being marginalized in their own country. This affected not only Europeans, Americans, Chinese and Indians, but also expatriates from other African countries like Nigeria, Kenya, and Zimbabwe. Kenyans were affected too but they quickly organized themselves into groups in towns and places where Kenyans frequent. Some Kenyans own eateries and restaurants in various towns and could congregate in these places to discuss their matters as Kenyans.

6. Conclusions and Recommendations

Results of this study indicated that few nationals in diaspora understand very little their moral and ethical obligation to their homeland, and some government officials do not see the need of supporting nationals in diaspora. The conclusion was that there was need to raise awareness of ethical responsibility for both diaspora nationals and home governments for the sake of national development.

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